Bank of Cyprus Group

Group Financial Results

For the nine months ended 30 September 2021

Bank of Cyprus Holdings

DISCLAIMER

The financial information included in this presentation is neither reviewed nor audited by the Group's external auditors.

This financial information is presented in Euro (€) and all amounts are rounded as indicated. A comma is used to separate thousands and a dot is used to separate decimals.

Important Notice Regarding Additional Information Contained in the Investor Presentation

The presentation for the Group Financial Results for the nine months ended 30 September 2021 (the "Presentation"), available on https://www.bankofcyprus.com/en-GB/investor-relations-new/reports-presentations/financial-results/, includes additional financial information not presented within the Group Financial Results Press Release (the "Press Release"), primarily relating to (i) NPE analysis (movements by segments and customer type), (ii) rescheduled loans analysis, (iii) details of historic restructuring activity including REMU activity, (iv) analysis of new lending, (v) Income statement by business line, (vi) NIM and interest income analysis and (vii) Loan portfolio analysis in accordance with the three-stages model for impairment of IFRS 9. Moreover, the Investor Presentation includes additional financial information not presented in the Results Announcement of current and expected medium term levels for (i) NPE coverage and (ii) ESG performance metrics. Except in relation to any non-IFRS measure, the financial information contained in the Investor Presentation has been prepared in accordance with the Group's significant accounting policies as described in the Group's Annual Financial Report 2020 and updated in the Interim Financial Report 2021. The Investor Presentation should be read in conjunction with the information contained in the Press Release and neither the financial information in the Press Release nor in the Investor Presentation constitutes statutory financial statements prepared in accordance with International Financial Reporting Standards.

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This document contains certain forward-looking statements which can usually be identified by terms used such as "expect", "should be", "will be" and similar expressions or variations thereof or their negative variations, but their absence does not mean that a statement is not forward-looking. Examples of forward-looking statements include, but are not limited to, statements relating to the Group's near term, medium term and longer term future capital requirements and ratios, intentions, beliefs or current expectations and projections about the Group's future results of operations, financial condition, expected impairment charges, the level of the Group's assets, liquidity, performance, prospects, anticipated growth, provisions, impairments, business strategies and opportunities. By their nature, forward-looking statements involve risk and uncertainty because they relate to events, and depend upon circumstances, that will or may occur in the future. Factors that could cause actual business, strategy and/or results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements made by the Group include, but are not limited to: general economic and political conditions in Cyprus and other European Union (EU) Member States, interest rate and foreign exchange fluctuations, legislative, fiscal and regulatory developments, information technology, litigation and other operational risks, adverse market conditions, the impact of outbreaks, epidemics or pandemics, such as the COVID-19 pandemic and ongoing challenges and uncertainties posed by the COVID-19 pandemic for businesses and governments around the world. Should any one or more of these or other factors materialise, or should any underlying assumptions prove to be incorrect, the actual results or events could differ materially from those currently being anticipated as reflected in such forward looking statements. The forward-looking statements made in this document are only applicable as at the date of publication of this document. Except as required by any applicable law or regulation, the Group expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward looking statement contained in this document to reflect any change in the Group's expectations or any change in events, conditions or circumstances on which any statement is based.

Highlights

3Q2021 - Highlights

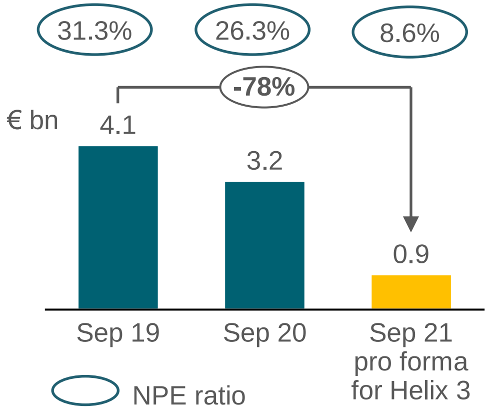
Strong recovery continues	**€1.3 bn** **New lending ytd**	• 5.3% GDP growth in 3Q2021, well above the eurozone average of 3.7% • GDP expected to grow by c.5.5%[1] in FY2021 and recover to pre-pandemic levels by year-end • Continuing to support the recovery; new lending of €1.3 bn in 9M2021, up 35% yoy
Positive Operating Performance	**€41 mn** **Operating Profit**	• Total income of €139 mn for 3Q2021, down 8% qoq partly impacted by Helix 2 completion • Strong net fees and commissions at €44 mn for 3Q2021; 32% of total income • Profit after tax and before non-recurring items of €13 mn for 3Q2021 and €64 mn for 9M2021 • Profit after tax of €19 mn for 3Q2021 and €20 mn for 9M2021
Operating Efficiency	**64%** **Cost/Income[2]**	• Total operating expenses[2] of €89 mn for 3Q2021, flat qoq • Cost to income ratio[2] at 64% for 3Q2021, up 6 p.p. qoq, mainly impacted by Helix 2 completion
Strong Capital and Liquidity	**15.3%** **CET1 ratio[3,4]**	• CET1 ratio of 15.3%[3,4] and Total Capital ratio of 20.4%[3,4] • Deposits at €17.1 bn up 2% qoq; significant surplus liquidity of €6.0 bn (LCR 294%)
Single digit NPE ratio[4]	**3.6%[4]** **Net NPE ratio**	• NPE sale signed in November 2021 (Helix 3), reducing NPE ratio to 8.6%[4] (3.6%[4] net), already in line with 2022 target • NPEs reduced to €0.9 bn[4] (€0.4 bn[4] net) • Organic NPE reduction of c.€300 mn in 9M2021 • 96% of performing loans[5] under expired payment deferrals with an instalment due by 22 November 2021, presented no arrears

On-track to achieve our Medium Term Targets

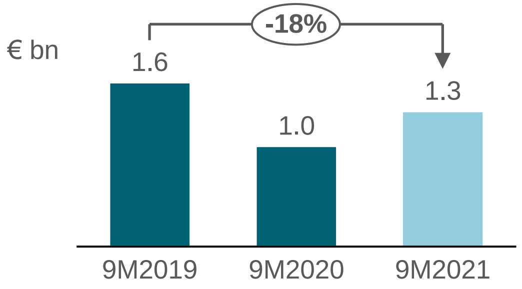
1) Source: Ministry of Finance
2) Excluding special levy on deposits and other levies/contributions
3) Allowing for IFRS 9 and temporary treatment for certain FVOCI instruments transitional arrangements
4) Pro forma for Helix 3
5) As at 30 September 2021

Significant progress achieved on strategic priorities

Single digit NPE ratio achieved

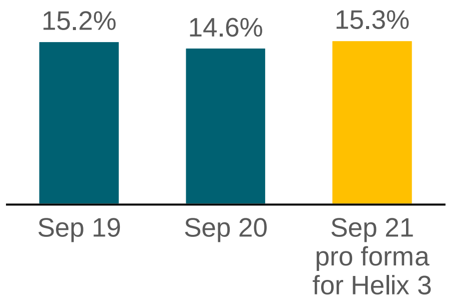


New lending recovering towards pre-pandemic levels

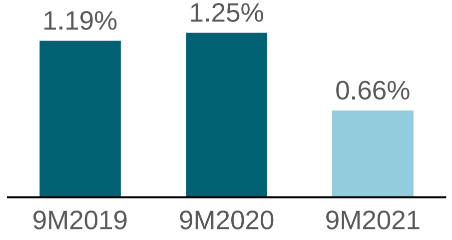


Preserved strong capital

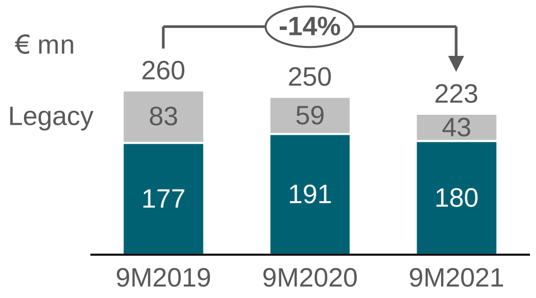
CET1 ratio[1]



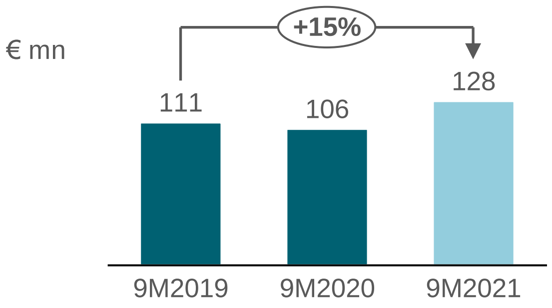
Cost of Risk normalizing post NPE sales



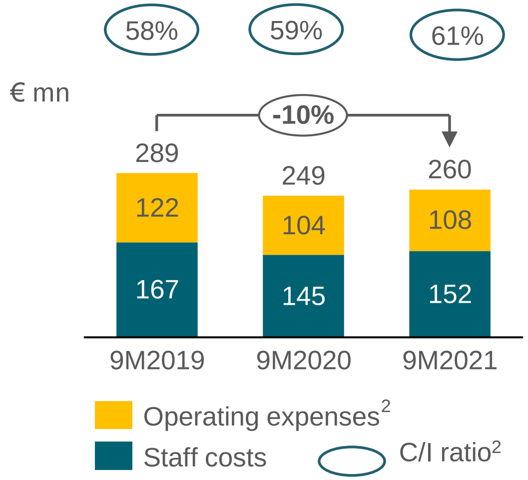
NII impacted by de-risking and rates



Net fees above pre-pandemic levels



Focus on further improving efficiency



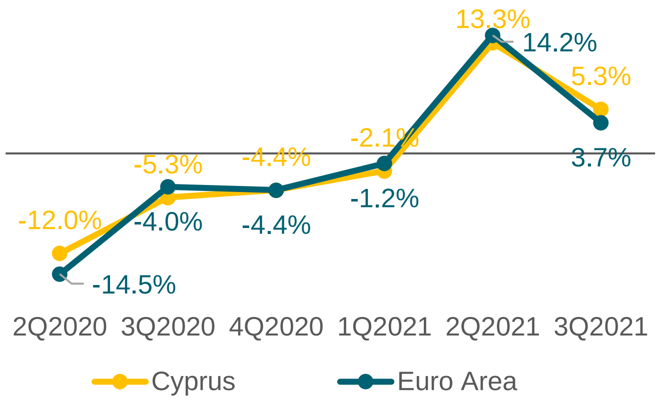
1) Allowing for IFRS 9 and temporary treatment for certain FVOCI instruments transitional arrangements
2) Excluding special levy on deposits and other levies/contributions

Strong recovery of Cypriot economy continues with GDP growing 5.3% in 3Q2021

- **Open, small and flexible economy which has demonstrated historically that it can quickly recover from economic crises**
- 3Q2021 growth supported by rebound mainly in the Tourism, Trade and Manufacturing sectors
  - *permits up 8% yoy and at the same levels as 2019*
  - *Industrial production up 9% yoy; down 2% over the same period in 2019*
  - *Retail sales excluding vehicles up 7% yoy and up 4% over the same period in 2019*
- Economy expected to recover to pre-pandemic levels (c.5.5%[1]) by the end of 2021 and grow by c.4%[1] in 2022
- Tourism performance better than initially anticipated; Tourism season extended until October; steady monthly recovery of tourist arrivals; October 2021 arrivals +289% yoy, now at 90% of Oct 2019 levels; cautiously optimistic for 2022 bookings
- The implementation of Cyprus' Recovery and Resilience Plan (€1.2 bn) is expected to support domestic activity and employment through higher investment and to enhance growth potential via reforms (see slides 37-38)

Strong economic recovery continued in 3Q2021

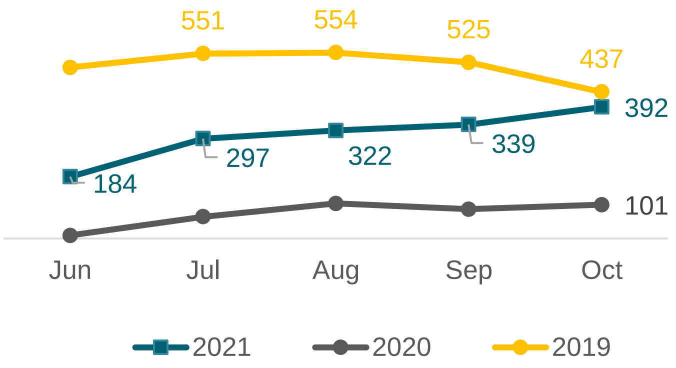
GDP yoy change[2]



- **GDP expected to grow by c.5.5%[1] in 2021 and recover to pre-pandemic levels**

Steady recovery of tourist arrivals[2]

(in '000)



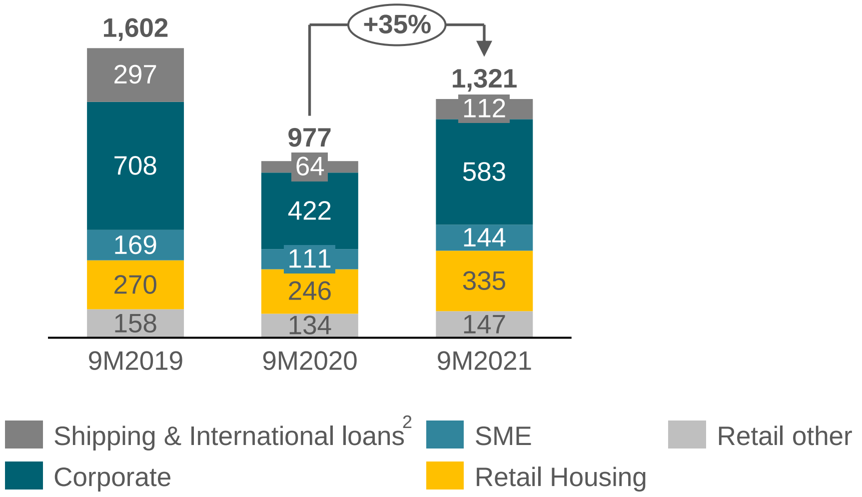
- **Tourism season extended until October**
- **Oct tourist arrivals +289% yoy, now at 90% of 2019 levels**

1) According to Ministry of Finance
2) Source: Cyprus Statistical Service, Eurostat

New lending[1] of €1.3 bn in 9M2021, up 35% yoy

New lending recovering towards pre-pandemic levels

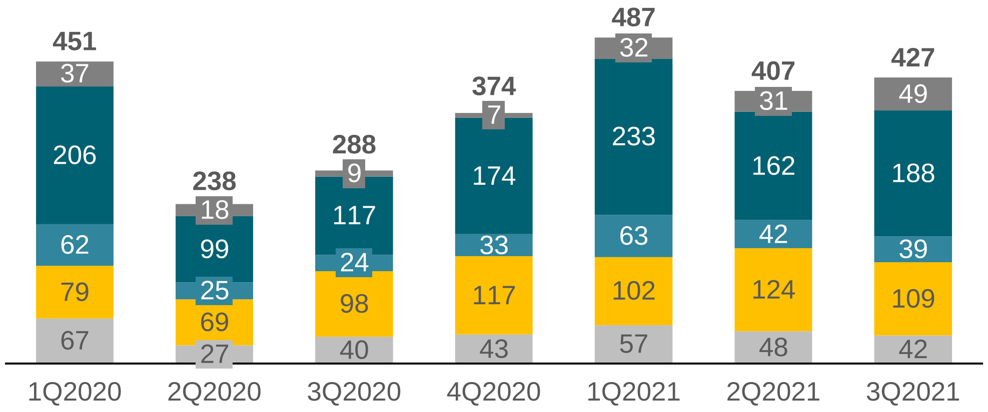
€ mn



39%

Market share in loans

New lending[1] remained strong in 3Q2021



- **New lending for 9M2021 reached c. 80% of 9M2019 levels**
- Demand for housing loans remains strong, supported by government interest rate subsidy scheme; c.€265 mn new housing loans approved since the beginning of the scheme; pipeline of €127 mn as at mid-Nov 2021
- Corporate new lending at €188 mn for 3Q2021, up 60% yoy as economic activity continues to improve
- Meticulous assessment of repayment capability and strict origination standards

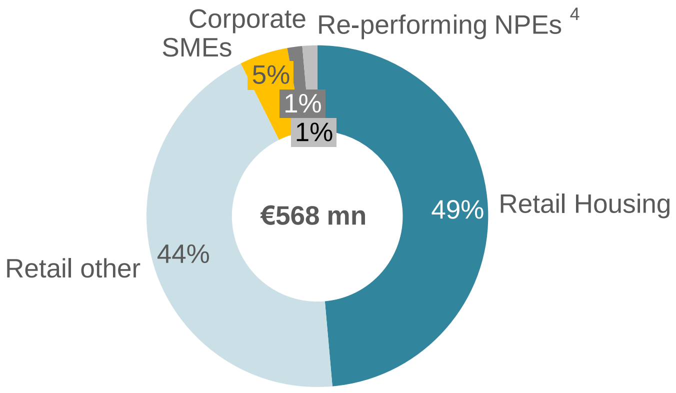
1) Refer to slide 69 for definition of new lending
2) Includes syndicated loans

€0.6 bn NPE sale agreed, reducing NPE ratio to 8.6%[1]

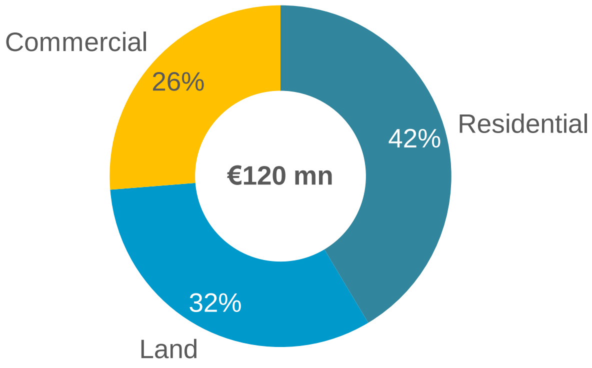
Helix 3

- Agreement for the sale of €568 mn[2] NPEs and €120 mn[2] REMU properties
- Gross cash consideration of c.€385 mn
- Completion expected in 1H2022
- Accounting profit of c.€10 mn recorded in 3Q2021; +8 bps on CET1
- Overall by completion, total positive impact of 67 bps on the CET1 ratio and c.€21 mn on the Group's income statement

NPEs

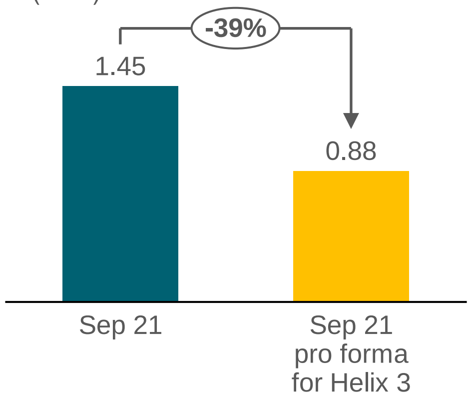


REMU properties

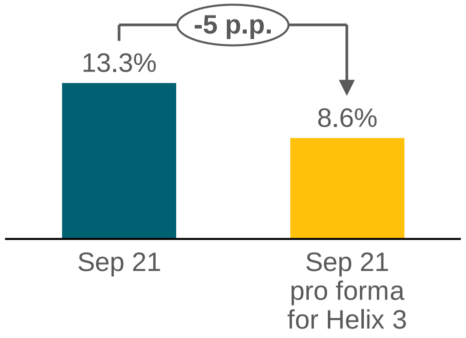


39% reduction of NPEs

(€ bn)

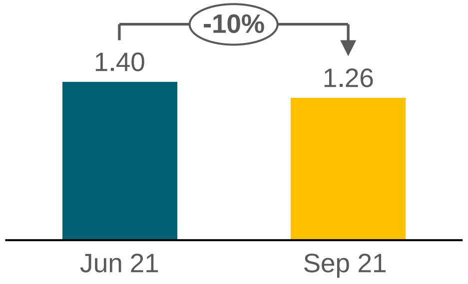


5 p.p. reduction in NPE ratio



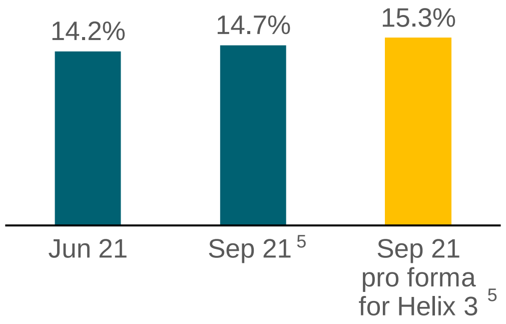
10% reduction of REMU stock

Book value (€ bn)



Overall, by completion 67 bps capital accretive

CET1 ratio[3]



1) Pro forma for Helix 3
2) With reference date 30 September 2021
3) Allowing for IFRS 9 and temporary treatment for certain FVOCI instruments transitional arrangements
4) In pipeline to exit NPEs subject to meet all exit criteria; the analysis is performed on a customer basis (formerly called Non-core NPEs)
5) CET1 (includes unaudited/un-reviewed profits for the nine months ended 30 September 2021)

NPE sales of €4.7 bn since 2018

Helix 1
✓Completed

Sale of €2.7 bn NPEs

- Mainly secured large Corporate and SME NPEs
- c.60 bps capital accretive
- Completed in 2Q2019

Velocity 1
✓Completed

Sale of €34 mn NPEs

- Retail unsecured NPEs
- Capital neutral
- Completed in 2Q2019

Velocity 2
✓Completed

Sale of €133 mn NPEs

- Retail unsecured NPEs
- Capital neutral
- Completed in 2Q2020

Helix 2
✓Completed

Sale of €1.3 bn NPEs

- Mainly secured Retail and SME NPEs
- -48 bps capital impact in by completion
- +64 bps capital impact upon full payment of deferred consideration[1]
- Completed in 2Q2021

Helix 3
✓SPA signed

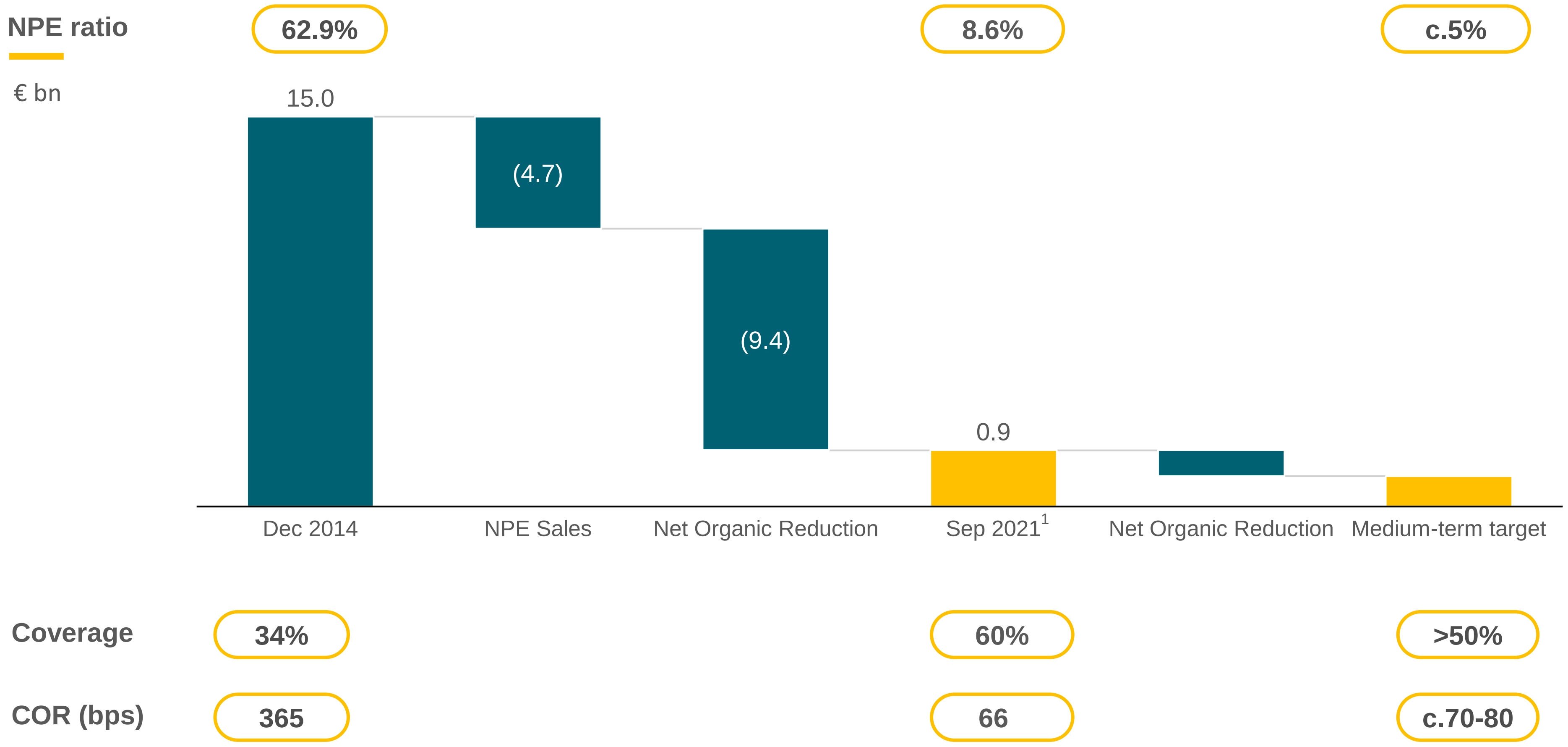
Sale of €0.6 bn NPEs[2]

- Mainly Retail NPEs
- Sale of €120 mn REMU properties[2]
- 67 bps capital accretive by completion
- Completion expected in 1H2022

1) With reference date 30 June 2021
2) Assumes legal completion

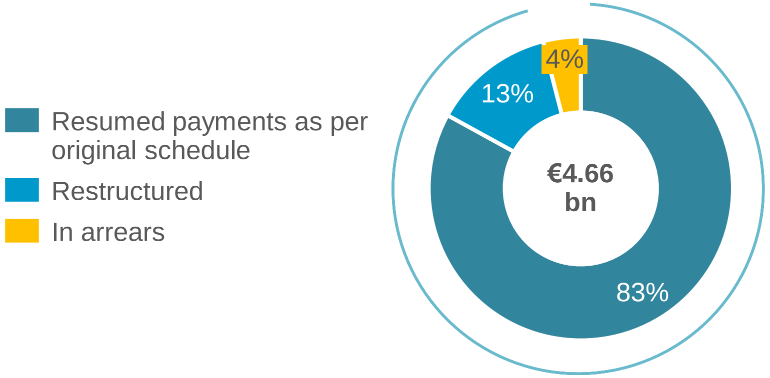
Single digit NPE ratio achieved

On track to deliver NPE ratio of 5% in the medium term



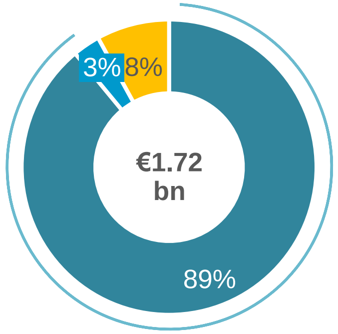
1) Pro forma for Helix 3

Strong performance of moratorium portfolio continues, 11 months after deferral expiry



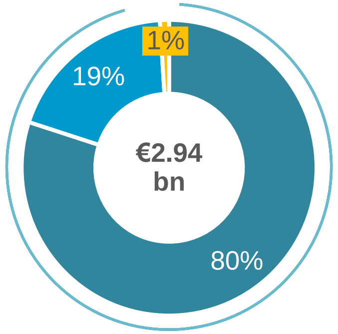
96% no arrears

Private Individuals



92% no arrears

Businesses



99% no arrears

- 96% of performing loans[1] under expired payment deferrals[2] present no arrears, of which €0.59 bn have been restructured
- Just 4% (€186 mn) in arrears of which €178 mn in early arrears (<30 dpd)
- Strong track record in dealing with restructurings
- Targeted restructuring solutions to alleviate pandemic-related short-term cash flow burden, following rigorous assessment of repayment ability

- **Private Individuals:**
  - 92% of performing loans[1] under expired payment deferrals[2] present no arrears of which c.€36 mn have been restructured
  - €142 mn (8%) in arrears of which €135 mn in early arrears (<30 dpd)
- **Businesses:**
  - 99% of performing loans[1] under expired payment deferrals[2] present no arrears of which €556 mn have been restructured; mostly in the tourism sector
  - Just 1% (c.€44 mn) in arrears

1) As at 30 September 2021
2) With instalment due by 22 Nov 2021

Profitability

Income Statement

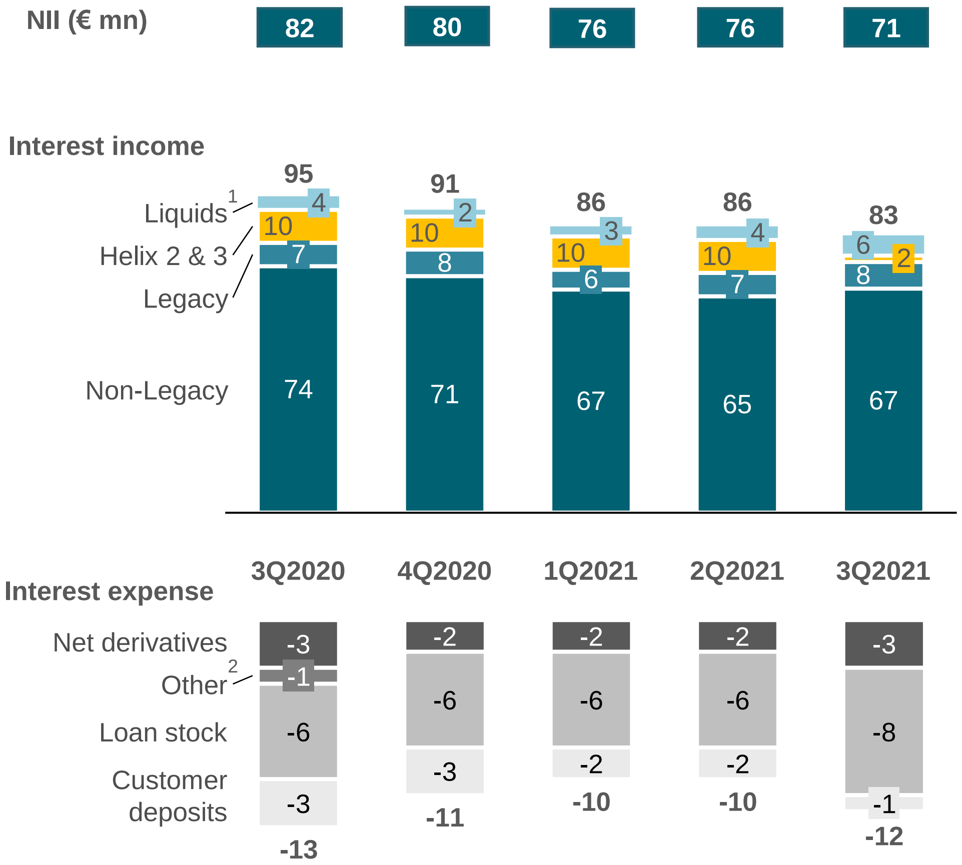
€ mn	9M2021	9M2020	3Q2021	2Q2021	qoq%	yoy%
Net Interest Income	223	250	71	76	-6%	-11%
Non interest income	204	175	68	76	-10%	16%
Total income	427	425	139	152	-8%	0%
Total operating expenses[1]	(260)	(249)	(89)	(89)	1%	4%
Operating profit	**143**	**152**	**41**	**57**	**-29%**	**-6%**
Total loan credit losses, impairments and provisions	(76)	(158)	(26)	(24)	3%	-52%
Profit/(loss) after tax and before non-recurring items[2]	**64**	**(9)**	**13**	**34**	**-59%**	**-**
Advisory and other restructuring costs -organic	(19)	(9)	(1)	(15)	-93%	102%
Profit/(loss) after tax-Organic[2]	**45**	**(18)**	**12**	**19**	**-31%**	**-**
Provisions/ net (loss)/profit on NPE sales[3]	(6)	(87)	10	(14)	-	-94%
Restructuring and other costs[3]	(19)	(17)	(3)	(12)	-71%	22%
Profit/(loss) after tax[2]	**20**	**(122)**	**19**	**(7)**	**-**	**-**
Key Ratios						
Net Interest margin (annualised)	**1.49%**	**1.87%**	**1.34%**	**1.49%**	**-15 bps**	**-38 bps**
Cost to income ratio	**66%**	**64%**	**71%**	**62%**	**9 p.p.**	**2 p.p.**
Cost to income ratio excluding special levy on deposits and other levies/contributions	**61%**	**59%**	**64%**	**58%**	**6 p.p.**	**2 p.p.**
Cost of Risk (annualised)	**0.66%**	**1.25%**	**0.78%**	**0.52%**	**26 bps**	**-59 bps**
EPS[4] before non-recurring items (€ cent)	**14.31**	**(1.99)**	**3.08**	**7.48**	**-4.40**	**16.30**

- NII for 3Q2021 decreased to €71 mn following Helix 2 completion in June 2021 (c.€8 mn in 2Q2021)
- NIM reduced to 1.34% for 3Q2021 following Helix 2 completion and 3 p.p. increase of AIEA held in liquids (53%)
- Non interest income for 3Q2021 amounted to €68 mn, mainly due to lower net insurance income; net insurance income mostly impacted by seasonality, higher claims and changes in the discount rate
- Total operating expenses[1] at €89 mn for 3Q2021, flat qoq
- Provisions and impairments for 3Q2021 amounted to €26 mn, up 3% qoq; cost of risk at 78 bps
- **Profit after tax and before non-recurring items[2] of €13 mn for 3Q2021 and €64 mn for 9M2021**
- **Profit after tax[2] for 3Q2021 amounted to €19 mn and €20 mn for 9M2021**
- **ROTE[4] before non-recurring items of 3.3% for 3Q2021 and 5.2% for 9M2021**

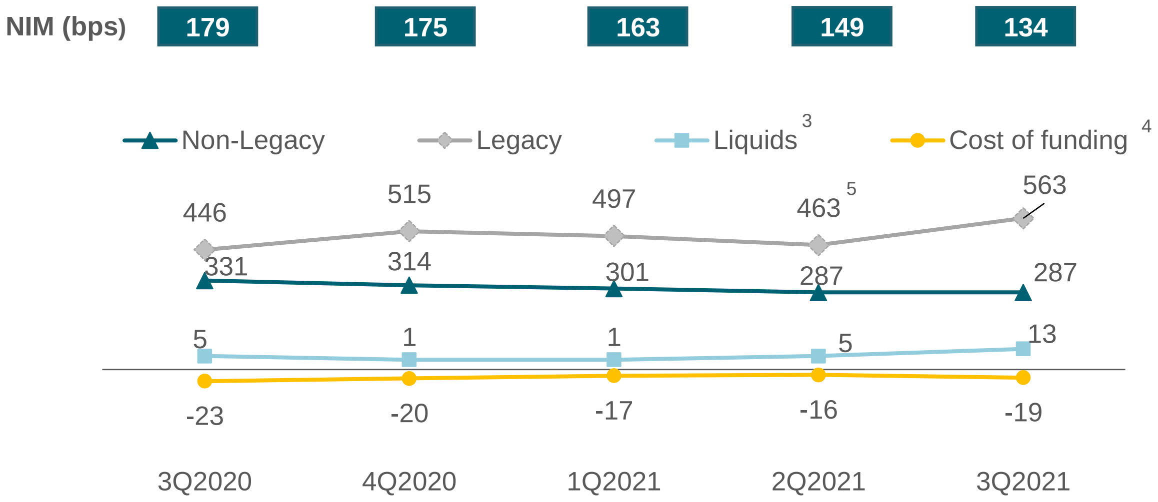
1) Excluding special levy on deposits and other levies/contributions
2) Attributable to the owners of the Company
3) Please refer to section A.2.4 “Profit/(loss) after tax (attributable to the owners of the Company)” of the 9M2021 FR Press Release
4) Calculated using Profit/(loss) after tax and before non-recurring items

Drivers of NIM

NII impacted by Helix 2 deconsolidation



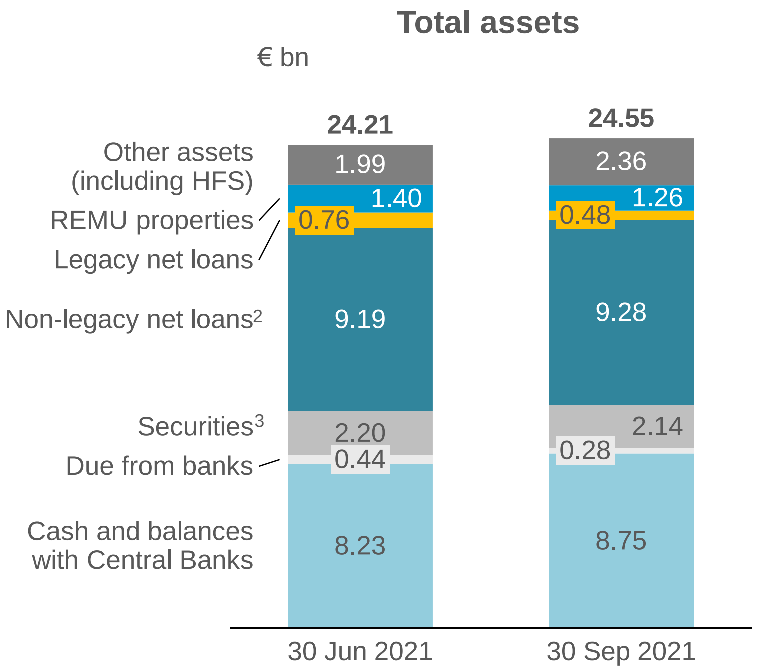
Effective yield on assets & cost of funding

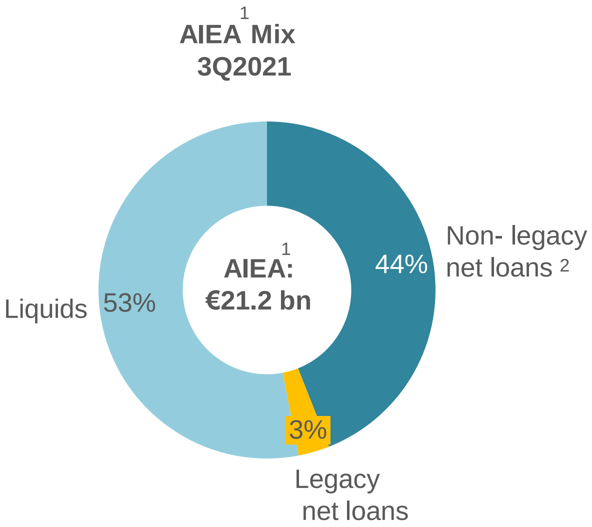


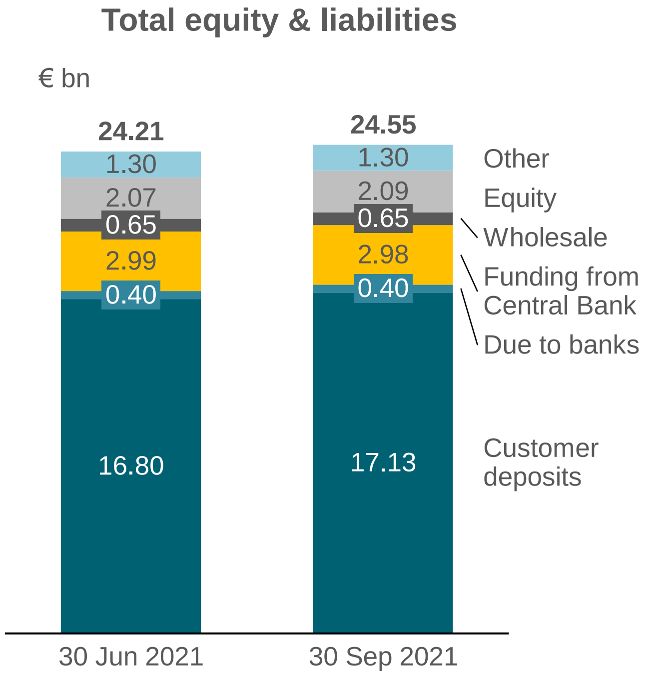
- Non-Legacy book yields at 287 bps flat qoq
- Effective yield of liquids increased to 13 bps, up 8 bps qoq driven mainly by the interest income of the deferred consideration of Helix 2 (c.€2.7 mn in 3Q2021)
- TLTRO III borrowing at €3.0 bn, expected to be repaid by mid-2022
  - c.€7 mn NII benefit for the period Jun 2020-Jun 2021
  - c.€15 mn[6] potential NII benefit for the period Jun 2021-Jun 2022 is recognised over the respective period in the income statement
- Cost of funding increased to 19 bps, due to higher interest expense following the issuance of €300 mn senior preferred notes in June 2021

1) Cash, placements with banks, balances with central banks and bonds
2) Other includes funding from central banks and deposits by banks and repurchase agreements. For further details, please see slide 63
3) Effective yield of liquid assets: Interest income on liquids after hedging, over average liquids (Cash and balances with central banks, placements with banks and bonds)
4) Effective yield of cost of funding: Interest expense of all interest bearing liabilities after hedging, over average interest bearing liabilities (customer deposits, funding from the central bank, interbank funding and wholesale funding)
5) Adjusted for Helix 2
6) Based on current ECB rates and provided the Bank meets the lending thresholds

Balance sheet composition



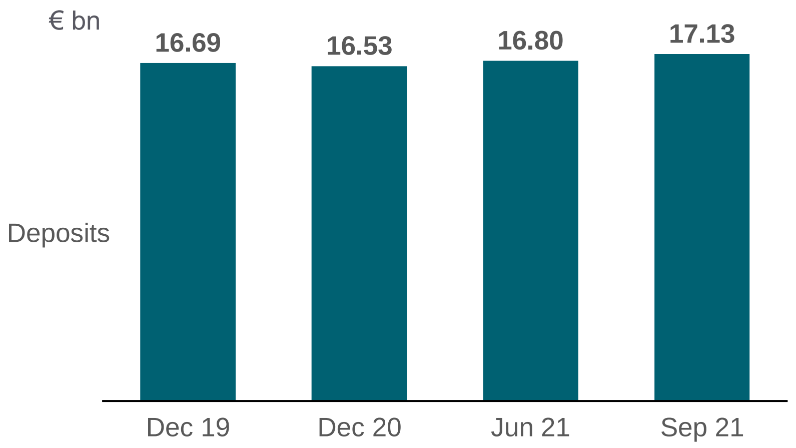


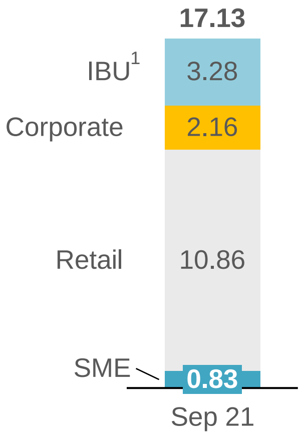


- Balance sheet size increased by c.€0.3 bn qoq to €24.55 bn driven by 2% increase of customer deposits
- 53% of AIEA[1] held in liquids resulting in a dilutive impact on NIM (see slide 14)
- Non-legacy net loans2 increased by 1% to €9.28 bn, driven mainly by increased demand for housing loans and corporate loans
- Pro forma for Helix 3, legacy net loans and REMU properties reduced to €0.48 bn and €1.26 bn respectively

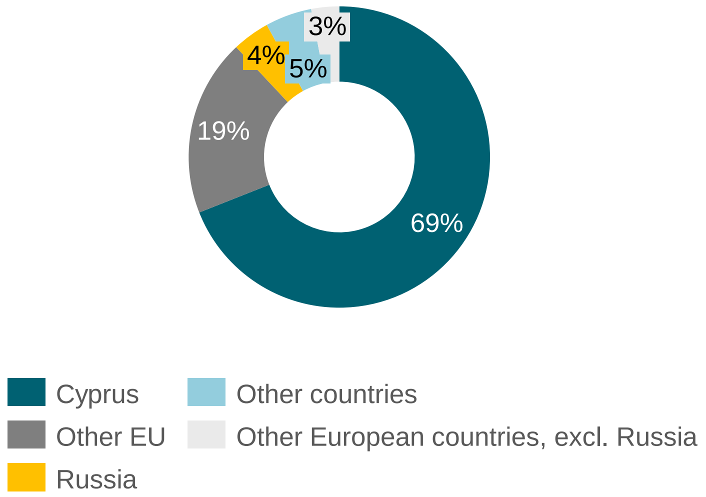
1) AIEA: Average Interest Earning Assets. Please refer to slide 67 for the definition
2) Net loans of Corporate (incl. IB and W&M and Global Corporate), SME, Retail, and H/O)
3) Debt securities, treasury bills and equity investments

Deposits at €17.1 bn up 2% qoq; significant liquidity surplus of €6.0 bn





Cyprus deposits by passport origin[3]



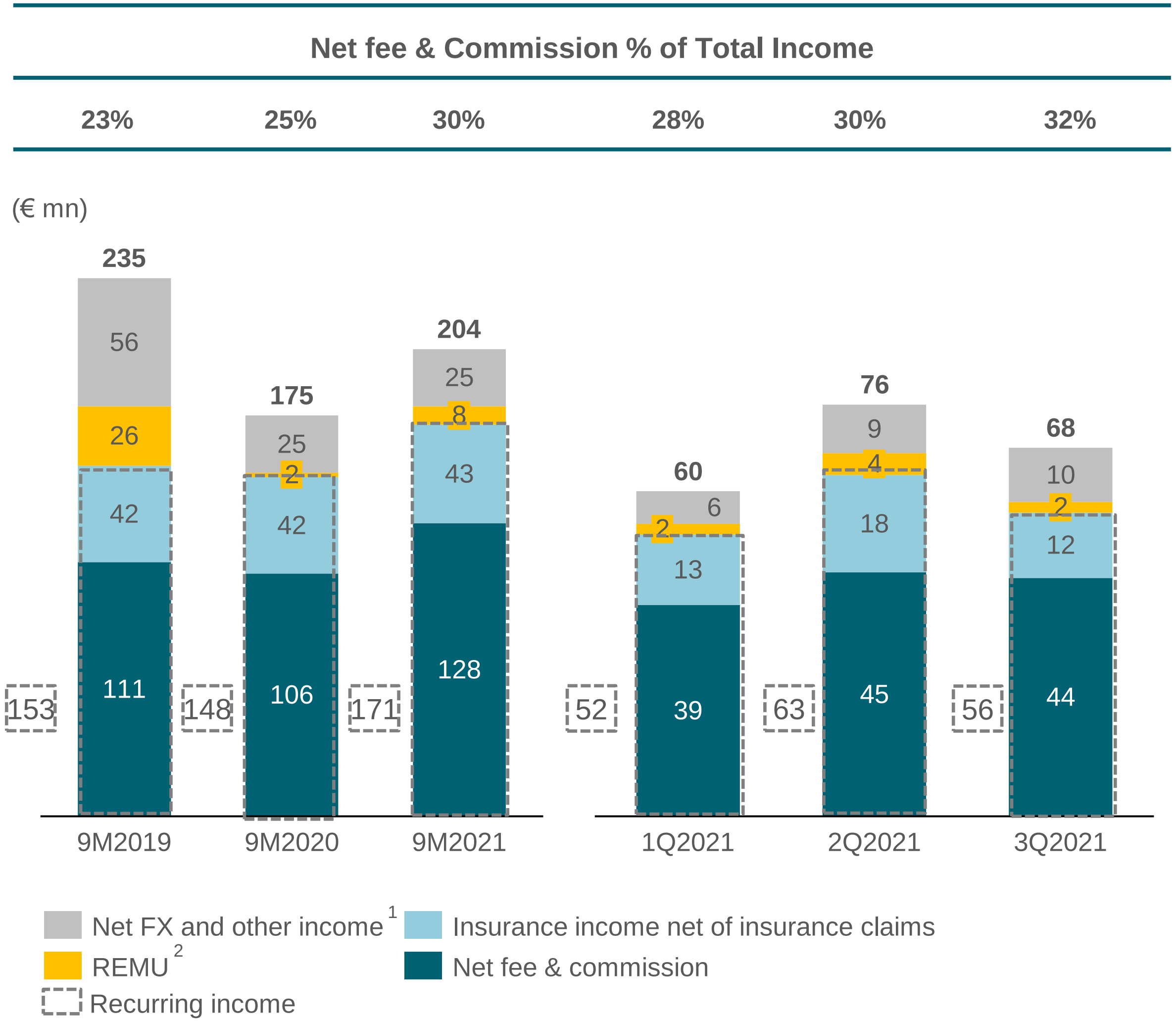
Significant surplus liquidity of €6.0 bn

Liquidity ratio	Minimum required	30 Sep 2021	Surplus
LCR (Group)	100%	294%	€5,963 mn
NSFR[2]	100%	148%	€5,857 mn

- Strong deposit market share of 35% as at 30 Sep 2021
- TLTRO III borrowing at €3.0 bn, expected to be repaid by mid-2022

1) Servicing exclusively international activity companies registered in Cyprus and abroad and not residents
2) The NSFR is calculated as the amount of “available stable funding” (ASF) relative to the amount of “required stable funding” (RSF). The regulatory limit has been set at 100% as per CRR II enforced in June 2021. The NSFR weights under CRR II do not have material deviations from those under Basel III guidelines which the Group followed prior to CRR II enforcement
3) Origin is defined as the country of passport of the Ultimate Beneficial Owner

Non interest income at €68 mn in 3Q2021



- Non interest income for 3Q2021 amounted to €68 mn, down 10% qoq, reflecting mainly lower net insurance income
- Net fee and commission income broadly flat qoq at €44 mn
- Net fee and commission income of €128 mn for 9M2021, up 20% yoy, and above pre-COVID-19 levels following:
  - extension of liquidity fees to a wider customer group
  - introduction of a revised price list in Feb 2021
- Net insurance income for 3Q2021 amounted to €12 mn, down 36% qoq; mostly impacted by seasonality, higher claims and changes in the discount rate
- Net FX and other income[1] increased to €10 mn, up 15% qoq, mainly due to the increase in dividend income

1) Net FX gains/(losses) & Net gains/(losses) on financial instruments, and other income
2) Gains/(losses) from revaluation and disposal of investment properties and on disposal of stock of properties

Profitable Insurance business- sustainable healthy profitability in 9M2021

eurolife

€ mn	9M2021	9M2020	yoy%
GWP[2]	*98.9*	*92.7*	*7%*
Net reinsurance cost	(13.8)	(14.4)	-4%
Net impact of interest rate movements	(3.4)	1.6	-
Costs, claims and change in reserves	(58.0)	(56.9)	2%
Net insurance income	**23.6**	**23.0**	**3%**
Total Regular income[1]	99.9	93.7	7%

- GWP[2] up 7% yoy
- Net insurance income broadly flat yoy, as higher GWP[2] partly offset by changes in the discount rate
- AUM increased to €530 mn, up 11% ytd
- Total regular income[1] up 7% yoy

12% contribution to non interest income

Genikes Insurance

€ mn	9M2021	9M2020	yoy%
Insurance income	45.1	41.9	8%
(of which GWP[2])	*39.8*	*36.4*	*9%*
Costs and claims	(26.1)	(23.3)	12%
Net insurance income	**19.0**	**18.6**	**2%**

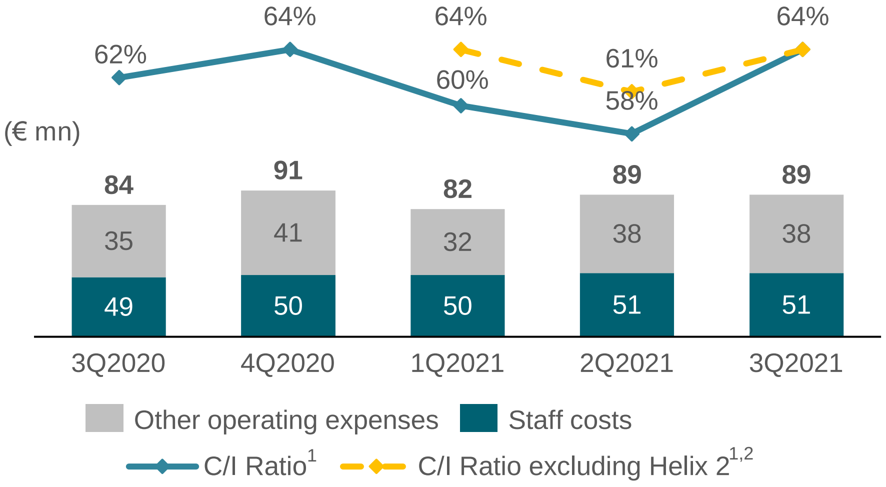
- GWP[2] up 8% yoy
- Net insurance income broadly flat yoy, as higher GWP[2] partly offset by higher costs and claims; (9M2020 claims positively impacted by lockdowns)

9% contribution to non interest income

1) Total regular income includes yearly renewable gross written premiums and occupational pension contributions
2) Gross written premium

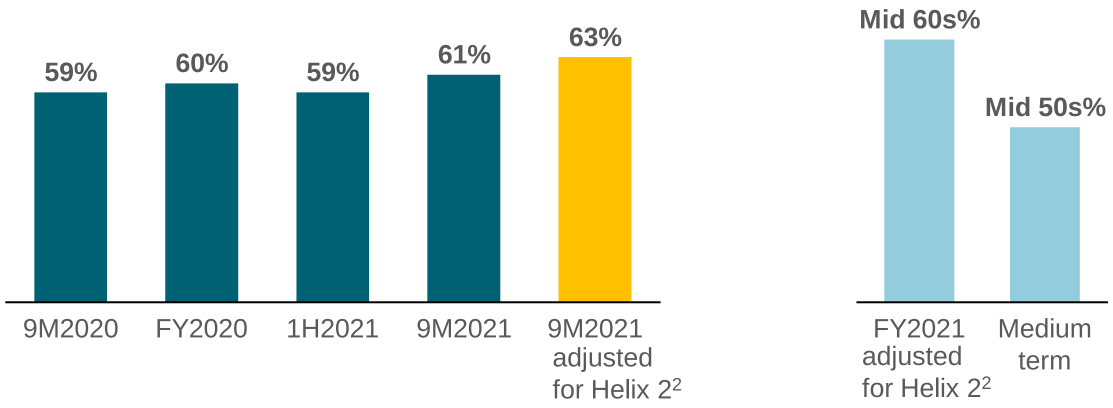
Total Operating Expenses at €89 mn flat qoq

Total operating expenses[1] flat qoq and up 4% yoy



- Staff costs of €51 mn for 3Q2021, flat qoq
- Operating expenses of €38 mn for 3Q2021, flat qoq
- **Medium-term guidance for total annual operating expenses[1] <€350 mn, remains unchanged**

Cost to income ratio[1] at 61% for 9M2021



- C/I ratio[1] of 61% for 9M2021 and 63% when adjusted for Helix 2
- C/I ratio[1] to reduce to mid 50s% in the medium term

1) Excluding special levy on deposits and other levies/contributions
2) Adjusted for the interest income of Helix 2 portfolios

Leverage leading Digital Capabilities to serve customers and the economy

Vision

Leverage technology to sustain a competitive advantage through digital banking

Serve customer needs anywhere and at any time, through an agile technology ecosystem

Be the driver of digital economy, in support of national efforts for structural economic reform

Creating shareholder value

- **Improving operational efficiency through:**
  - further automation
  - further branch rationalisation
- **Opportunities to cross-sell through:**
  - modelling customers' needs and behaviours
  - offering tailored products and services

Digital Transactions ratio[1]

Oct 2019[2]	Oct 2020[2]	Oct 2021
75.9%	84.4%	88.0%

Digitally Engaged Customers[1]

Oct 2019[2]	Oct 2020[2]	Oct 2021
68.4%	74.0%	78.1%

Average mobile logins per month

Oct 2019	Oct 2020	Oct 2021
15.2x	16.9x	18.8x

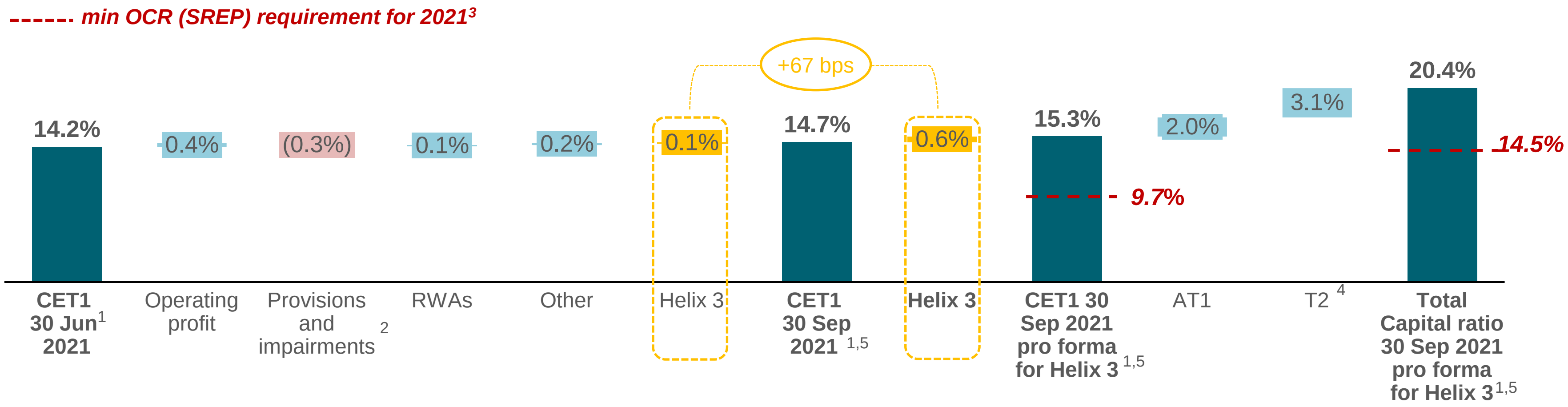
Active users of Internet and/or Mobile Banking

Oct 2019	Oct 2020	Oct 2021
246K	285k	326k

1) Please refer to slide 68 for the definitions
2) Comparative figures have been revised in order to include data for the transactions of "Payroll & Group Transfers" through 1Bank.

Capital & Asset Quality

Pro forma for Helix 3, CET1 at 15.3% [1] and Total Capital ratio at 20.4%[1]



Capital evolution in 3Q2021

- CET1 ratio[1] **positively** impacted by:
  - c.40 bps organic capital generation from operating profitability
  - c.10 bps from decrease of risk weighted assets
  - c.10 bps from Helix 3
- CET1 ratio[1] **negatively** impacted by:
  - c.30 bps from provisions and impairments
- Overall, Helix 3 expected to add 67 bps by completion
- CET1 ratio fully loaded at 13.3% and 13.9% pro forma for Helix 3

Changes in capital requirements (see slide 58)

- CET1 and Total capital ratio minimum capital requirements for 2022 expected to increase to 10.09% and 15.02% respectively, following c.27 bps add-on[6] in P2R due to ECB's prudential provisioning expectations and 25 bps phasing in of O-SII buffer
- P2R add-on is dynamic and can be reduced during 2022 on the basis of in-scope NPEs and level of provisioning
- Decrease in P2G more than offsets P2R increase in CET1 ratio
- Total O-SII buffer reduced by 50 bps to 1.5%; phasing-in of 25 bps on 1 January 2022 and 1 January 2023

1) Allowing for IFRS 9 and starting from 3Q2020, also for temporary treatment for certain FVOCI instruments transitional arrangements
2) Loan credit losses and other impairments
3) OCR (SREP) - Overall Capital Requirement (refer to slide 58)
4) Remaining Old Tier 2 Notes of €39 mn contribute 26 bps to Total Capital as at 30 September 2021
5) Includes unaudited/un-reviewed profits for the nine months ended 30 September 2021
6) Takes into consideration Helix 3

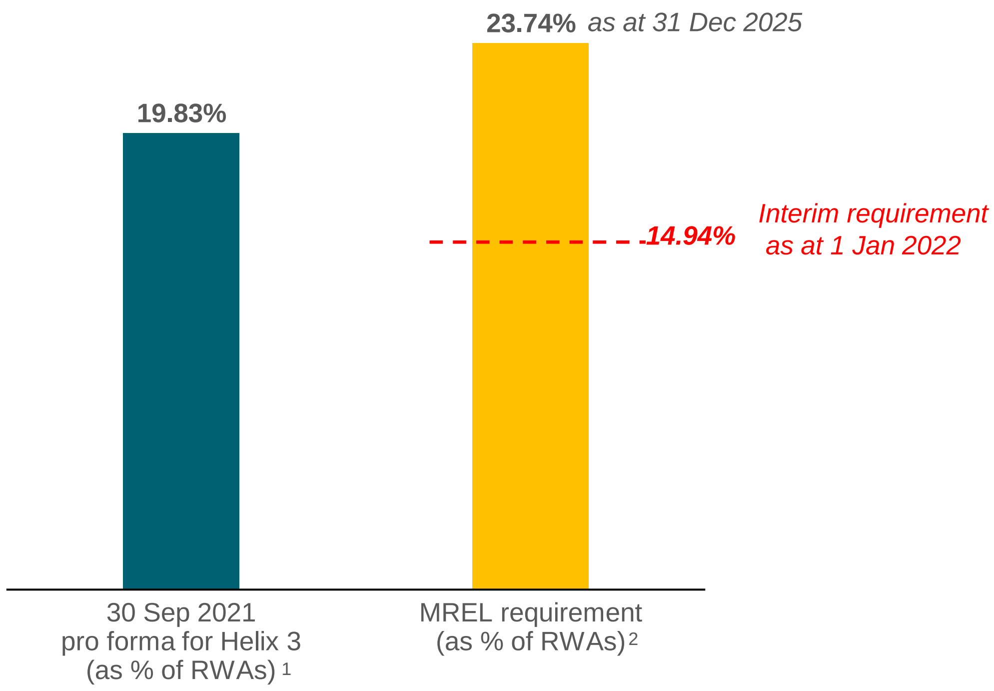
Interim MREL requirement for 1 January 2022 already achieved

- MREL ratio at 19.83%[1] as at 30 September 2021 pro forma for Helix 3
- Leverage Ratio Exposure of 10.17% as at 30 September 2021
- **Interim MREL requirement of 14.94% for 1 January 2022 already achieved** following issuance of €300 mn MREL- compliant senior preferred notes in June 2021
- Ratio does not include capital used to meet the Combined Buffer Requirement (CBR), currently at 3.5% and expected to increase to 3.75% on 1 Jan 2022

MREL requirements

- Based on BRRD II
- The Bank (BOC) is the resolution entity
- Final Target of 23.74% of RWAs and 5.91% of Leverage Ratio Exposure (LRE) to be met by 31 Dec 2025 based on draft notification received in Nov 2021[2]
- The own funds used to meet the combined buffer requirement (CBR) are not eligible to meet MREL requirement
- No subordination requirement

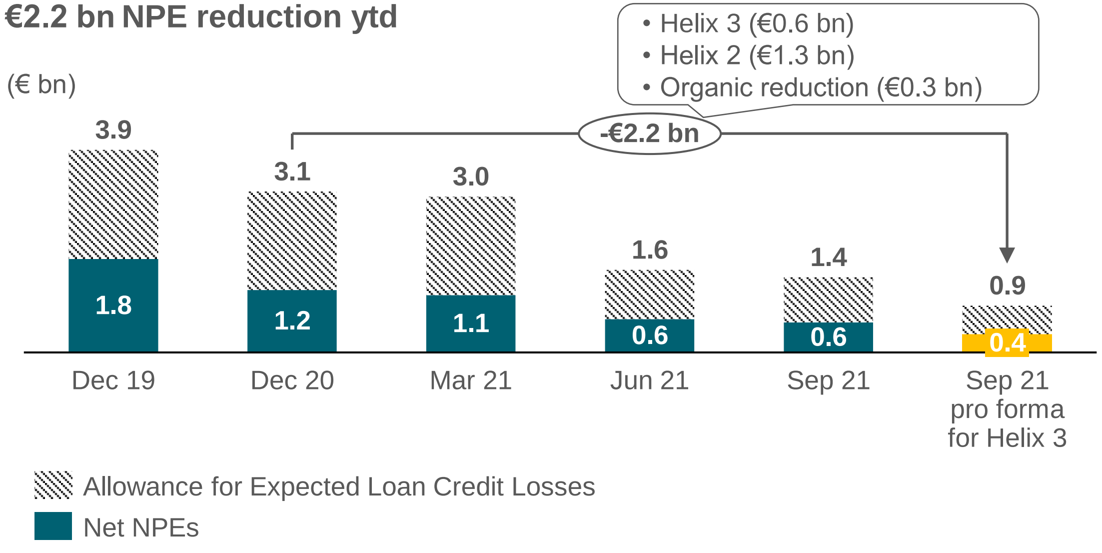
MREL (% of RWAs)



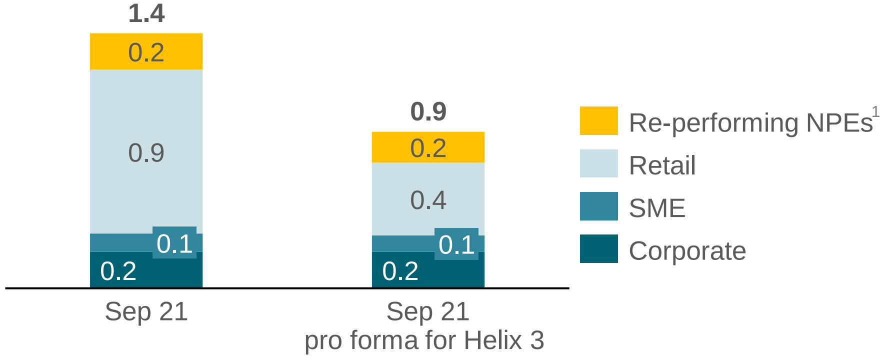
1) Remaining Old Tier 2 Notes of €39m contribute 37 bps to MREL as at 30 September 2021 pro forma for Helix 3
2) Subject to SRB and CBC confirmation

NPE ratio reduced to 8.6% a year earlier than anticipated

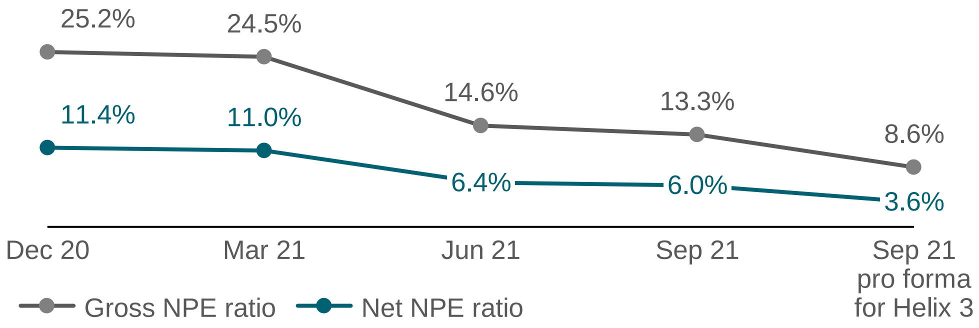
€2.2 bn NPE reduction ytd



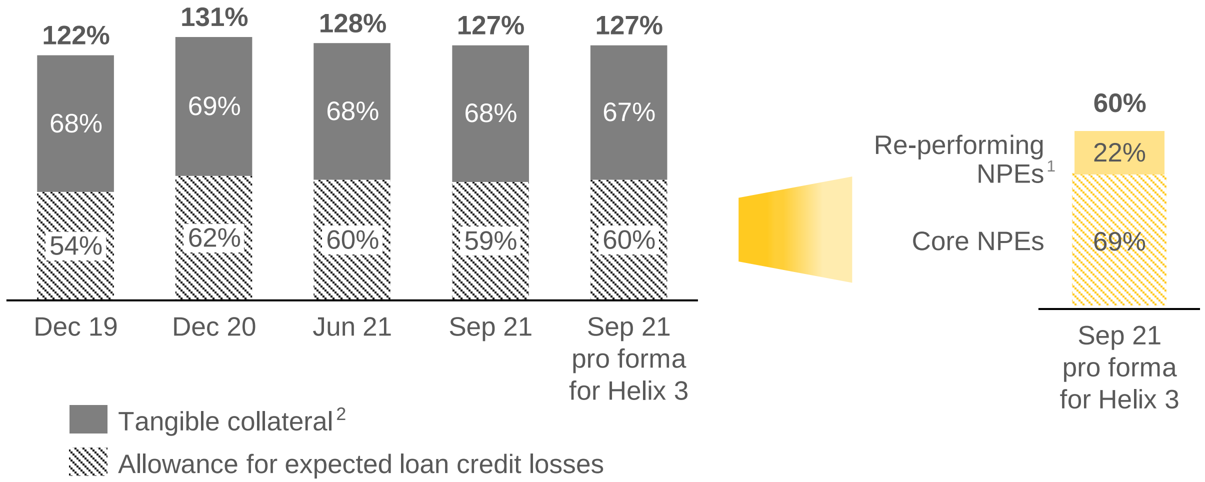
Pro forma for Helix 3 Retail NPEs reduced by >50%



NPE ratio reduced to 8.6%; 3.6% on a net basis

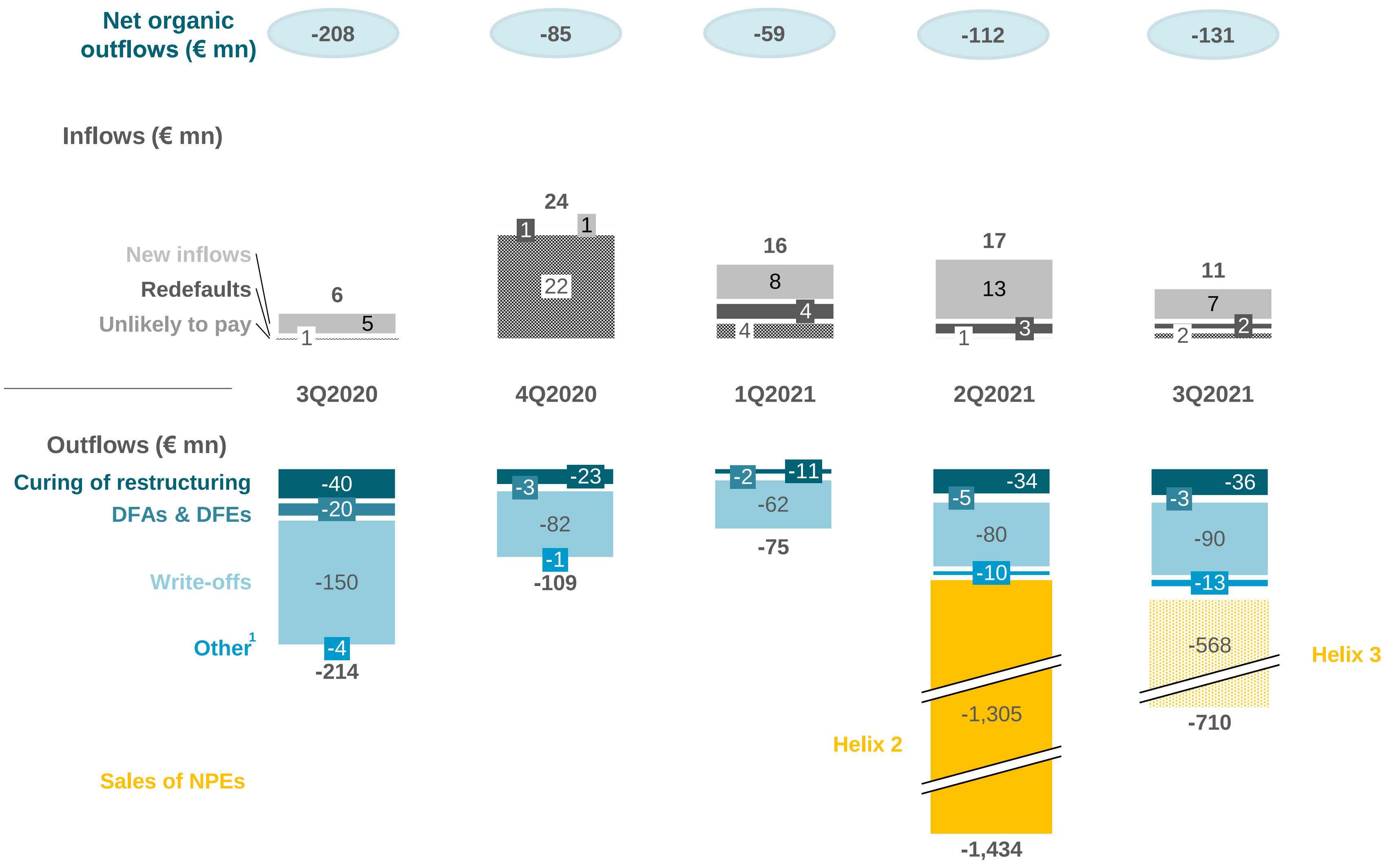


Pro forma for Helix 3, NPE coverage maintained at 60%



1) In pipeline to exit NPEs subject to meet all exit criteria; the analysis is performed on a customer basis (formerly called Non-core NPEs)
2) Restricted to Gross IFRS balance

€142 mn organic NPE outflows in 3Q2021, leading to €131 mn organic NPE reduction

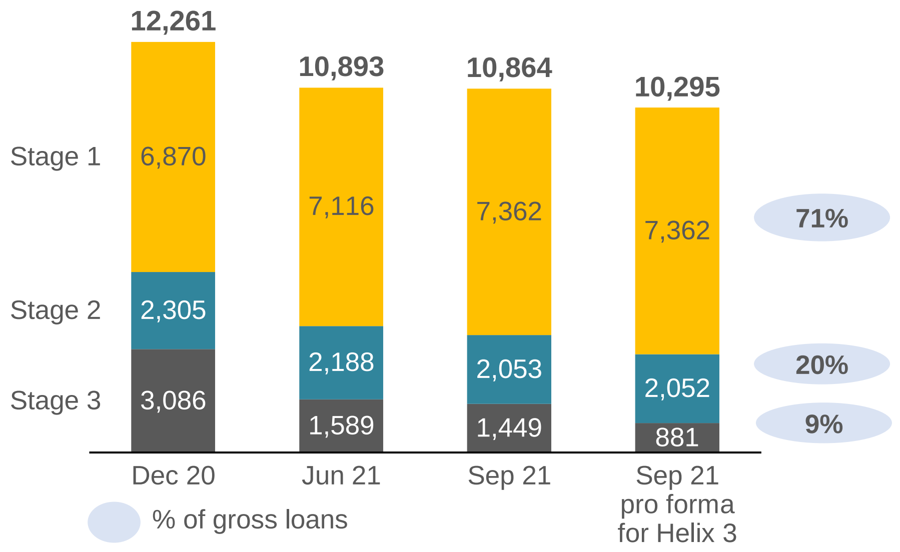


- €8 mn NPE inflows in 3Q2021 (€38 mn in 9M2021) relate to the loans that were under expired payment deferral

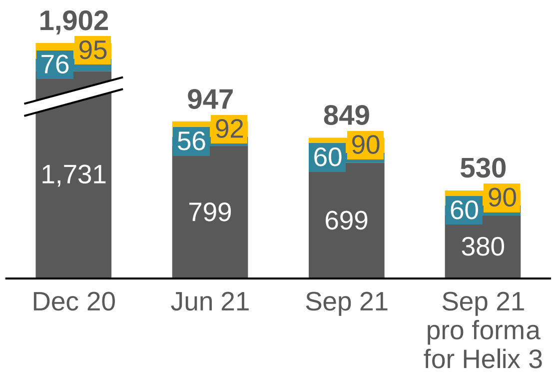
1) Other includes interest, cash collections and changes in balances

Gross loans and coverage by IFRS 9 staging

Gross loans by IFRS 9 stage (€ mn)



Allowance for expected loan credit losses (€ mn)

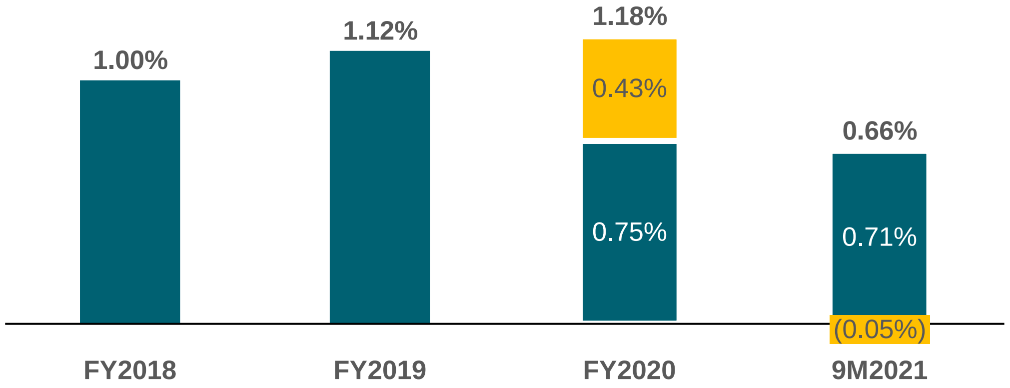


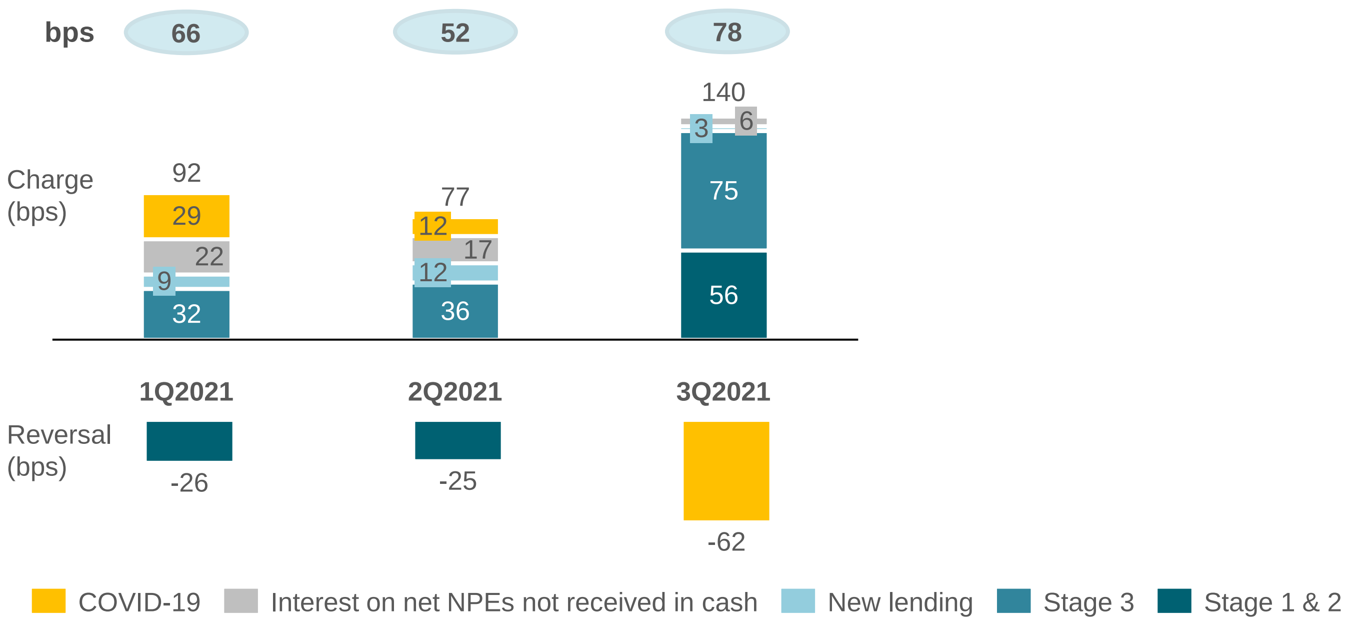
Coverage ratio

	Dec 20	Jun 21	Sep 21	Sep 21 Pro forma for Helix 3
Stage 1	1.4%	1.3%	1.2%	1.2%
Stage 2	3.3%	2.6%	2.9%	2.9%
Stage 3	56.1%	50.3%	48.3%	43.1%

- Coverage for stage 3 loans at 43.1% pro forma for Helix 3
- Net transfer of c.€150 mn of loans from Stage 2 to Stage 1 in 3Q2021 driven mainly by the improved macro assumptions
- Transfer of c.€8 mn of loans that were under expired payment deferrals mainly from Stage 2 to Stage 3 in 3Q2021

Cost of risk[1] of 78 bps for 3Q2021





Bank's IFRS 9 Macroeconomic assumptions

Base line	GDP rate	Unemployment rate
2021	5.2%	7.4%
2022	4.0%	7.0%

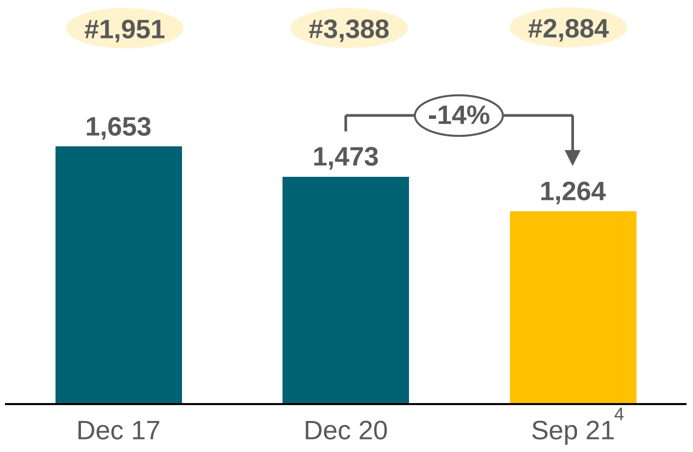
- Cost of risk of 78 bps for 3Q2021 (€22 mn)
- Stronger than expected economic performance resulted in 62 bps reversal of Covid-19 overlays; partly offsetting the impact of model recalibration to address new default definition, and updated default/curing experience
- **COR for FY2021 currently expected to be at similar levels as for 9M2021**
- Close monitoring of sectors vulnerable to COVID-19 continues

1) Loan credit losses charge (cost of risk) (year to date) is calculated as the annualised 'loan credit losses' (as defined) divided by average gross loans. The average gross loans are calculated as the average of the opening balance and the closing balance for the reporting period/year

REMU: Properties sold exceed properties acquired since 2017

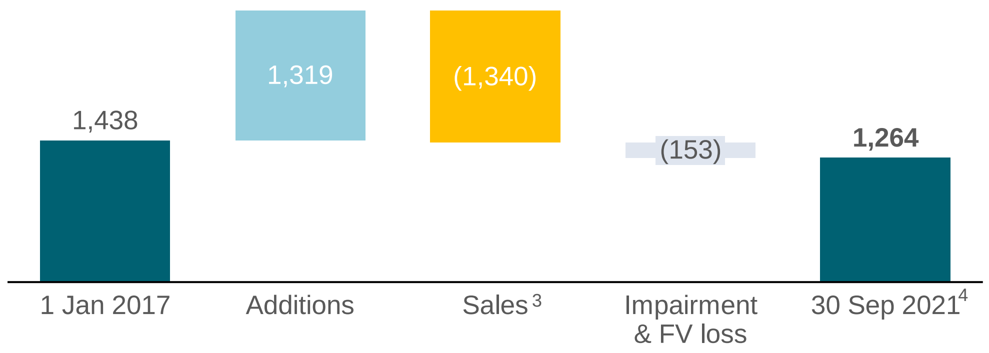
Pro forma for Helix 3, REMU stock reduced by 14% in 9M2021

Group BV (€ mn)



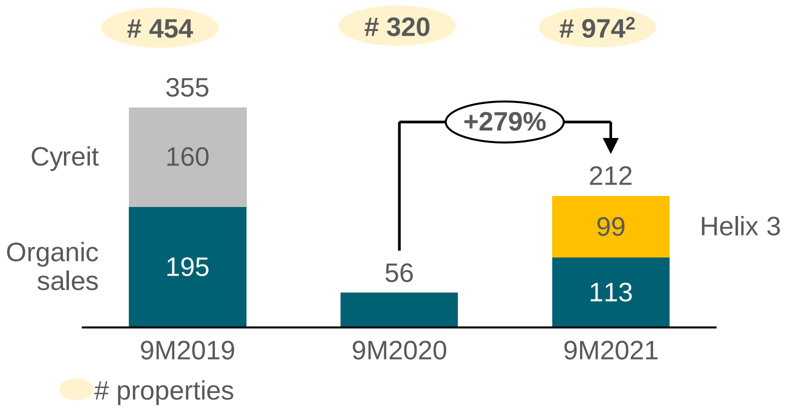
Sales >€1.3 bn since 2017

Group BV (€ mn)

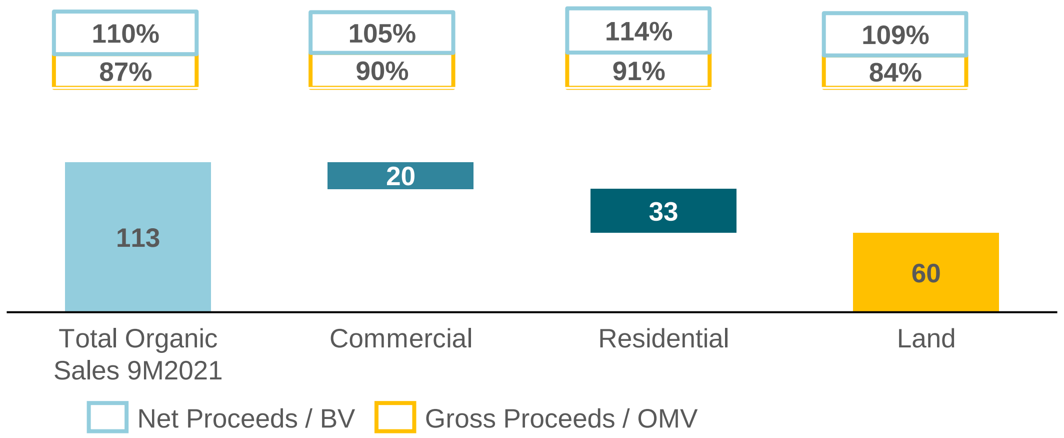


Pro forma for Helix 3, €212 mn sales in 9M2021, +279% yoy

Sales € mn (contract prices[1])



€113 mn organic sales in 9M2021; comfortably above Book Value



1) Amounts as per Sales Purchase Agreements (SPAs)
2) Includes 421 properties of Helix 3
3) Sales include €101 mn relating to assets classified as held for sale (Helix 3)
4) In addition to assets held by REMU, Investment properties with carrying value of €8 mn as at 30 Sep 2021 relate to legacy properties held by the Group

Organizational resilience & ESG agenda: ESG Performance

Environmental

1,544k kWh
of energy savings in 9M2021

€228k
investment in energy-saving in 9M2021

278k kg
paper recycled in 9M2021

Introduction of environmentally friendly loan products

People

>3,500
employees

>34 ths
hours of training conducted in 9M2021

Certificate by the Ministry of Labour, Welfare and Social Insurance for applying good practices for gender equality in the working environment

Social

>16 ths
cancer patients received treatment and other services at the Bank of Cyprus Oncology Centre for 9M2021

c.€70 mn
cumulative investment for the Bank of Cyprus Oncology Centre

>30 entrepreneurs educated in 9M2021 via IDEA innovation centre, a non-profit organization, established in 2015, acting as incubator accelerator for start-ups (**>5,700** since establishment)

Responsible services

€1.3 bn
new lending for 9M2021

88%
of total transactions in Jan-Oct 2021 are through digital channels

78%
of customers are digitally engaged as at 30 Oct 2021

Governance

30%
of the board of directors are female as at 30 Sep 2021

37%
of the key positions below extended EXCO are female

36
internal audits finalised in 9M2021

2,616
customer relationships terminated/suspended for compliance reasons in 9M2021

SupportCy[1] Network Initiative

>€650k
total contribution to the Society by all members (monetary, products and services) since March 2020

ESG Ratings

MSCI ESG Ratings[2]

A Scale: AAA to CCC
Rating action date: Jun 2020

MSCI ESG RATINGS A

CCC	B	BB	BBB	A	AA	AAA

1) SupportCY is a network of 130 companies and NGOs, initiated by Bank of Cyprus, during March 2020, with the aim to support the public services performing frontline duties during the Pandemic and the Society, in general
2) Please refer to slide 69 in the definitions

Medium Term Outlook

Our journey

Where we were… 2014-2019

Shrinkage to core strength

- ✓ Significant balance sheet de-risking
- ✓ Normalised funding stack
- ✓ Exited non core operations

What we have achieved in 2020… 2020

Normalisation of balance sheet

- ✓ Supporting the recovery of Cypriot economy
- ✓ Managing pandemic asset quality
- ✓ Acceleration of NPE reduction
- ✓ Address costs

Where we want to be…

Business turnaround for sustainable growth

2021-2022

Priorities

- Complete de-risking while managing the post-pandemic NPE inflow (on-track)
- Position the Bank on the path for sustainable profitability (ongoing)
- Modernise the BOC franchise, including IT and digital investment (ongoing)
- Address challenges from low rates and surplus liquidity (ongoing)
- Refinancing of Tier 2 (completed)
- Initiation of MREL issuance (completed)

Medium-term

Priorities

- Deliver sustainable profitability and shareholder returns
- Enhance revenues by capitalising on market leading positions across business divisions
- Enhance operating efficiency, through sustained focus on cost base
- Optimise capital management

Medium-term strategic targets

		2022	Medium Term
Profitability	Return on Tangible Equity (ROTE)[1]		c.7%
	Total Operating Expenses[2]		<€350 mn
Asset Quality	NPE Ratio	<10% early achieved pro forma for Helix 3	c.5%
	Cost of risk		c.70-80 bps
Capital	Supported by CET1 ratio of	at least 13%	at least 13%

1) ROTE is calculated as Profit after Tax divided by (Shareholders' equity minus Intangible assets)
2) Total operating expenses comprise staff costs and other operating expenses. Total operating expenses do not include the special levy on deposits or other levies/contributions or any advisory or other restructuring costs

Key Information and Contact Details

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Credit Ratings

Standard & Poor's Global Ratings:

Long-term issuer credit rating: Affirmed at "B+" on 18 November 2021 (positive outlook)

Short-term issuer credit rating: Affirmed at "B" 18 November 2021

Fitch Ratings:

Long-term Issuer Default Rating: Affirmed at "B-" on 29 January 2021 (negative outlook)

Short-term Issuer Default Rating: Affirmed at "B" on 29 January 2021

Viability Rating: Affirmed at "b-" on 29 January 2021

Moody's Investors Service:

Baseline Credit Assessment: Upgraded at "b3" on 21 July 2021

Short-term deposit rating: Affirmed at "Not Prime" on 21 July 2021

Long-term deposit rating: Upgraded to "B1" on 21July 2021 (positive outlook)

Counterparty Risk Assessment: Upgraded at Ba3 (cr) / Not-Prime (cr) on 21 July 2021

Listing:

LSE – BOCH, CSE – BOCH/TPKH, ISIN IE00BD5B1Y92

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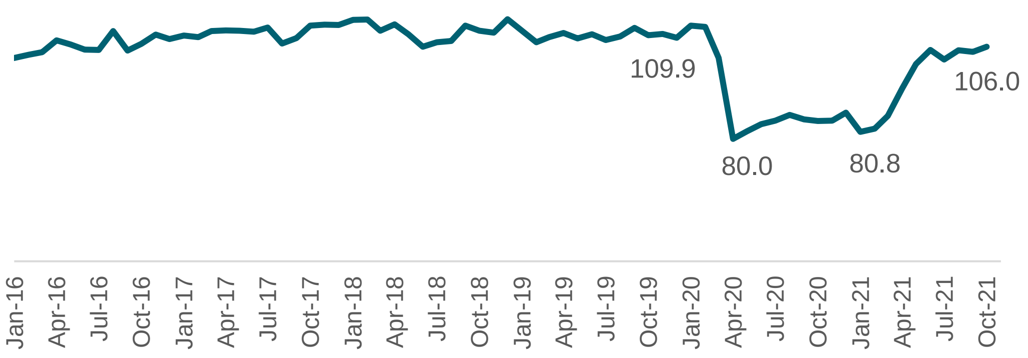
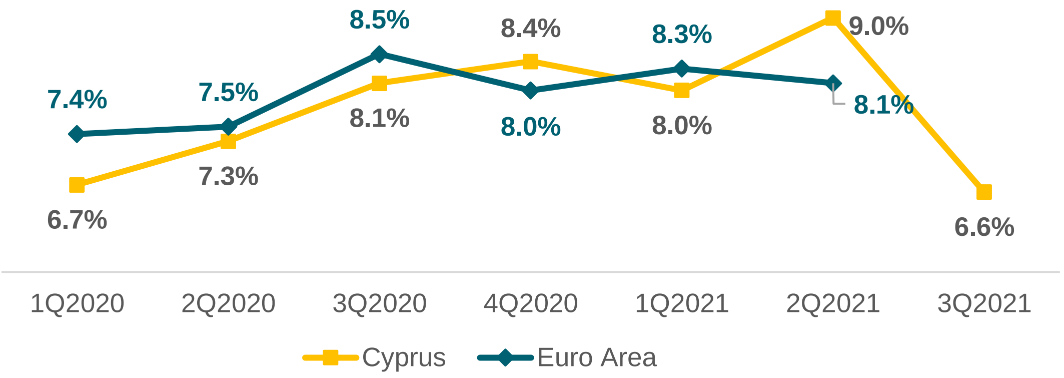
APPENDIX
Macroeconomic overview

Confidence returning as strong economic recovery continues in 3Q2021

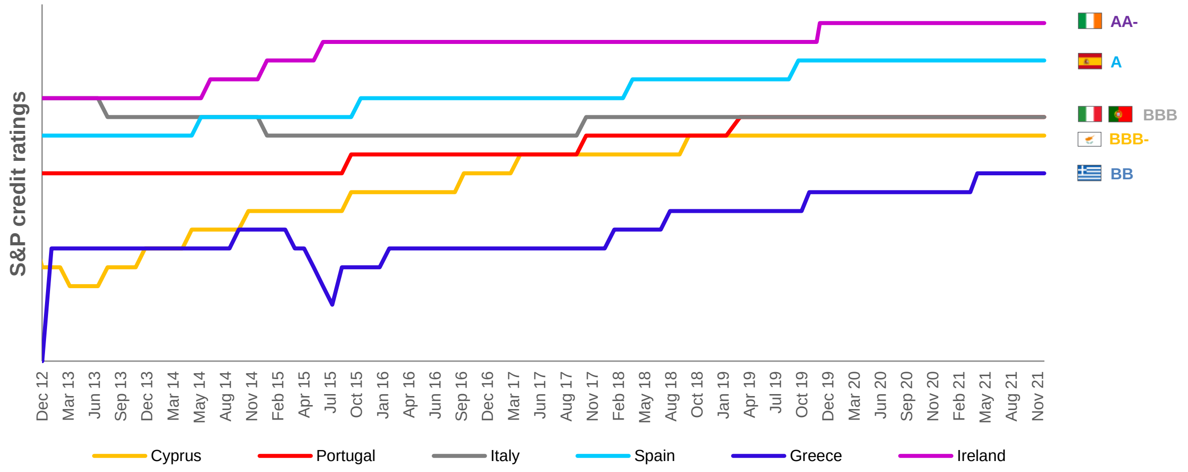
Economic Sentiment Indicator: Confidence returning



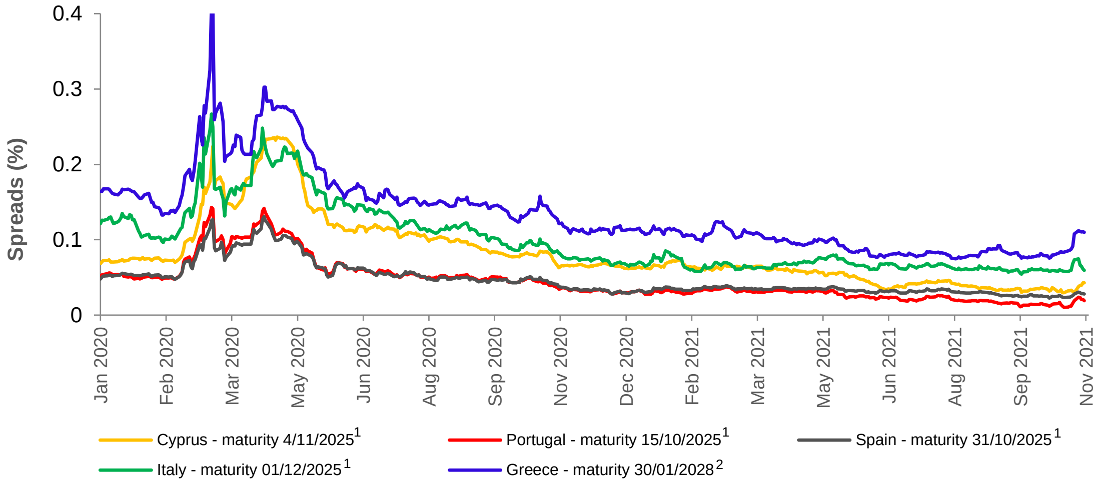
Unemployment rate decreased to 6.6% in 3Q2021



Cyprus maintains investment grade



Tightening of spreads as market confidence improves



SOURCE: Statistical Service of Republic of Cyprus; Bloomberg, Economics Research Centre of University of Cyprus , Eurostat

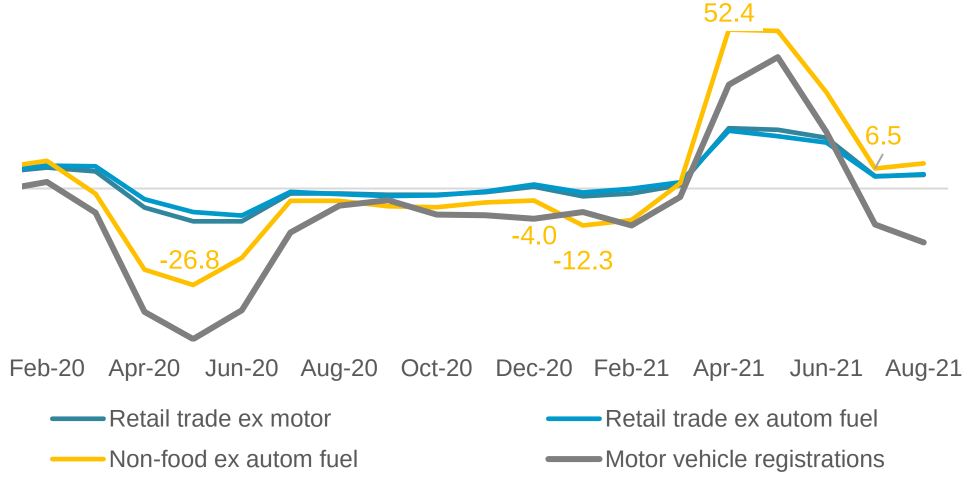
1) Normalised against Germany Government bond with maturity 15/8/2025 except Greece

2) Due to the Debt swap of the Hellenic Republic, from November 2017 onwards data for the new Hellenic Republic Bond with maturity 30/01/2028 was used and normalised against the closest maturity of German Government bond (DBR) 15/08/2027

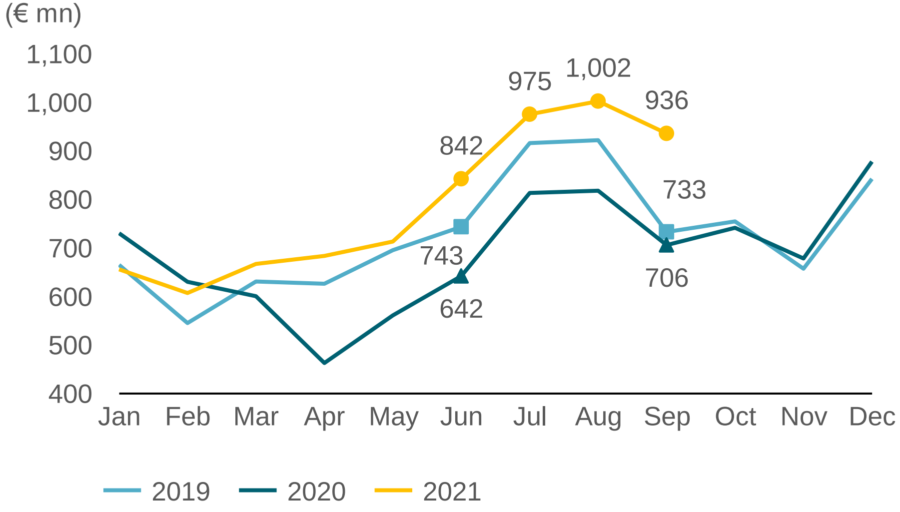
Consumption and business activity continue to improve

Retail sales continue to improve

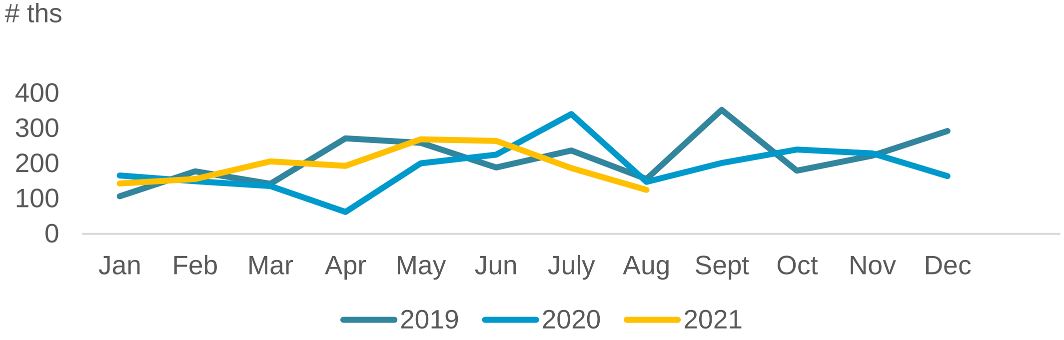
Retail trade volume % change -3m average



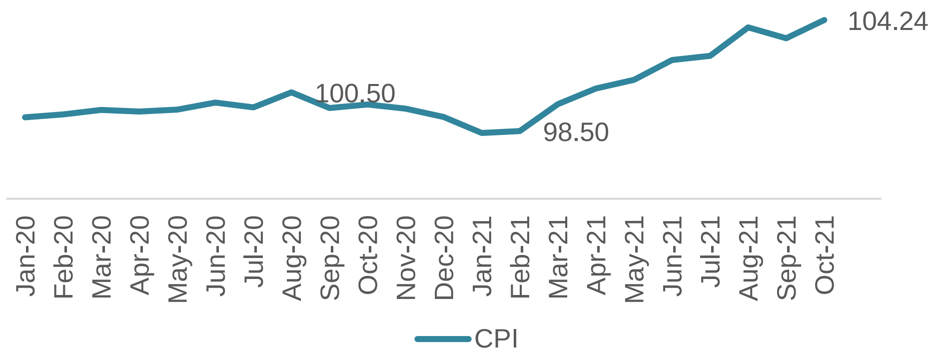
Card spending continues to increase in line with economic activity



Volume of building permits



Heightened inflation rate post April 2021 supported by rise in energy prices



Source: Cyprus Statistical Service

EU Recovery and Resilience Facility (RRF)

To mitigate the socioeconomic impact of the pandemic & to strengthen the resilience and competitiveness of the Cypriot economy

€1.2 bn
from EU mechanism

+

€1.1 bn
additional funds mobilised in Cyprus

58 reforms

75 investments

41% Green Transition	23% Digital Transition	36% Other

7.1% increase in GDP for 2022-2026

2.5% increase in employment for 2021-2026

+11,000 new high value-added jobs

preparing for a green and digital era

75 new investments to be initiated including:

- Interconnection between Cyprus, Greece and Israel (€100 mn)
- Promotion of diversification and competitiveness via introduction of financing schemes to SMEs and start-ups (€52 mn)
- Promotion of sustainable transport (eg: hybrid vehicles) (€49 mn)

58 reforms to be introduced including:

- Modernising public and local authorities, improving efficiency in judicial system
- Introducing green taxation
- Establishing e-government

Appendix- Recovery and Resilience Facility Estimated Budget

Policy axis/ Component	Estimated budget (€ mn)	% of total estimated budget
1 Public Health and civil protection- lessons learnt from the pandemic	**74.1**	**6.1%**
1.1 Resilient and effective health system and enhanced civil protection	74.1	6.1%
2 Accelerated transition to a green economy	**447.6**	**37.1%**
2.1 Climate neutrality, energy efficiency and renewable energy penetration	269.3	22.3%
2.2 Sustainability transition	91.3	7.6%
2.3 Smart and sustainable water management	87.3	7.2%
3 Strengthening the resilience and competitiveness of the economy	**422.3**	**35.0%**
3.1 New growth model and diversification of the economy	166.4	13.8%
3.2 Enhanced research and innovation	64.0	5.3%
3.3 Business support for competitiveness	51.4	4.3%
3.4 Modernising public and local authorities, making justice more efficient and fighting corruption	96.0	7.9%
3.5 Safeguarding fiscal and financial stability	44.5	3.7%
4 Towards a digital economy	**89.4**	**7.4%**
4.1 Upgrade infrastructure for connectivity	53.0	4.4%
4.2 Promote e-government	36.4	3.0%
5 Labour market, education and human capital	**172.9**	**14.3%**
5.1 Educational system modernization, upskilling and retraining	94.0	7.8%
5.2 Labour market	78.9	6.5%
Total RRP	**1,206**	**100%**
Green transition	**c.491**	**c.40%**
Digital transition	**c.282**	**c.23%**

APPENDIX

Additional asset quality slides

€0.6 bn NPE Trade Delivers single digit NPE ratio

30 September 2021

Assets sold	€ mn	Receipts	€ mn
Contractual Loans[1]	**993**	**Consideration**	**385**
Gross Loans	**569**		
of which NPEs	*568*		
Provisions Held	(350)		
REMU Properties	**120**		
Other[2]	11	**Transaction Costs and other adjustments**	**(25)**
Carrying Value of assets being sold	**350**	**Consideration net of transaction costs and other adjustments**	**360**

P/L Impact: +10

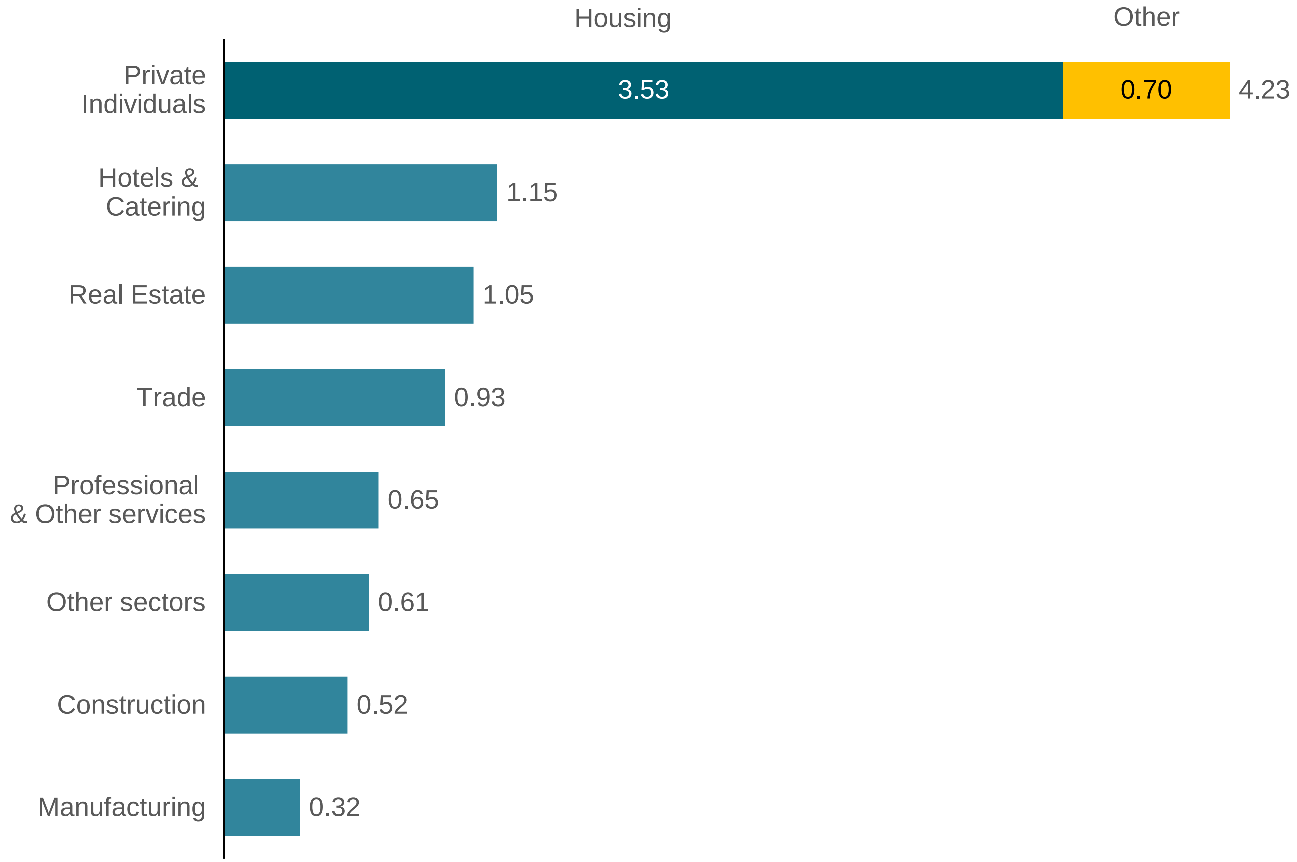
- Portfolio comprises c.20,000 loans, mainly to Retail clients and 421 REMU stock properties
- Completion remains subject to a number of customary regulatory and other approvals, currently estimated to occur in 1H2022

1) As at 31 May 2021
2) DFAs and cash already received by 30 September 2021

Well diversified loan portfolio with high quality collateral

Gross loans (excluding legacy)[1] by business sector of €9.46 bn

€ bn



LTV[2]	Housing €3.53 bn	Other €0.70 bn	Business €5.23 bn
< 80%	87%	34%	70%
>80%	13%	64%	30%

Private Individuals: €4.23 bn

- **Housing performing loans: €3.53 bn**
  - Low LTV[2] housing portfolio
  - 87% of portfolio with LTV[2]<80%
- **Other: €0.70 bn**
  - 61% secured portfolio of which:
    - 58% with property
    - 42% with other type of collateral

Business: €5.23 bn

- 70% of business portfolio with LTV[2] <80%

1) Gross loans as at 30 September 2021 of Corporate (incl. IB and W&M and Global Corporate), SME, Retail, and H/O
2) Loan to Value (LTV) is calculated as the Gross IFRS Balance to the indexed market value of the property. Under Pillar 3 disclosures LTV is calculated as the Gross IFRS Balance to the indexed market value of collateral. Collateral takes into consideration the mortgage amount registered in the land registry plus legal interest from registration date to the reference date

Portfolio exposure to businesses most impacted by COVID-19

Tourism: €1.15 bn

Hotels & Catering	30 Jun 2021 € bn	30 Sep 2021 € bn	% of portfolio
Food services	0.06	0.06	5%
Accommodation	1.08	1.09	95%
Total	**1.14**	**1.15**	
Unutilised Liquidity[1]	**0.34**	**0.40**	
- of which deposits	*0.26*	*0.32*	*28%*

- Tourism season extended until October; steady monthly recovery of tourist arrivals; October 2021 arrivals +289% yoy, now at 90% of Oct 2019 levels
- 97% of tourism portfolio is secured by property
- 92% of tourism portfolio with LTV <80%
- c.€0.92 bn performing loans[2] under expired payment deferrals; 99% of performing loans[2] under expired payment deferrals[3], presented no arrears (of which €298 mn have been restructured)

Trade: €0.93 bn

Trade	30 Jun 2021 € bn	30 Sep 2021 € bn	% of portfolio
Supermarkets, pharmacies and other essential retail businesses	0.26	0.26	28%
All other	0.65	0.67	72%
Total	**0.91**	**0.93**	
Unutilised Liquidity[1]	**0.92**	**0.89**	
- of which deposits	*0.58*	*0.56*	*61%*

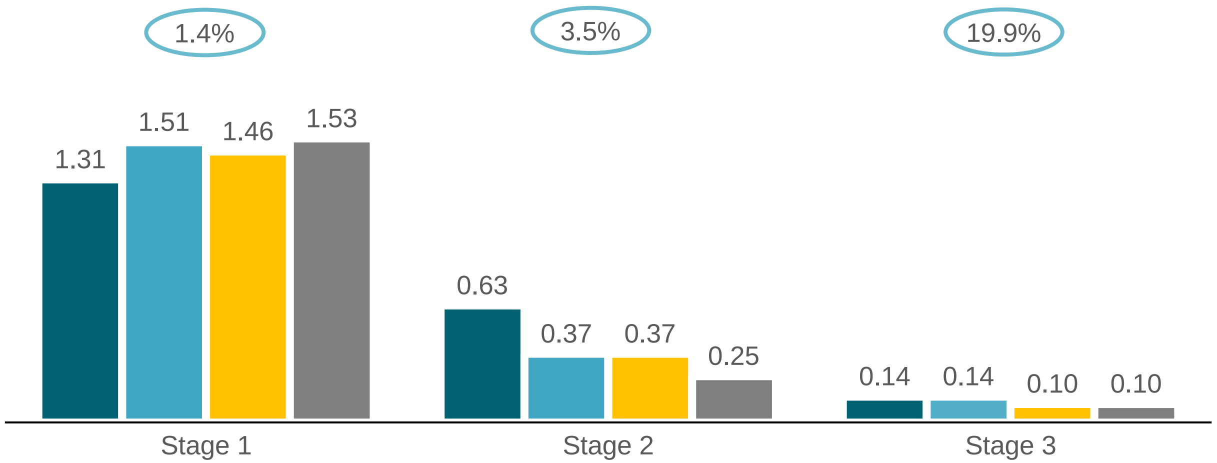
- €0.28 bn performing loans[2] under expired payment deferrals; 98% of performing loans[2] under expired payment deferrals[3], presented no arrears (of which €13 mn have been restructured)

1) Unutilised overdraft amounts and deposits
2) As at 30 September 2021
3) With an instalment due by 22 November 2021

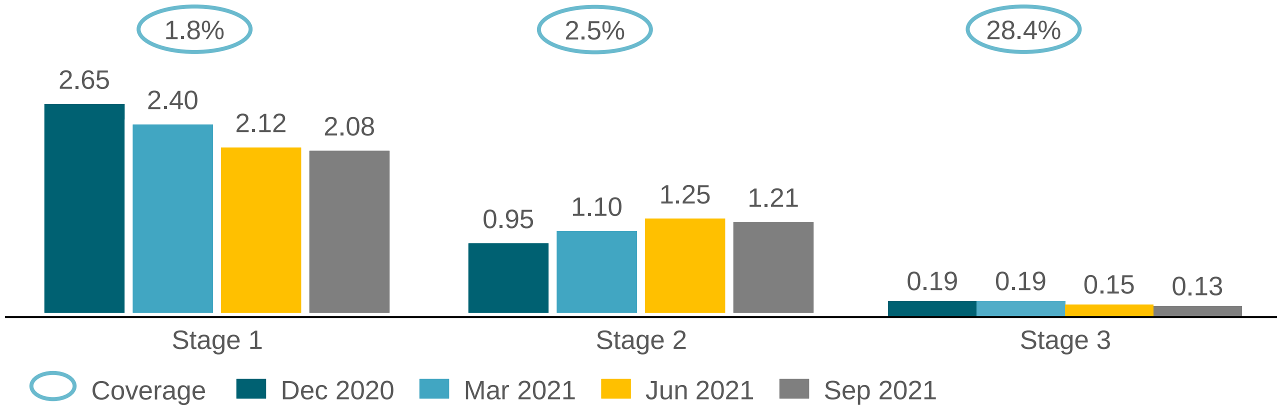
Decomposition of payment deferrals

IFRS 9 staging for expired loan payment deferrals

Private individuals: €1.88 bn[1]



Businesses: €3.42 bn[1]



Private Individuals

- Reclassification of c.€120 mn from Stage 2 to Stage 1 mainly due to improved macro assumptions

Businesses

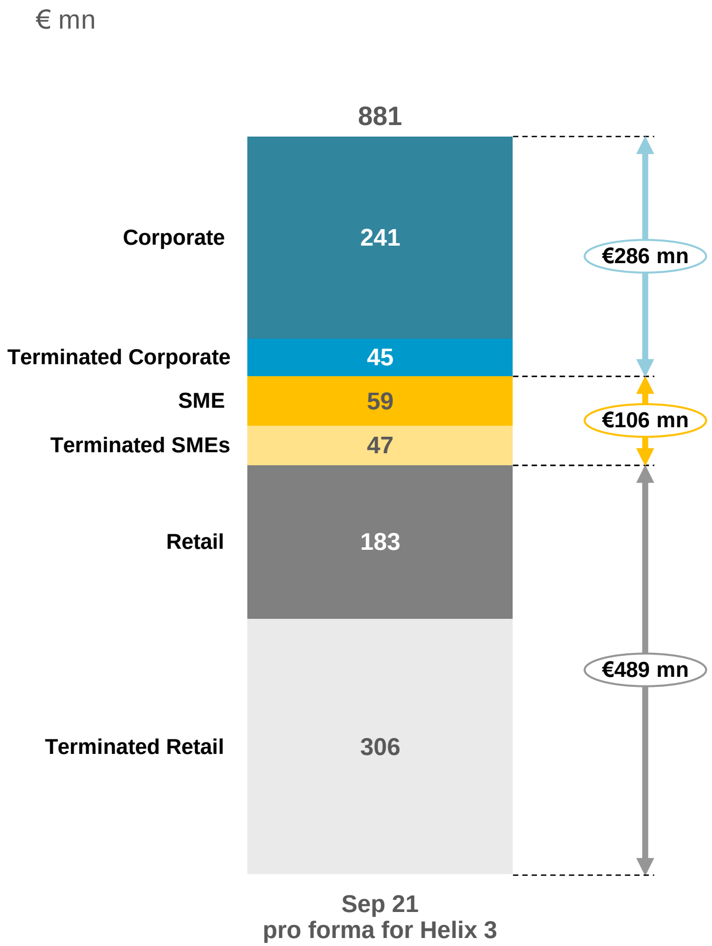
- Reclassification of €100 mn from Stage 1 to Stage 2 in 3Q2021, mainly due to limited data availability
- Migration of €137 mn from Stage 2 to Stage 1 improved mainly due to improved macro assumptions

Adequate coverage of Stage 3 expired payment deferrals; higher than the coverage of re-performing NPEs[2] (slide 24)

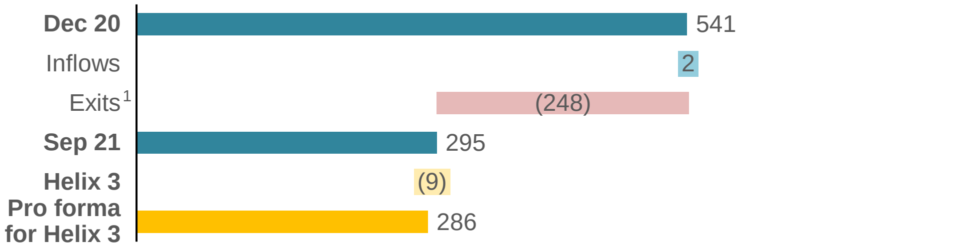
1) As at 30 September 2021; includes current accounts and overdrafts of c. €0.25 bn (. €0.02 bn for Private individuals and €0.23 bn for businesses)
2) Re-performing: pipeline to exit NPEs subject to meet all exit criteria; the analysis is performed on a customer basis (formerly called Non-core NPEs)

Continuous progress across all segments

Focus shifts to Retail

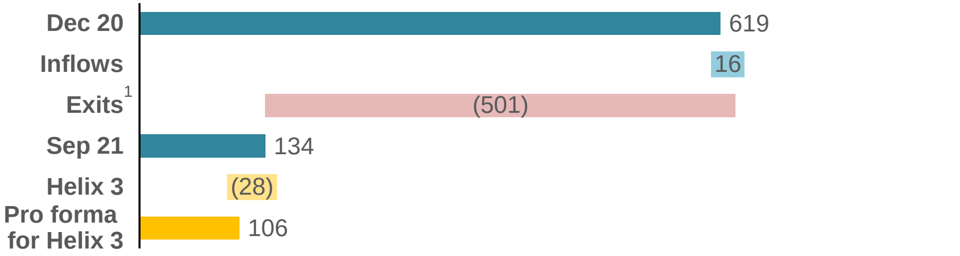


Corporate



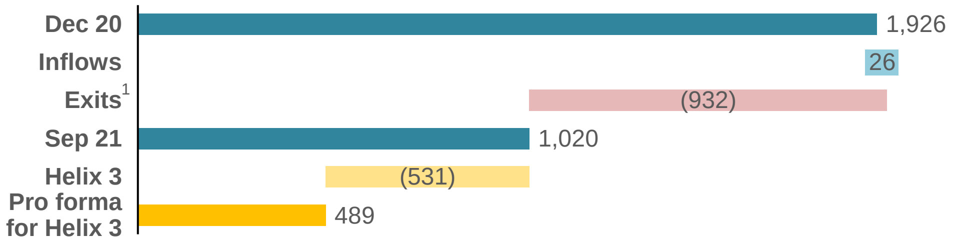
	Sep 2021 Pro forma
NPE ratio	6.2%
NPE coverage	76%
NPE total coverage	118%

SME



	Sep 2021 Pro forma
NPE ratio	8.8%
NPE coverage	62%
NPE total coverage	135%

Retail

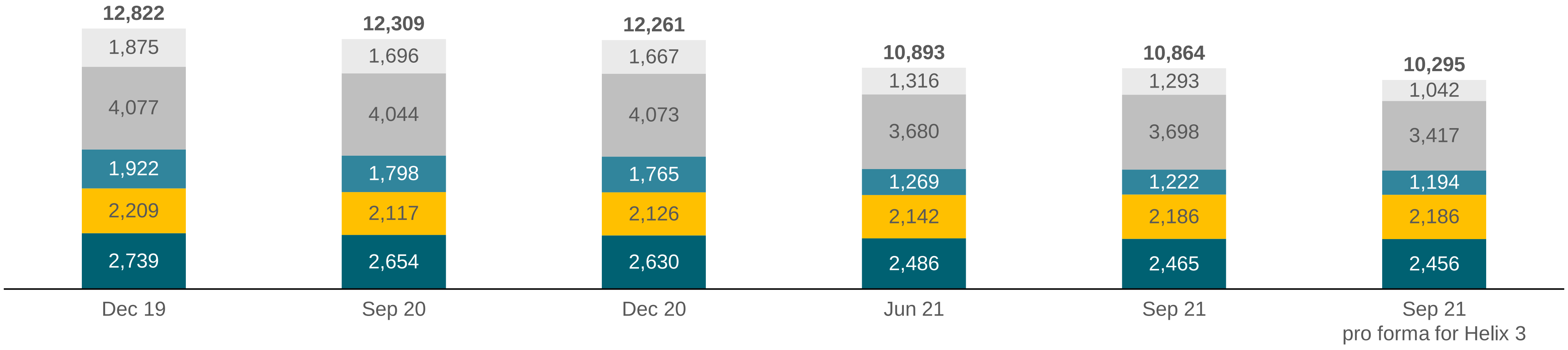


	Sep 2021 Pro forma
NPE ratio	11.0%
NPE coverage	
➢ Retail Housing	46%
➢ Retail Other	61%
NPE total coverage	130%

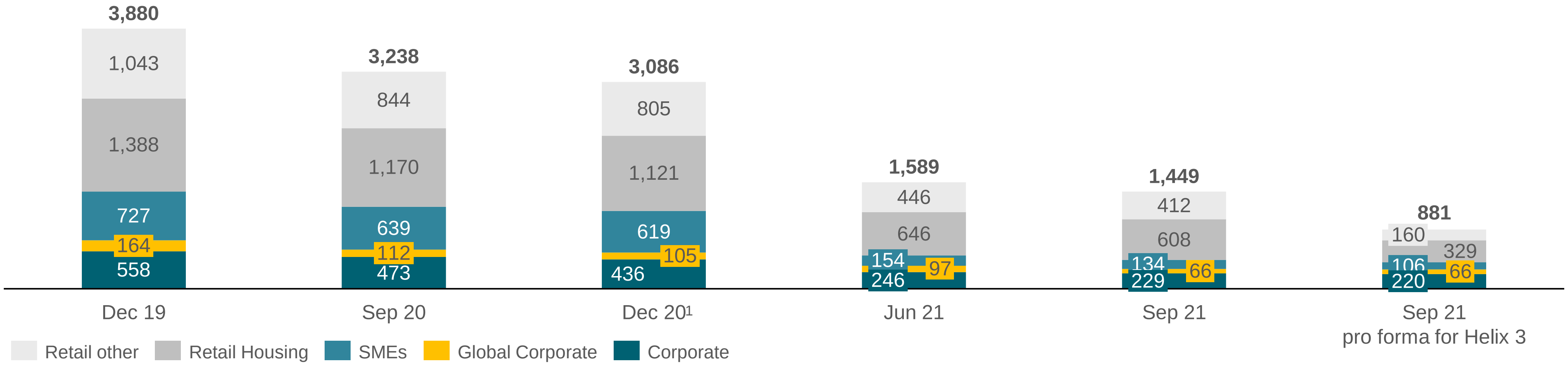
1) Through organic NPE reduction and NPE sale that was completed in June 2021 (Helix 2)

Gross loans and NPEs by Customer Type

Gross loans by customer type (€ mn)

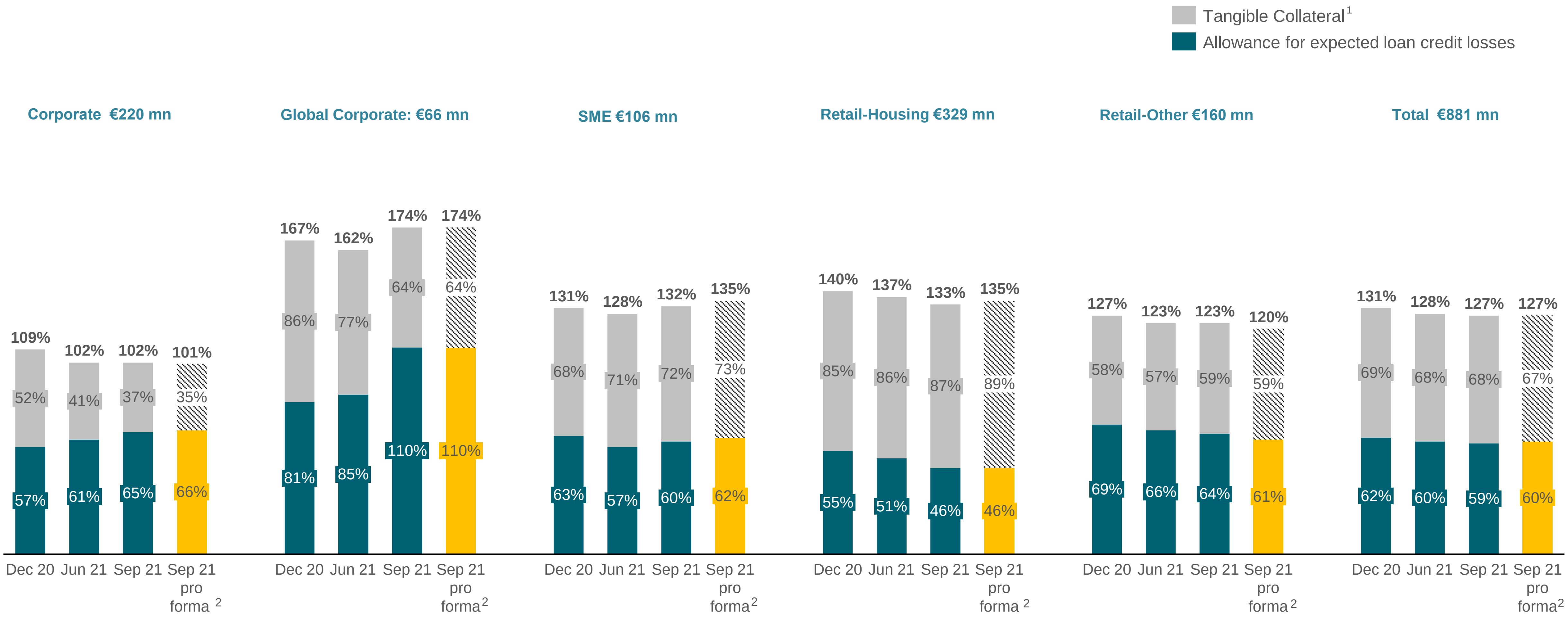


NPEs by customer type (€ mn)



NPE Coverage and Total coverage by segment

Coverage and collateral maintained



1) Restricted to Gross IFRS balance
2) Pro forma for Helix 3

Asset quality- NPE analysis

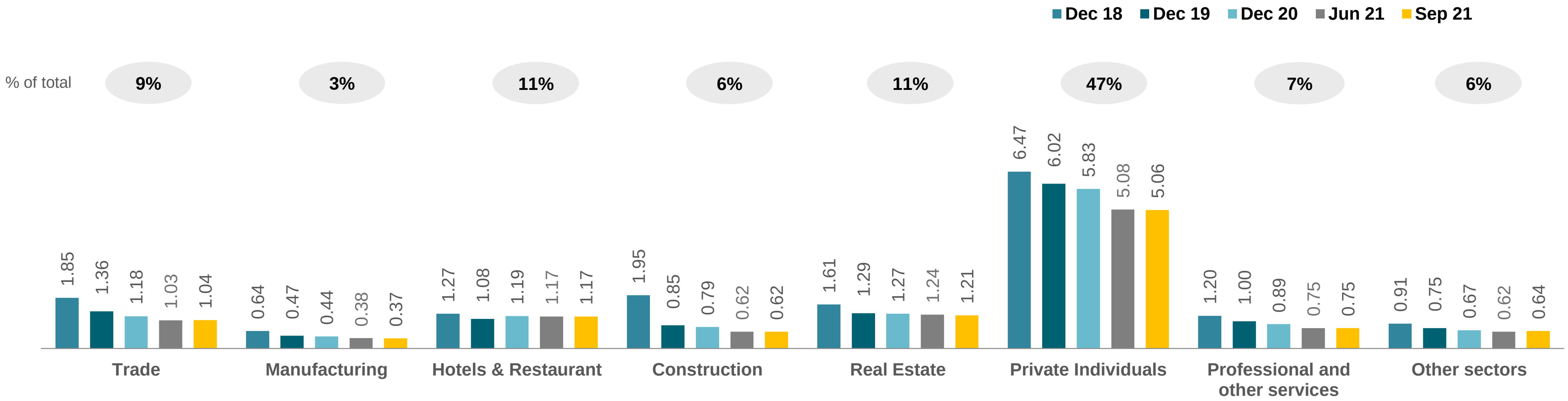
(€ mn)	Sep-21	Jun-21	Mar-21	Dec-20	Sep-20	Jun-20	Mar-20	Dec-19
A. Gross Loans after Residual Fair value adjustment on initial recognition	**10,683**	**10,708**	**12,055**	**12,031**	**12,066**	**12,243**	**12,457**	**12,551**
Residual Fair value adjustment on initial recognition	181	185	226	230	243	248	252	271
B. Gross Loans	**10,864**	**10,893**	**12,281**	**12,261**	**12,309**	**12,491**	**12,709**	**12,822**
B1. Loans with no arrears	**9,385**[2]	**9,268**[2]	**9,230**[2]	**9,149**	**9,028**	**8,954**	**8,706**	**8,820**
B2. Loans with arrears but not NPEs	**31**	**36**	**39**	**26**	**43**	**69**	**265**	**122**
1-30 DPD	23	29	27	21	34	54	209	88
31-90 DPD	8	7	12	5	9	15	56	34
B3. NPEs	**1,449**	**1,589**	**3,012**	**3,086**	**3,238**	**3,468**	**3,738**	**3,880**
With no arrears	363	413	536	548	533	603	601	722
Up to 30 DPD	5	11	15	16	19	28	52	54
31-90 DPD	11	16	35	26	29	39	72	76
91-180 DPD	24	31	18	18	35	48	79	121
181-365 DPD	41	16	31	81	101	178	255	263
Over 1 year DPD	1,005	1,102	2,377	2,397	2,521	2,572	2,679	2,644
NPE ratio (NPEs / Gross Loans)	**13.3%**	**14.6%**	**24.5%**	**25,2%**	**26.3%**	**27.8%**	**29.4%**	**30.3%**
Allowance for expected loan credit losses (including residual fair value adjustment on initial recognition[1])	**849**	**947**	**1,869**	**1,902**	**1,933**	**2,043**	**2,109**	**2,096**
Gross loans coverage	**8%**	**9%**	**15%**	**16%**	**16%**	**16%**	**17%**	**16%**
NPEs coverage	**59%**	**60%**	**62%**	**62%**	**60%**	**59%**	**56%**	**54%**

1) Comprise (i) loan credit losses for impairment of customer loans and advances, (ii) the residual fair value adjustment on initial recognition of loans acquired from Laiki Bank and on loans classified at FVPL, and (iii) loan credit losses on off-balance sheet exposures disclosed on the balance sheet within other liabilities

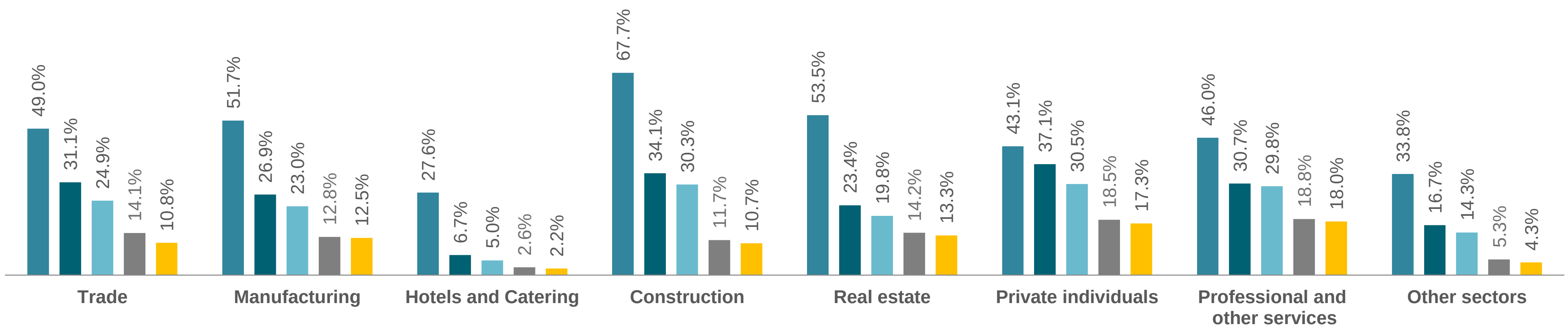
2) Includes c.€171 mn loans with "non-material" arrears which are calculated based on the new EBA regulation on Definition of Default implemented as of 1 Jan 2021, affecting the calculation of Days-Past-Due. Non material arrears amounted to c.€143 mn and €139 mn as at 30 Jun 2021 and 30 Sep 2021 respectively

Analysis of gross loans and NPE ratio by Economic activity

Gross loans by economic activity (€ bn)

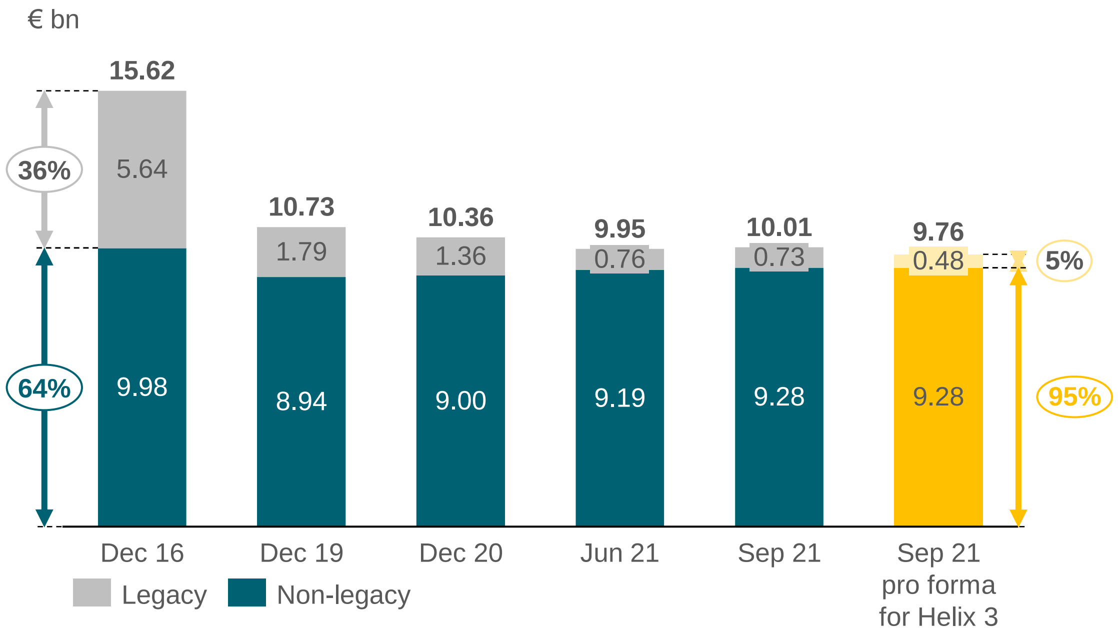


NPE ratio by economic activity

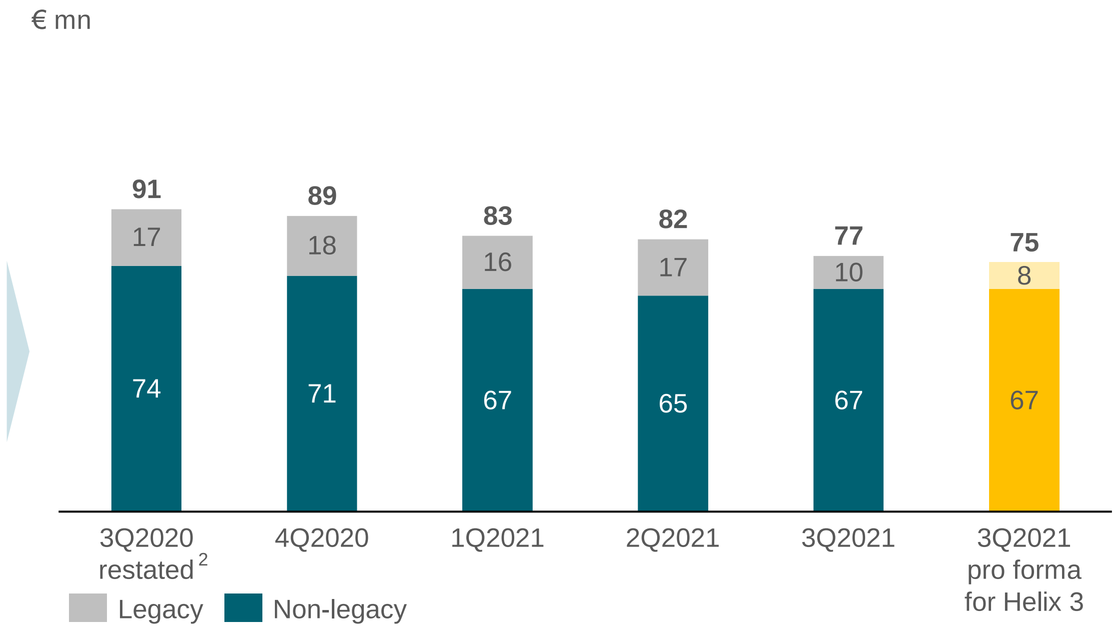


Balance sheet de-risking results in a smaller but safer loan book

Net Loans: Non-legacy[1] vs Legacy



Interest Income on Loans: Non-legacy[1] vs Legacy



- Lower but higher quality income resulting from balance sheet de-risking
- Interest income of non-legacy[1] book increased by €2 mn qoq due to a non-recurring catch up adjustment in the previous quarter
- Interest income of legacy book was reduced to €10 mn following the completion of Helix 2
- **Interest on Net NPEs not received in cash, fully provided**

1) Gross loans of Corporate (incl. IB and W&M and Global Corporate), SME, Retail, and H/O
2) Interest income of non-legacy book for 3Q2020 increased from €73 mn to €74 mn since previously disclosed on 27 November 2020, following a transfer of €1 mn from liquids to non-legacy interest income

Risk adjusted yield will rise as Legacy book reduces

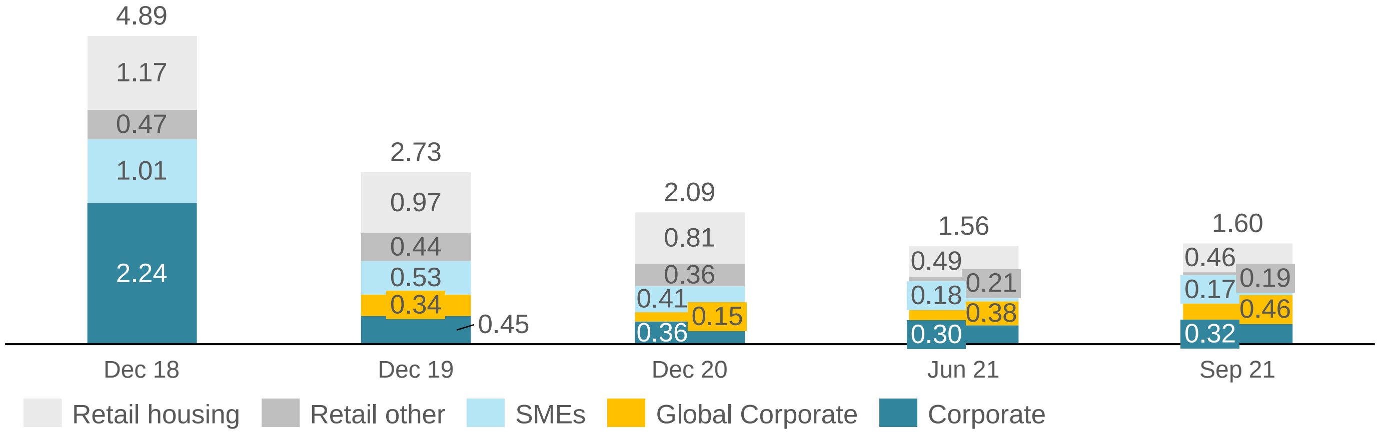
		Non-Legacy	Legacy	Group
		9M2021	9M2021	9M2021
Profitability	**Interest Income on loans** (€ mn) (pre FTP)	199	43	242
	Loan credit losses (€ mn)	9	(66)	(57)
	Interest Income net of loan credit losses (€ mn)	208	(23)	185
	Cost of Risk	(0.13%)	3.94%	0.65%
	Effective Yield	2.92%	5.60%	3.19%
	Risk adjusted Yield[1]	3.05%	(2.94%)	2.44%
Capital & balance Sheet	**Average Net Loans (€ mn)**	9,149	1,034	10,183
	RWA Intensity[2]	40%	99%	45%
		Global corporate, Corporate IB, W&M; SME and Retail Banking	RRD; REMU; Overseas non core	

- Non-Legacy Book is expected to grow and to increasingly drive Group results
- Legacy book revenues predominantly driven by loan credit losses unwinding (but offset via loan credit losses)
- Interest on Net NPEs not received in cash, fully provided (€2 mn in 3Q2021and €15 mn in 9M2021)
- As Legacy book reduces:
  - Group risk adjusted yield expected to rise
  - Group Risk intensity expected to fall supporting CET1 ratio build

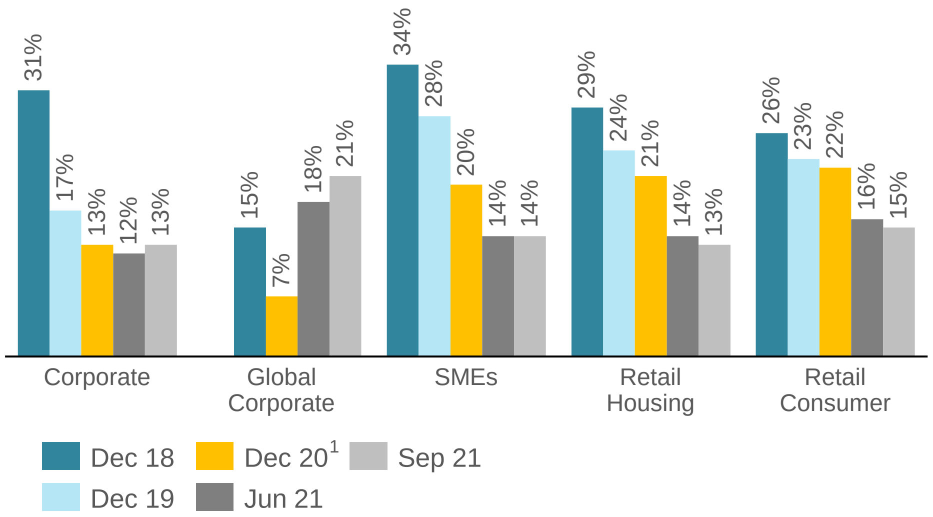
1) Interest Income on loans net of allowance for expected loan credit losses/Average Net Loans
2) Risk Weighted Assets over Total Assets

Rescheduled Loans

Rescheduled loans by customer type (€ bn)



Rescheduled loans % gross loans by customer type



Rescheduled loans-Asset Quality

30 Sep 2021	€ '000
Stage 1	108
Stage 2	705,896
Stage 3	605,407
POCI	72,800
FVPL	218,958
Total	**1,603,169**

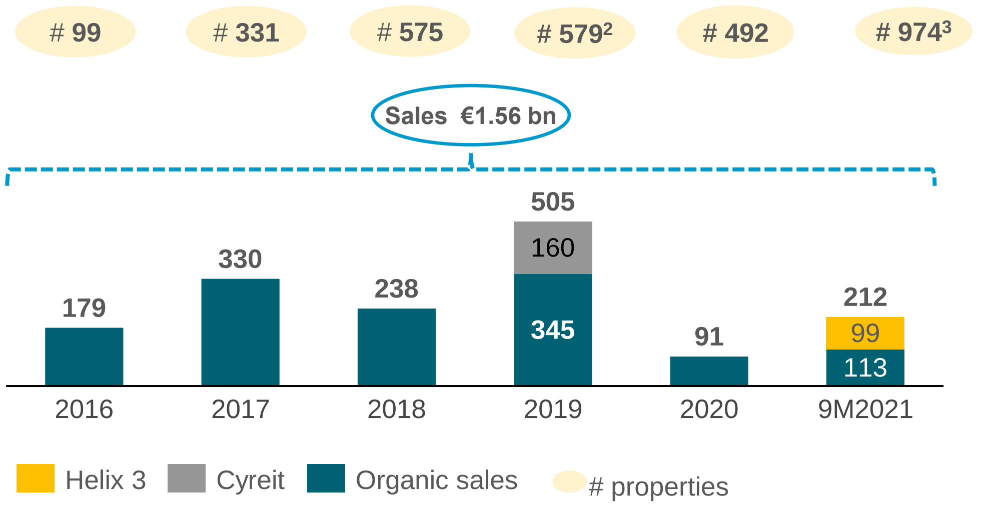
Fair value of collateral and credit enhancements

Loans and advances to customers	30 Sep 2021 (€ mn)
Cash	450
Securities	578
Letters of credit / guarantee	142
Property	14,895
Other	268
Surplus collateral	(7,532)
Net collateral	**8,801**

REMU- the engine for dealing with foreclosed assets

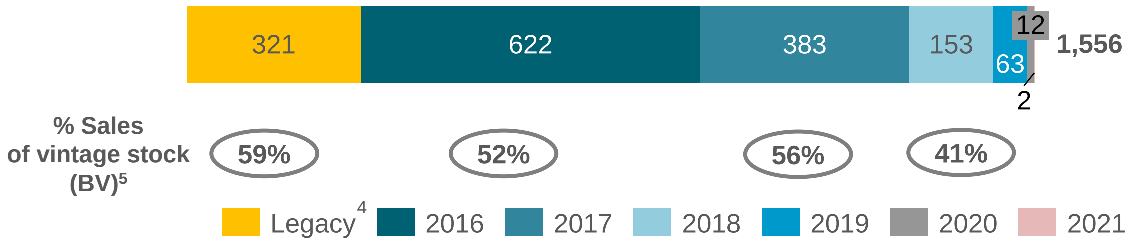
€1.56 bn sales of 3,050 properties across all property classes since set-up

Sales € mn (contract prices[1])

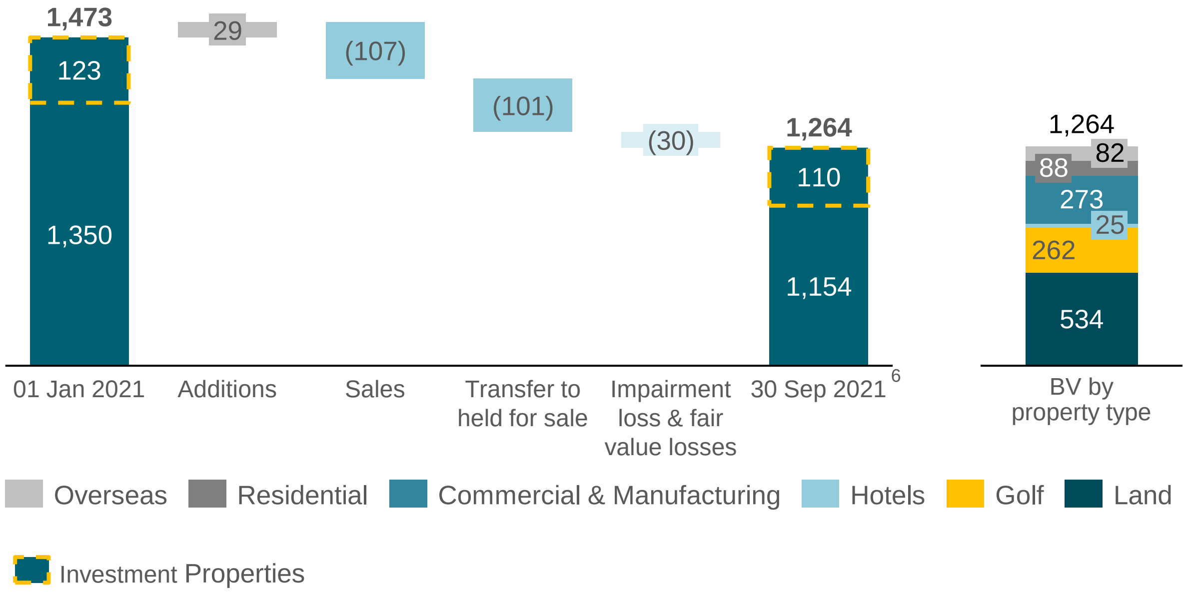


Breakdown of cumulative sales[1]

by on-boarding year (€ mn)



Evolution of properties managed by REMU



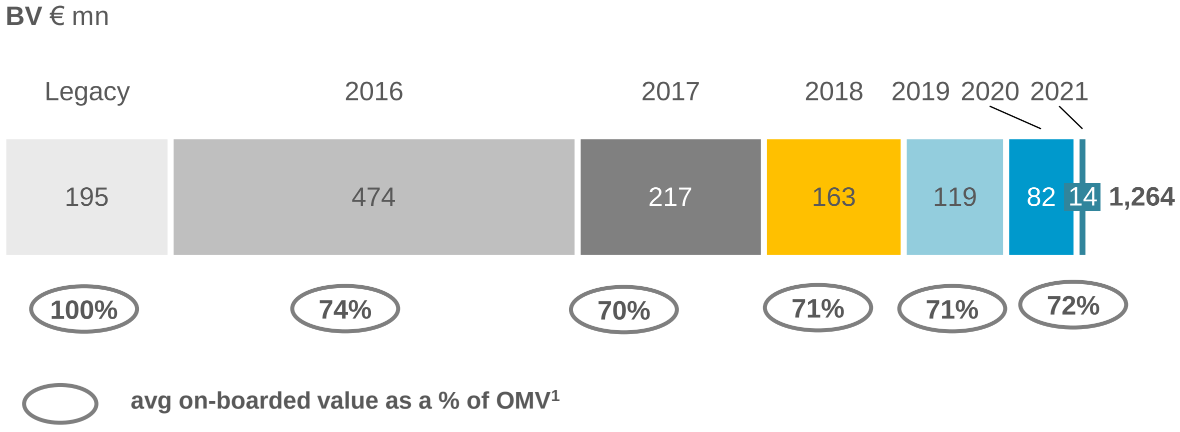
- 974 properties sold in 9M2021; 553 via organic sales
- Strong pipeline of €82 mn by contract value as at 30 September 2021, of which €53 mn related to SPAs signed

1) Amounts as per Sales purchase Agreements (SPAs)
2) Number of properties sold include 21 properties from the disposal of Cyreit and 23 properties from Helix 1
3) Number of properties include 421 properties from Helix 3

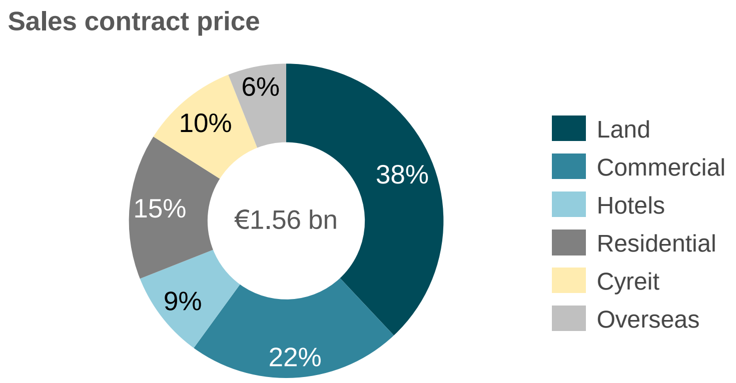
4) Legacy properties relate to properties that were on-boarded before REMU set-up in January 2016
5) The BV of the properties disposed at the date of disposal as a proportion of the: BV of the properties disposed at the time of the disposal plus the BV of the residual properties managed by REMU as at 30 September 2021
6) In addition to assets held by REMU, Investment properties with carrying value of €8 mn as at 30 Sep 2021 relate to legacy properties held by the Group

REMU- the engine for dealing with foreclosed assets

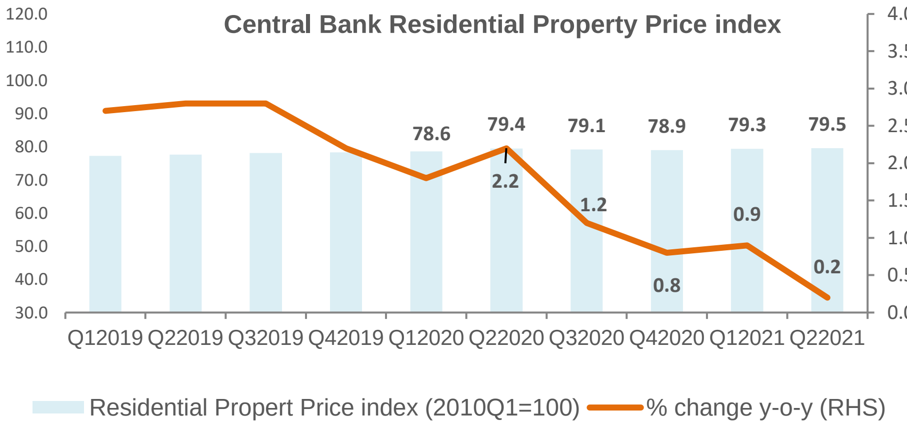
On-board assets in REMU at conservative c.25%-30% discount to OMV



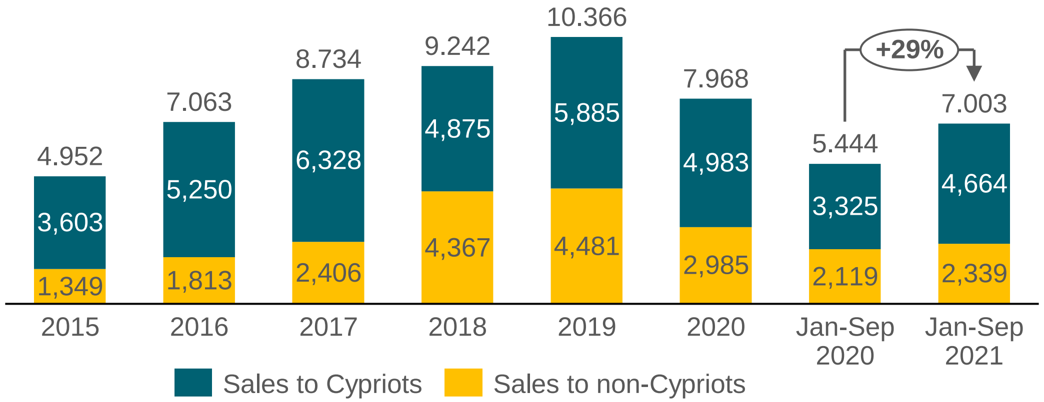
Cumulative sales by property type; 38% of sales relate to land



Real Estate Market property prices up 0.2% yoy in 2Q2021[2]



Sales contracts (excl. DFAs)[3] for 9M2021 up 29% yoy



1) Open market value at on-boarding date
2) Based on Residential price index published by Central Bank, dated 18 October 2021
3) Based on data from Land of Registry- Sales contracts

APPENDIX
Additional financial information

Consolidated Balance Sheet

Assets (€ mn)	30.09.2021	31.12.2020	% change
Cash and balances with Central Banks	8,750	5,653	55%
Loans and advances to banks	284	403	-29%
Debt securities, treasury bills and equity investments	2,143	1,913	12%
Net loans and advances to customers	9,787	9,886	-1%
Stock of property	1,154	1,350	-14%
Investment properties[1]	118	128	-8%
Other assets	1,954	1,550	26%
Non current assets and disposal groups held for sale	361	631	-43%
Total assets	**24,551**	**21,514**	**14%**

Liability and Equity (€ mn)	30.09.2021	31.12.2020	% change
Deposits by banks	402	392	3%
Funding from Central Bank	2,978	995	-
Customer deposits	17,128	16,533	4%
Loan stock	649	272	-
Other liabilities	1,303	1,247	5%
Total liabilities	**22,460**	**19,439**	**16%**
Shareholders' equity	**1,846**	**1,831**	**1%**
Other equity instruments	220	220	-
Total equity excluding non-controlling interests	**2,066**	**2,051**	**1%**
Non controlling interests	25	24	3%
Total equity	**2,091**	**2,075**	**1%**
Total liabilities and equity	**24,551**	**21,514**	**14%**

1) In addition to assets held by REMU, properties classified as "Investment properties" with carrying value of €8 mn as at 30 September 2021 relate to legacy properties

Risk Weighted Assets– Regulatory Capital

Risk Weighted Assets by Geography (€ mn)

	31.12.19	31.12.20	30.06.21	30.09.21	30.09.21 Pro forma for Helix 3
Cyprus	12,678	11,477	10,910	10,860	10,506
United Kingdom	48	23	23	23	23
Romania	29	26	22	20	20
Greece	121	105	91	87	87
Other	14	5	2	1	1
RWAs	**12,890**	**11,636**	**11,048**	**10,991**	**10,637**
RWA intensity	**61%**	**54%**	**46%**	**45%**	**43%**

Risk Weighted Assets by type of risk (€ mn)

	31.12.19	31.12.20	30.06.21	30.09.21	30.09.21 Pro forma for Helix 3
Credit risk	11,547	10,505	9,917	9,860	9,506
Market risk	-	-		-	-
Operational risk	1,343	1,131	1,131	1,131	1,131
Total	**12,890**	**11,636**	**11,048**	**10,991**	**10,637**

Reconciliation of Group Equity to CET1

€ mn	30.09.21
Group Equity per financial statements	2,091
Less: Intangibles[2]	(27)
Less: Deconsolidation of insurance and other entities	(201)
Less: Regulatory adjustments	(0)
Less: Revaluation reserves and equity instruments transferred to AT1	(251)
CET1[1]	**1,612**
Risk Weighted Assets	**10,991**
CET1 ratio[1,3]	**14.7%**

Equity and Regulatory Capital (€ mn)

	31.12.20	30.06.21	30.09.21[3]
Total equity excl. non-controlling interests	**2,051**	**2,046**	**2,066**
CET1 capital	**1,723**	**1,571**	**1,612**
Tier I capital	1,943	1,791	1,832
Tier II capital	192	333	329
Total regulatory capital (Tier I + Tier II)	**2,135**	**2,124**	**2,161**

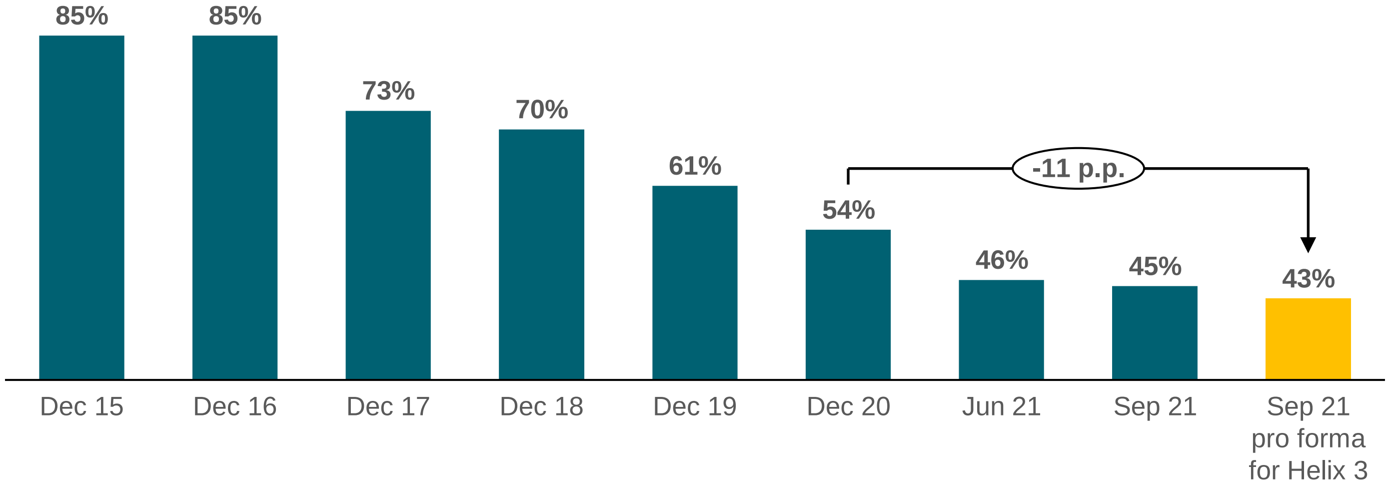
1) Allowing for IFRS 9 and starting from 3Q2020, also for temporary treatment for certain FVOCI instruments transitional arrangements
2) As per amendments introduced with Regulation 2020/873
3) Capital amounts and ratios include unaudited/un-reviewed profits for the nine months ended 30 September 2021

Pro forma for Helix 3, RWA intensity[1] reduced to 43%

RWAs reduced by €645 mn since Dec 2020, following the completion of Helix 2

RWAs	Dec 15	Dec 16	Dec 17	Dec 18	Dec 19	Dec 20	Jun 21	Sep 21	Sep 21 Pro forma for Helix 3
€ bn	19,666	18,865	17,260	15,373	12,890	11,636	11,048	10,991	10,637

RWA intensity[1] decreased to 43%[2]

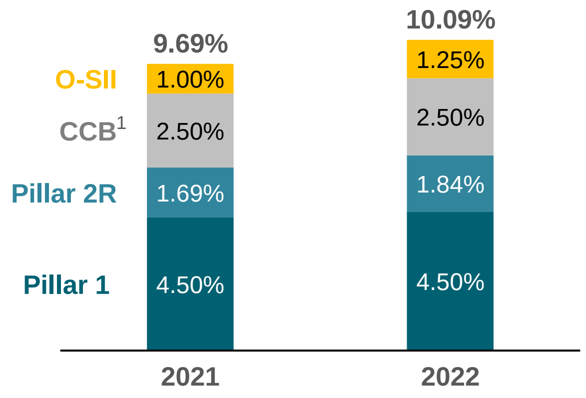


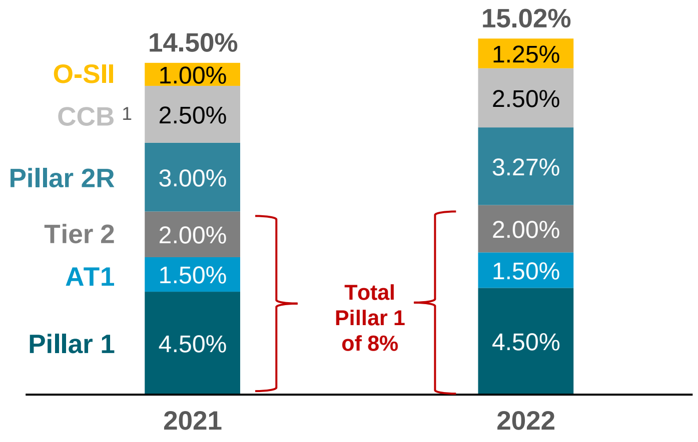
- RWA intensity[1] decreased to 45%, 9 p.p. in 9M2021, driven mainly by the completion of Helix 2 and the increase in total assets following the increase in the borrowing from TLTRO III by €3.0 bn
- Pro forma for Helix 3 RWA intensity[1] reduced to 43%

1) Risk Weighted Assets over Total Assets

SREP requirements

SREP requirements for 2021 and 2022





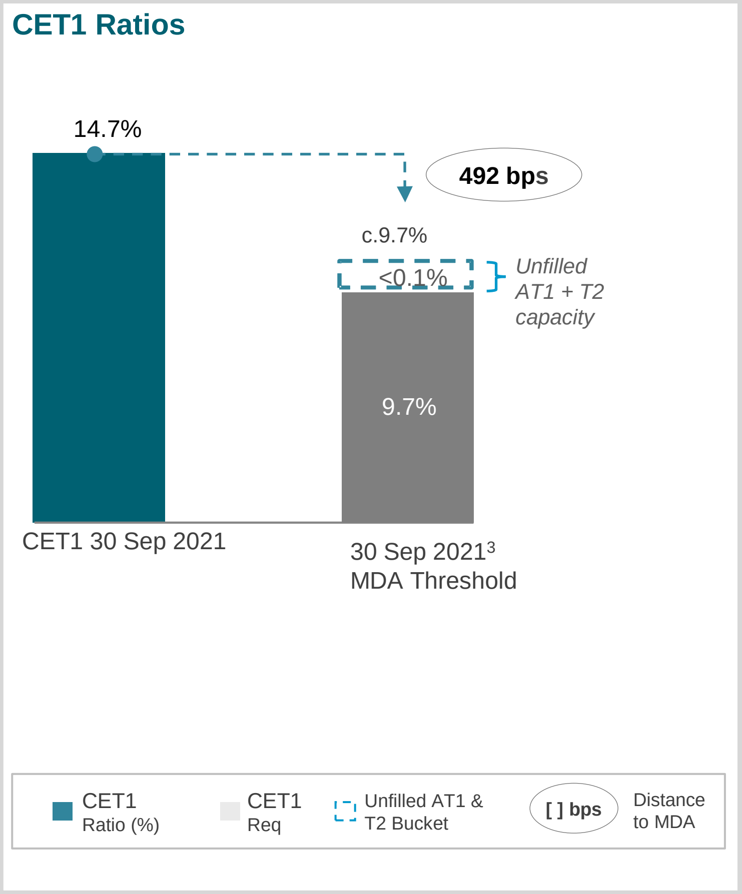
SREP Requirement

- CET1 and Total capital ratio minimum capital requirements for 2022 expected to increase to 10.09% and 15.02% respectively, following c.27 bps[2] add-on in P2R due to ECB's prudential provisioning expectations and 25 bps phasing in of O-SII buffer
- P2R add-on is dynamic and can be reduced during 2022 on the basis of in-scope NPEs and level of provisioning
- Decrease in P2G more than offsets P2R increase in CET1 ratio
- Total O-SII buffer reduced by 50 bps to 1.5%; phasing-in of 25 bps on 1 January 2022 and 1 January 2023
- New SREP requirements are expected to be effective from 1 March 2022 and remain subject to ECB final confirmation

1) In accordance with the legislation in Cyprus which has been set for all credit institutions the applicable rate of the CCB was fully phased in at 2.5% in 2019
2) Takes into consideration Helix 3

Buffer to MDA Restrictions Level & Distributable Items[1]

Maximum Distributable Amount for BOCH

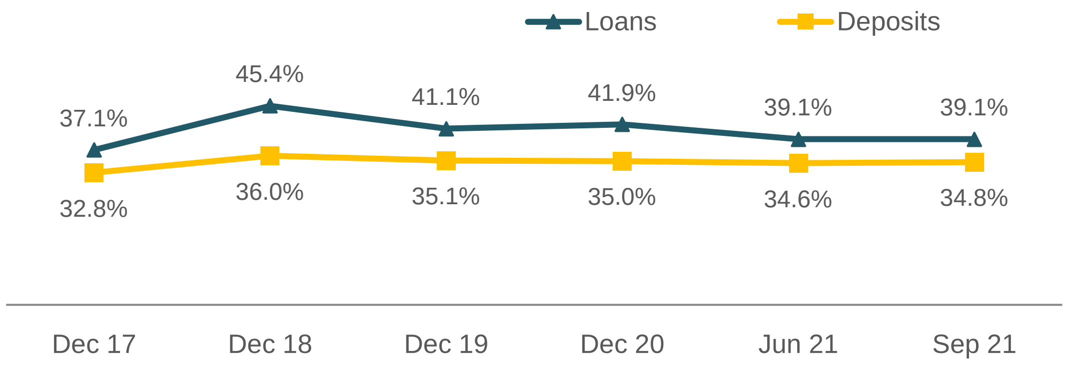


- No prohibition applies to the payment of coupons on any AT1 capital instruments issued by the Company and the Bank[2]
- Significant CET1 MDA buffer (30 Sep 2021) :492 bps (€540 mn)
- Following the 2021 SREP pre-notification received in November 2021, the Company and the Bank will still be under equity dividend distribution prohibition for 2022
- Previous variable pay restriction expected to be lifted

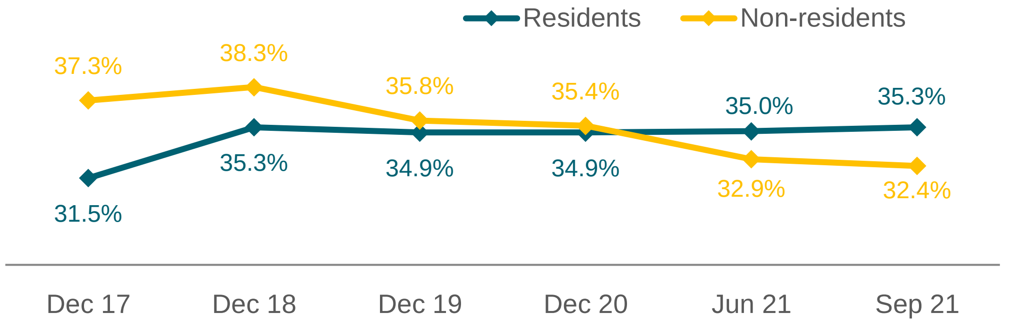
1) Distributable Items definition per CRR
2) Based on the SREP decisions of prior years, the Company and the Bank were under a regulatory prohibition for equity dividend distribution and therefore no dividends were declared or paid during 2019. Following the 2019 SREP decision, which will continue to be in effect in 2021, the Company and the Bank are still under equity dividend distribution prohibition. This prohibition does not apply if the distributions are made via the issuance of new ordinary shares to the shareholders which are eligible as CET1 capital
3) Including phasing in of O-SII buffer (+25 bps). In November 2021, the Bank received notification from the CBC that the final O-SII buffer is reduced by 50 bps to 1.5%, therefore the phasing-in of the O-SII buffer on 1 January 2022 and 1 January 2023 has been revised to 0.25% for each period.

Cypriot business

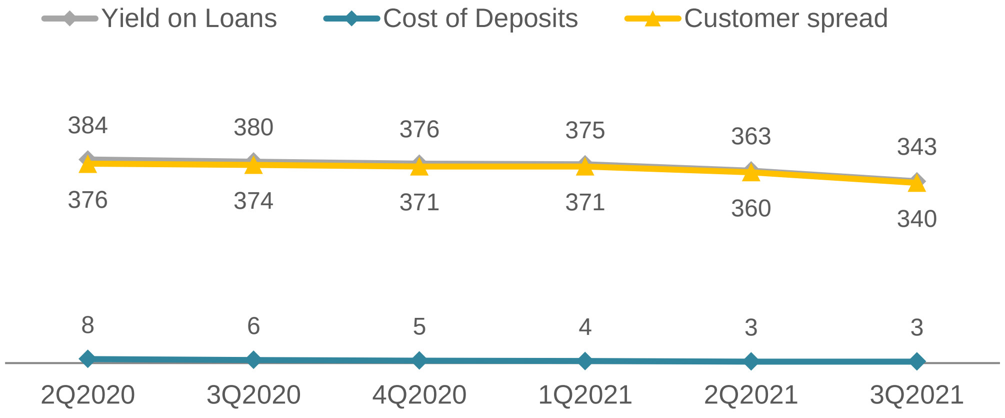
Loan market share stable qoq post completion of Helix 2



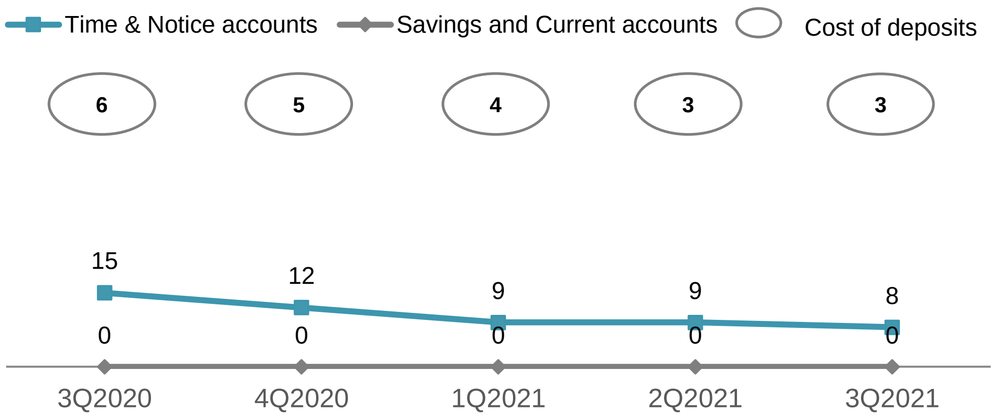
Strong market shares in resident and non-resident deposits



Average contractual interest rates (bps) (Cy)



Customer deposit rates (bps) (Cy)



Income Statement bridge[1] for 9M2021

€ mn	Underlying basis	NPE sales	Other	Statutory Basis
Net interest income	223	-	-	223
Net fee and commission income	128	-	-	128
Net foreign exchange gains and net losses on financial instrument transactions and disposal/dissolution of subsidiaries	14	-	(21)	(7)
Insurance income net of claims and commissions	43	-	-	43
Net gains/(losses) from revaluation and disposal of investment properties and on disposal of stock of properties	8	(1)	-	7
Other income	11	-	-	11
Total income	**427**	**(1)**	**(21)**	**405**
Total expenses	(284)	(19)	(12)	(315)
Operating profit	**143**	**(20)**	**(33)**	**90**
Loan credit losses	(57)	15	8	(34)
Impairments of other financial and non-financial instruments	(13)	(20)	-	(33)
Provisions for litigation, claims, regulatory and other matters	(6)	-	6	-
Profit before tax and non-recurring items	**67**	**(25)**	**(19)**	**23**
Tax	(3)	-	-	(3)
Profit attributable to non-controlling interests	0	-	-	-
Profit after tax and before non-recurring items (attributable to the owners of the Company)	**64**	**(25)**	**(19)**	**20**
Advisory and other restructuring costs - organic	(19)	-	19	-
Profit after tax – Organic (attributable to the owners of the Company)	**45**	**(25)**	**-**	**20**
Provisions/net loss relating to NPE sales	(6)	6		
Restructuring and other costs	(19)	19	-	-
Profit after tax - attributable to the owners of the Company	**20**	**-**	**-**	**20**

1) Please refer to section F1 “Reconciliation of income statement between statutory and underlying basis of the Group Financial Results for the nine months ended 30 September 2021

Income Statement

€ mn	3Q2021	2Q2021	qoq%
Net Interest Income	71	76	-6%
Net fee and commission income	44	45	-2%
Net foreign exchange gains and net losses on financial instrument transactions and disposal/dissolution of subsidiaries and associates	6	6	1%
Insurance income net of claims and commissions	12	18	-36%
Net gains/(losses) from revaluation and disposal of investment properties and on disposal of stock of properties	2	4	-42%
Other income	4	3	42%
Total income	**139**	**152**	**-8%**
Staff costs	(51)	(51)	0%
Other operating expenses	(38)	(38)	2%
Special levy on deposits and other levies/contributions	(9)	(6)	52%
Total expenses	**(98)**	**(95)**	**4%**
Operating profit	**41**	**57**	**-29%**
Loan credit losses	(22)	(15)	42%
Impairments of other financial and non-financial assets	(2)	(6)	-62%
Provisions for litigation, claims, regulatory and other matters	(2)	(3)	-56%
Total loan credit losses, impairments and provisions	**(26)**	**(24)**	**3%**
Profit before tax and non-recurring items	**15**	**33**	**-52%**
Tax	(2)	1	-
Profit after tax and before non-recurring items (attributable to the owners of the Company)	**13**	**34**	**-59%**
Advisory and other restructuring costs – organic	(1)	(15)	-93%
Profit after tax – organic (attributable to the owners of the Company)	**12**	**19**	**-31%**
Net profit/(loss) relating to NPE sales	10	(14)	-
Restructuring and other costs	(3)	(12)	-71%
Profit/ (loss) after tax (attributable to the owners of the Company)	**19**	**(7)**	**-**

Analysis of Interest Income and Interest Expense

Analysis of Interest Income (€ mn)	3Q2020 restated[1]	4Q2020	1Q2021	2Q2021	3Q2021
Loans and advances to customers	91	89	83	82	77
Loans and advances to banks and central banks	3	2	3	7	10
Investment at amortised costs	2	2	2	2	2
Investments FVOCI	4	4	3	3	3
Investments classified as loans and receivables					
	100	**97**	**91**	**94**	**92**
Trading Investment					
Derivative financial instruments	8	8	8	4	2
Other investments at fair value through profit or loss					
Total Interest Income	**108**	**105**	**99**	**98**	**94**

Analysis of Interest Expense (€ mn)					
Customer deposits	(3)	(3)	(2)	(2)	(1)
Funding from central banks and deposits by banks	0	0	0	0	0
Loan stock	(6)	(6)	(6)	(6)	(8)
Repurchase agreements	(1)	0	0	0	0
Negative interest on loans and advances to banks and central banks	(5)	(6)	(5)	(8)	(9)
	(15)	**(15)**	**(13)**	**(16)**	**(18)**
Derivative financial instruments	(11)	(10)	(10)	(6)	(5)
Total Interest Expense	**(26)**	**(25)**	**(23)**	**(22)**	**(23)**

1) Interest income of non-legacy book for 3Q2020 increased from €73 mn to €74 mn since previously disclosed on 27 November 2020, following a transfer of €1 mn from liquids to non-legacy interest income

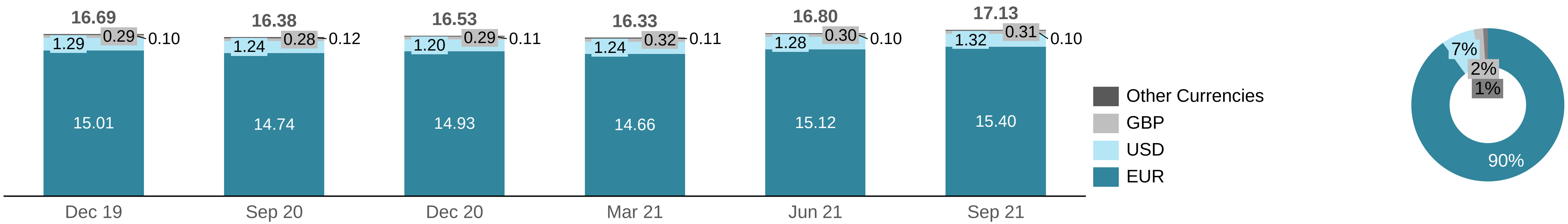
Income Statement by business line for 9M2021

€ mn	Consumer Banking	SME Banking	Corporate Banking	Global corporate	International Banking	Wealth & Markets	RRD	REMU	Insurance	Treasury	Other	Overseas	Total
Net interest income/(expense)	57	22	38	42	6	-	40	(19)	-	15	22	-	**223**
Net fee & commission income/(expense)	33	7	10	7	41	4	12	-	(6)	2	18	-	**128**
Other income	2	1	1	-	4	2	-	12	43	5	5	1	**76**
Total income	**92**	**30**	**49**	**49**	**51**	**6**	**52**	**(7)**	**37**	**22**	**45**	**1**	**427**
Total expenses	**(114)**	**(19)**	**(19)**	**(16)**	**(22)**	**(6)**	**(32)**	**(16)**	**(15)**	**(9)**	**(13)**	**(3)**	**(284)**
Operating (loss)/ profit	**(22)**	**11**	**30**	**33**	**29**	**-**	**20**	**(23)**	**22**	**13**	**32**	**(2)**	**143**
Loan credit losses of customer loans net of gains/(losses) on derecognition of loans and changes in expected cash flows	11	2	3	(5)	1	-	(62)	-	-	-	(3)	(4)	**(57)**
Impairment of other financial and non financial instruments	-	-	-	-	-	-	-	(9)	-	-	(4)	-	**(13)**
Provision for litigation, claims, regulatory and other matters	-	-	-	-	-	-	-	-	-	-	(6)	-	**(6)**
(Loss)/profit before tax	**(11)**	**13**	**33**	**28**	**30**	**-**	**(42)**	**(32)**	**22**	**13**	**19**	**(6)**	**67**
Tax	1	(2)	(4)	(3)	(4)	-	5	4	(3)	(2)	3	2	**(3)**
Profit attributable to non controlling interest	-	-	-	-	-	-	-	-	-	-	-	-	**-**
(Loss)/ profit after tax and before non-recurring items (attributable to the owners of the Company)	**(10)**	**11**	**29**	**25**	**26**	**-**	**(37)**	**(28)**	**19**	**11**	**22**	**(4)**	**64**

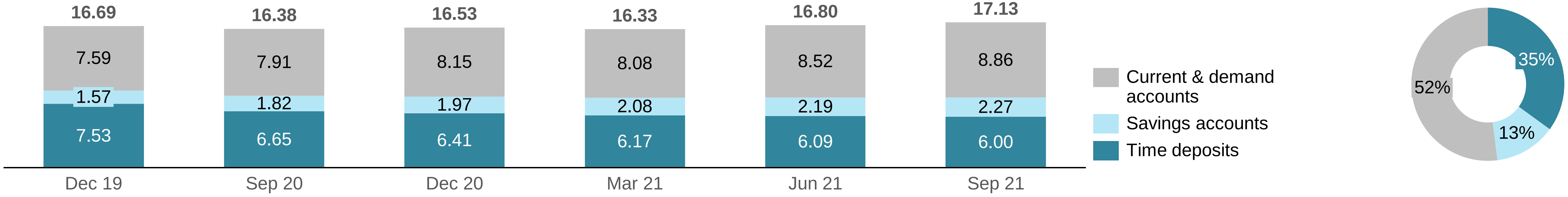
Analysis of Deposits

Deposits by Currency (€ bn)

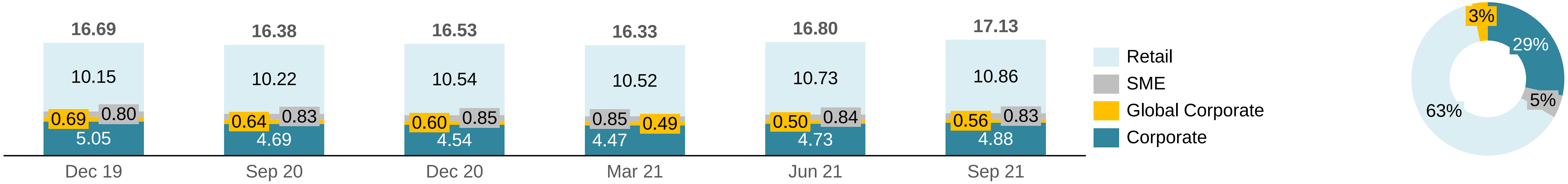
Sep 21



Deposits by Type (€ bn)



Deposits by customer Sector (€ bn)



APPENDIX
Glossary & Definitions

Glossary & Definitions

Advisory and other restructuring costs	Comprise mainly (a) fees of external advisors in relation to: (i) disposal of operations and non-core assets, and (ii) customer loan restructuring activities, and (b) the cost of the tender offer for the Existing Tier 2 Capital Notes.
Allowance for expected loan credit losses (previously 'Accumulated provisions')	Comprises (i) allowance for expected credit losses (ECL) on loans and advances to customers (including allowance for expected credit losses on loans and advances to customers held for sale), (ii) the residual fair value adjustment on initial recognition of loans and advances to customers, (iii) allowance for expected credit losses for off-balance sheet exposures (financial guarantees and commitments) disclosed on the balance sheet within other liabilities, and (iv) the aggregate fair value adjustment on loans and advances to customers classified and measured at FVPL.
AIEA	This relates to the average of 'interest earning assets' as at the beginning and end of the relevant quarter. Average interest earning assets exclude interest earning assets of any discontinued operations at each quarter end, if applicable. Interest earning assets include: cash and balances with central banks (including cash and balances with central banks classified as non-current assets held for sale), plus loans and advances to banks, plus net loans and advances to customers (including loans and advances to customers classified as non-current assets held for sale), plus 'deferred consideration receivable' included within 'other assets', plus investments (excluding equities and mutual funds).
AT1	AT1 (Additional Tier 1) is defined in accordance with the Capital Requirements Regulation (EU) No 575/2013, as amended by CRR II applicable as at the reporting date.
Average contractual interest rates	Interest rates on cost of deposits were previously calculated as the Interest Expense over Average Balance. The current calculation which the Bank considers more appropriate is based on the weighted average of the contractual rate times the balance at the end of the month. The rates are calculated based on the month end contractual interest rates. The quarterly rates are the average of the three quarter month end contractual rates.
Book Value	BV= book value = Carrying value prior to the sale of property.
Basic earnings/(losses) after tax and before non-recurring items per share (attributable to the owners of the Company)	Basic earnings/(losses) after tax and before non-recurring items per share (attributable to the owners of the Company) is the Profit/(loss) after tax and before non-recurring items (as defined below) (attributable to the owners of the Company) divided by the weighted average number of shares in issue during the period, excluding treasury shares.
CET1 capital ratio (transitional basis)	CET1 capital ratio (transitional basis) is defined in accordance with the Capital Requirements Regulation (EU) No 575/2013, as amended by CRR II applicable as at the reporting date.
CET1 fully loaded (FL)	The CET1 fully loaded (FL) ratio is defined in accordance with the Capital Requirements Regulation (EU) No 575/2013, as amended by CRR II applicable as at the reporting date.
Cost of Funding	Effective yield of cost of funding: Interest expense of all interest bearing liabilities after hedging, over average interest bearing liabilities (customer deposits, funding from the central bank, interbank funding, subordinated liabilities). Historical information has been adjusted to take into account hedging.
Cost to Income ratio	Cost-to-income ratio comprises total expenses (as defined) divided by total income (as defined).
Cost of Risk	Loan credit losses charge (cost of risk) (year to date) is calculated as the annualised 'loan credit losses' (as defined) divided by average gross loans. The average gross loans are calculated as the average of the opening balance and the closing balance, for the reporting period/year.
CRR DD	Default Definition.
DFAs	Debt for Asset Swaps.
DFEs	Debt for Equity Swaps.

Glossary & Definitions

Digitally engaged customers ratio	This is the ratio of digitally engaged individual customers to the total number of individual customers. Digitally engaged customers are the individuals who use the digital channels of the Bank (mobile banking app, browser and ATMs) to perform banking transactions, as well as digital enablers such as a bank-issued card to perform online card purchases, based on an internally developed scorecard. Digital engagement has been adjusted to include Standing Orders & Group Transfers performed through 1Bank at transaction level. Historical values have been adjusted accordingly for this change.
Digital transactions ratio	This is the ratio of the number of digital transactions performed by individuals and legal entity customers to the total number of transactions. Transactions include deposits, withdrawals, internal and external transfers. Digital channels include mobile, browser and ATMs. Digital transactions have been adjusted to include Payroll & Group Transfers performed through 1Bank at transaction level. Historical values have been adjusted accordingly for this change.
DTA	Deferred tax asset
DTC	Deferred Tax Credit
EBA	European Banking Authority
ECB	European Central Bank
Effective yield	Interest Income on Loans/Average Net Loans
Effective yield of liquid assets	Interest Income on liquids after hedging, over average liquids (Cash and balances with central banks, placements with banks and bonds). Historical information has been adjusted to take into account hedging
FTP	Fund transfer pricing methodologies applied between the business lines to present their results on an arm’s length basis
GBV	Gross Book Value
Gross Loans	Gross loans comprise: (i) gross loans and advances to customers measured at amortised cost before the residual fair value adjustment on initial recognition (including loans and advances to customers classified as non-current assets held for sale) and (ii) loans and advances to customers classified and measured at FVPL adjusted for the aggregate fair value adjustment Gross loans are reported before the residual fair value adjustment on initial recognition relating mainly to loans acquired from Laiki Bank (calculated as the difference between the outstanding contractual amount and the fair value of loans acquired) amounting to €181 mn at 30 September 2021 (compared to €185 mn at 30 June 2021 and €230 mn at 31 December 2020). Additionally, gross loans include loans and advances to customers classified and measured at fair value through profit or loss adjusted for the aggregate fair value adjustment of €334 mn at 30 September 2021 (compared to €332 mn at 30 June 2021 and €326 mn at 31 December 2020).
Gross Sales Proceeds	Proceeds before selling charge and other leakages
Group	The Group consists of Bank of Cyprus Holdings Public Limited Company, “BOC Holdings” or the “Company”, its subsidiary Bank of Cyprus Public Company Limited, the “Bank” and the Bank’s subsidiaries.
H/O	Head Office

Glossary & Definitions

IB, W&M	International Banking, Wealth and Markets
IBU	Servicing exclusively international activity companies registered in Cyprus and abroad and not residents
Legacy exposures	Legacy exposures are exposures relating to (i) Restructuring and Recoveries Division (RRD), (ii) Real Estate Management Unit (REMU), and (iii) non-core overseas exposures.
Loan credit losses (PL) (previously 'Provision charge')	Loan credit losses comprise: (i) credit losses to cover credit risk on loans and advances to customers, (ii) net gains on derecognition of financial assets measured at amortised cost and (iii) net gains on loans and advances to customers at FVPL, for the reporting period/year.
Loan to Value ratio (LTV)	Loan to Value (LTV) is calculated as the Gross IFRS Balance to the indexed market value of the property. Under Pillar 3 disclosures LTV is calculated as the Gross IFRS Balance to the indexed market value of collateral. Collateral takes into consideration the mortgage amount registered in the land registry plus legal interest from registration date to the reference date
Market shares	Both deposit and loan market shares are based on data from the CBC. The Bank is the single largest credit provider in Cyprus with a market share of 39.1% at 30 September 2021, compared to 39.1% at 30 June 2021, 42.4% at 31 March 2021 and 41.9% at 31 December 2020. The decrease in 2Q2021 is mainly due to the completion of Project Helix 2.
MSCI ESG Rating	The use by the Bank of any MSCI ESG Research LLC or its affiliates ('MSCI') data, and the use of MSCI Logos, trademarks, service marks or index names herein, do not constitute a sponsorship, endorsement, recommendation or promotion of the Bank by MSCI. MSCI Services and data are the property of MSCI or its information providers and are provided "as-is" and without warranty. MSCI Names and logos are trademarks or service marks of MSCI.
Net Proceeds	Proceeds after selling charges and other leakages
Net fee and commission income over total income	Fee and commission income less fee and commission expense divided by total income (as defined).
Net interest margin (NIM)	Net interest margin is calculated as the net interest income (annualised) divided by the 'quarterly average interest earning assets' (as defined).
Net loans and advances to customers	Net loans and advances to customers comprise gross loans (as defined) net of allowance for expected loan credit losses (as defined, but excluding allowance for expected credit losses on off-balance sheet exposures disclosed on the balance sheet within other liabilities).
Net loans to deposits ratio	Net loans to deposits ratio is calculated as gross loans (as defined) net of allowance for expected loan credit losses (as defined) divided by customer deposits.
New lending	New lending includes the disbursed amounts of the new and existing non-revolving facilities (excluding forborne or re-negotiated accounts) as well as the average year to date change (if positive) of the current accounts and overdraft facilities between the balance at the beginning of the period and the end of the period. Recoveries are excluded from this calculation since their overdraft movement relates mostly to accrued interest and not to new lending.

Glossary & Definitions

Non-interest income	Non-interest income comprises Net fee and commission income, Net foreign exchange gains/(losses) and net gains/(losses) on financial instrument transactions and disposal/dissolution of subsidiaries and associates (excluding net gains on loans and advances to customers at FVPL), Insurance income net of claims and commissions, Net gains/(losses) from revaluation and disposal of investment properties and on disposal of stock of properties, and Other income.
Non-recurring items	Non-recurring items as presented in the 'Unaudited Interim Condensed Consolidated Income Statement – Underlying basis' relate to the following items, as applicable: (i) Advisory and other restructuring costs - organic, (ii) Provisions/net (loss)/profit relating to NPE sales, and (iii) Restructuring and other expenses relating to NPE sales.
NPE coverage ratio (previously 'NPE Provisioning coverage ratio')	The NPE coverage ratio is calculated as the allowance for expected loan credit losses (as defined) over NPEs (as defined).
NPE ratio	NPEs ratio is calculated as the NPEs as per EBA (as defined) divided by gross loans (as defined).
NPEs	As per the European Banking Authorities (EBA) standards and European Central Bank's (ECB) Guidance to Banks on Non-Performing Loans (which was published in March 2017), non-performing exposures (NPEs) are defined as those exposures that satisfy one of the following conditions: i. The borrower is assessed as unlikely to pay its credit obligations in full without the realisation of the collateral, regardless of the existence of any past due amount or of the number of days past due. ii. Defaulted or impaired exposures as per the approach provided in the Capital Requirement Regulation (CRR), which would also trigger a default under specific credit adjustment, diminished financial obligation and obligor bankruptcy. iii. Material exposures as set by the Central Bank of Cyprus (CBC), which are more than 90 days past due. iv. Performing forborne exposures under probation for which additional forbearance measures are extended. v. Performing forborne exposures previously classified as NPEs that present more than 30 days past due within the probation period. From 1 January 2021 two regulatory guidelines came into force that affect NPE classification and Days-Past-Due calculation. More specifically, these are the RTS on the Materiality Threshold of Credit Obligations Past-Due (EBA/RTS/2016/06), and the Guideline on the Application of the Definition of Default under article 178 (EBA/RTS/2016/07). The Days-Past-Due (DPD) counter begins counting DPD as soon as the arrears or excesses of an exposure reach the materiality threshold (rather than as of the first day of presenting any amount of arrears or excesses). Similarly, the counter will be set to zero when the arrears or excesses drop below the materiality threshold. Payments towards the exposure that do not reduce the arrears/excesses below the materiality threshold, will not impact the counter. For retail debtors, when a specific part of the exposures of a customer that fulfils the NPE criteria set out above is greater than 20% of the gross carrying amount of all on balance sheet exposures of that customer, then the total customer exposure is classified as non performing; otherwise only the specific part of the exposure is classified as non performing. For non retail debtors, when an exposure fulfils the NPE criteria set out above, then the total customer exposure is classified as non performing. Material arrears/excesses are defined as follows: – Retail exposures: Total arrears/excess amount greater than €100 – Exposures other than retail: Total arrears/excess amount greater than €500 and the amount in arrears/excess in relation to the customer's total exposure is at least 1%.

Glossary & Definitions

NPEs sales	NPE sales refer to sales of NPE portfolios completed, as well as contemplated and potential future sale transactions, irrespective of whether or not they met the held for sale classification criteria at the reporting dates.
Non-legacy	Relates to all business lines excluding Restructuring and Recoveries Division (“RRD”), REMU and non-core overseas exposures
Phased-in Capital Conservation Buffer (CCB)	In accordance with the legislation in Cyprus which has been set for all credit institutions, the applicable rate of the CCB is 1.25% for 2017, 1.875% for 2018 and 2.5% for 2019 (fully phased-in).
NSFR	The NSFR is calculated as the amount of “available stable funding” (ASF) relative to the amount of “required stable funding” (RSF). The regulatory limit has been set at 100% as per the CRR II enforced in June 2021. The NSFR weights under CRR II do not have material deviations from those under Basel III guidelines which the Group followed prior to CRR II enforcement.
OMV	Open Market Value
Operating profit	The operating profit comprises profit before Total loan credit losses, impairments and provisions (as defined), tax, (profit)/loss attributable to non-controlling interests and non-recurring items (as defined).
p.p.	percentage points
Project Helix 2	Project Helix 2 refers to the sale of portfolios of loans with a total gross book value of €1.3 bn completed in June 2021. For further information please refer to section A.1.5 Loan portfolio quality of the press release.
Profit/(loss) after tax and before non-recurring items (attributable to the owners of the Company)	This refers to the profit or loss after tax (attributable to the owners of the Company), excluding any ‘non-recurring items’ (as defined).
Profit/(loss) after tax – organic (attributable to the owners of the Company)	This refers to the profit or loss after tax (attributable to the owners of the Company), excluding any ‘non-recurring items’ (as defined, except for the ‘advisory and other restructuring costs – organic’).
Qoq	Quarter on quarter change
Restructured loans	Restructuring activity within quarter as recorded at each quarter end and includes restructurings of NPEs, performing loans and re-restructurings.
Risk adjusted yield	Interest Income on Loans net of allowance for expected loan credit losses/Net Loans.
RRD	Restructuring and Recoveries Division.

Glossary & Definitions

RWAs	Risk Weighted Assets.
RWA Intensity	Risk Weighted Assets over Total Assets.
Special levy on deposits and other levies/contributions	Relates to the special levy on deposits of credit institutions in Cyprus, contributions to the Single Resolution Fund (SRF), contributions to the Deposit Guarantee Fund (DGF), as well as the DTC levy.
Stage 2 & Stage 3 Loans	Include purchased or originated credit-impaired.
Tangible Collateral	Restricted to Gross IFRS balance.
Total Capital ratio	Total capital ratio is defined in accordance with the Capital Requirements Regulation (EU) No 575/2013, as amended by CRR II applicable as at the reporting date.
Total expenses	Total expenses comprise staff costs, other operating expenses and the special levy on deposits and other levies/contributions. It does not include (i) 'advisory and other restructuring costs-organic', or (ii) any restructuring costs relating to NPE sales. (i) 'Advisory and other restructuring costs-organic' amounted to €1 mn for 3Q2021 (compared to €15 mn for 2Q2021, €3 mn for 1Q2021 and €1 mn for 4Q2020), (ii) Restructuring costs relating to NPE sales amounted to €3 mn for 3Q2021 (compared to €6 mn for 2Q2021, €4 mn for 1Q2021 and c.€1.5 mn for 4Q2020).
Total income	Total income comprises net interest income and non-interest income (as defined).
Total loan credit losses, impairments and provisions	Total loan credit losses, impairments and provisions comprises loan credit losses (as defined), plus impairments of other financial and non-financial assets, plus provisions for litigation, claims, regulatory and other matters.
T2	Tier 2 Capital
Underlying basis	This refers to the statutory basis after being adjusted for certain items as explained in the Basis of Presentation.
Write offs	Loans together with the associated loan credit losses are written off when there is no realistic prospect of future recovery. Partial write-offs, including non-contractual write-offs, may occur when it is considered that there is no realistic prospect for the recovery of the contractual cash flows. In addition, write-offs may reflect restructuring activity with customers and are part of the terms of the agreement and subject to satisfactory performance.
Yoy	Year on year change