Bank of Cyprus Group

Group Financial Results

For the nine months ended 30 September 2020

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.

The presentation for the Group Financial Results for the nine months ended 30 September 2020 contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014.

Forward Looking Statements

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 from 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.

Important Notice Regarding Additional Information Contained in the Investor Presentation

The presentation for the Group Financial Results for the nine months ended 30 September 2020 (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, (ii) growth of performing loan book, (iii) ratio of revenue over total assets, (iv) ratio of fee and commission over total assets, (v) ratio of total revenues over risk weighted assets, (vi) market shares and total regular income or gross written premiums of insurance companies, (vii) restructuring expenses, (viii) cost to income ratio (excluding special levy and contributions to Single Resolution Fund and Deposit Guarantee Fund), and (ix) 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 2019 and updated in the Interim Financial Report 2020. 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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9M2020 Financial Results

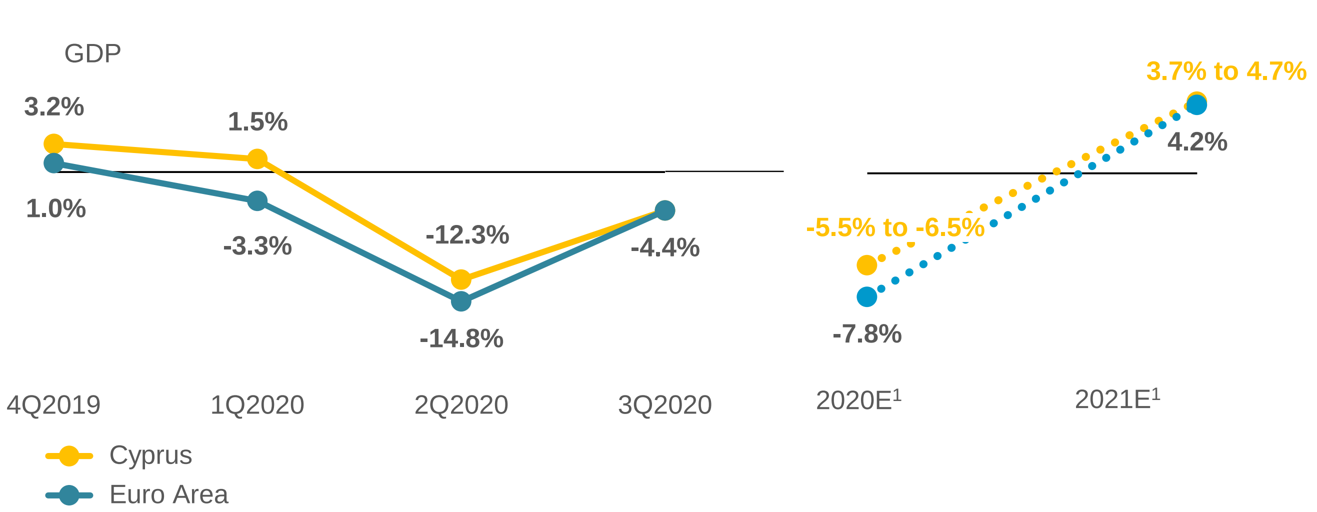
3Q2020 - Highlights

Covid-19 Developments	**~€1 bn New Lending YTD**	• Cypriot economy more resilient in 3Q2020 than anticipated earlier in the year • We continue to support the recovery of the Cypriot economy • New lending of €288 mn recovering post lockdown, driven by retail housing • Careful on-going monitoring of credit quality of loans under moratorium
Positive Performance in 3Q2020	**€44 mn Operating Profit**	• Total income of €137 mn; operating profit of €44 mn • Cost of risk of 97 bps • Profit after tax of €4 mn
Operating Efficiency	**62% Cost/Income[1]**	• Total operating expenses[1] at €84 mn for 3Q2020, up by 4% qoq as more normal business operations have resumed post lockdown; €249 mn for 9M2020 down by 13% yoy • Cost to income ratio[1] at 62% for 3Q2020 and 59% for 9M2020
Good Capital Strong Liquidity	**14.7% CET1 ratio[2,3]**	• CET1 ratio of 14.7%[2,3] and Total Capital ratio of 18.2%[2,3] • Deposits at €16.4 bn, broadly flat qoq • Significant surplus liquidity of €4.1 bn (LCR at 256%)
Balance Sheet Repair Continues	**10% Net NPE ratio[2]**	• Organic NPE reduction of €230 mn with pace returning to pre-lockdown levels • €0.9 bn NPE sale (Helix 2) agreed in August 2020 • NPEs reduced to €2.4 bn (€1.0 bn net)[2] • Gross NPE ratio reduced to 21%[2] (10% net[2]) and coverage maintained at 59%[2]
Strategy and Outlook	**~7% ROTE[4] target in the medium-term**	• Clear path to reduce NPE ratio to single digit by end of 2022 and to ~5% in the medium term • Enhance revenues in a more capital efficient way, capitalising on strong market position • Improve operating efficiency through leaner operations, digitisation and automation • Initiate MREL issuance and refinance Tier 2, subject to market conditions • Position the Bank on the path for sustainable profitability delivering on shareholders returns

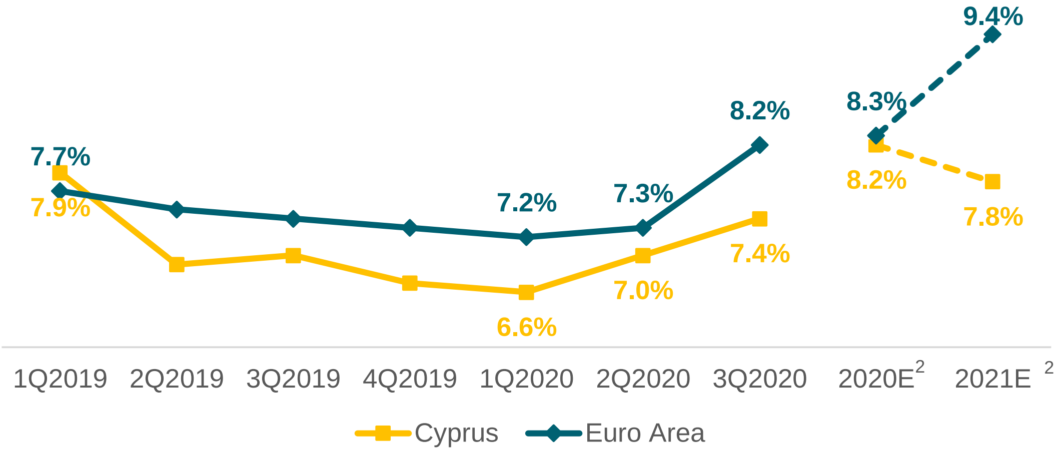
1) Excluding Special Levy and contributions to SRF and DGF
2) Pro forma for Helix 2. Calculations on a pro forma basis assume completion of the transaction
3) Allowing for IFRS 9 and temporary treatment for certain FVOCI instruments transitional arrangements
4) ROTE is calculated as Profit after Tax divided by (Shareholders' equity minus Intangible assets)

Cypriot economy more resilient in 3Q2020 than anticipated earlier in the year

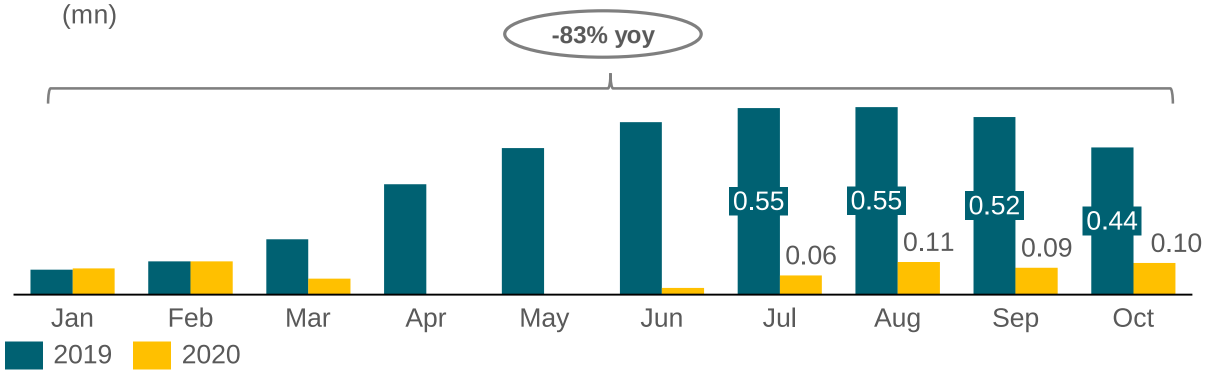
Economy expected to contract in 2020 at a lower rate compared to Euro area



Unemployment rate rose at 7.4% in 3Q2020



3Q2020 tourism arrivals impacted by lockdown



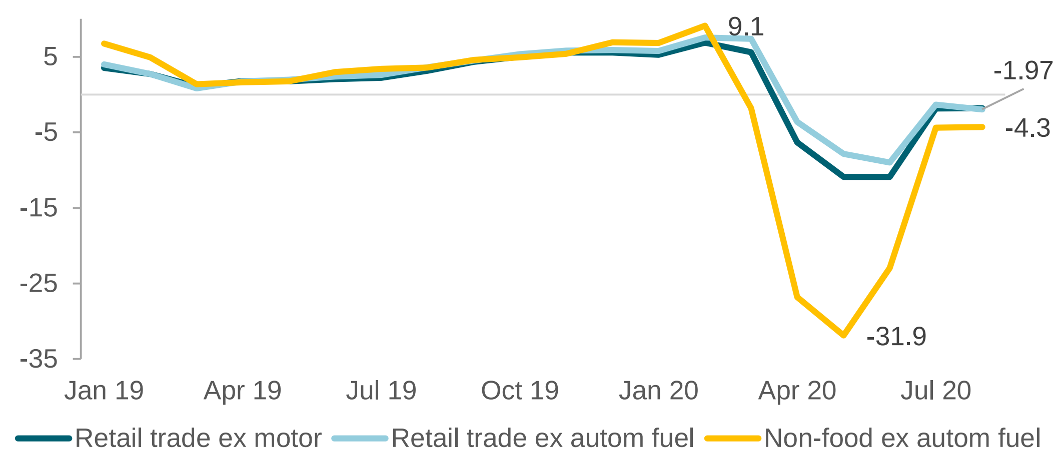
- Open, small and flexible economy which has demonstrated historically that it can quickly recover from economic crises
- Unprecedent policy response mitigating COVID-19 impact
- As number of new COVID-19 cases has increased in recent weeks, local restrictions have been re-imposed to contain the spread, which is likely to lead to some loss of momentum in economic recovery in 4Q2020
- The latest news for an effective vaccine is encouraging, which in time should support a return to more normal conditions

Source: Cyprus Statistical Service, Economics Research centre of the University of Cyprus and Eurostat
1) GDP projections under the updated base scenario of Ministry of Finance, European Commission, IMF and the Economics Research centre of the University of Cyprus
2) Unemployment projections under the base scenario of the European Commission dated 5 November 2020

Economic activity improving since easing of restrictions

Retail sales increasing

Retail trade volume % change -3m average



Card spending rebounded, having hit low in April 2020

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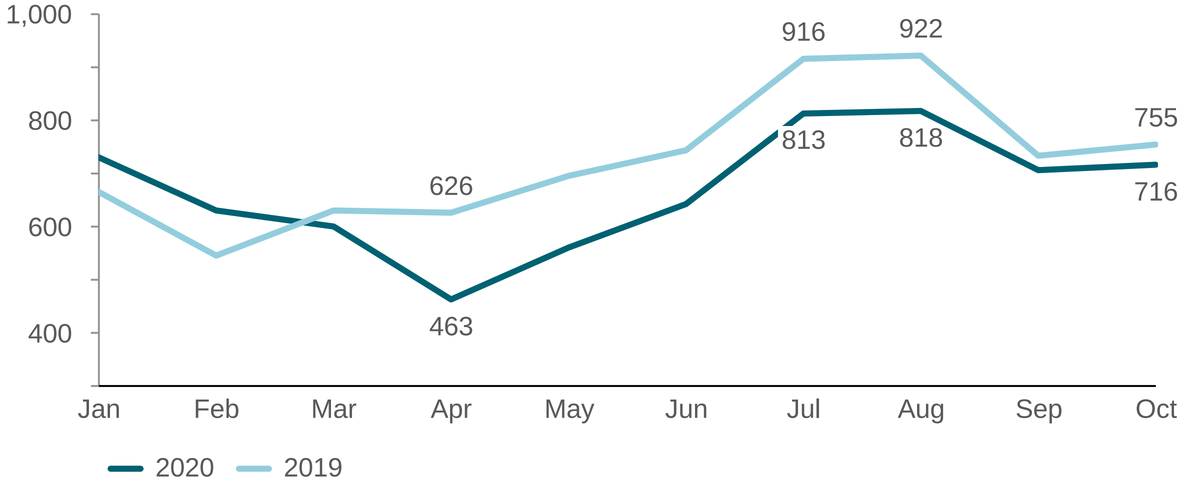
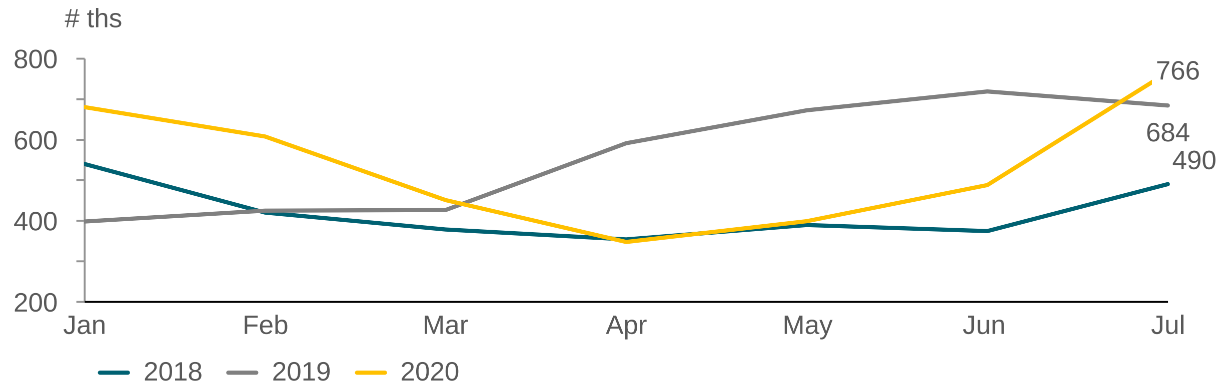
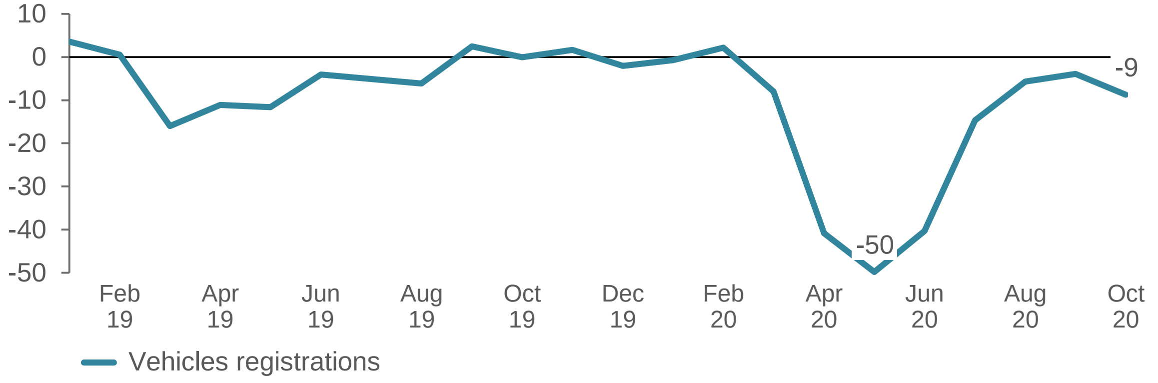


Volume of building permits shows signs of recovery- yet remain volatile



Motor vehicles registrations improve

Motor vehicles registrations % change -3m average



Source: Cyprus Statistical Service, and Eurostat

On-going support to customers and society through COVID-19

Payment holidays for €5.9 bn loans

- Payment holidays until end of 2020 (capital & interest)
- €5.9 bn (>25k customers)
  - €2.1 bn private individuals
  - €3.8 bn businesses

~€1 bn new lending YTD

- ~€1 bn new lending in 9M2020
- Participation in the government's schemes for interest rate subsidy to private individuals and businesses
- Strong pipeline of over €148 mn for new housing loans, by mid November 2020

#RestartCY

Support CY

- #SupportCy[1] network initiative contributing:
  - €265k towards education
  - €70k towards health
  - €167k towards social services
- Grants covering cost of repatriation flights

Sustaining Operational Resilience

- All branches operating as usual
- Increased usage of digital channels sustained post lockdown
- 84% of total transactions[2] are performed through digital channels (vs 77% in FY2019)
- 74% of customers currently digitally engaged[3] (vs 69% in FY2019)

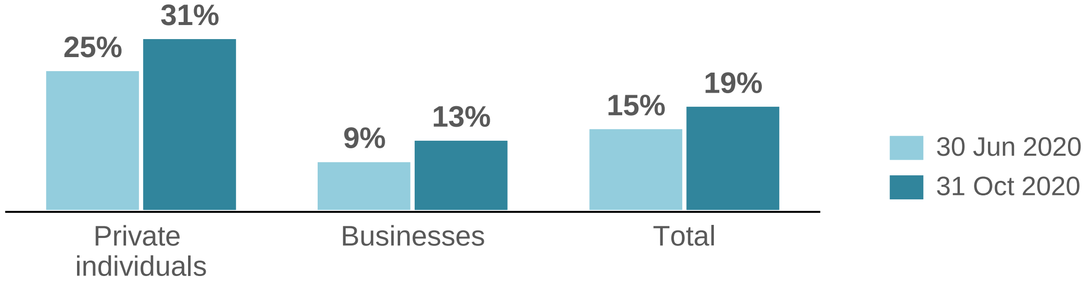
1) #SupportCY is a network of 82 companies and NGOs, initiated by Bank of Cyprus, during March 2020, with the aim to support the public services performing frontline duties during the Pandemic and wider Society
2) This is the ratio of the number of digital transactions performed by individuals and legal entity customers to the total number of transactions. Transactions include deposits, withdrawals, internal and external transfers. Digital channels include mobile, browser and ATMs
3) 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

Continue to monitor credit quality of loans under moratorium

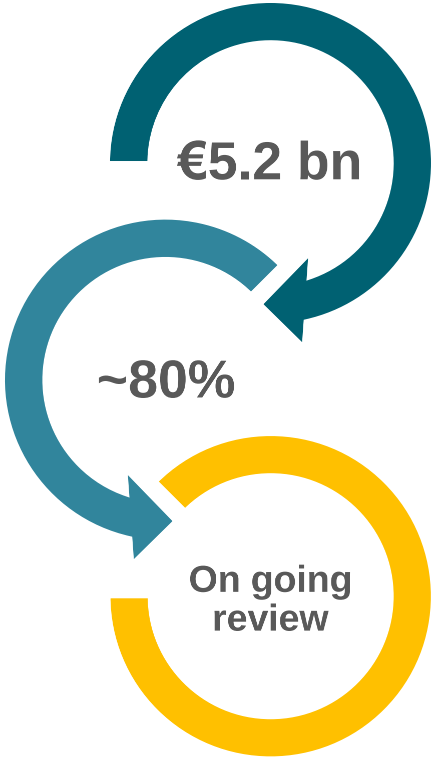
Payment deferrals granted to 25K customers affecting €5.9 bn gross loans

	# customers approved	Gross Loans under moratorium 30 Sep 2020 (€ bn)	% of Gross loans (excluding legacy)[1]
Private Individuals	20,427	2.09	52%
Businesses	4,627	3.84	76%
Total	**25,054**	**5.93**	**65%**
of which NPEs at the start of moratorium		*~0.34*	

Borrowers representing 31% of loans of private individuals under moratorium have paid ≥1 instalment



Payments of instalments in 2020 are considered prepayments for 2021 instalments



Review campaign of €5.2 bn loans initiated in May 2020

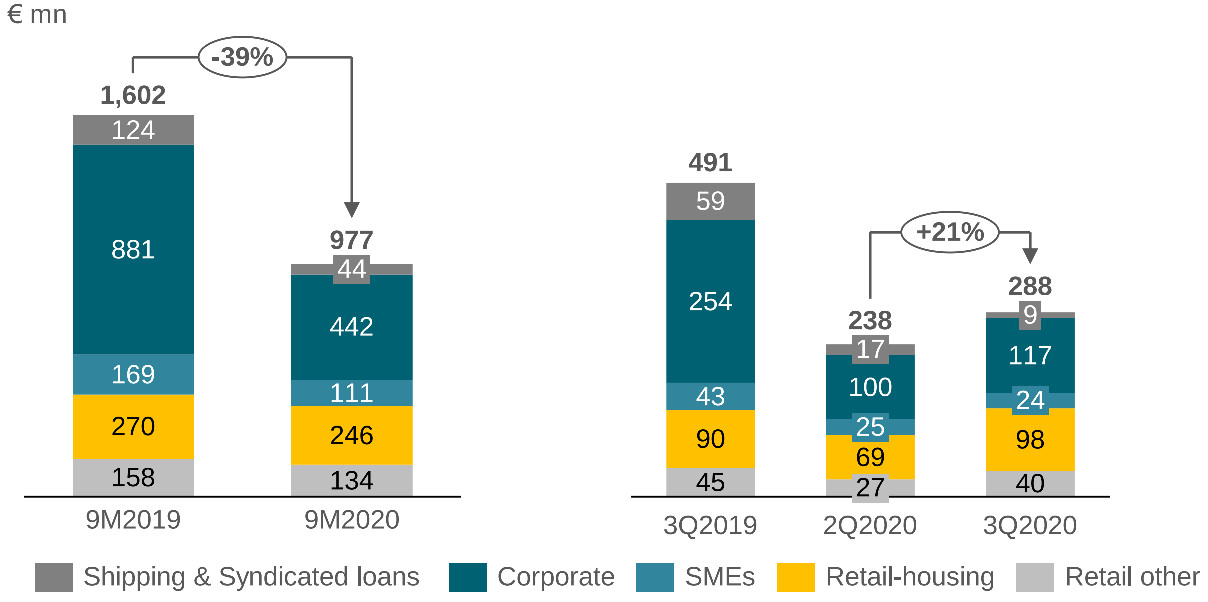
Approximately 80% of loans reviewed by mid November 2020 without triggering a significant change in UTP[2] status

Continue to engage with customers and monitor credit quality of loans under moratorium

1) Gross loans as at 30 September 2020: Corporate (incl. IB and W&M and Global Corporate), SME, Retail, and H/O
2) Unlikely to pay criteria

New lending[1] increasing post lockdown, driven by retail housing

New lending[1] of €288 mn in 3Q2020, up 21% qoq



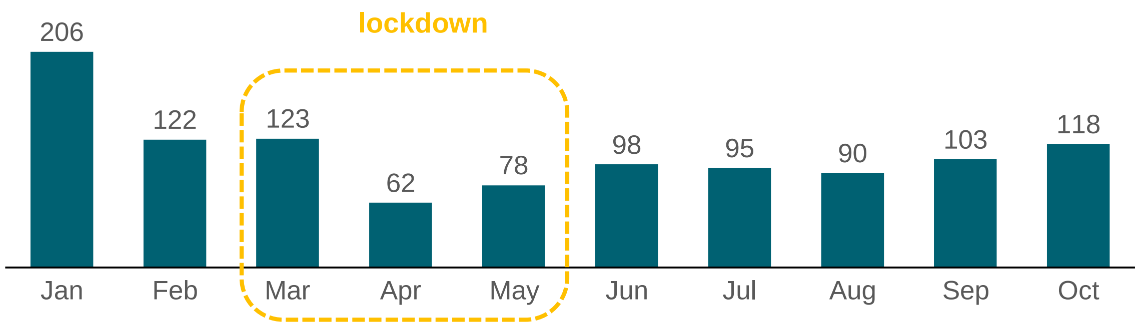
42%

Market share in loans[3], flat yoy

99%

of new exposures[2] since 2016 were performing at the start of moratorium

Monthly new lending data show improving trend

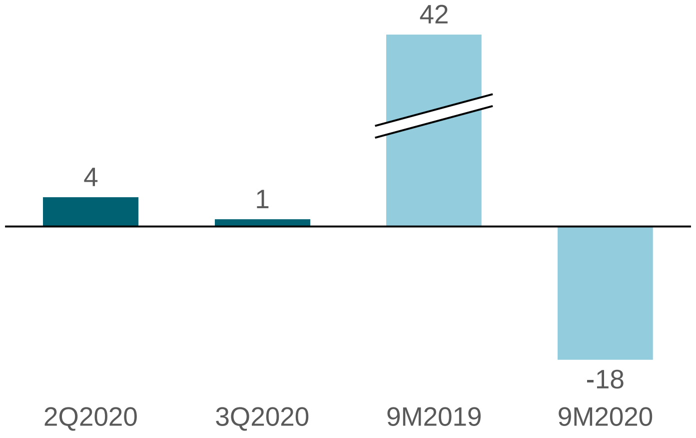


- Retail housing up 43% qoq, supported by government interest rate subsidy scheme; pipeline of €148 mn by mid-November
- SME flat qoq
- Corporate up 17% qoq as economic activity is gradually improving
- Demand from businesses expected to increase following moratorium expiry (Dec 20)
- High quality origination via prudent underwriting standards

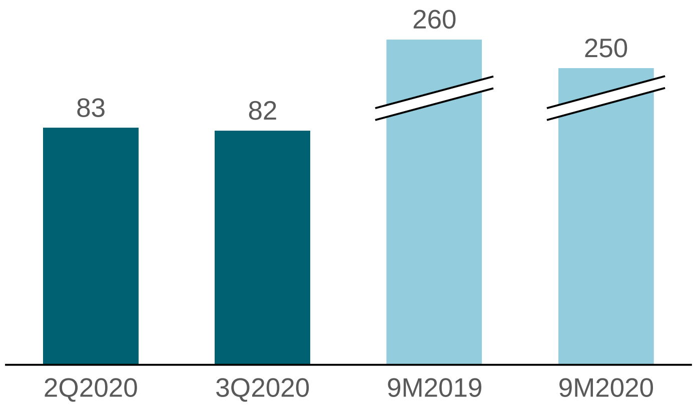
1) New disbursements in the reporting period including the average YTD change (if positive) for overdraft facilities
2) Facilities/limits approved in the reporting period
3) As at 30 September 2020

Performance before exceptional items in 3Q2020

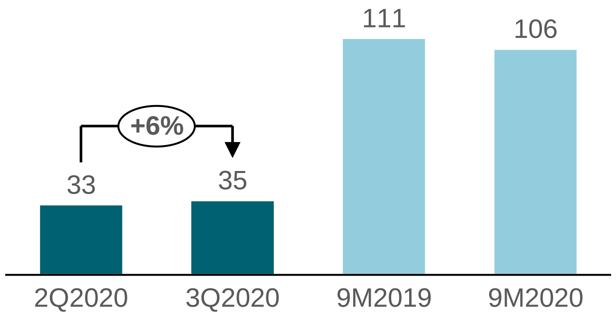
Positive Organic Performance in 3Q2020



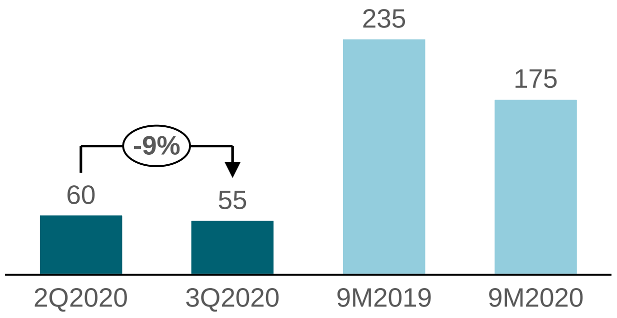
Net Interest Income flat qoq



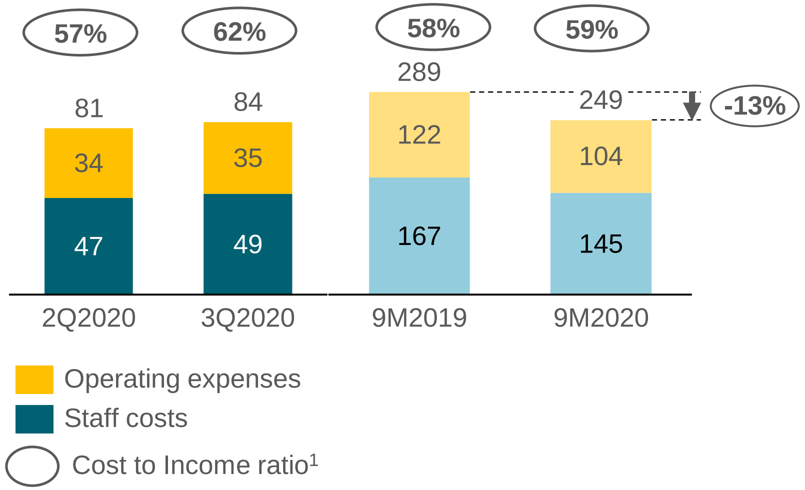
Net Fee and Commission income up 6% qoq



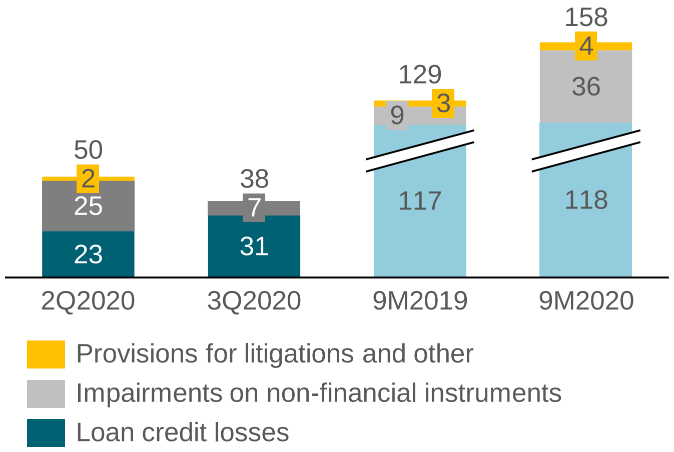
Non Interest Income down 9% qoq



Total Operating Expenses up 4% qoq



Provisions and Impairments down 26% qoq



1) Excluding Special Levy and contributions to SRF and DGF

Income Statement

€ mn	9M2020	9M2019[1]	3Q2020	2Q2020	qoq%	yoy%
Net Interest Income	250	260	82	83	-1%	-4%
Non interest income	175	235	55	60	-9%	-25%
Total income	425	495	137	143	-5%	-14%
Total expenses	(273)	(307)	(93)	(87)	7%	-11%
Operating profit	152	188	44	56	-23%	-19%
Total loan credit losses, impairments and provisions	(158)	(129)	(38)	(50)	-26%	22%
(Loss)/profit after tax-Organic (attributable to the owners)	**(18)**	**42**	**1**	**4**	**-71%**	**-**
Exceptional items[1]	(104)	74	3	(104)	-	-
(Loss)/profit after tax-attributable to owners	**(122)**	**116**	**4**	**(100)**	**-**	**-**

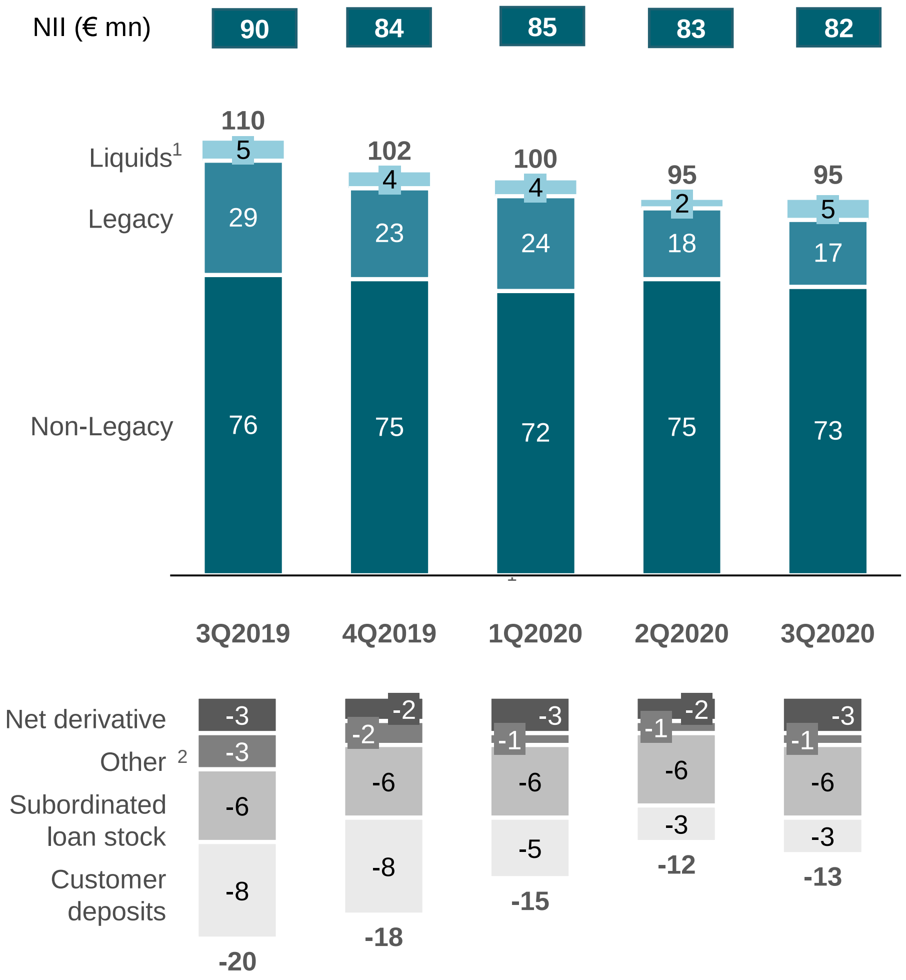
Key Ratios						
Net Interest margin (annualised)	**1.87%**	**1.92%**	**1.79%**	**1.88%**	**-9 bps**	**-5 bps**
Cost to income ratio	**64%**	**62%**	**68%**	**61%**	**+7 p.p.**	**+2 p.p.**
Cost to income ratio adjusted for the special levy and contributions to SRF and DGF	**59%**	**58%**	**62%**	**57%**	**+5 p.p.**	**+1 p.p.**
Cost of Risk (annualised)	**1.25%**	**1.19%**	**0.97%**	**0.76%**	**+21 bps**	**+6 bps**
EPS – Organic (€ cent)	**-4.1**	**9.2**	**0.2**	**0.8**	**-0.6**	**-13.3**

- NII broadly flat qoq at €82 mn
- Non interest income reduced to €55 mn, negatively impacted by lower insurance fees and revaluation loss on financial instruments, partly offset by an increase in net fees and commission income (refer to slide 14)
- Total expenses of €273 mn for 9M2020, down 11% yoy
- Total expenses increased to €93 mn for 3Q2020, driven by the 2H contribution to DGF (€3 mn) and normalised staff costs post lockdown
- Provisions and impairments reduced to €38 mn in 3Q2020 (including loan credit losses of €31 mn) reflecting lower impairments on properties
- Profit after tax of €4 mn in 3Q2020 and Loss after tax of €122 mn in 9M2020

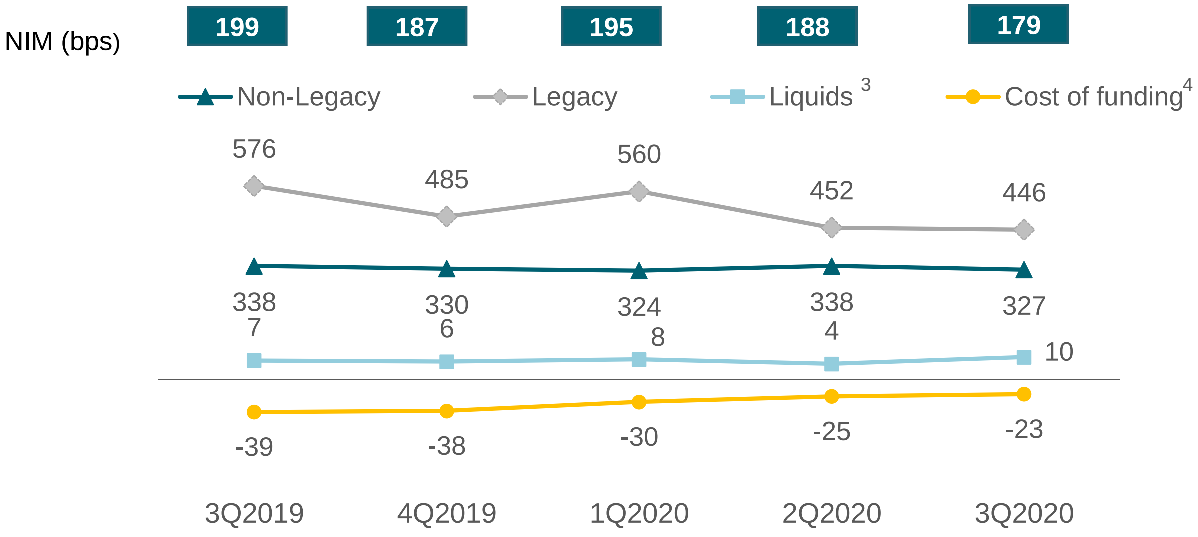
1) Exceptional items for 9M2020 relate to mainly Helix 2 loss of €68 mn recognised in 2Q2020 and additional loan credit losses of €21 mn for potential future NPE sales. For 9M2019 exceptional items consist of loss from the sale of CNP Insurance of €21 mn, reversal of impairment of DTA and impairment of other tax receivables of €101 mn and provisions/net loss relating to NPE sales of €6 mn

Drivers of NIM

NII broadly flat qoq



Effective yield on assets & cost of funding



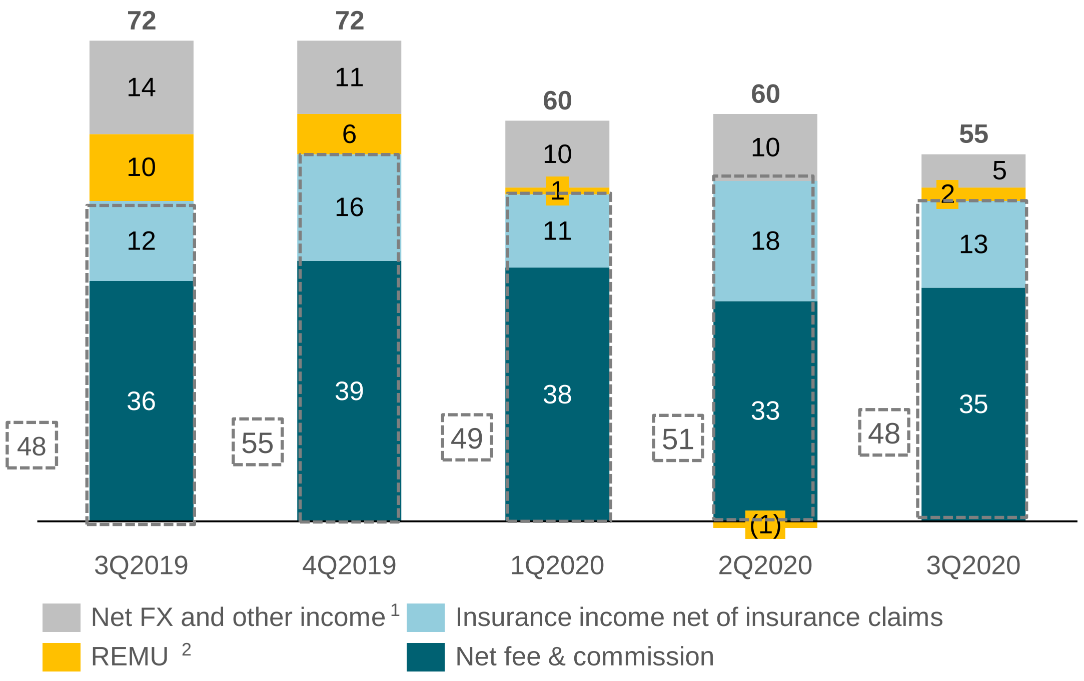
- Effective yield of liquids improved to 10 bps, following €1 bn participation in TLTRO III (€5 mn annual benefit)
- Challenging interest rate outlook continues to put pressure on the effective yield of liquids
- Non-Legacy book yields remain under pressure mainly due to the continued lower interest rate environment and intense competition pressure
- Despite competitive pressures, efforts to improve credit spreads are underway
- Higher-yielding, higher-risk legacy loans are reducing as we successfully exit NPEs
- Reduction of cost of deposits continues (down by 2 bps qoq) to 6 bps in Sep 2020

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 77
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, subordinated liabilities)

Non interest income at €55 mn

Net fee & Commission % of Total Income				
23%	25%	26%	23%	26%

(€ mn)

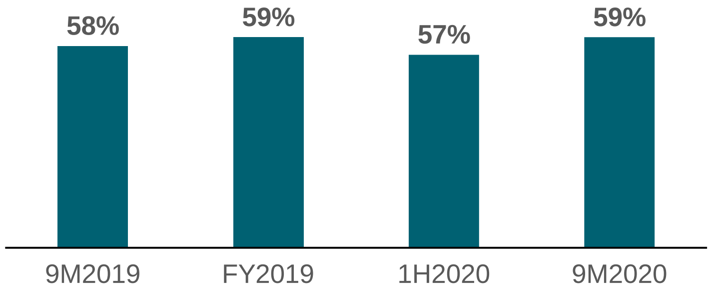


- Net fee and commission income increased to €35 mn as transactional volumes gradually recover post lockdown
- Net insurance income decreased to €13 mn in 3Q2020, impacted by lower claims in 2Q2020 due to the lockdown and lower management fee income from unit-linked funds reflecting the performance of the market
- REMU gains[2] at €2 mn as sales gradually increasing post lockdown; REMU sales remain volatile
- Net FX and other income[1] reduced to €5 mn in 3Q2020 impacted by €6 mn revaluation loss on financial instruments

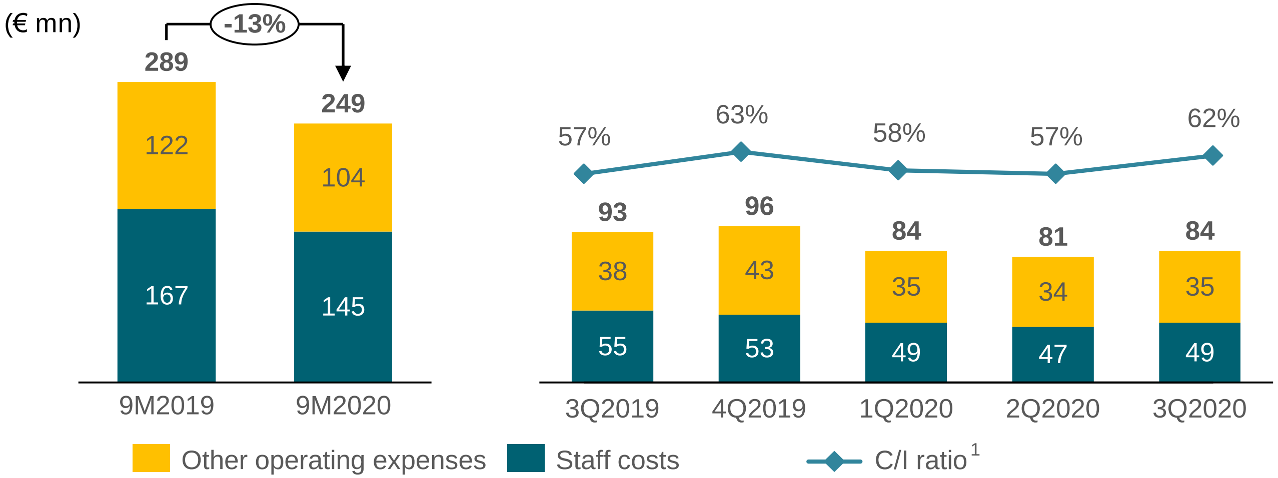
1) Net FX gains/(losses & Net gains/(losses) on financial instruments, and other income
2) Gains/(losses) from revaluation and disposal of investment properties and on disposal of stock of properties

Total Operating Expenses down 13% yoy

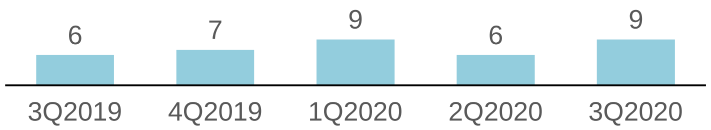
Cost to income ratio[1] at 59% broadly flat yoy



Total operating expenses down 13% yoy



Special Levy and contributions to SRF and DGF (€ mn)



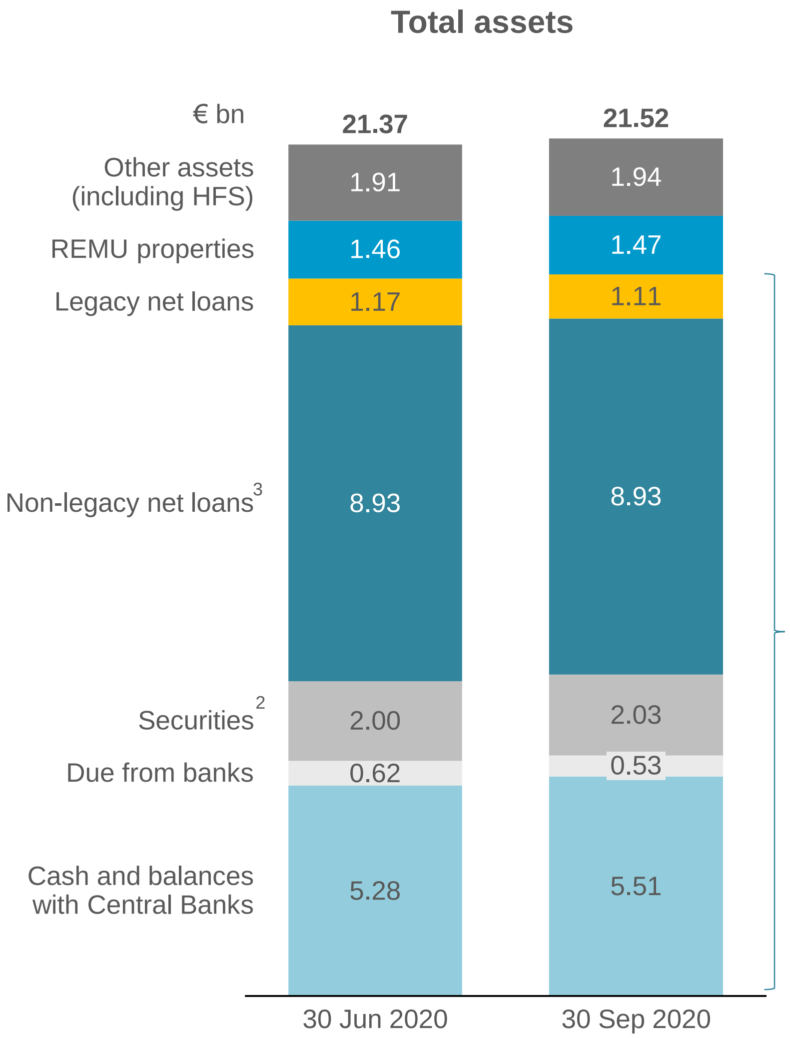
- Quarterly increase of €3 mn due to 2H contribution to DGF

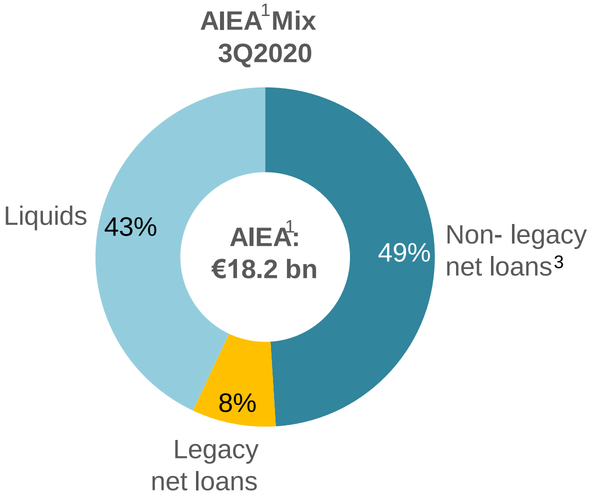
- Total operating expenses of €84 mn for 3Q2020, up 4% qoq
- Total operating expenses of €249 mn for 9M2020, down 13% yoy
- Following normalisation of staff costs post lockdown, staff costs increased to €49 mn in 3Q2020
- Operating expenses at €35 mn, broadly flat qoq

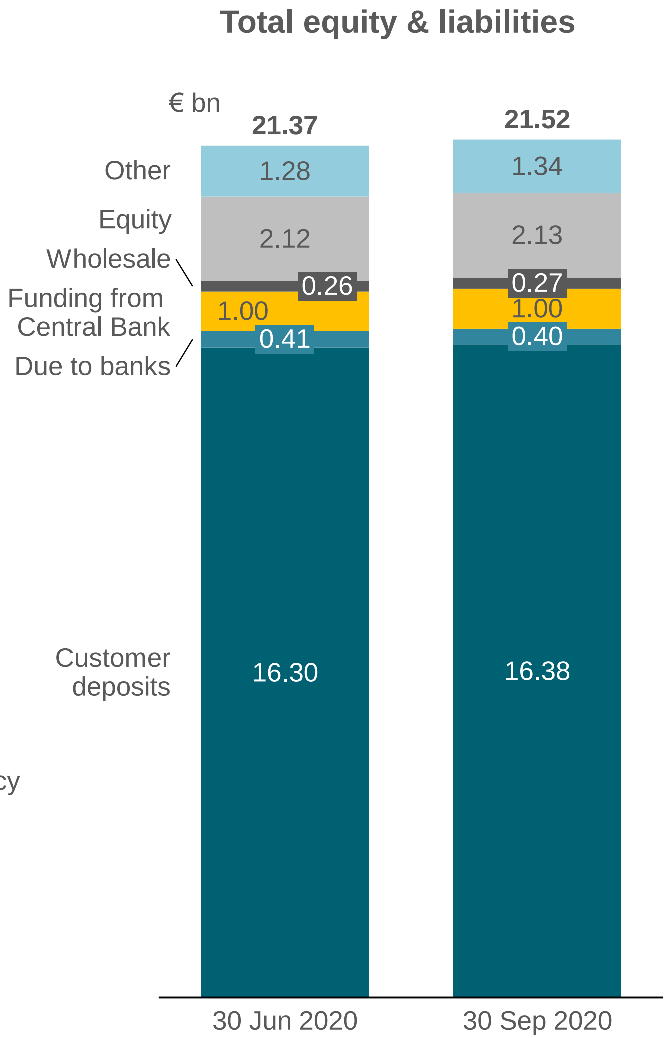
1) Excluding Special Levy and contributions to SRF and DGF

Balance Sheet

Balance sheet composition

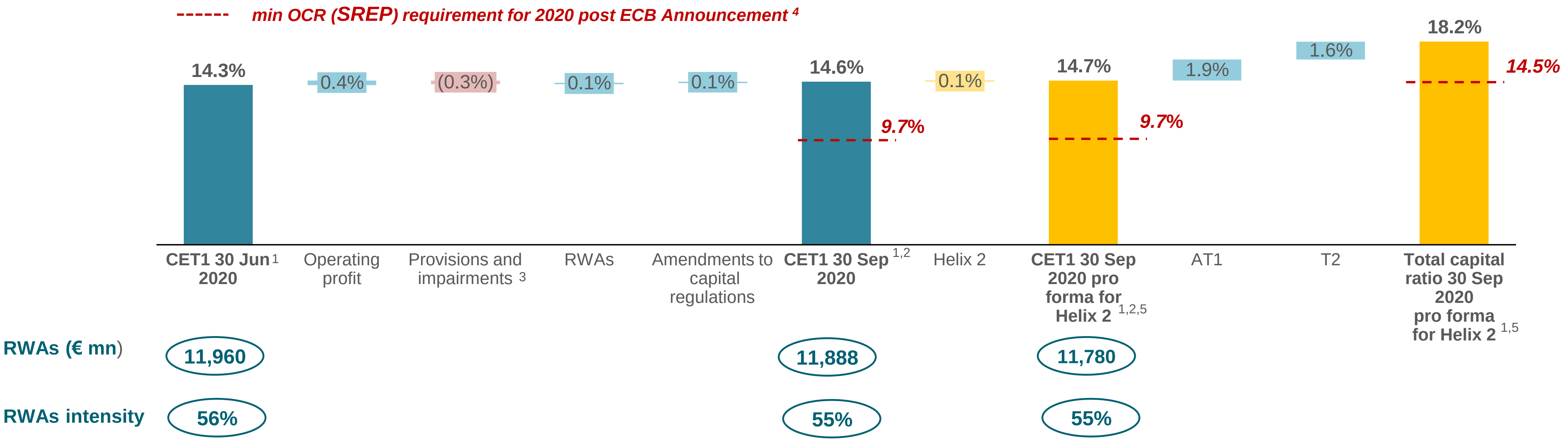






1) AIEA: Average Interest earning assets. Please refer to slide 85 for the definition
2) Debt securities, treasury bills and equity investments
3) Net loans of Corporate (incl. IB and W&M and Global Corporate), SME, Retail, and H/O

CET1 at 14.7% pro forma for Helix 2[5]

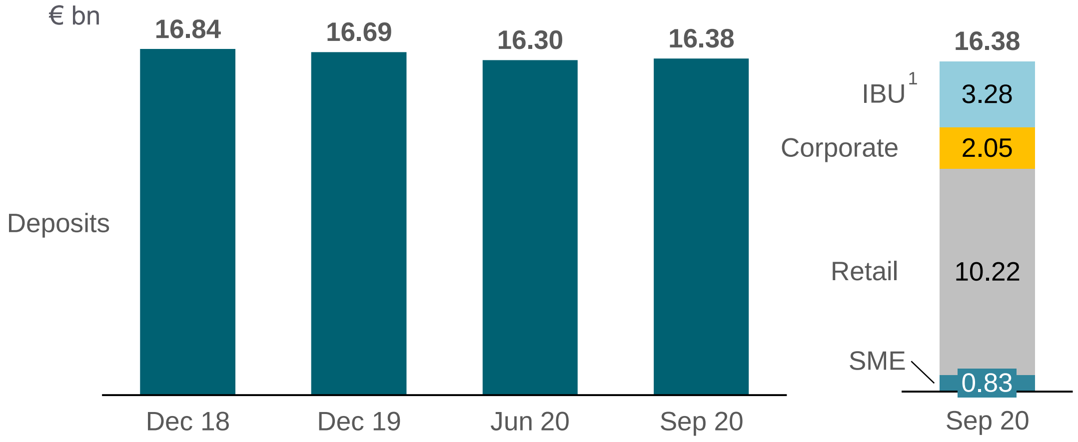


- CET1 ratio[1] **positively** impacted by:
  - ~40 bps organic capital generation from operating profitability
  - ~10 bps capital benefit from amendments to capital regulations in relation to FVOCI instruments; ~10 bps benefit not yet recorded
  - ~10 bps from release of RWAs

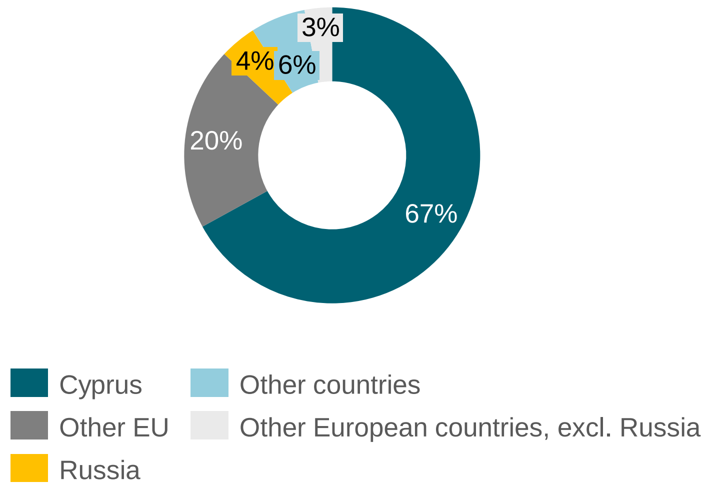
- CET1 ratio[1] **negatively** impacted by:
  - ~30 bps from provisions and impairments
- Onsite inspection by the SSM on the stock of REMU properties completed
  - Findings relating to a possible prudential charge of up to ~50 bps, under review by SSM
  - Size and timing of impact, if any, uncertain

1) Allowing for IFRS 9 and temporary treatment for certain FVOCI instruments transitional arrangements
2) The CET1 ratio for 30 September 2020, including the full impact of IFRS 9 and the temporary treatment for certain FVOCI instruments amounted to 12.8% and 12.9% pro forma for Helix 2
3) Loan credit losses and other impairments include the net change of the prudential charges relating to specific credits and other items
4) OCR(SREP)- Overall Capital Requirement comprises the Total SREP Capital Requirement (Pillar 1 and Pillar 2 Requirement) plus combined buffer requirements (capital conservation buffer, countercyclical buffer and systemic buffers)
5) Calculations on a pro forma basis assume completion of the transaction

Deposits at €16.4 bn broadly flat qoq



Cyprus deposits by passport origin[2]



Significant surplus liquidity of €4.1 bn

Liquidity ratio	Minimum required	30 Sep 2020	Surplus
LCR (Group)	100%	256%	€4,095 mn
NSFR[2]	100%	135%	€4,345 mn

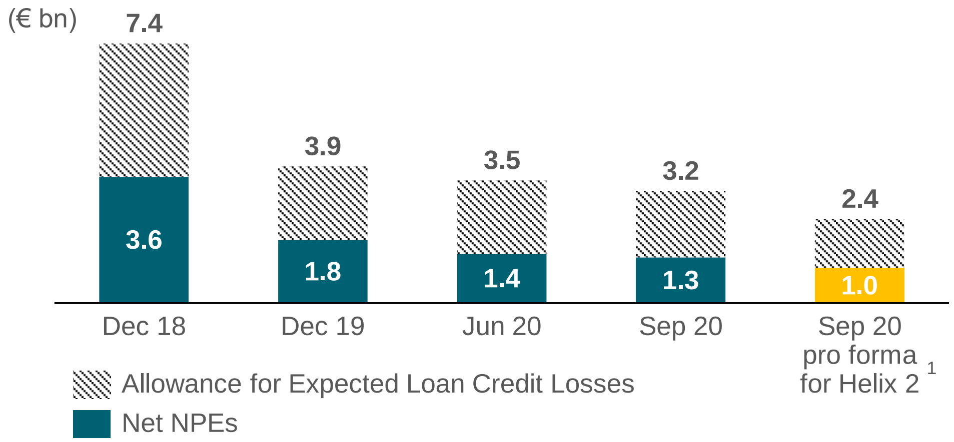
- Strong deposit market share of 35% as at 30 Sep 2020
- Flexibility to operate below 100% LCR limit at least until end 2021

1) Servicing exclusively international activity companies registered in Cyprus and abroad and not residents
2) The NSFR has not yet been introduced. The NSFR is calculated as the amount of "available stable funding" (ASF) relative to the amount of "required stable funding" (RSF), on the basis of Basel III standards. Its calculation is a SREP requirement. The EBA NSFR will be enforced as a regulatory ratio under CRR II in 2021

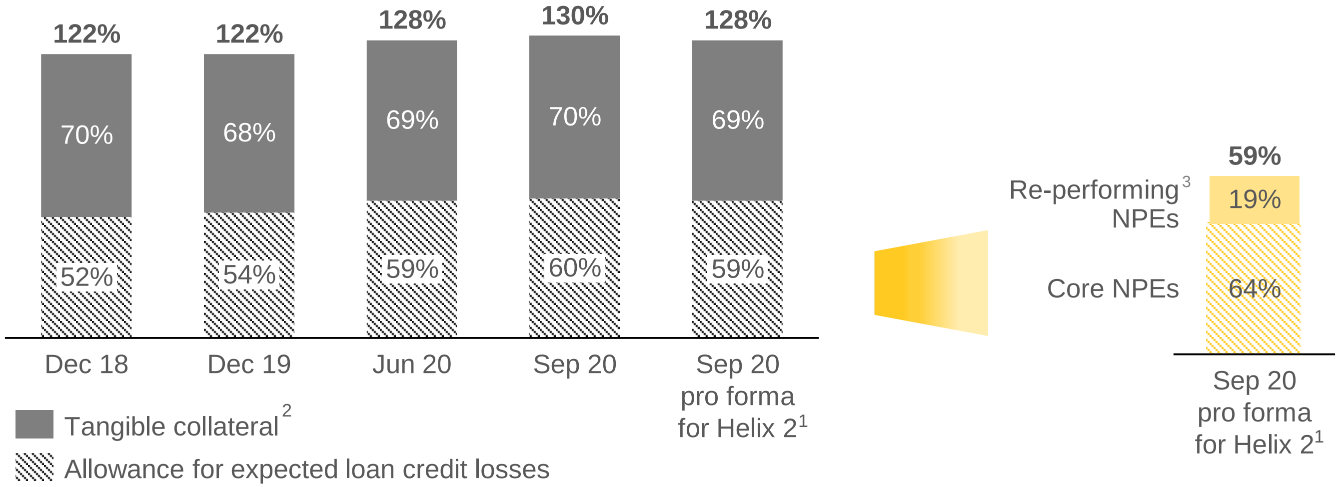
Asset Quality

NPE ratio reduced to 21% pro forma for Helix 2; Coverage maintained at 59%

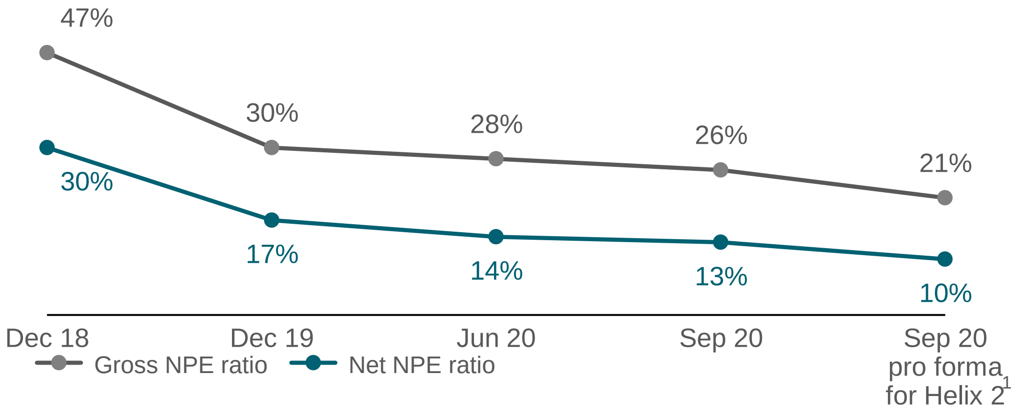
Organic NPE reduction of €230 mn in 3Q2020 with pace returning to pre-lockdown levels



NPE coverage maintained at 59% post Helix 2



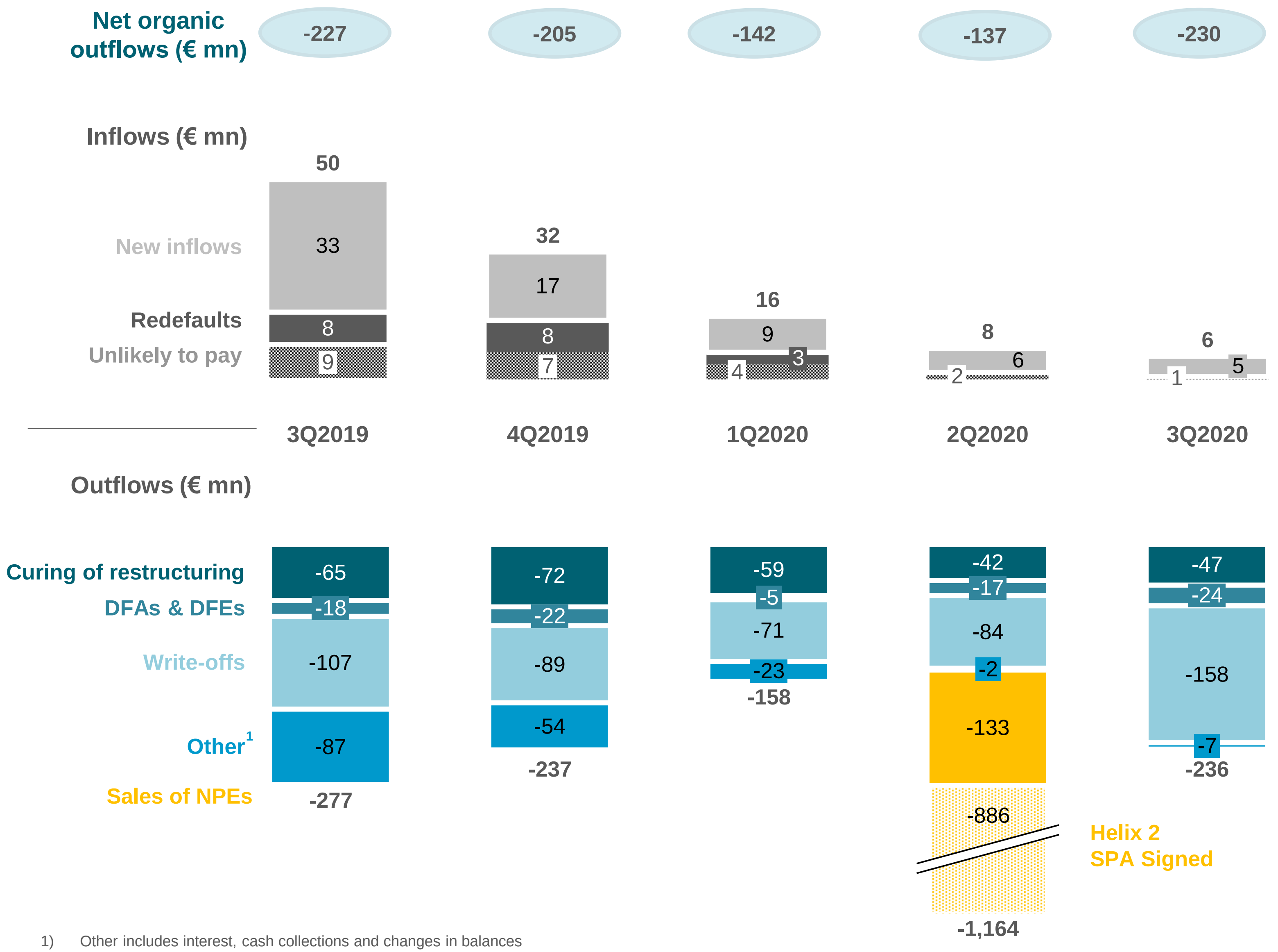
Gross NPE ratio reduced to 21%; 10% on a net basis



- Agreement for the sale of ~ €0.9 bn NPEs (known as Helix 2)
- €230 mn organic reduction in 3Q2020
- €1.5 bn NPE reduction in 9M2020 pro forma for Helix 2[1]
- NPEs reduced by 27% to €2.4 bn

1) Calculations on a pro forma basis assume completion of the transaction
2) Restricted to Gross IFRS balance
3) In pipeline to exit NPEs subject to meet all exit criteria; the analysis is performed on a customer basis (formerly called Non-core NPEs)

€236 mn organic NPE outflows in 3Q2020, leading to €230 mn organic NPE reduction



- Organic NPE outflows of €236 mn, recovered to pre-lockdown levels

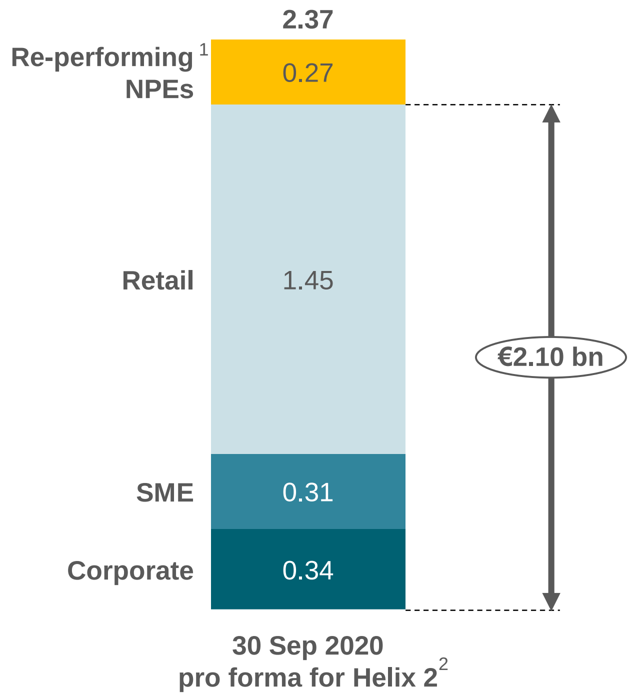
1) Other includes interest, cash collections and changes in balances

Clear strategy for residual NPEs

Re-performing NPEs[1]: €0.27 bn[2]

- Close monitoring of redefaults & quality of restructurings
- ~€240 mn re-performing NPEs[1] applied to moratorium, extending exit date (by 9 months)[3]

Group NPEs (€ bn)



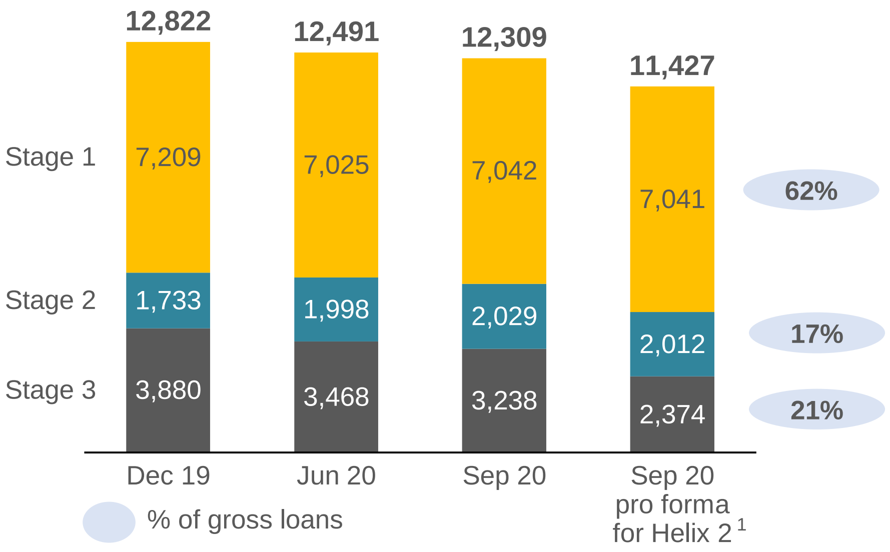
Core NPEs : €2.10 bn[2]

- Sale of €864 mn (as at 30 September 2020) mainly Retail and SME secured NPEs (Helix 2) expected to be completed in 1H2021
- Following COVID-19 outbreak, focus on arresting potential asset quality deterioration and early managing of arrears
- Continue to seek organic solutions, including realisation of collateral via consensual and non consensual foreclosures
- Remain committed to assess the potential to accelerate the decrease in NPEs through additional NPE sales

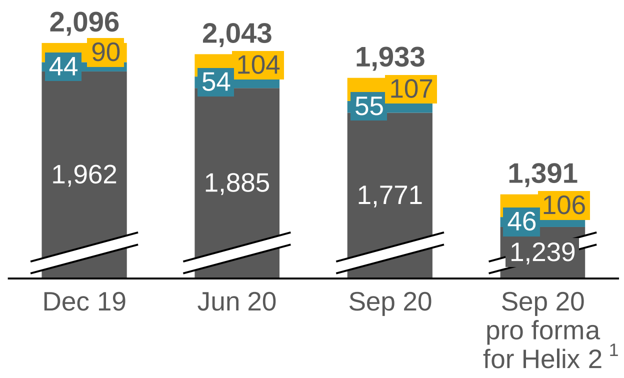
1) In pipeline to exit NPEs subject to meet all exit criteria; the analysis is performed on a customer basis (formerly called Non-core NPEs)
2) Calculations on a pro forma basis assume completion of the transaction
3) Subject to continuing meeting all exit criteria

Gross loans and coverage by IFRS 9 staging

Gross loans by IFRS 9 stage (€ mn)



Allowance for expected loan credit losses (€ mn)



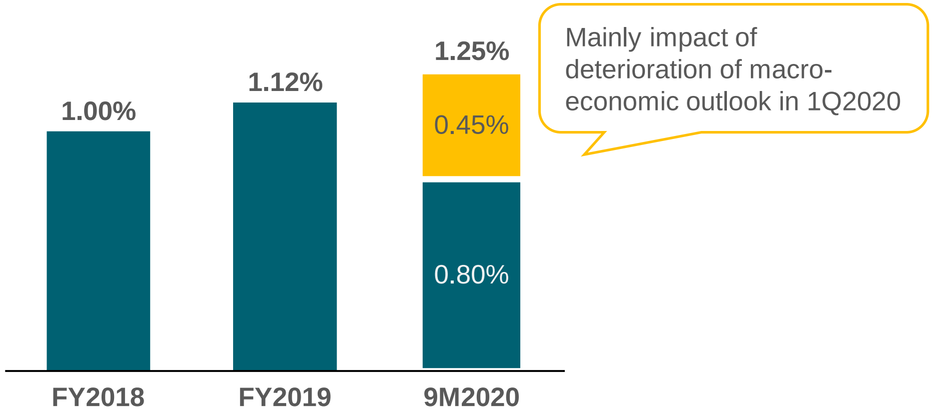
Coverage ratio

	Dec 2019	Jun 2020	Sep 2020	Sep 2020 pro forma for Helix 2[1]
Stage 1	1.2%	1.5%	1.5%	1.5%
Stage 2	2.5%	2.7%	2.7%	2.3%
Stage 3	50.6%	54.4%	54.7%	52.2%

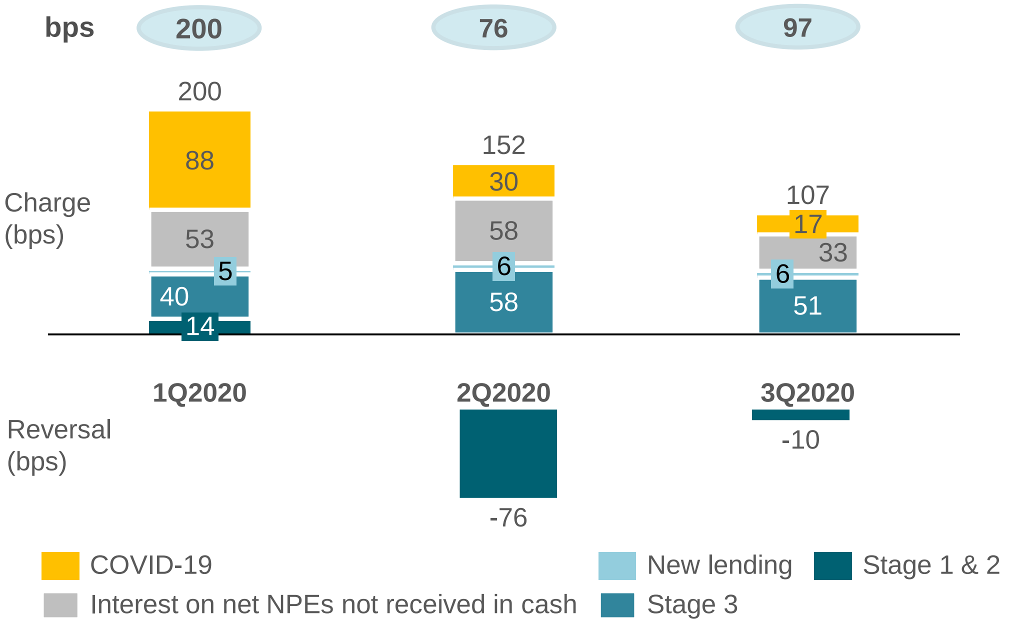
- Coverage for Stage 3 loans maintained >50% post Helix 2
- Review campaign of €5.2 bn loans initiated in May 2020; ~80% was completed by mid-November 2020, with no significant change in UTP status

1) Calculations on a pro forma basis assume completion of the transaction

Cost of risk[1] increased to 97 bps for 3Q2020



Base Scenario	GDP		Unemployment rate	
	2Q2020	3Q2020	2Q2020	3Q2020
2020	-6.3%	-6.0%	9.2%	8.2%
2021	5.6%	4.0%	8.0%	7.3%



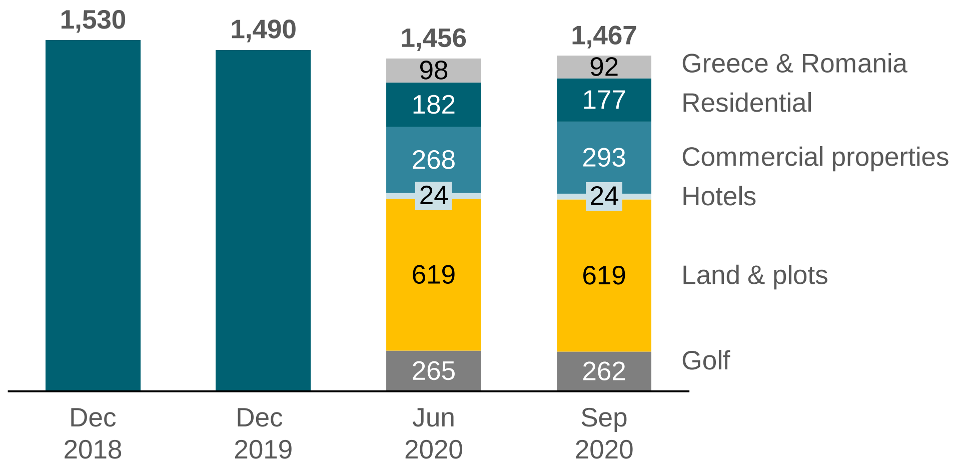
- Cost of risk of 125 bps for 9M2020, of which 45 bps (€43 mn) reflect the initial impact of IFRS 9 Forward Looking Information (FLI) driven by deterioration of macroeconomic outlook recognised in 9M2020
- Cost of risk of 97 bps for 3Q2020, of which 17 bps (€5 mn) COVID-19 related
- Interest on net NPEs not received in cash, fully provided (€10 mn in 3Q2020)

1) Loan credit losses on customer loans including off-balance sheet exposures, net of gains/(losses) on derecognition of loans and advances to customers and change in expected cash flows over average gross loans

REMU sales gradually increasing post lockdown

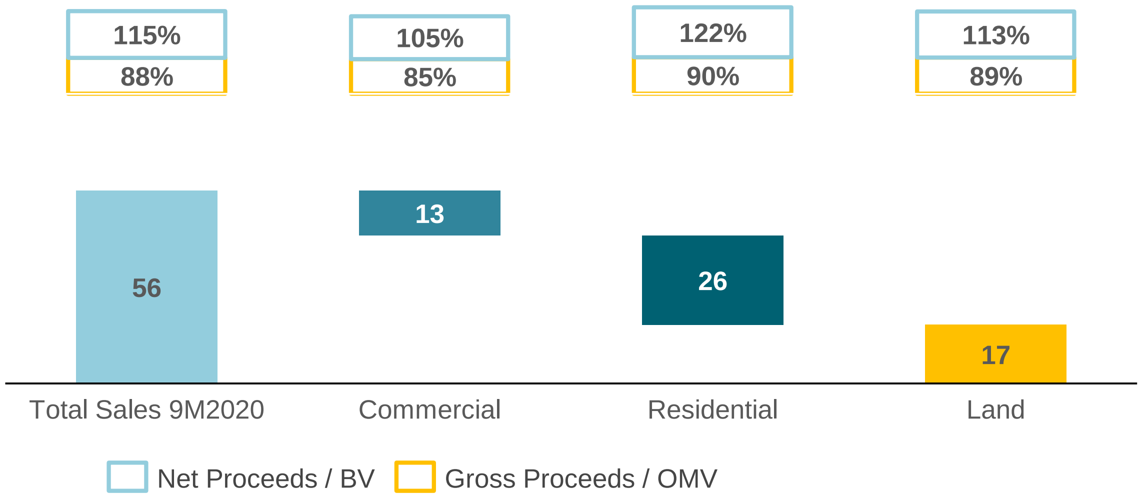
Evolution of REMU stock[1]

Group BV (€ mn)



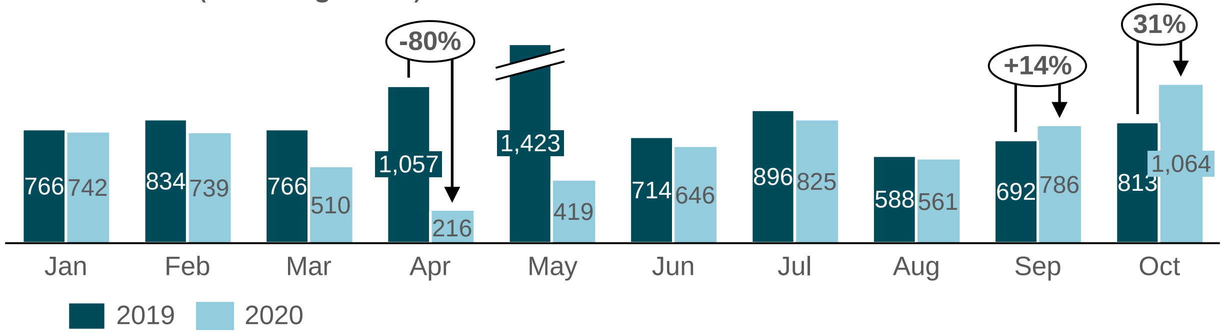
€56 mn sales in 9M2020

Sales contract prices[2] – Organic (€ mn)



Property market recovery

Sale contracts (excluding DFA's)[3]



- Visible pipeline for €54 mn (SPAs signed)
- Offers accepted for €31 mn

1) In addition to assets held by REMU, properties classified as "Investment properties" with carrying value of €21 mn as at 30 September 2020 relate to legacy properties

2) Amounts as per Sales purchase Agreements (SPAs)

3) Based on data from Land of Registry- Sales contracts

Medium-term Strategic Targets

Key remarks

A	Our Operating Environment	Open, small and flexible economy which has demonstrated historically that it can quickly recover from economic crises
B	Our Starting Point	Leading Financial Hub in Cyprus with strong brand and customer base (~75% of population) Loan market share of 42%[1] and deposit market share of 35%[1]
C	Our Team	Strong leadership team with an excellent track-record, committed to deliver shareholder value
D	Our Board	Proactive and strategically minded Board, maintaining best in class governance standards
E	Our Strategic Priorities	Complete restructuring and de-risking Set the Bank on the path for sustainable profitability

1) As at 30 September 2020

Setting the path for sustainable profitability

Where we were…
Shrinkage to core strength

2014-2019

Priorities
- **Balance sheet de-risking**
- **Normalise funding stack**
- **Exit non core operations**

Achievements
- ✓ Sale of ~€2.7 bn NPEs (Helix 1)
- ✓ >€11 bn or 74% NPE reduction
- ✓ Sale of non-core overseas assets
- ✓ Full repayment of €11.4 bn ELA
- ✓ Issuance of €250 mn Tier 2 & €220 mn AT1

Where we are now…
Normalisation of balance sheet

2020

Priorities
- **Support the recovery of Cypriot economy**
- **Manage pandemic asset quality**
- **Accelerate NPE reduction**
- **Address costs**

Achievements
- ✓ Sale of ~€1 bn NPEs (Helix 2)
- ✓ NPE ratio reduced to 21%[1] (10%[1] net)
- ✓ ~€1 bn new lending year to date
- ✓ Completion of VEP reducing FTEs by 11%
- ✓ On-going monitoring of credit quality of loans under moratorium

Where we want to be…
Business turnaround for sustainable growth

2021-2022

Priorities
- Complete de-risking while managing the post-pandemic NPE inflow
- Position the Bank on the path for sustainable profitability
- Modernise the BOC franchise, including IT and digital investment
- Address challenges from low rates and surplus liquidity
- Initiate MREL issuance[2] and refinance Tier 2[2]

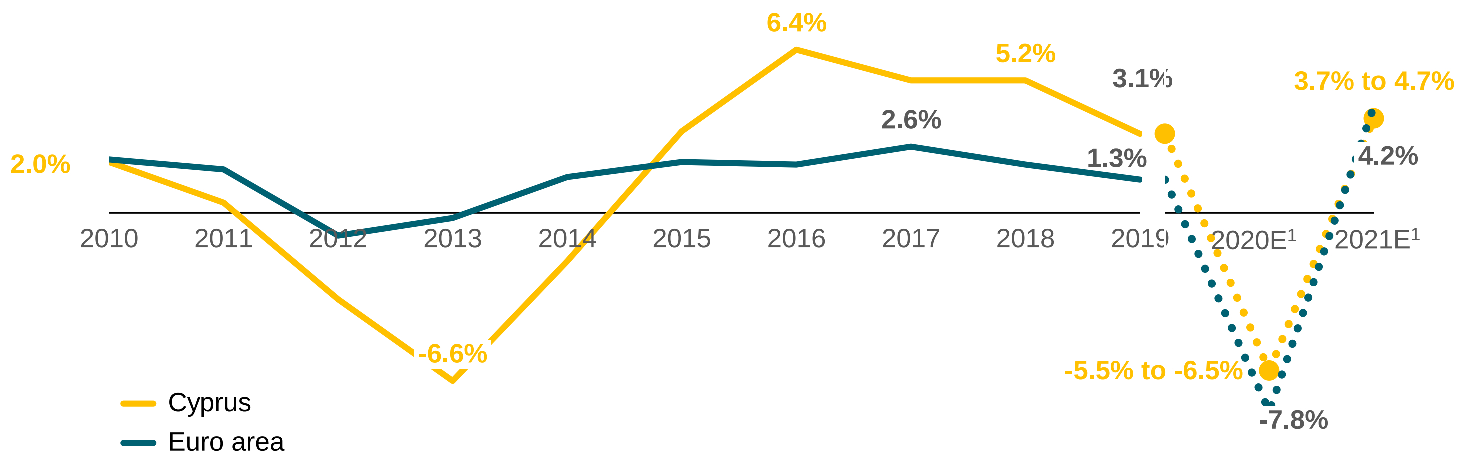
Medium-term

Priorities
- Deliver sustainable profitability and shareholder returns
- Enhance revenues by capitalising on market leading position
- Enhance operating efficiency
- Optimise capital management

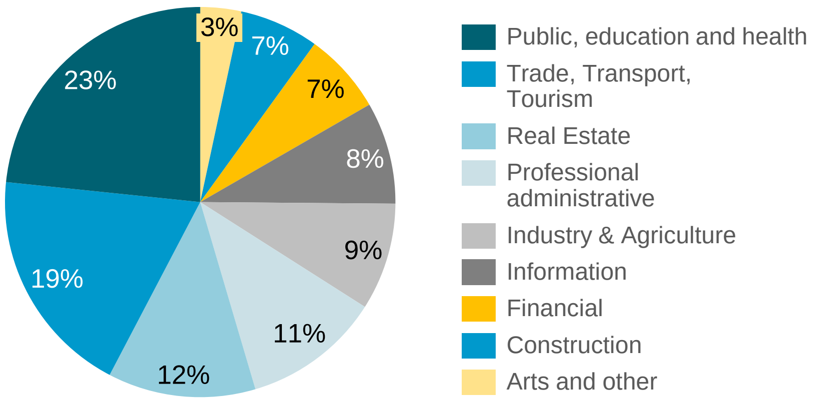
1) Pro forma for Helix 2. Calculations on a pro forma basis assume completion of the transaction
2) Subject to market conditions

Open, small and flexible economy which has demonstrated historically that it can quickly recover from economic crises

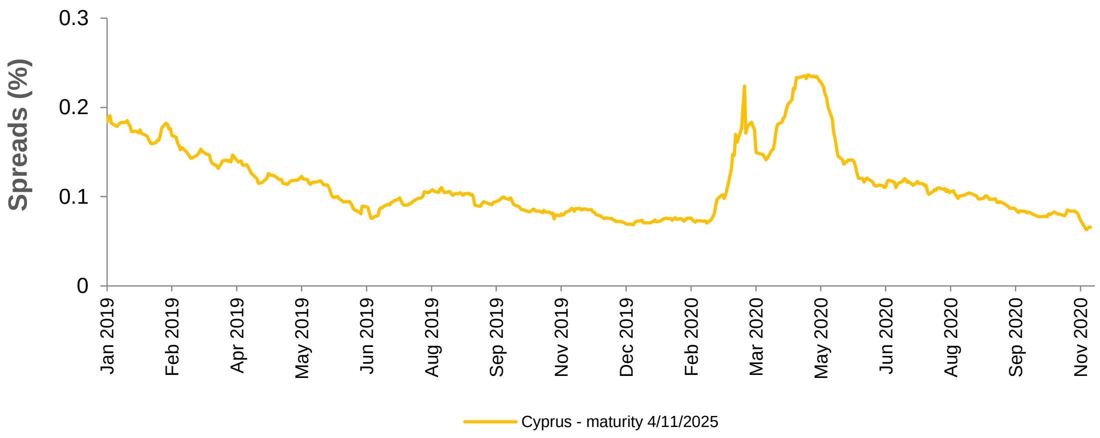
Annual Real GDP yoy % change[1]



Gross Value Added by sector of economic activity (2Q2020)



Tightening of sovereign spreads as market confidence improves



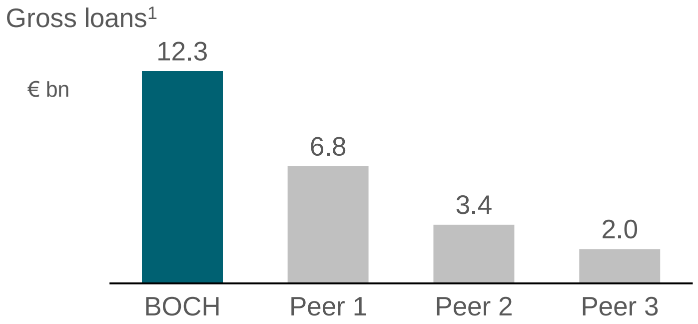
- Cypriot economy has outperformed the European Union over the past five years; growing market confidence can be seen in the sharp fall in sovereign spreads
- Contraction in Cyprus in 2020 expected to be less severe than in the Euro area; economic activity is expected to rebound during 2021 and GDP growth is estimated to range between 3.7% to 4.7%.
- Coordinated monetary, fiscal and regulatory measures announced by the Government and the European Authorities are mitigating the pandemic impact
- Investment grade sovereign rating by S&P and Fitch

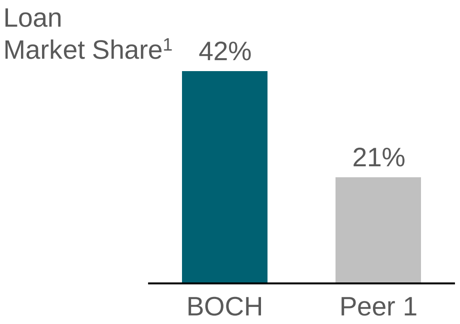
1) GDP Projections under base scenario of the Ministry of Finance, the European Commission and the Economics Research centre of the University of Cyprus

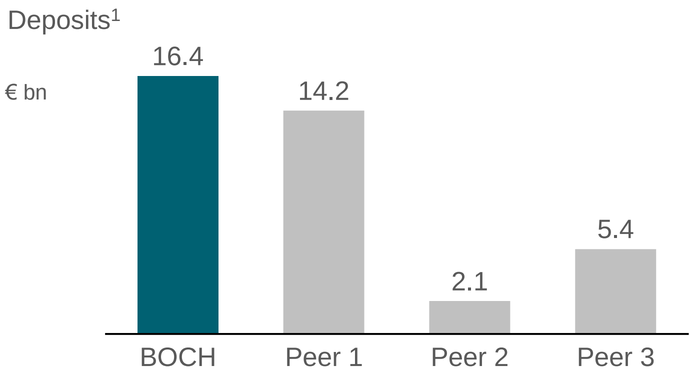
The leading full service bank in Cyprus

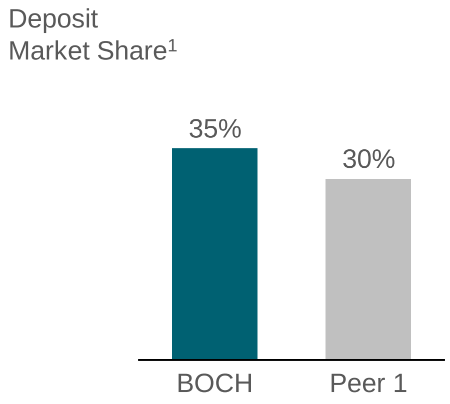
Positioning against market players

Bank of Cyprus



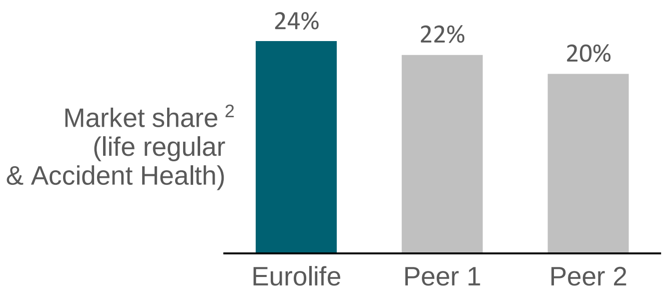




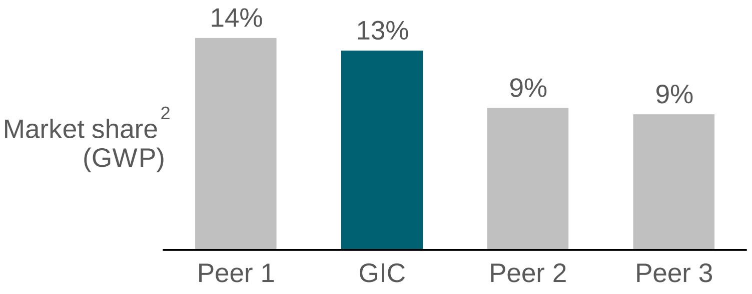


Leading life and non-life insurance business in Cyprus

EuroLife



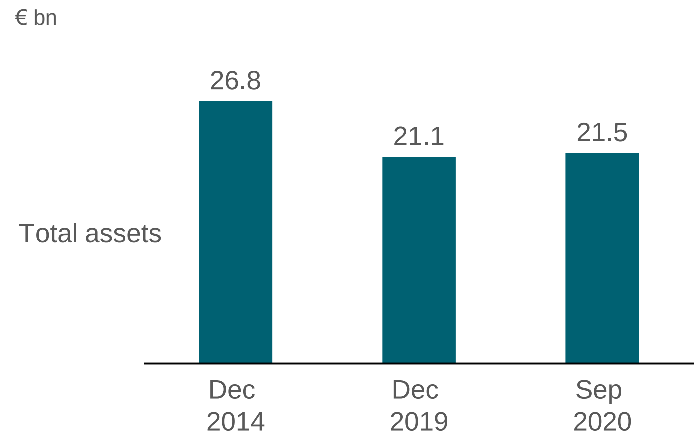
General Insurance of Cyprus



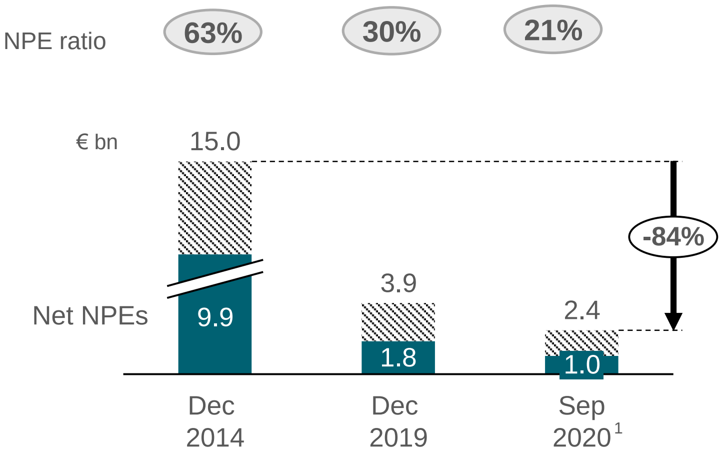
1) As at 30 September 2020. Peer 1 as at 30 June 2020 (latest public available information)
2) Data based on statistics published on IAC website as at 31 December 2019

What we have achieved: Substantial improvement in key balance sheet metrics …

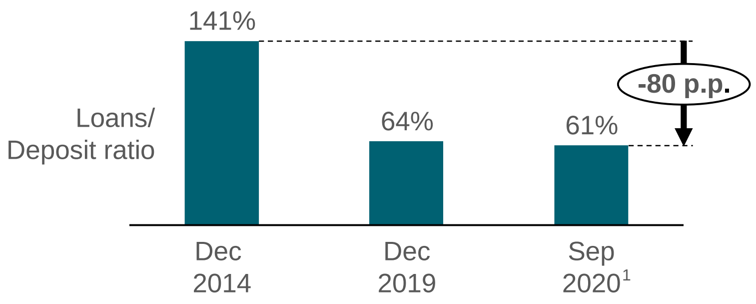
> €5.0 bn balance sheet deleveraging



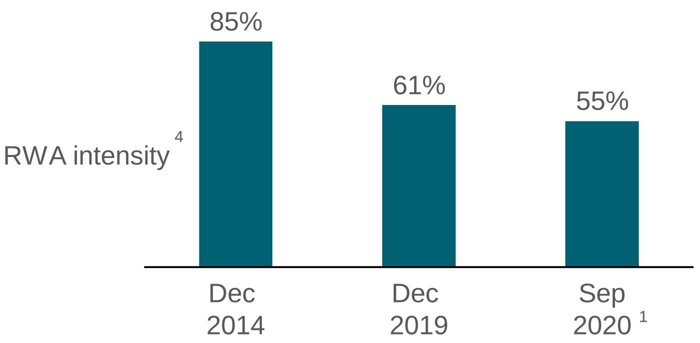
>€12.5 bn NPE reduction



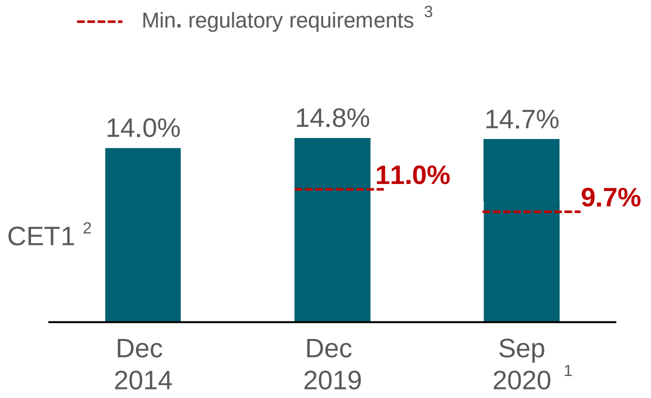
Funding stack normalisation



30 p.p. reduction in RWA intensity



Capital position consistently above regulatory requirements



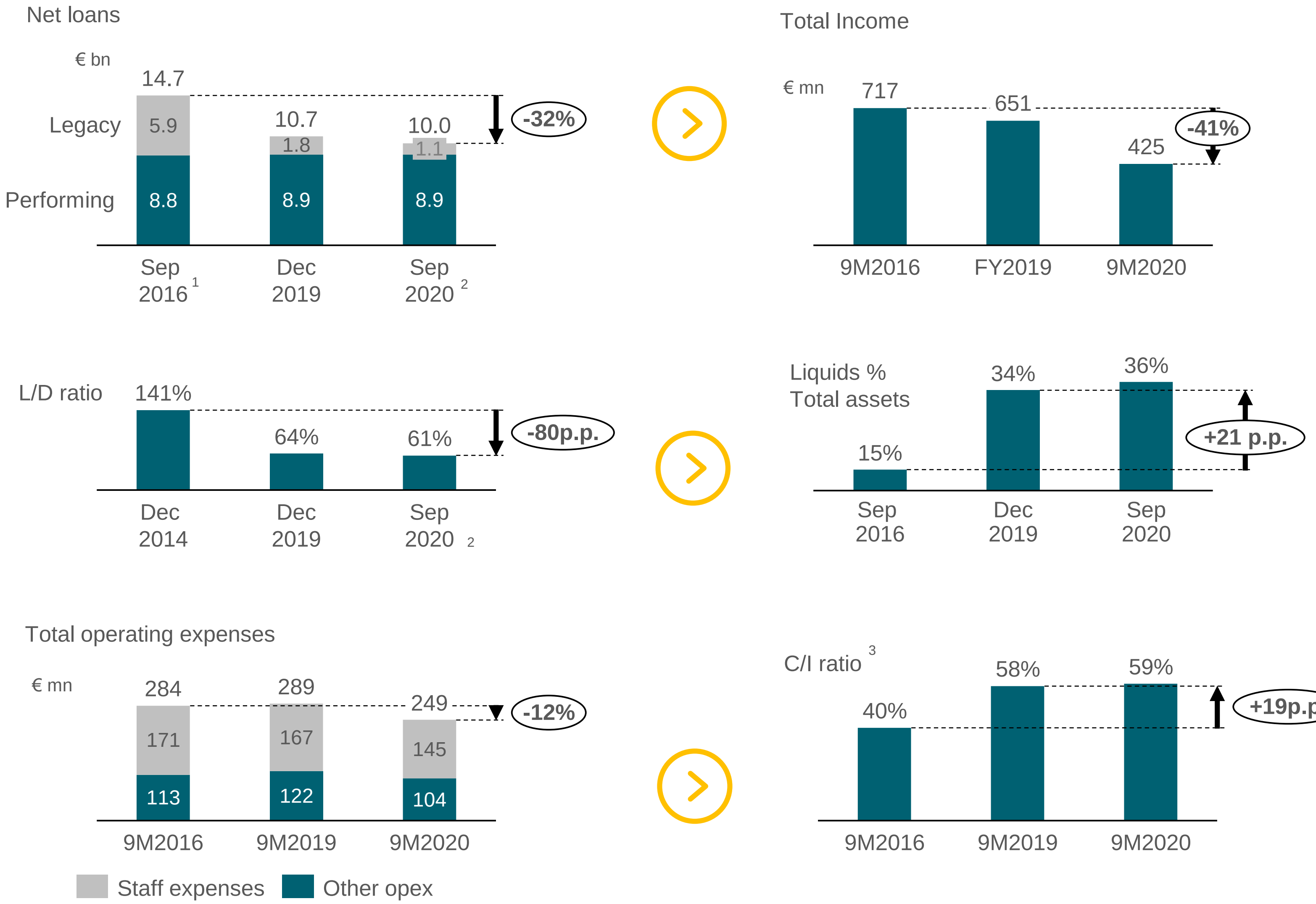
1) Pro forma for Helix 2: calculations on pro forma basis assume completion of the transaction
2) Allowing for transitional arrangements
3) OCR(SREP)- Overall Capital Requirement comprises the Total SREP Capital Requirement (Pillar 1 and Pillar 2 Requirement) plus combined buffer requirements (capital conservation buffer, countercyclical buffer and systemic buffers)
4) Risk weighted assets over total assets

… with consequences for Profit and Loss metrics

- **Smaller yet safer loan book resulting in lower but higher quality income**

- **Restored funding position resulting in significant excess liquidity**

- **Cost reduction smaller than revenue reduction leading to increased C/I ratio**



1) Excluding BOC UK which was disposed in 2018
2) Pro forma for Helix 2: calculations on pro forma basis assume completion of the transaction
3) Excluding special levy and contributions to SRF and DGF

Our starting point: Leading financial hub in Cyprus

Market Leader

- ~655k private individuals customers (~75% of population)
- ~50% market share in households and corporate[1] loans

Strong Brand

- Leading financial hub in Cyprus with long history

Diversified financial group

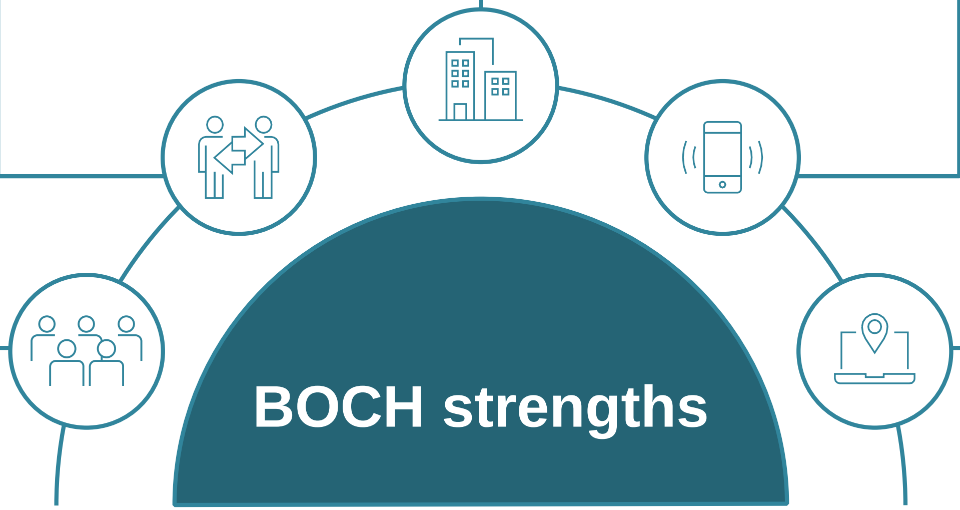
- Profitable subsidiaries in affiliated businesses with high market shares (e.g. Insurance, JCC)

Leading digital bank

- 285K active users of internet and mobile banking
- Widest range of internet & mobile functionalities & e-Accounts

Track record on delivery of targets

- Excellent track-record of delivery against strategic objectives



1) Referring to non-financial residential corporates

Key strategic pillars to deliver shareholder value

1 **De-risking**

Complete balance sheet de-risking

2 **Revenue Growth in more capital efficient way**

Enhance revenue generation via growth in performing book and less capital intensive banking and financial services operations (Insurance and Digital economy)

3 **Operating efficiency**

Lean operations through digitisation and automation

4 **Organisational resilience & ESG agenda**

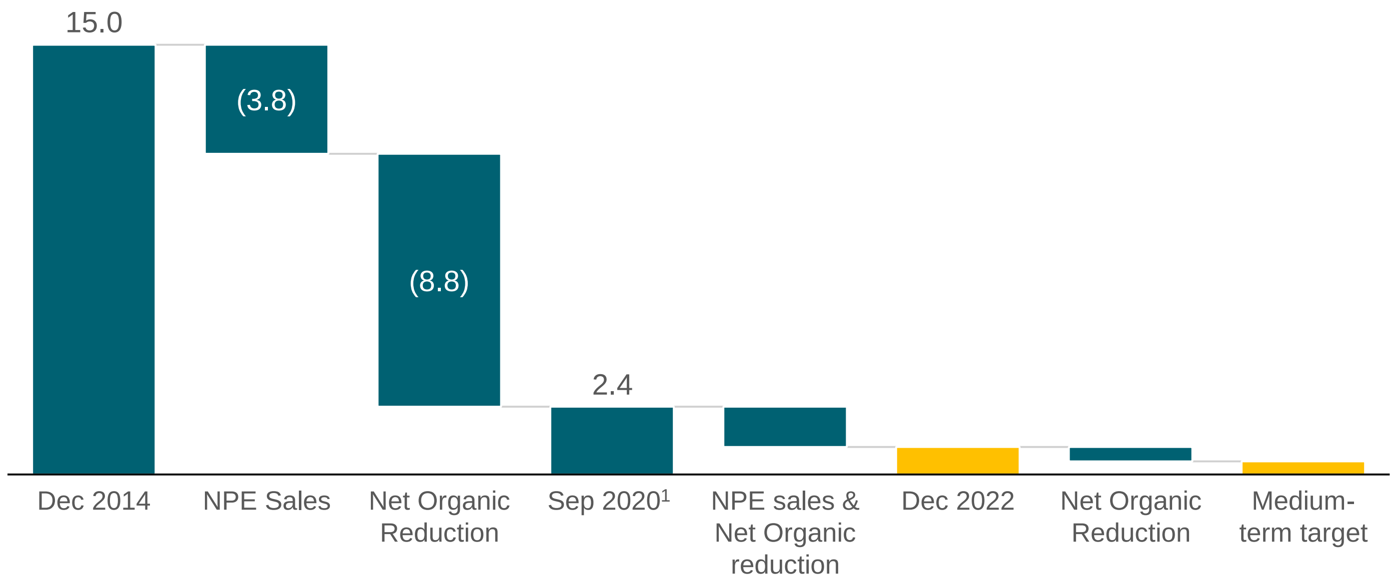
Build a forward looking organisation with a clear strategy supported by effective corporate governance aligned with ESG priorities

1 De-risking: Clear path to reduce NPE ratio to single digit by 2022

- Gross NPE reduction in 2021, through both organic and inorganic actions, expected to more than offset NPE inflows
- Continue to assess potential to accelerate NPE reduction through additional NPE sales

	Dec 2014	Sep 2020[1]	Dec 2022	Medium-term target
NPE ratio	63%	21%	<10%	~5%
Coverage	34%	59%		>50%
COR (bps)	365	125		~70-80

€ bn



1) Pro forma for Helix 2: calculations on pro forma basis assume completion of the transaction

2 Revenue Growth: NII drivers and challenges

NII challenges

- **Reduction of Legacy book**
  - Higher-yielding, higher-risk legacy loans are reducing
  - Legacy book interest fully provided

  Plan of action
  - Grow performing book by ~10%
  - Grow international and shipping lending

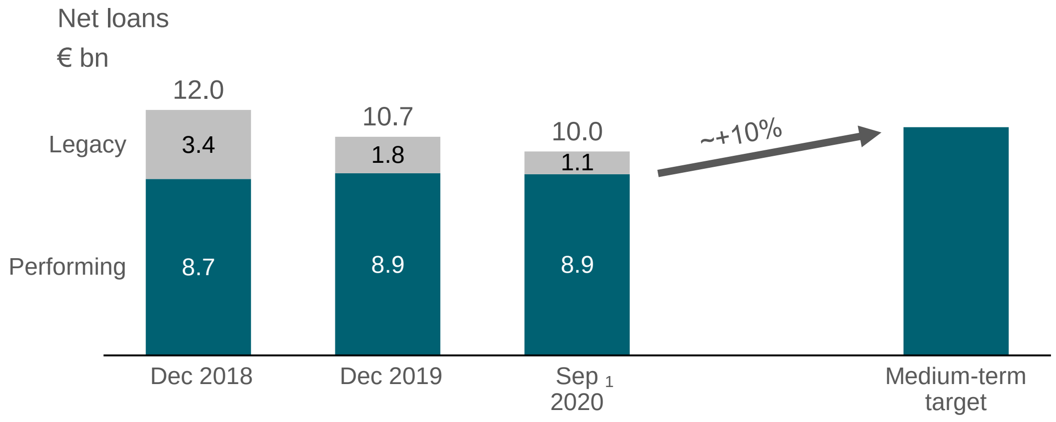
- **Excess liquidity built in a low interest rate environment**
  - Significant excess liquidity of ~€4 bn
  - Challenging interest rate outlook continues to put pressure on the effective yield of liquids and performing book

  Plan of action
  - Price away or price correctly deposits through liquidity fees
  - Efforts to improve credit spreads

- **MREL compliance**

  Plan of action
  - Funding cost expected to reduce as we successfully complete de-risking

Performing book[1] to grow by ~10%



Efforts to improve credit spreads

	9M2020 (annualized)		Medium term
Revenues/Total Assets	~260 bps	>	~280bps

1) Pro forma for Helix 2: calculations on pro forma basis assume completion of the transaction

2 Revenue Growth: Enhance fee and commission income

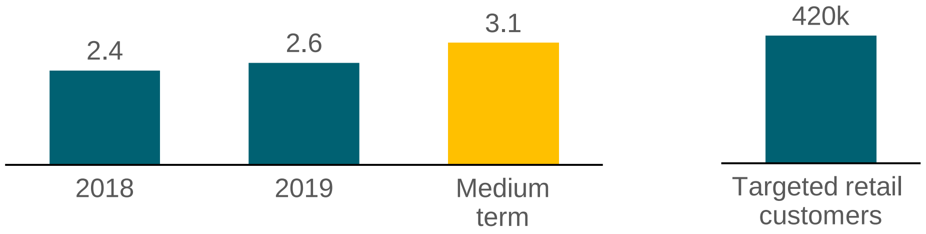
Initiatives

- **Extend liquidity fees** to a wider group of customers
- **Boost fee & commission income through a new price list**
- **Increase average product holding** through cross selling to the under-penetrated customer base
- **Introduce Digital Economy Platform to generate new revenue sources**
  - Become the centre of the Cypriot Digital Economy
  - Leverage the Bank's market position, knowledge and digital infrastructure

	9M2020 annualised	Medium term
Fee and commission income / Total Assets	~70 bps	~100 bps
Total Revenues / RWAs	~ 5%	~ 6%

Potential to improve product penetration

Avg product holding/ retail customer[1]



- <25% hold credit cards
- <15% have overdraft

1) Average product holding includes debit prepaid cards, credit cards, overdraft facilities, housing and other loans, notice and fixed deposits as well as referrals for insurance services per retail customer

2 Revenue Growth: Profitable Insurance business with further opportunities to grow

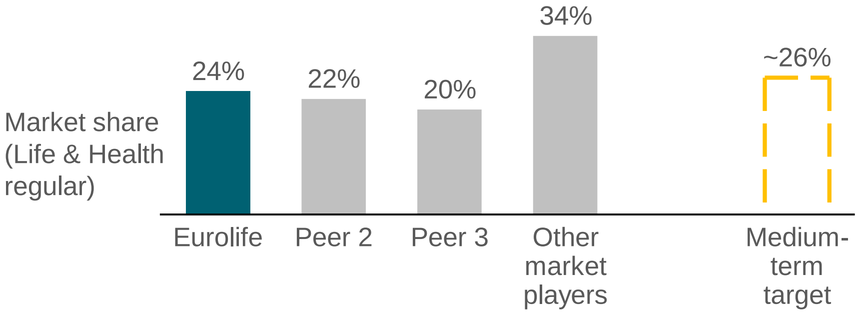
EuroLife

Key operational shifts and growth targets

- **Widen target market** by offering more basic and appealing products/services to extend customer base
- **New distribution philosophy** through enhanced agency force to accelerate new business
- **Leverage on Bank's strong franchise and customer base**
- **Improve cost efficiency** through digitalisation capabilities

13%
contribution to non interest income

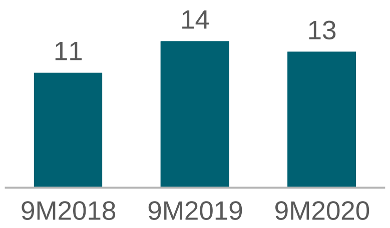
Market leader[1] in Life insurance



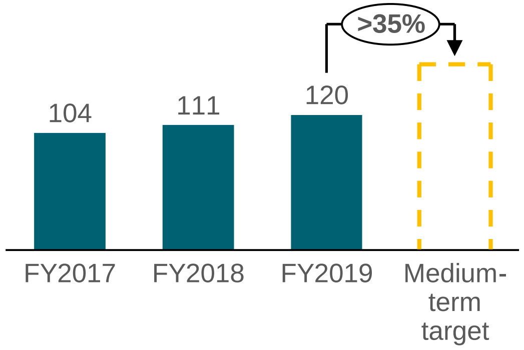
Sustainable healthy profitability

aiming to further grow capturing fair share based on bank base

PBT
€ mn



Total regular income growth[2]
€ mn



1) As at 31 December 2019
2) Total regular income includes Yearly Renewable Gross Written premiums and occupational pension contributions

2 Revenue Growth: Profitable Insurance business with further opportunities to grow

General Insurance of Cyprus

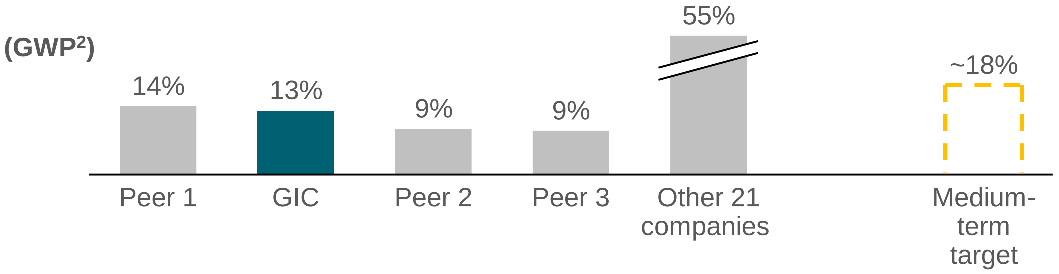
Key operational shifts and growth targets

- **Focus on high margin products** (property and fire) and profitable part of motor segment
- **Revamp bancassurance channel**
- **Optimise synergies with life insurance** and its sales network
- **Enhance digital sales**

11% contribution to non interest income

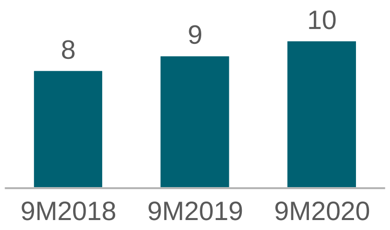
Opportunities for further market penetration

Market share[1] :

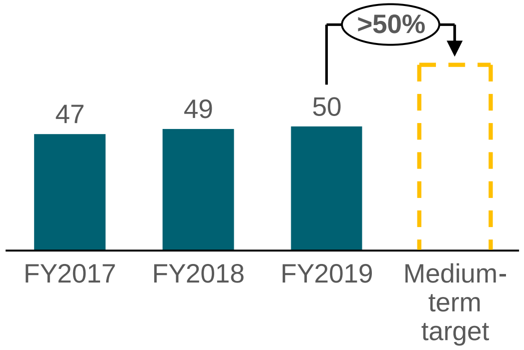


Sustainable healthy profitability → **aiming to further grow capturing fair share based on bank base**

PBT
€ mn



GWP growth
€ mn



1) As at 31 December 2019
2) Gross Written Premium

2 Revenue Growth: 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]

Dec 2019	Oct 2020
77.4%	83.5%

Digitally Engaged[2] Customers

Dec 2019	Oct 2020
68.6%	73.6%

Average mobile logins per month

Dec 2019	Oct 2020
16.8x	16.9x

Active users of Internet and/or Mobile Banking

Dec 2019	Oct 2020
249k	285k

1) 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
2) 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

3 Operating efficiency: Revamping operating model to further improve efficiency

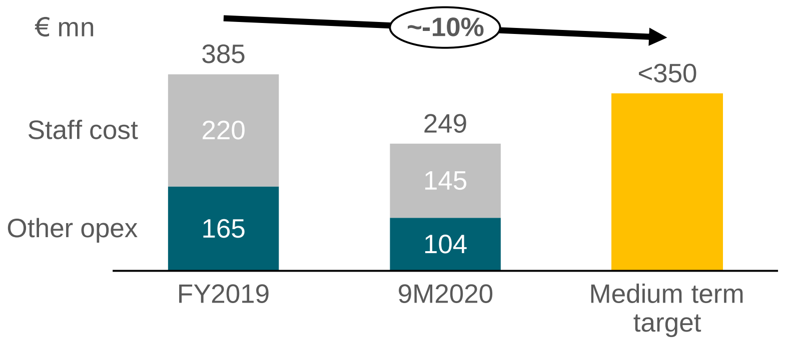
Initiatives

- Exit solutions to release FTEs
- Further branch footprint rationalisation
- Contain restructuring costs following completion of balance sheet de-risking
- Enhance procurement control
- Reduction of total operating expenses[1] by ~10% despite inflation

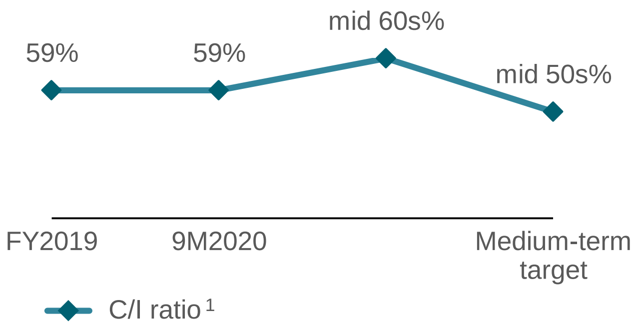
2021 Outlook

- C/I ratio[1] expected to rise in the near term as revenues remain under pressure and operating expenses increase due to higher IT/digitisation investment costs
- C/I ratio[1] to reduce to mid 50s% in the medium term

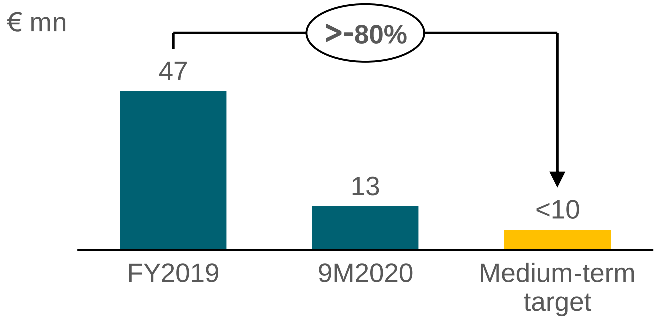
Reduction of total operating expenses[1] by ~10%



C/I ratio[1] expected to rise to mid 60s% before improving in the medium-term



Reduction of restructuring expenses to single digit as we successfully complete de-risking



1) Excluding Special Levy and contributions to SRF and DGF

4 Organisational resilience & ESG agenda

Build a forward looking organisation with a clear strategy supported by effective corporate governance aligned with ESG priorities

A

Enhanced structure and corporate governance

Fostering faster decision-making, cross-functional collaboration

B

Focus on our people

Strengthening the performance-based culture across the organisation with focus on customer centricity

Invest in attracting and developing top talent in functional areas that will support our future growth

C

Priority on the ESG agenda

Continue evolving our ESG strategy and embed ESG priorities in our business targets

4 Organizational resilience & ESG agenda: ESG Performance

Environmental

1.27 mn kWh
of energy savings

€0.4 mn
investment in energy-saving

1,800 tones
paper recycled

People

>3,500
employees

>27 ths
hours of training conducted

91%
of employees received feedback during interim performance assessments

Social

1,717
cancer patients treated at the Bank of Cyprus Oncology Centre

€221k
raised for the Cyprus Anti-Cancer Society

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

Responsible services

€5.9 bn
loans (>25k customers) under payment holiday

~ €1.0 bn
new lending ytd

83%
of total transactions are through digital channels

73%
of customers are digitally engaged

Governance

30%
of the board of directors are female

22
internal audit tests finalised

3,146
customer relationships terminated for compliance reasons

#SupportCy[1] Network Initiative

€265k
contributions to education

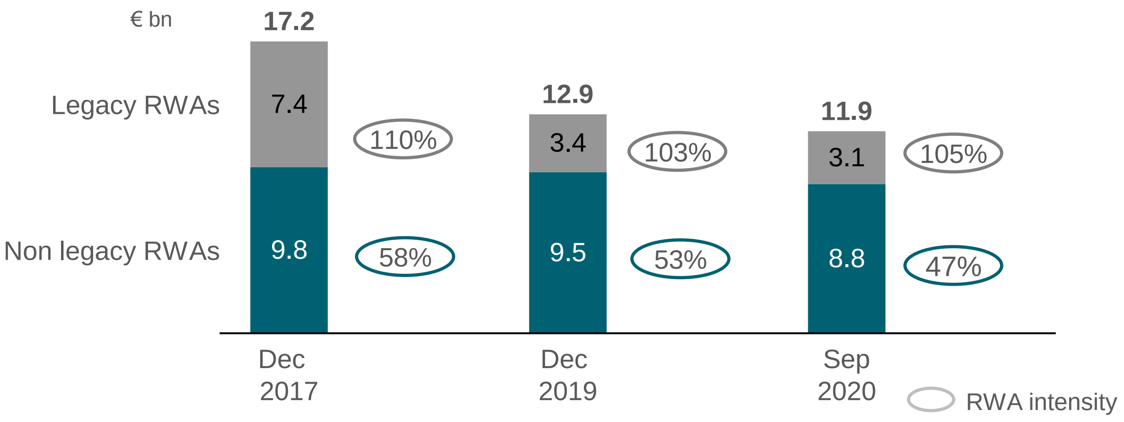
€70k
contributions to health services

€167k
contributions to welfare

Data for the period 1 January 2020 to 30 September 2020
1) #SupportCY is a network of 82 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

Capital Management with CET1>13%

- Aim for more efficient capital usage, including growing non-capital intensive fee generating business
- Reduce high intensity RWA in the legacy book
- Performing loan growth to lead to business RWA growth
- Volatility due to timing of potential future impacts from regulatory changes and one-off restructuring costs



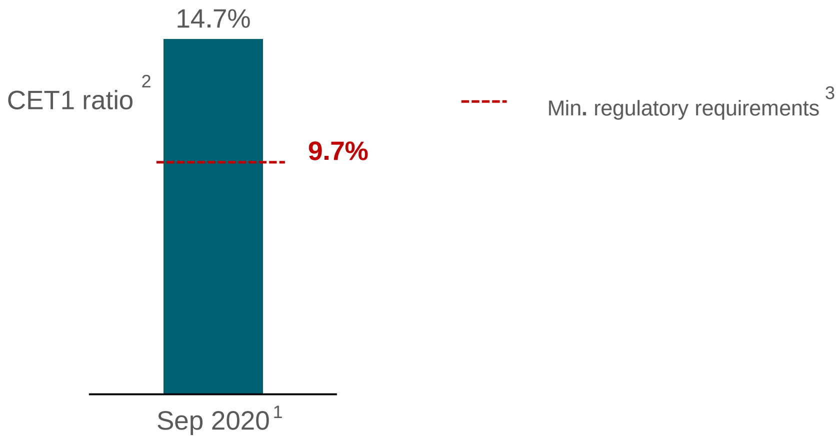
Tailwinds

- Organic capital generation, supported by focus on less capital intensive businesses
- Reduce high intensity legacy RWA
- Helix 2 benefit upon full payment of deferred consideration

Headwinds

- IFRS 9 phasing–in
- Regulatory impacts
- One-off cost optimisation charges

Planning assumption of CET1 ratio >13%



1) Pro forma for Helix 2: calculations on pro forma basis assume completion of the transaction
2) Allowing for IFRS 9 and temporary treatment for certain FVOCI instruments transitional arrangements
3) OCR(SREP)- Overall Capital Requirement comprises the Total SREP Capital Requirement (Pillar 1 and Pillar 2 Requirement) plus combined buffer requirements (capital conservation buffer, countercyclical buffer and systemic buffers)

Medium-term strategic targets

		2022	Medium Term
Profitability	Return on Tangible Equity (ROTE)[1]		~7%
	Total Operating Expenses[2]		<€350 mn
Asset Quality	NPE Ratio	<10%	~5%
	Cost of risk		~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 or contributions to the Single Resolution Fund (SRF) or Deposit Guarantee Fund (DGF) or any advisory or other restructuring costs

Summary

- **Strong customer base** with relationship with 75% population
- **Renewed customer trust**
- **Market leader both in terms of loans and deposits;** 42% market share in loans and 35% in deposits
- **Driving forward our digital knowledge and infrastructure**
- **Clear strategy in place; complete the turnaround and set the Bank on a path for profitability**

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 16 July 2020 (stable outlook)

Short-term issuer credit rating: Affirmed at "B" 16 July 2020

Fitch Ratings:

Long-term Issuer Default Rating: Affirmed at "B-" on 2 October 2020 (outlook revised to negative on 7 April 2020)

Short-term Issuer Default Rating: Affirmed at "B" on 2 October 2020

Viability Rating: Affirmed at "b-" on 2 October 2020

Moody's Investors Service:

Baseline Credit Assessment: Affirmed at "caa1" on 10 November 2020

Short-term deposit rating: Affirmed at "Not Prime" on 10 November 2020

Long-term deposit rating: Affirmed to "B3" on 10 November 2020 (positive outlook)

Counterparty Risk Assessment: Affirmed at B1(cr) / Not-Prime (cr) on 10 November 2020

Listing:

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

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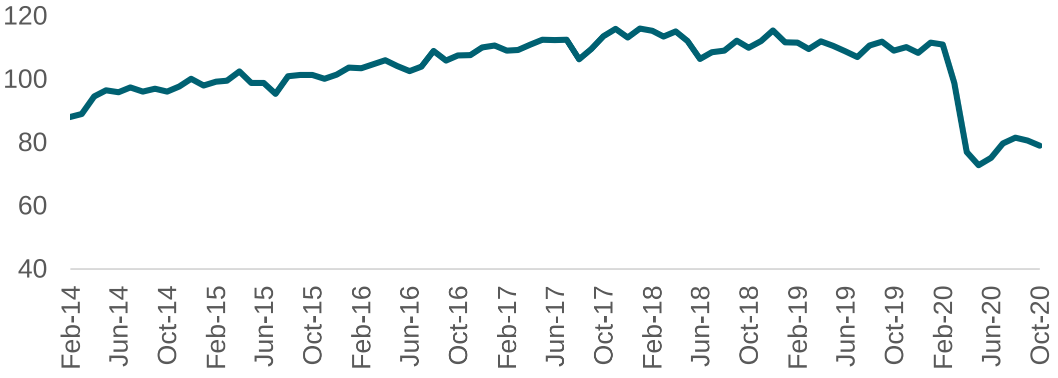
Appendix

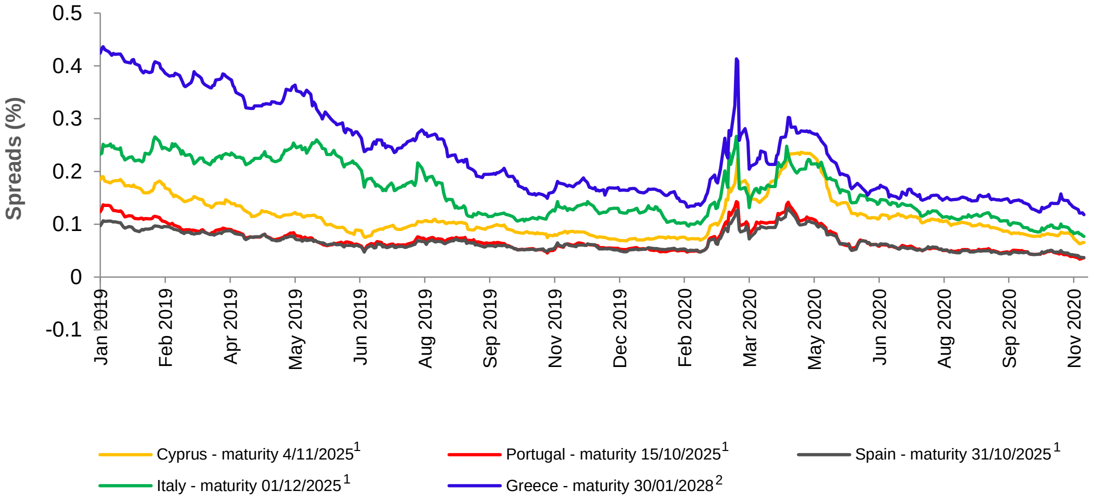
APPENDIX
Macroeconomic overview

Cypriot economy more resilient than anticipated earlier in the year

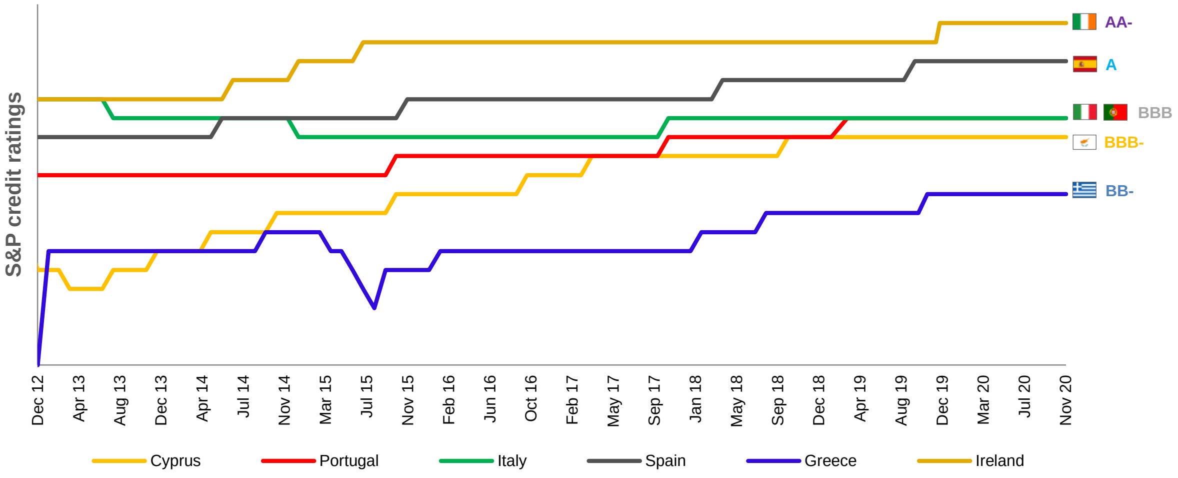
Economic sentiment reflects COVID-19 uncertainty



Tightening of spreads as market confidence improves



Cyprus maintains investment grade



SOURCE: Statistical Service of Republic of Cyprus; Bloomberg

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

Covid-19 Recent Developments

Timely and strong response by the European and the Cypriot authorities

Comprehensive and far reaching measures to support performing businesses and the wider economy

Government measures include:

1. **Subsidy of interest rate of new Business Loans (€180 mn)**
   - Subsidy of interest rate for new loans to self employed and businesses
   - Subsidy of interest rate for 4 years
   - Application deadline extended to 30 June 2021
2. **Subsidy of interest rate of new Housing Loans (€45 mn)**
   - Subsidy of interest for 4 years
   - Application deadline extended to 30 June 2021
3. **Financing of SMEs through CYPEF[1] (€800 mn)**
   - 50%-50% risk sharing between the Government and the banks
4. **Government Guarantee to EIB (€1.0 bn)**
   - Government additional funding of **€500 mn** to eligible businesses

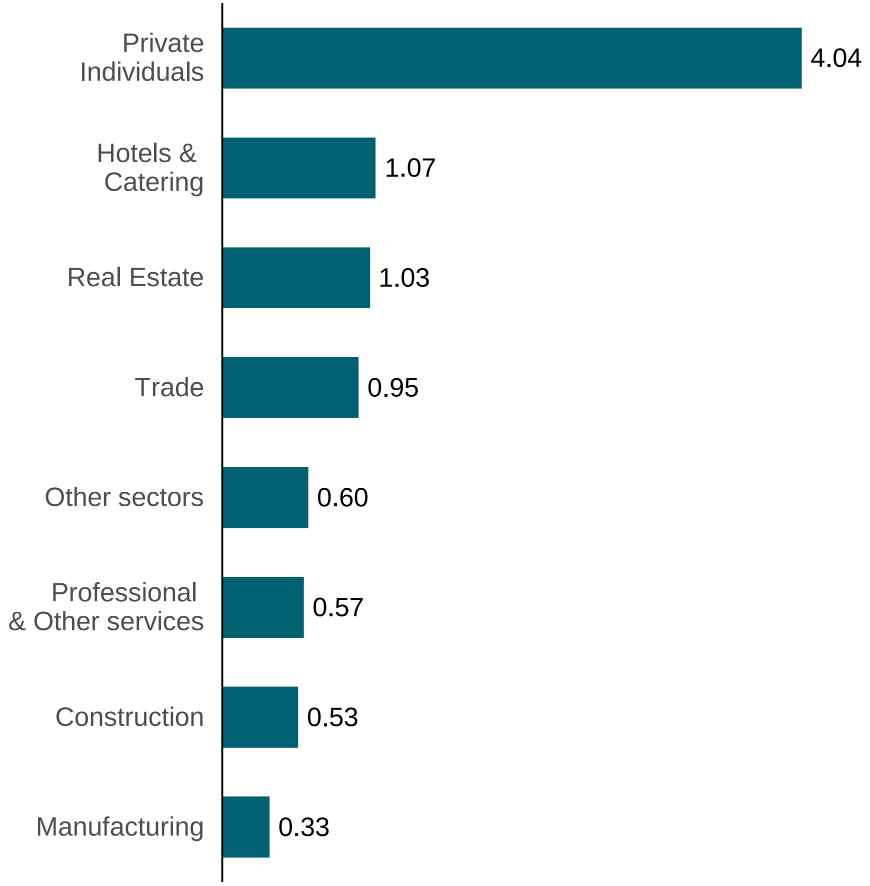
European Authorities measures-Implications for Cyprus

1. **EU Recovery Fund (€2.4 bn)**
   - Cyprus expects to receive €1.1 bn in grants during the period 2021-23 and additional loans up to €1.3 bn
   - The exact amounts will depend on the finalisation of the allocation criteria and on the government's national plan that will be submitted to the European Commission
2. **Pan-European Guarantee Fund (PEGF) (€300-€400 mn)**
   - Liquidity support to eligible businesses through the PEGF of EIB
   - Guarantee to the banks of up to 80%
3. **EU SURE Programme (€479 mn)**
   - Financial assistance in the form of loans on favourable terms supporting member states in their employment preservation schemes
   - Process for payment of the disbursement of €250 mn initiated
4. **Access** to ESM's Pandemic Crisis Support through the Enhanced Conditions Credit Line, for ~€440 mn (2% of GDP)

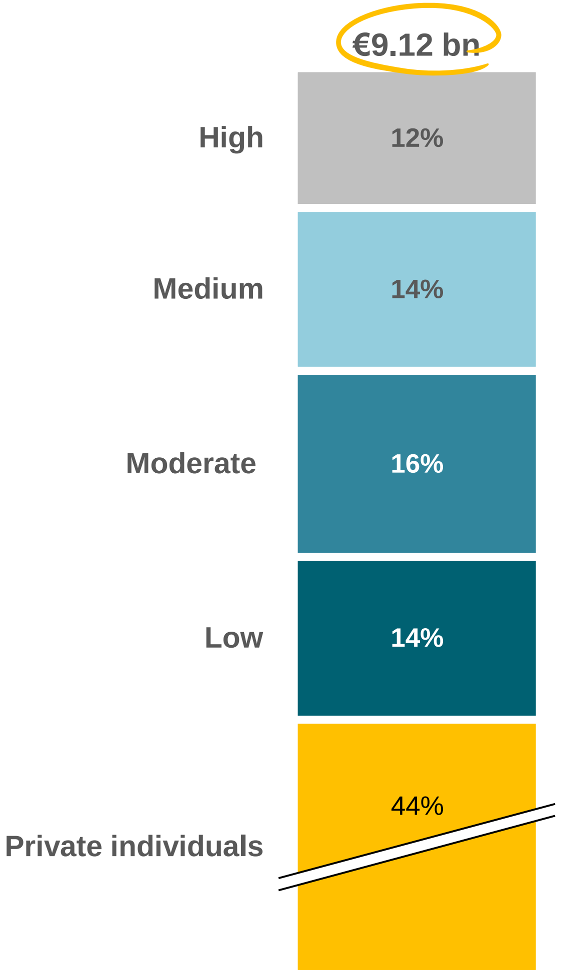
1) The Cyprus Enterprise Fund

Well diversified loan portfolio; close monitoring and set up of strategies to prevent further asset quality deterioration

Gross loans (excluding legacy)[1] by business sector of €9.12 bn



Breakdown by COVID-19 impact assessment on business sectors

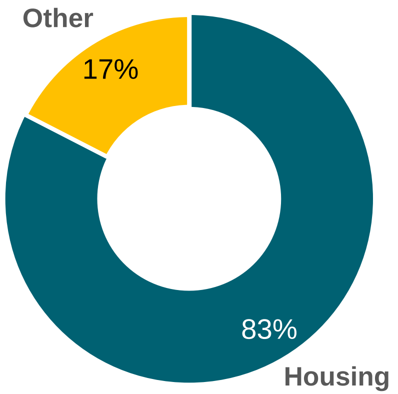


- **High Impact: (12%)**
  - Tourism (Hotels & Catering)
- **Medium Impact: (14%)**
  - Trade
  - Manufacturing
- **Moderate Impact: (16%)**
  - Construction
  - Transportation and storage
- **Low: (14%)**
  - Real Estate
  - Education
  - Health
- **Private individuals (44%)**
  - Refer to slide 55

1) Gross loans as at 30 September 2020 of Corporate (incl. IB and W&M and Global Corporate), SME, Retail, and H/O

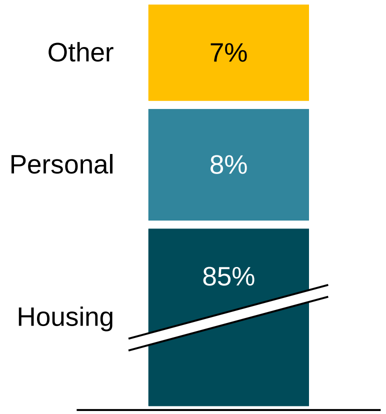
Private individuals loan portfolio, highly collateralised

Private Individuals: €4.04 bn



- **Housing performing loans: €3.34 bn**
  - Low LTV[1] housing portfolio
  - 65% of portfolio with LTV[1]<60%
  - Only 15% of portfolio with LTV[1]>80%
- **Other: €0.70 bn**
  - 62% secured portfolio
    - of which 59% with property
    - of which 41% with other type of collateral

Payment deferrals: €2.09 bn



31% with ≥1 payment by 31 October 2020

LTV[1]	Housing €3.34 bn	Other €0.70 bn
< 60%	65%	30%
60%-80%	20%	5%
80-100%	7%	6%
>100%	8%	59%

1) Loan to Value (LTV) is calculated as the Gross IFRS Balance to the indexed market value of the property. Under Pillar 3 disclosure, 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

Business portfolio well diversified, with high quality collateral

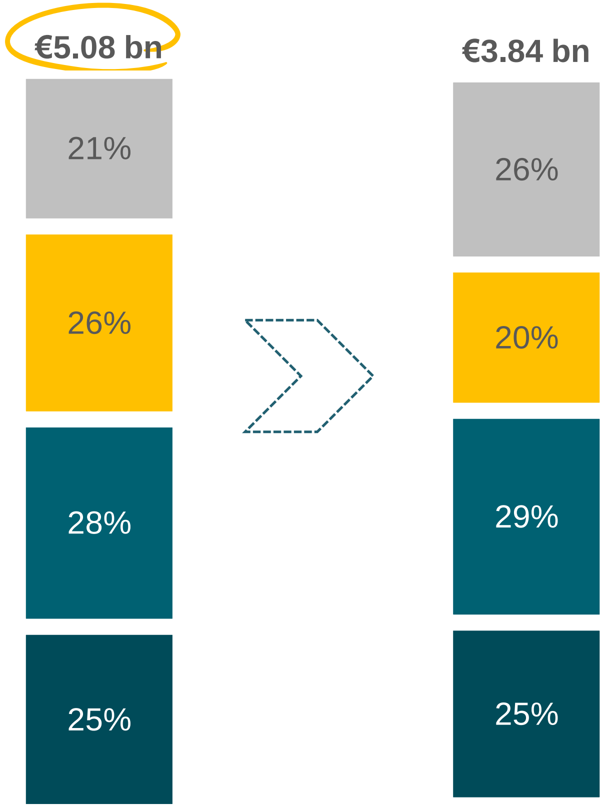
Business gross loans (excluding Legacy)[1]

Breakdown, by Covid-19 impact

Payment deferrals

- 13% with ≥1 payment by 31 October 2020

- **High Impact: (21%)**
  - Tourism (Hotels & Catering)
- **Medium Impact:(26%)**
  - Trade
  - Manufacturing
- **Moderate Impact: (28%)**
  - Construction
  - Transportation and storage
- **Low: (25%)**
  - Real Estate
  - Education
  - Health



- **High quality origination via prudent underwriting standards**
  - Strong assessment of repayment capability
  - Strict origination standards
  - Effective foreclosure law in place, following the amendments in recent years
- **99% of new exposures[2] since 2016 were performing at the start of the moratorium**
- **90% of portfolio secured**
  - of which 80% with property
  - of which 20% other type of collateral
- **Low LTV[3] business portfolio; 73% of the portfolio with LTV[3]<80%**

LTV[3]	High	Medium	Moderate	Low	Total
< 80%	94%	59%	68%	77%	**73%**
>80%	6%	41%	32%	23%	**27%**
Total	100%	100%	100%	100%	**100%**

1) Gross loans as at 30 September 2020 of Corporate (incl. IB and W&M and Global Corporate), SME, Retail and H/O
2) Facilities/limits approved in the reporting period
3) 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: €1.07 bn

Hotels & Catering	30 Jun 2020 € bn	30 Sep 2020 € bn	% of portfolio
Food services	0.06	0.06	5%
Accommodation	1.00	1.01	95%
Total	**1.06**	**1.07**	
Unutilised Liquidity[1]	**0.31**	**0.34**	
- of which deposits	*0.26*	*0.27*	*26%*

- Majority of Accommodation customers entered the crisis with significant liquidity, following strong performance in recent years
- ~€1.0 bn or 94% under payment deferrals

Trade: €0.95 bn

Trade	30 Jun 2020 € bn	30 Sep 2020 € bn	% of portfolio
Supermarkets, pharmacies and other essential retail businesses	0.29	0.28	30%
All other	0.71	0.67	70%
Total	**1.00**	**0.95**	
Unutilised Liquidity[1]	**0.88**	**0.93**	
- of which deposits	*0.56*	*0.62*	*66%*

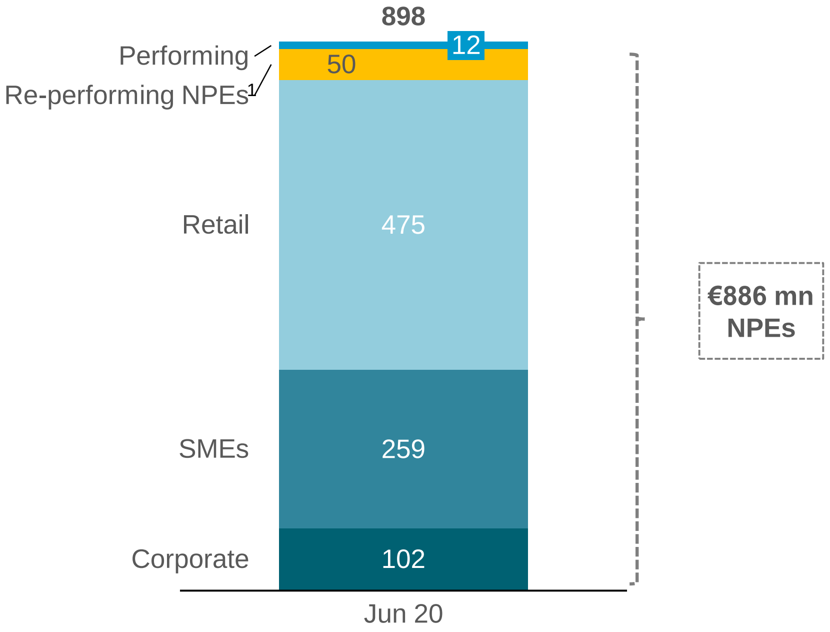
- 30% tied up to lower risk essential retail services, not materially impacted by COVID-19
- €0.54 bn or 57% under for payment deferrals

1) Unutilised overdraft amounts and deposits

APPENDIX
Additional asset quality slides

€0.9 bn NPE Trade Delivers Accelerated Risk Reduction

€898 mn Helix 2 portfolio (€ mn)



30 June 2020

Assets sold	€ mn	Receipts	€ mn
Contractual Loans[2]	**1.478**	**Consideration**	**422**
Gross Loans	**898**	*of which:*	
of which NPEs	*886*	*- Cash*	*148*
Provisions Held	(479)	*- Deferred Purchase Price*	*274*
Other[3]	34	**Transaction Costs and other adjustments**	(37)
Carrying Value of assets being sold	**453**	**Consideration net of transaction costs and other adjustments**	**385**
P/L Impact: (68)			

- Contractual balance[2] of €1.48 bn as at 30 June 2020
- Portfolio comprises 22,224 loans, mainly to Retail and SME clients, secured over 5,616 real estate collaterals
- Completion remains subject to a number of customary regulatory and other approvals, currently estimated to occur in the 1H2021

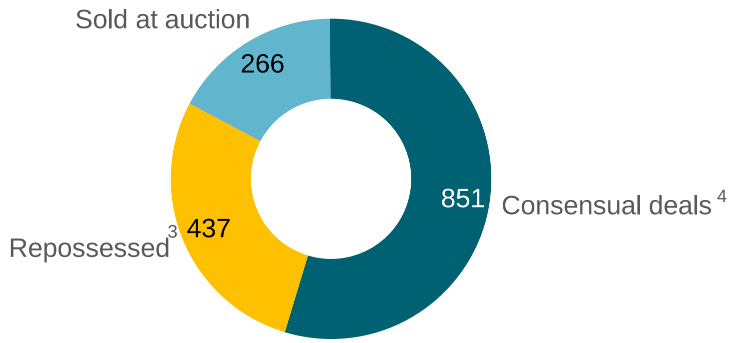
1) In pipeline to exit NPEs subject to meet all exit criteria; the analysis is performed on a customer basis (formerly called Non-core NPEs)
2) The difference between the contractual balance and the GBV relates to IFRS adjustments/unrecognised income and non-contractual write-offs
3) DFAs and cash already received by 30 June 2020

Foreclosures resumed on 1 September 2020

	Cumulative 2016 – 2018[1]	FY2019	9M2020
Foreclosures commenced[2]	1,437	1,829	820[2]
Auctions held	470	807	164[2]

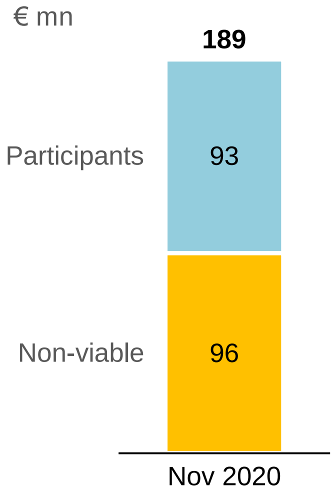
3Q2019	4Q2019	1Q2020	2Q2020	3Q2020
436	536	593[2]	-	227
189	373	164[2]	-	-

1,554 properties excluding Helix assets were resolved since 2016



1) Excluding Helix
2) Foreclosures suspended between 18 March and 31 August as per the Cyprus Bank Association
3) Properties that have been auctioned unsuccessfully at least once
4) Includes DFAs, restructurings and settlements

ESTIA- Government scheme for the resolution of NPEs backed by primary residence



- Clear definition of socially protected borrowers
- Resolution part of ESTIA- eligible portfolio
- Identification of non-viable (vulnerable) customers
- Facilitates resolution of remaining customers mainly through consensual and non consensual foreclosures

Participants: €93 mn[1]

- Restructured loans will exit NPE definition in accordance with the NPE exit criteria[2]

Non viable: €96 mn[1]

- Government solution under consideration

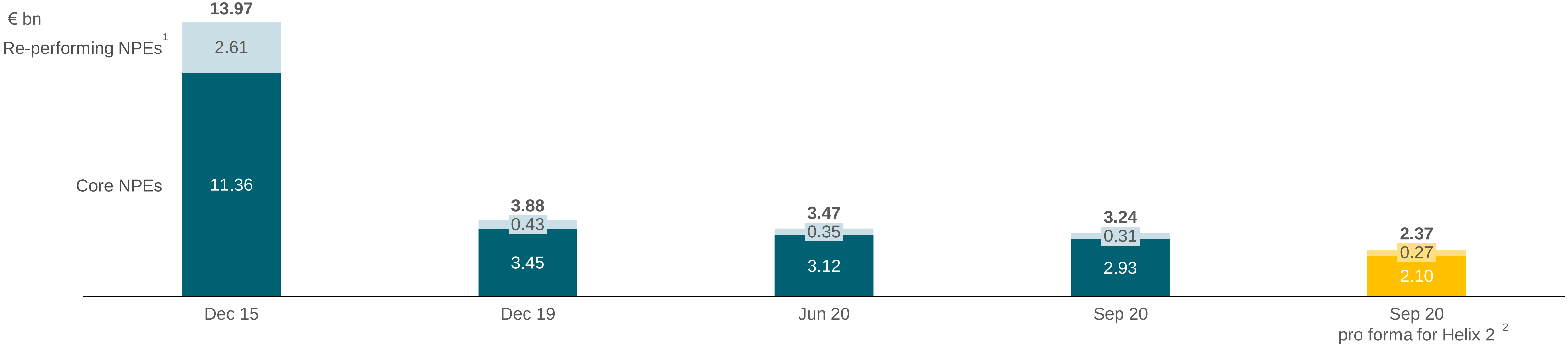
Non-participants of Estia

- Enforcement measures initiated for non Estia applicants
- Focus on realizing collateral via consensual and non-consensual foreclosures
- On-board assets in REMU at conservative ~25%-30% discount to open market value

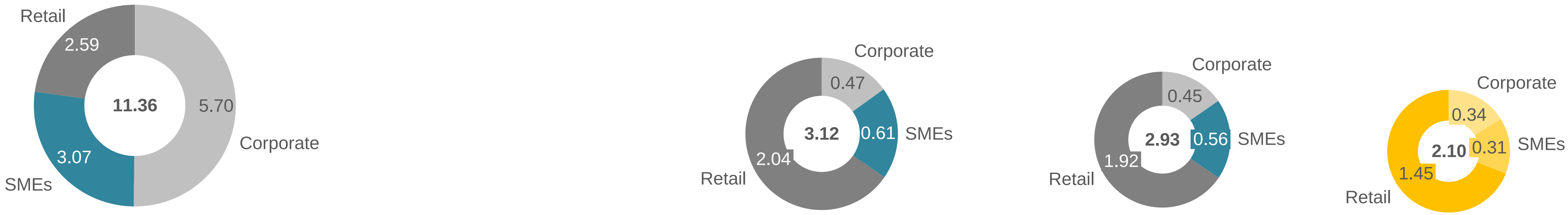
1) As per latest available figures in November 2020

Core NPE risk reduced to €2.10 bn pro forma for Helix 2[2]; 64% cash covered

Core NPEs reduced to €2.10 bn pro forma for Helix 2[2]



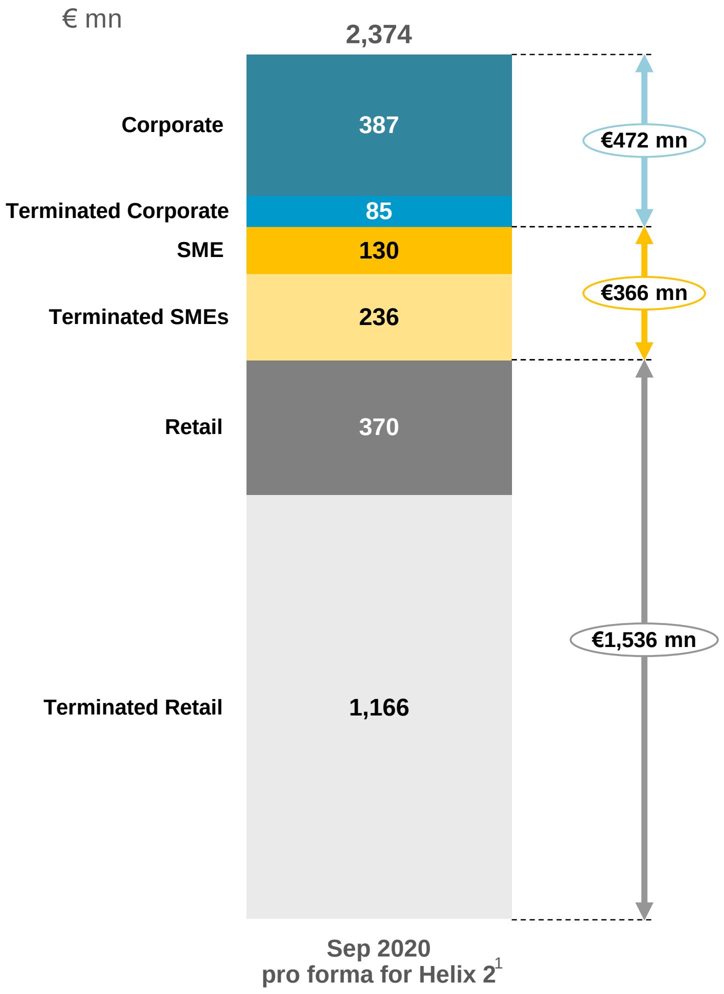
Core NPEs € bn



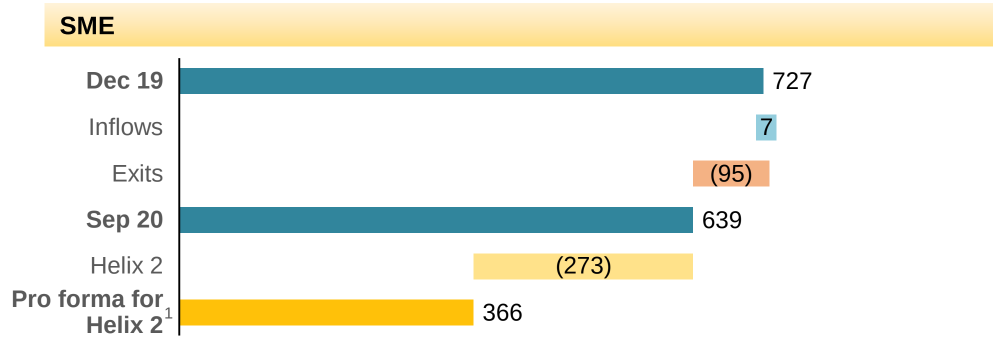
1) In pipeline to exit NPEs subject to meet all exit criteria; the analysis is performed on a customer basis (formerly called Non-core NPEs)
2) Calculations on a pro forma basis assume completion of the transaction

Continuous progress across all segments

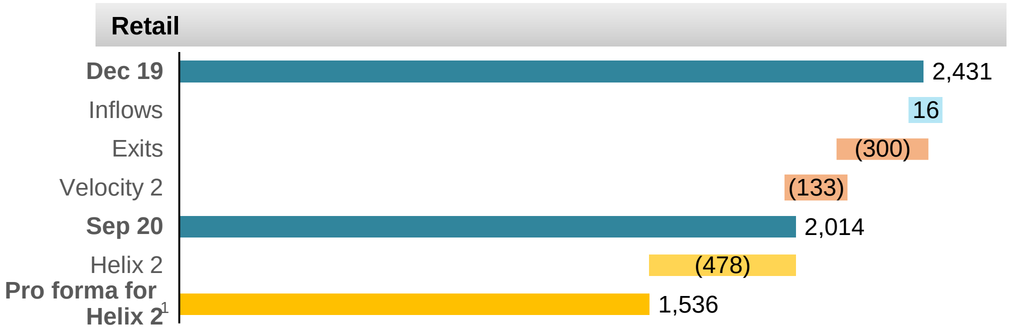
Focus shifts to Retail and SME after intense Corporate attention



	Sep 2020 Pro forma[1]
NPE ratio	10%
NPE coverage	63%
NPE total coverage	117%



	Sep 2020 Pro forma[1]
NPE ratio	24%
NPE coverage	58%
NPE total coverage	125%

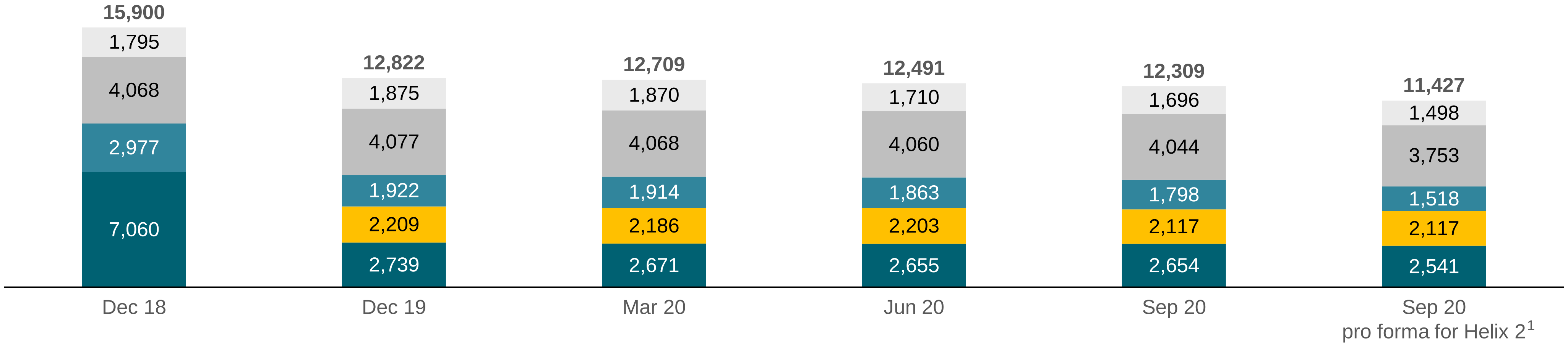


	Sep 2020 Pro forma[1]
NPE ratio	29%
NPE coverage	
➢ Retail Housing	51%
➢ Retail Other	66%
NPE total coverage	131%

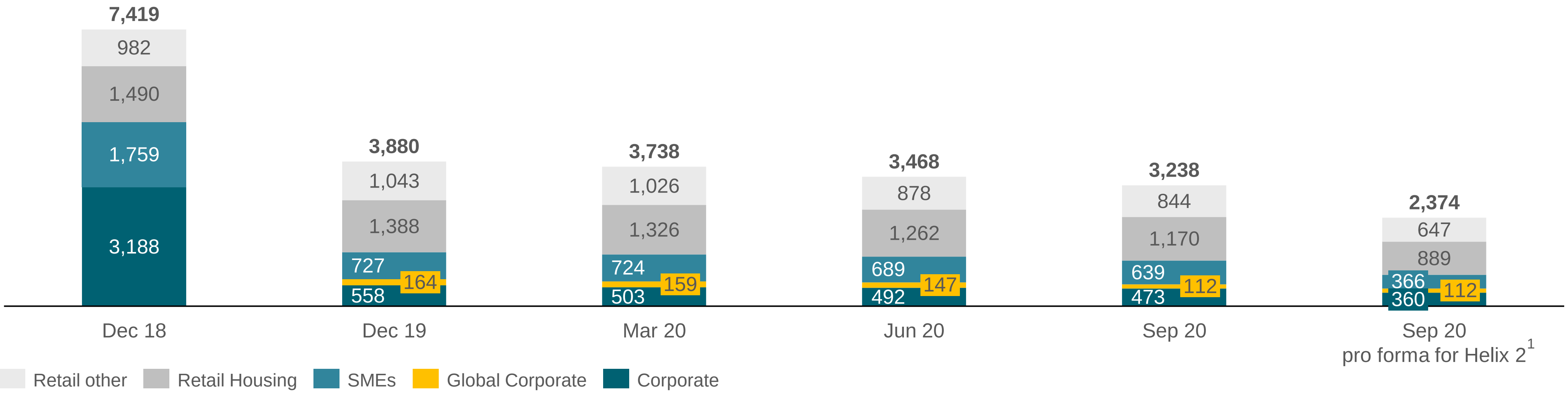
1) Calculations on a pro forma basis assume completion of the transaction

Gross loans and NPEs by Customer Type

Gross loans by customer type (€ mn)



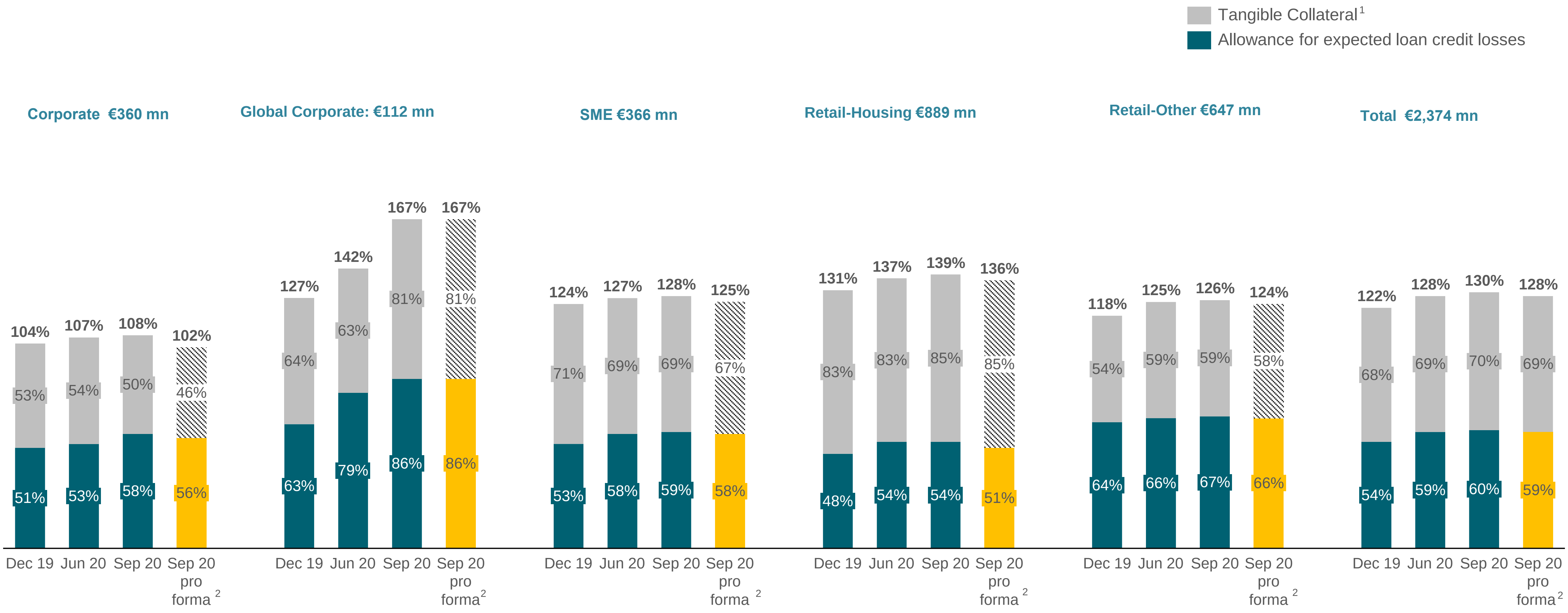
NPEs by customer type (€ mn)



1) Calculations on a pro forma basis assume completion of the transaction

NPE Coverage and Total coverage by segment

Coverage and collateral maintained post Helix 2[2]



1) Restricted to Gross IFRS balance
2) Calculations on a pro forma basis assume completion of the transaction

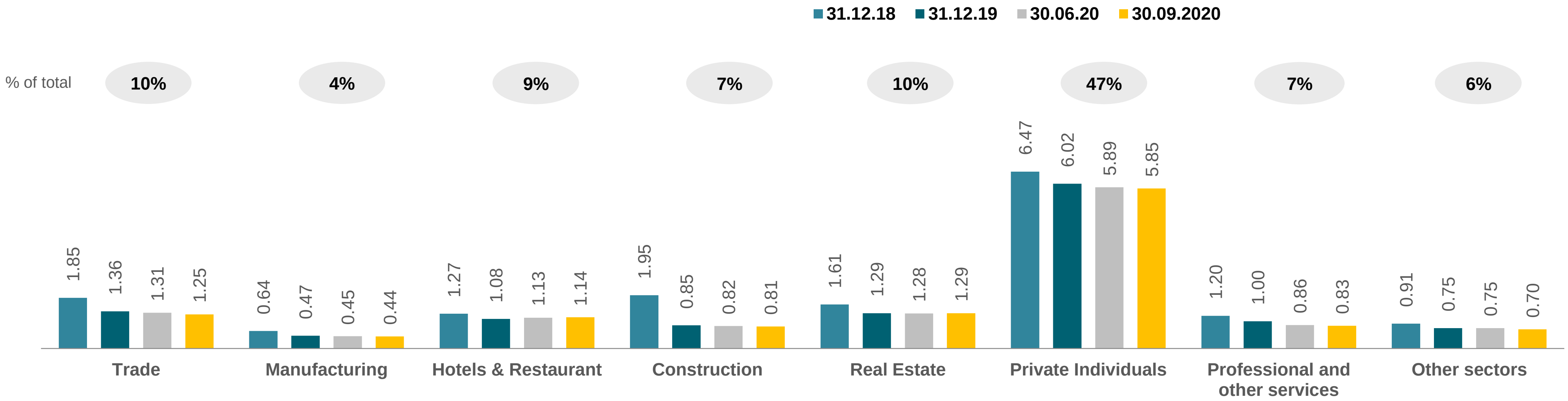
Asset quality- NPE analysis

(€ mn)	Sep-20	Jun-20	Mar-20	Dec-19	Dec-18
A. Gross Loans after Residual Fair value adjustment on initial recognition	**12,066**	**12,243**	**12,457**	**12,551**	**15,438**
Residual Fair value adjustment on initial recognition	243	248	252	271	462
B. Gross Loans	**12,309**	**12,491**	**12,709**	**12,822**	**15,900**
B1. Loans with no arrears	**9,028**	**8,954**	**8,706**	**8,820**	**8,260**
B2. Loans with arrears but not NPEs	**43**	**69**	**265**	**122**	**221**
1-30 DPD	34	54	209	88	166
31-90 DPD	9	15	56	34	55
B3. NPEs	**3,238**	**3,468**	**3,738**	**3,880**	**7,419**
With no arrears	533	603	601	722	1,482
Up to 30 DPD	19	28	52	54	136
31-90 DPD	29	39	72	76	231
91-180 DPD	35	48	79	121	178
181-365 DPD	101	178	255	263	393
Over 1 year DPD	2,521	2,572	2,679	2,644	4,999
NPE ratio (NPEs / Gross Loans)	**26%**	**28%**	**29%**	**30%**	**47%**
Allowance for expected loan credit losses (including residual fair value adjustment on initial recognition[1])	**1,933**	**2,043**	**2,109**	**2,096**	**3,852**
Gross loans coverage	**16%**	**16%**	**17%**	**16%**	**24%**
NPEs coverage	**60%**	**59%**	**56%**	**54%**	**52%**

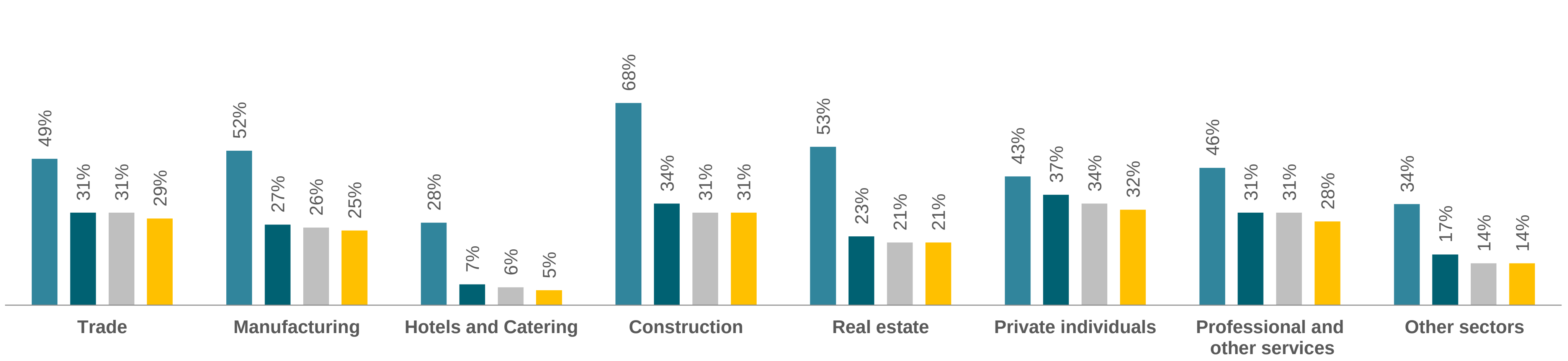
1) Comprise (i) loan credit losses for impairment of customer loans and advances, (ii) the residual fair value adjustment on initial recognition of loans acquired from Laiki Bank and on loans classified at FVPL, and (iii) loan credit losses on off-balance sheet exposures disclosed on the balance sheet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

Analysis of gross loans and NPE ratio by Economic activity

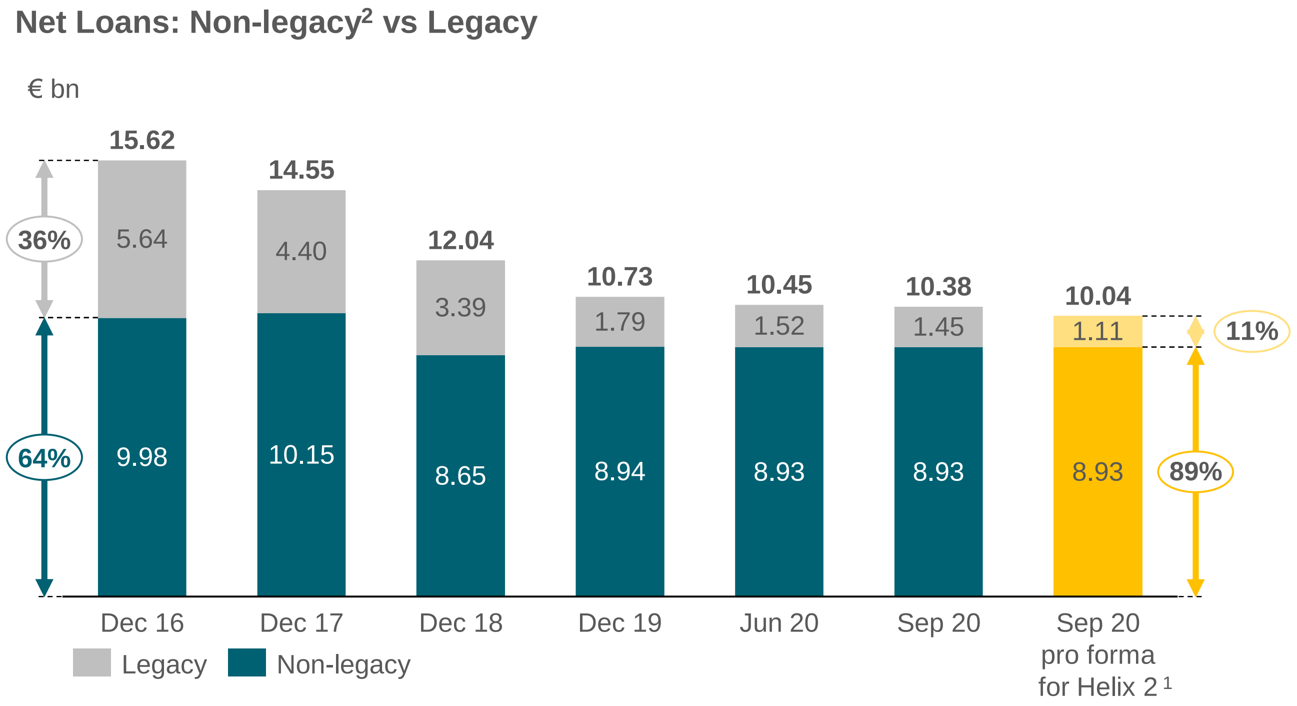
Gross loans by economic activity (€ bn)

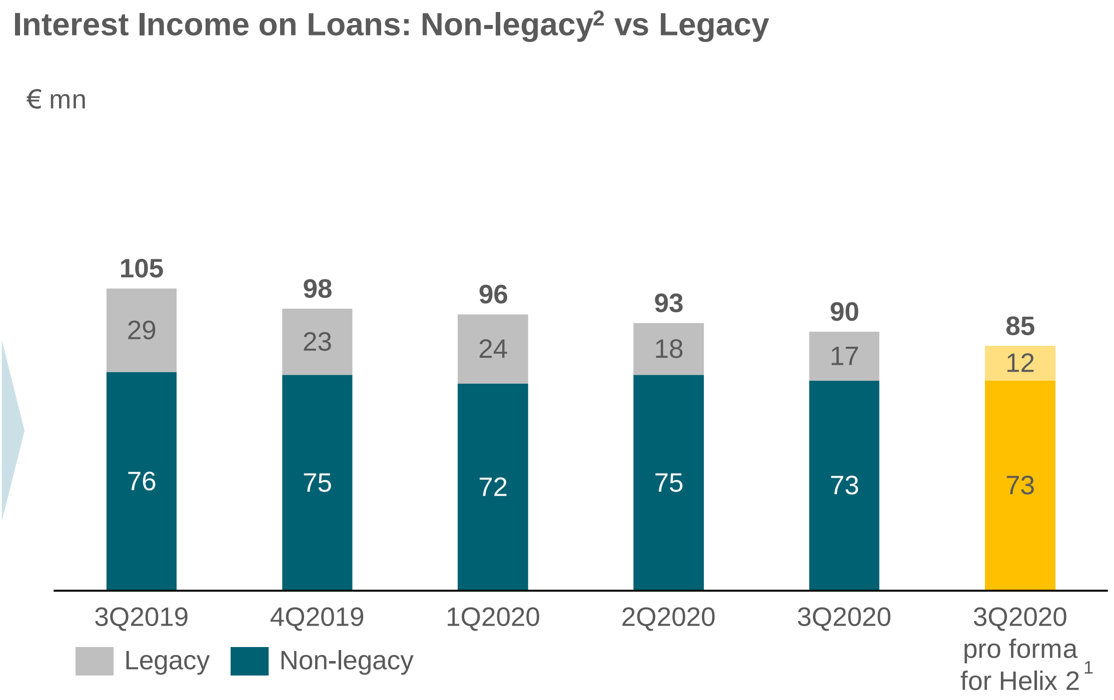


NPE ratio by economic activity



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





- Lower but higher quality income resulting from balance sheet de-risking
- Interest income of non-legacy book decreased by €2 mn qoq
- Interest income of legacy book decreased by €1 mn qoq as balance sheet de-risking continues
- **Interest on Net NPEs not received in cash, fully provided**
- Lending rates remain under pressure due to the sustained low interest rate environment

1) Calculations on a pro forma basis assume completion of the transaction
2) Gross loans as at 30 September 2020 of Corporate (incl. IB and W&M and Global Corporate), SME, Retail, and H/O

Risk adjusted yield will rise as Legacy book reduces

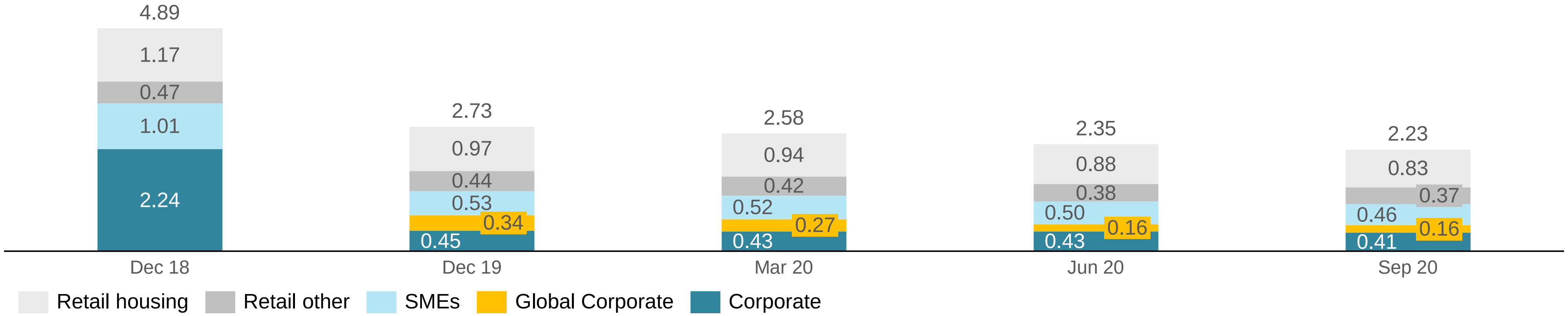
		Non-Legacy	Legacy	Group
		9M2020	9M2020	9M2020
Profitability	**Interest Income on loans** (€ mn) (pre FTP)	220	59	279
	Loan credit losses (€ mn)	(6)	(112)	(118)
	Interest Income net of loan credit losses (€ mn)	214	(53)	161
	Cost of Risk	0.08%	4.36%	1.25%
	Effective Yield	3.29%	4.88%	3.54%
	Risk adjusted Yield[1]	3.21%	(4.45%)	2.04%
Capital & balance Sheet	**Average Net Loans (€ mn)**	8,930	1,607	10,537
	RWA Intensity[2]	47%	105%	55%
		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 (€10 mn in 3Q2020)
- As Legacy book reduces:
  - Group risk adjusted yield expected to rise
  - Group Risk intensity expected to fall supporting CET1 ratio build

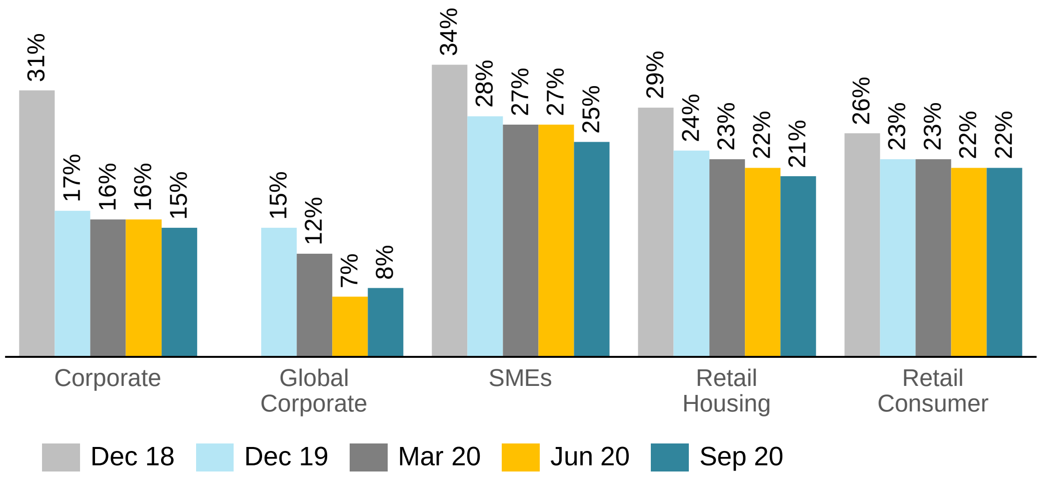
1) Interest Income on loans net of allowance for expected loan credit losses/ Average Net Loans
2) Risk Weighted Assets over Total Assets

Rescheduled Loans

Rescheduled loans by customer type (€ bn)



Rescheduled loans % gross loans by customer type



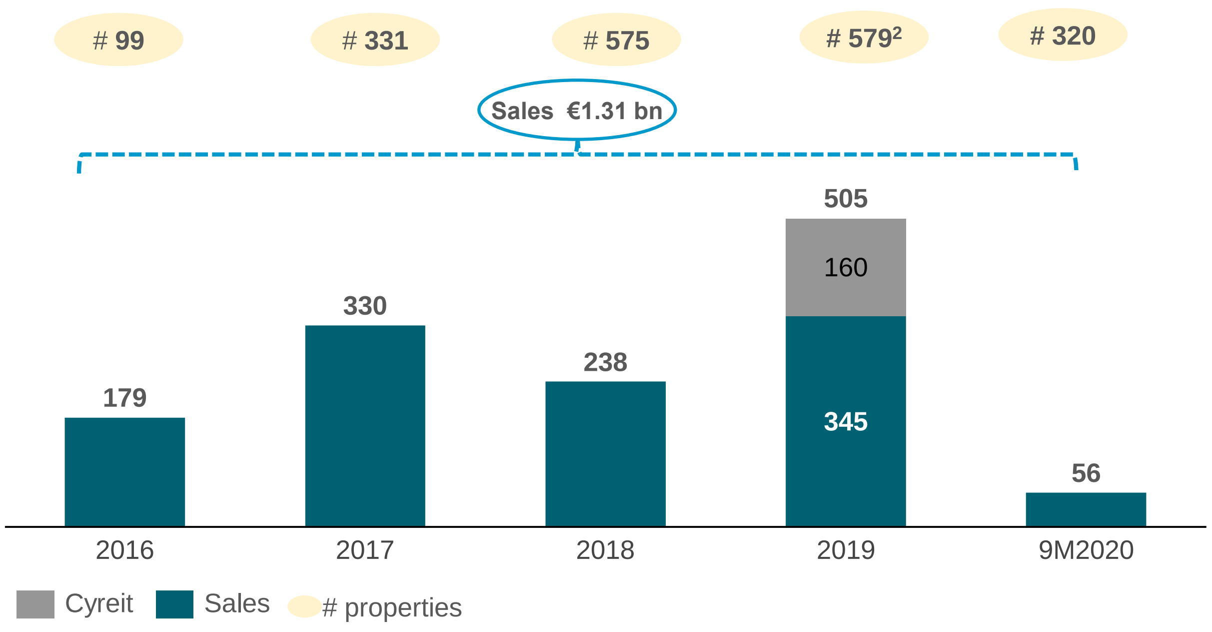
Rescheduled loans-Asset Quality

30 September 2020	€ '000
Stage 1	251,983
Stage 2	275,204
Stage 3	1,388,510
POCI	194,158
FVPL	120,880
Total	**2,230,735**

REMU: €1.31 bn sales of 1,904 properties across all property classes since set-up in Jan 2016

Sales since Real Estate Management Unit set-up

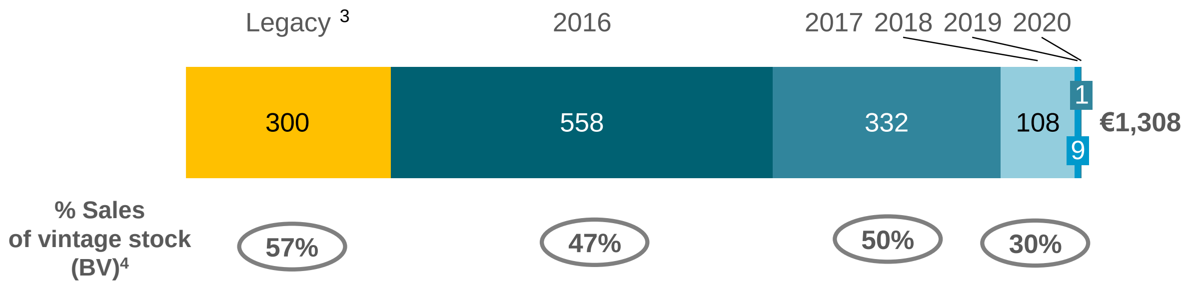
Sales contract prices[1] (€ mn)



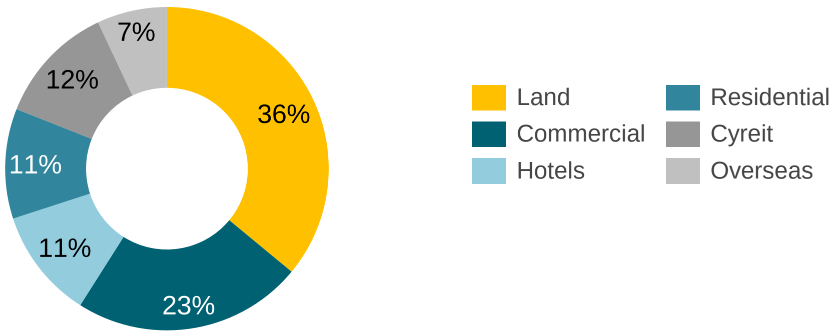
- Asset disposal strategy tackles both value and volume of assets
- Asset disposals across all property classes
- 57% of Legacy[3] and 47% of 2016 book assets now sold
- 36% of sales (by value) relate to land

Breakdown of cumulative sales[1]

by on-boarding year (€ mn)



by property type

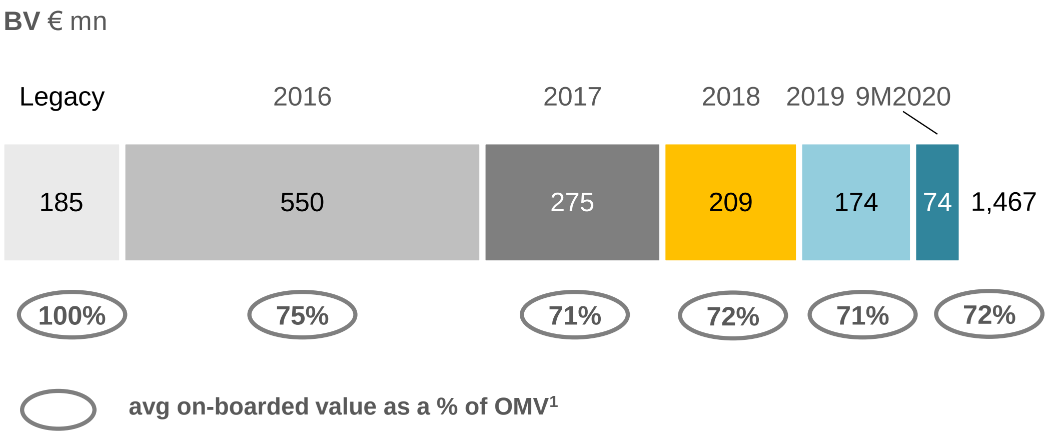


1) Amounts as per Sales purchase Agreements (SPAs)
2) Number of properties sold include 21 properties from the disposal of Cyreit and 23 properties from NPE sale (Helix)
3) Legacy properties relate to properties that were on-boarded before REMU set-up in January 2016

4) 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 Jun 2020

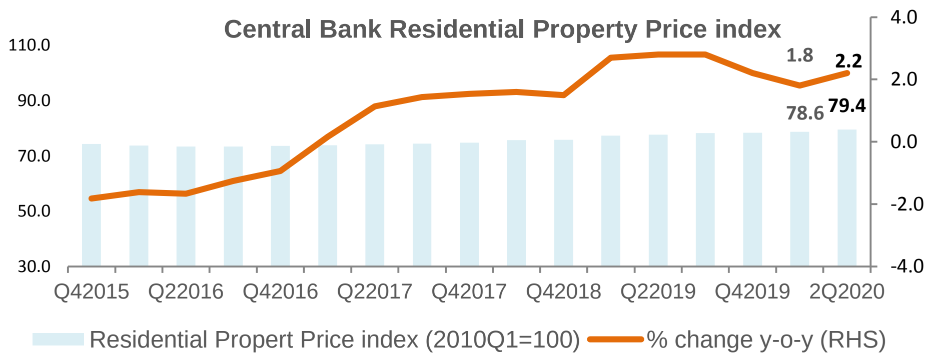
REMU – the engine for dealing with foreclosed assets

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

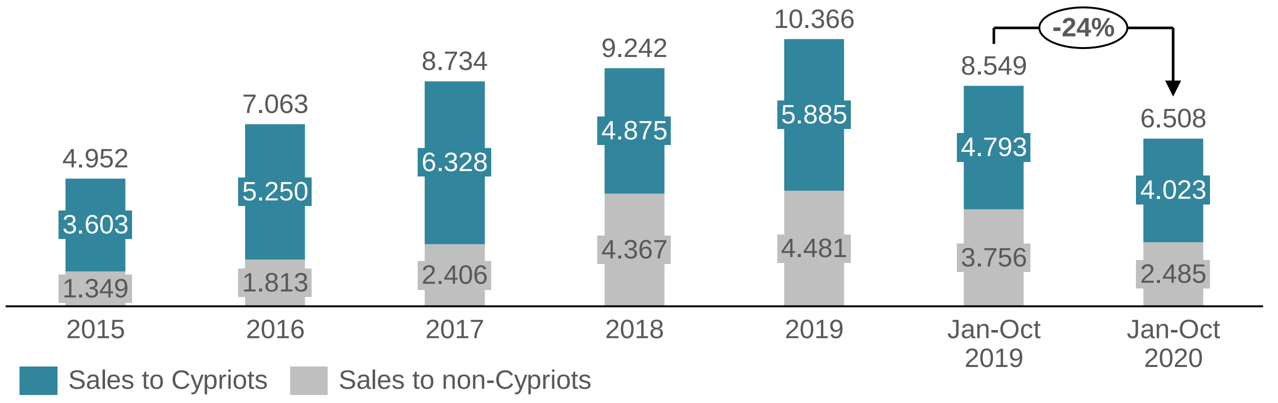


Evolution of properties managed by REMU

Real Estate Market property prices up 2.2% in 2Q2020[4]



Sales contracts (excl. DFAs) for 10M2020 down 24% yoy[5] reflecting COVID-19 lockdown



1) Open market value at on-boarding date
2) Stock of property with a carrying value of €11 mn as at 30 September 2020 was transferred to non-current assets and disposal groups held for sale as it was included in the Helix 2 portfolio
3) In addition to assets held by REMU, properties classified as “Investment properties” with carrying value of €21 mn as at 30 September 2020 relate to legacy properties
4) Based on Residential price index published by Central Bank, dated 23 November 2020
5) Based on data from Land of Registry- Sales contracts

APPENDIX
Additional financial information

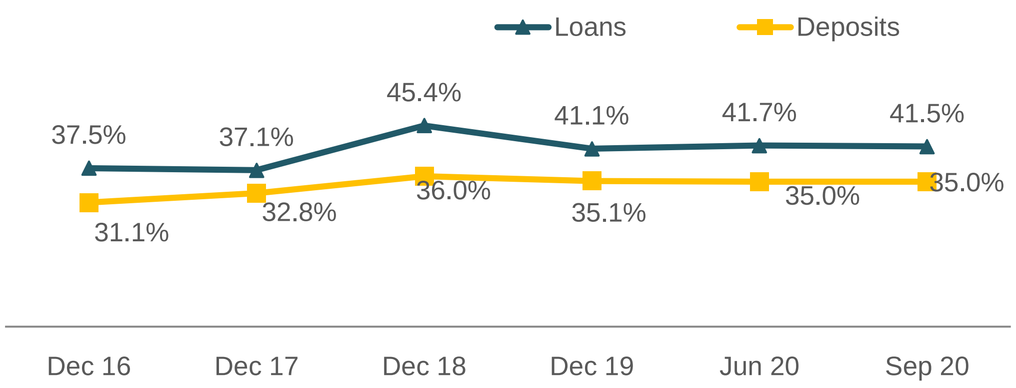
Consolidated Balance Sheet

Assets (€ mn)	30.09.2020	31.12.2019	% change
Cash and balances with Central Banks	5,507	5,060	9%
Loans and advances to banks	529	321	65%
Debt securities, treasury bills and equity investments	2,026	1,906	6%
Net loans and advances to customers	10,047	10,722	-6%
Stock of property	1,358	1,378	-1%
Investment properties	130	136	-4%
Other assets	1,558	1,574	-1%
Non current assets and disposal groups classified as held for sale	361	26	-
Total assets	**21,516**	**21,123**	**2%**

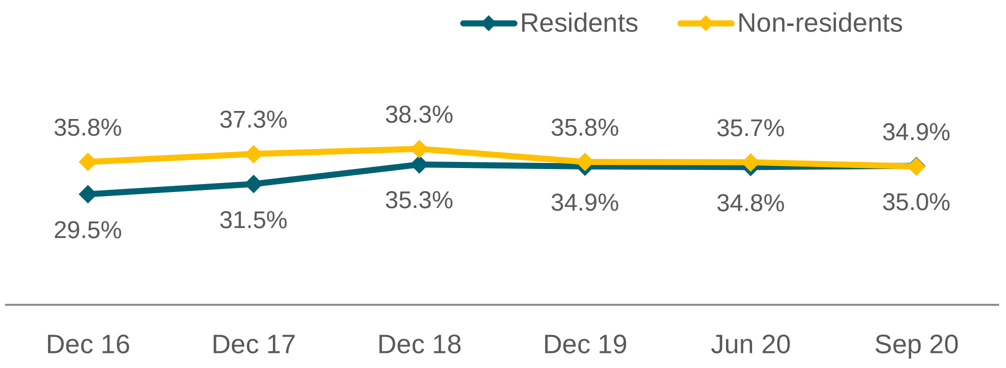
Liability and Equity (€ mn)	30.09.2020	31.12.2019	% change
Deposits by banks	405	533	-24%
Funding from Central Bank	997	-	-
Repurchase agreements	124	168	-26%
Customer deposits	16,384	16,692	-2%
Subordinated loan stock	267	272	-2%
Other liabilities	1,208	1,169	3%
Total liabilities	**19,385**	**18,834**	**3%**
Shareholders' equity	**1,886**	**2,040**	**-8%**
Other equity instruments	220	220	-
Total equity excluding non-controlling interests	**2,106**	**2,260**	**-7%**
Non controlling interests	25	29	-14%
Total equity	**2,131**	**2,289**	**-7%**
Total liabilities and equity	**21,516**	**21,123**	**2%**

Cypriot business

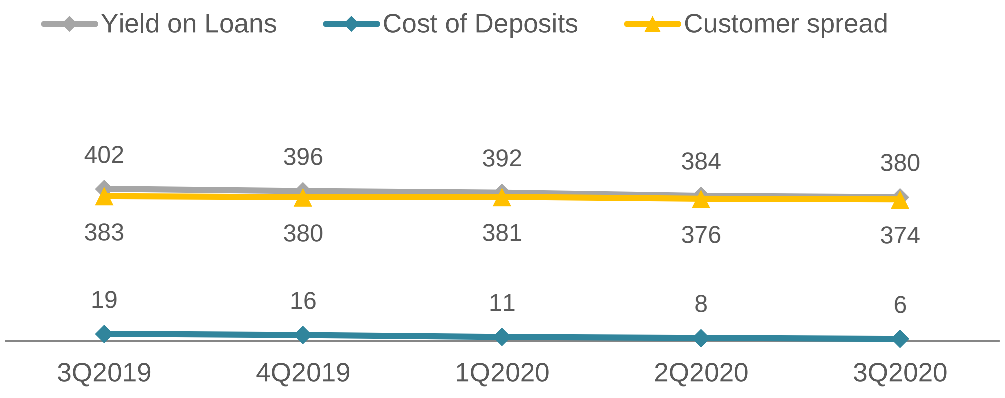
Market shares[1]



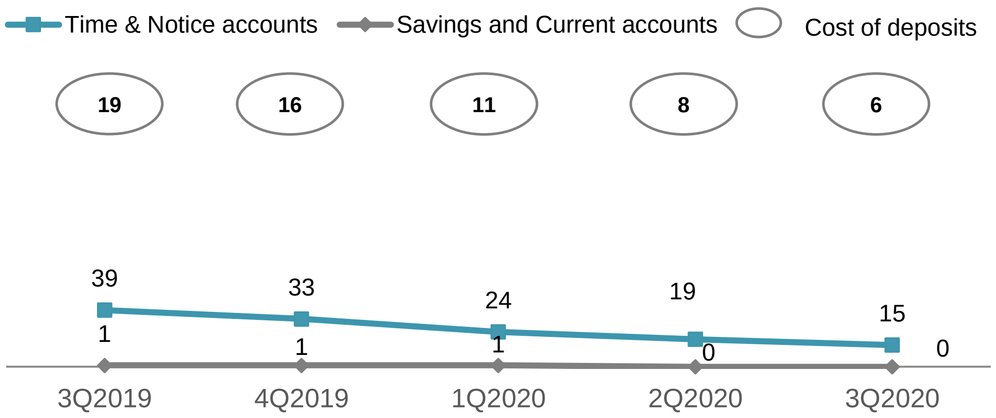
Strong market shares in resident and non-resident deposits



Average contractual interest rates (bps) (Cy)



Customer deposit rates decline further (bps) (Cy)



1) The market share on loans was affected as from 30 September 2018 following a decrease in total loans in the banking sector, mainly attributed to €6 bn non-performing loans of Cyprus Cooperative Bank (CyCB) which remained to SEDIPES (a legal entity without license to operate as a credit institution) as a result of the agreement between CyCB and Hellenic Bank

Income Statement bridge[1] for 9M2020

€ mn	Underlying basis	NPE sales	Other	Statutory Basis
Net interest income	250	-	-	250
Net fee and commission income	106	-	-	106
Net foreign exchange gains and net gains on financial instrument transactions and disposal/dissolution of subsidiaries and associates	14	-	5	19
Insurance income net of claims and commissions	42	-	-	42
Net gains from revaluation and disposal of investment properties and on disposal of stock of properties	2	-	-	2
Other income	11	-	-	11
Total income	**425**	**-**	**5**	**430**
Total expenses	(273)	(17)	(13)	(303)
Operating profit	**152**	**(17)**	**(8)**	**127**
Loan credit losses	(118)	(87)	(5)	(210)
Impairments of other financial and non-financial instruments	(36)	-	-	(36)
Provisions for litigation, claims, regulatory and other matters	(4)	-	4	-
Loss before tax and non-recurring items	**(6)**	**(104)**	**(9)**	**(119)**
Tax	(7)	-	-	(7)
Profit attributable to non-controlling interests	4	-	-	4
Loss after tax and before non-recurring items (attributable to the owners of the Company)	**(9)**	**(104)**	**(9)**	**(122)**
Advisory and other restructuring costs - organic	(9)	-	9	-
Loss after tax – Organic (attributable to the owners of the Company)	**(18)**	**(104)**	**-**	**(122)**
Provisions/net loss relating to NPE sales, including restructuring expenses	(104)	104	-	-
Loss after tax - attributable to the owners of the Company	**(122)**	**-**	**-**	**(122)**

1) Please refer to section F1 “Reconciliation of income statement between statutory and underlying basis of the Group Financial Results for the period 30 September 2020

Analysis of Interest Income and Interest Expense

Analysis of Interest Income (€ mn)	3Q2019	4Q2019	1Q2020	2Q2020	3Q2020
Loans and advances to customers	105	98	96	93	90
Loans and advances to banks and central banks	1	1	0	0	4
Investment at amortised costs	3	3	3	2	2
Investments FVOCI	6	5	5	4	4
Investments classified as loans and receivables	-	-	-	-	
	115	**107**	**104**	**99**	**100**
Trading Investment	-	-	-	-	
Derivative financial instruments	9	10	9	9	8
Other investments at fair value through profit or loss	-	-	-	-	
Total Interest Income	**124**	**117**	**113**	**108**	**108**

Analysis of Interest Expense (€ mn)					
Customer deposits	(8)	(8)	(5)	(3)	(3)
Funding from central banks and deposits by banks	(1)	(0)	(0)	(0)	0
Subordinated loan stock	(6)	(6)	(6)	(6)	(6)
Repurchase agreements	(2)	(2)	(1)	(1)	(1)
Negative interest on loans and advances to banks and central banks	(5)	(5)	(4)	(4)	(5)
	(22)	**(21)**	**(16)**	**(14)**	**(15)**
Derivative financial instruments	(12)	(12)	(12)	(11)	(11)
Total Interest Expense	**(34)**	**(33)**	**(28)**	**(25)**	**(26)**

Income Statement by business line for 9M2020

€ mn	Consumer Banking	SME Banking	Corporate Banking	Global corporate	International Banking	Wealth & Markets	RRD	REMU	Insurance	Treasury	Other	Overseas	Total
Net interest income/(expense)	94	27	49	50	14	2	20	(10)	-	1	2	1	**250**
Net fee & commission income (expense)	26	6	8	6	36	2	7	-	(5)	1	20	(1)	**106**
Other income	1	1	-	-	4	2	-	(2)	42	8	13	-	**69**
Total income	**121**	**34**	**57**	**56**	**54**	**6**	**27**	**(12)**	**37**	**10**	**35**	**0**	**425**
Total expenses	**(116)**	**(16)**	**(13)**	**(9)**	**(23)**	**(4)**	**(33)**	**(6)**	**(14)**	**(10)**	**(24)**	**(5)**	**(273)**
Operating profit/(loss)	**5**	**18**	**44**	**47**	**31**	**2**	**(6)**	**(18)**	**23**	**0**	**11**	**(5)**	**152**
Loan credit losses of customer loans net of gains/(losses) on derecognition of loans and changes in expected cash flows	2	-	(8)	(17)	-	-	(97)	-	-	-	5	(3)	**(118)**
Impairment of other financial and non financial instruments	-	-	-	-	-	-	-	(31)	-	-	-	(5)	**(36)**
Provision for litigation, claims, regulatory and other matters	-	-	-	-	-	-	-	-	-	-	(4)	-	**(4)**
Profit/(loss) before tax	**7**	**18**	**36**	**30**	**31**	**2**	**(103)**	**(49)**	**23**	**0**	**12**	**(13)**	**(6)**
Tax	(1)	(2)	(4)	(3)	(4)	-	13	6	(3)	-	(8)	(1)	**(7)**
Profit attributable to non controlling interest	-	-	-	-	-	-	-	-	-	-	4	0	**4**
Profit/(loss) after tax – organic (attributable to the owners of the Company)[1]	**6**	**16**	**32**	**27**	**27**	**2**	**(90)**	**(43)**	**20**	**0**	**8**	**(14)**	**(9)**

1) Profit/(loss) after tax-organic (attributable to the owners of the Company) does not include provisions/net loss relating to NPE sales, including restructuring expenses (attributable to owners of the Company)

Risk Weighted Assets – Regulatory Capital

Risk weighted assets by Geography (€ mn)

	31.12.18	31.12.19	30.06.20	30.09.20	Helix 2	30.09.20 pro forma[2]
Cyprus	15,070	12,678	11,765	11,704	(108)	11,596
Russia	24	8	5	-		-
United Kingdom	84	48	48	48		48
Romania	38	29	21	22		22
Greece	144	121	115	108		108
Other	13	6	6	6		6
Total RWA	**15,373**	**12,890**	**11,960**	**11,888**	**(108)**	**11,780**
RWA intensity	**70%**	**61%**	**56%**	**55%**		**55%**

Risk weighted assets by type of risk (€ mn)

	31.12.18	31.12.19	30.06.20	30.09..20	Helix 2	30.09.20 pro forma[2]
Credit risk	13,833	11,547	10,617	10,545	(108)	10,437
Market risk	2	-	-	-	-	-
Operational risk	1,538	1,343	1,343	1,343	-	1,343
Total	**15,373**	**12,890**	**12,599**	**11,888**	**(108)**	**11,780**

Reconciliation of Group Equity to CET1

€ mn	30.09.20
Group Equity per financial statements	2,130
Less: Intangibles	(45)
Less: Deconsolidation of insurance and other entities	(206)
Add: Regulatory adjustments (IFRS 9 and other items)	105
Less: Revaluation reserves and other unrealised items	(249)
CET1[1]	**1,735**
Risk Weighted Assets	**11,888**
CET1 ratio[1]	**14.6%**
CET1 ratio pro forma for Helix 2[2]	**14.7%**

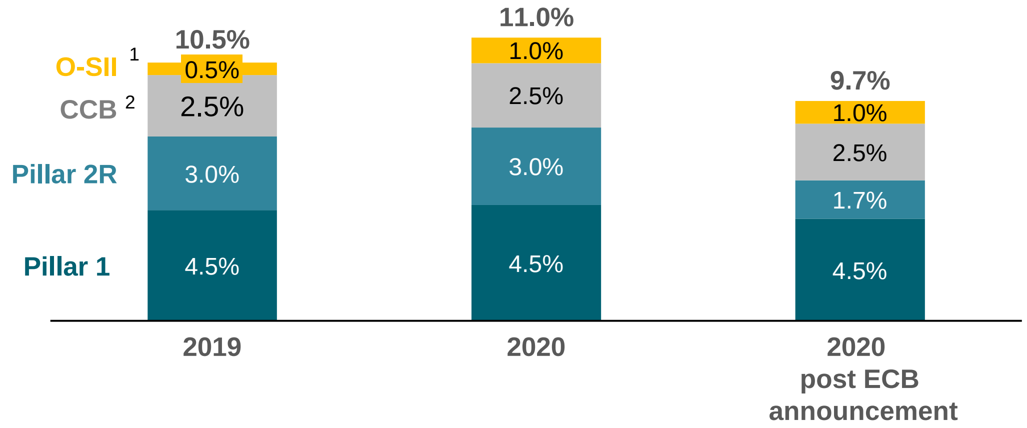
Equity and Regulatory Capital (€ mn)

	31.12.2019	30.06.20	30.09.20
Total equity excl. non-controlling interests	**2.260**	**2,095**	**2,106**
CET1 capital	**1,909**	**1,707**	**1,735**
Tier I capital	2,129	1,927	1,955
Tier II capital	190	199	195
Total regulatory capital (Tier I + Tier II)	**2,319**	**2,126**	**2,150**

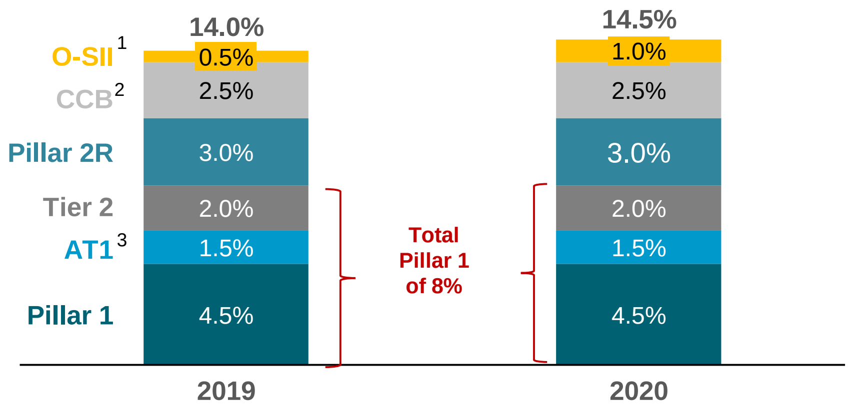
1) Allowing for IFRS 9 and temporary treatment for certain FVOCI instruments
2) Calculations on a pro forma basis assume completion of the transaction

SREP requirement for 2020 at 9.7%, post ECB's capital relaxations for COVID-19

SREP requirements for 2020: CET1 ratio at 9.7%



SREP requirements for 2020 : Total Capital ratio at 14.5%



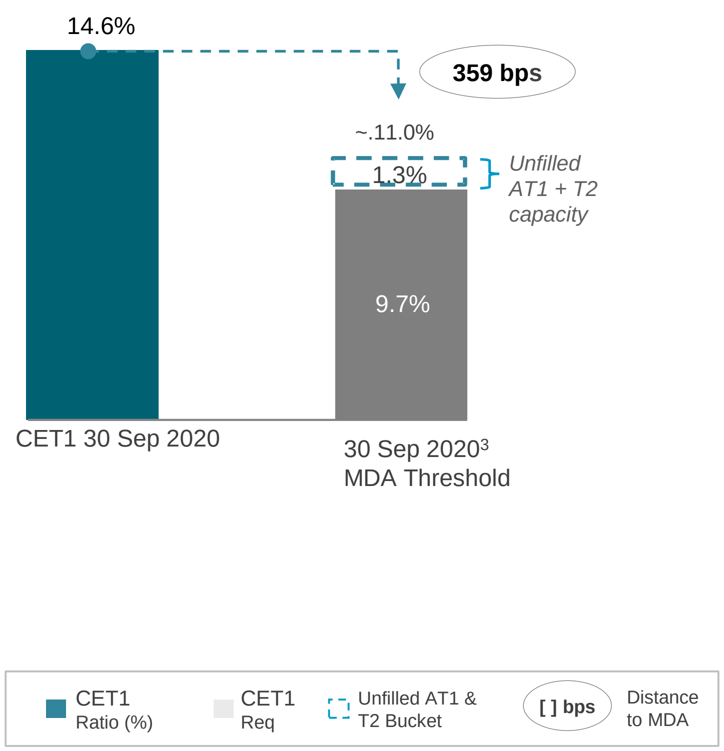
- Per EBA final guidelines on SREP and supervisory stress testing and the Single Supervisory Mechanism's (SSM) 2018 SREP methodology own funds held for the purposes of Pillar II Guidance cannot be used to meet any other capital requirements (Pillar I, Pillar II requirement or the combined buffer requirements), and therefore cannot be used twice[4]
- In May 2020, the Bank received formal notification from the CBC in its capacity as National Resolution Authority, of the final decision by the Single Resolution Board (SRB), for the binding minimum requirement for own funds and eligible liabilities (MREL) for the Bank, determined as the preferred resolution point of entry. The MREL requirement was set at 28.36% of risk weighted assets as of 30 June 2019 and must be met by 31 December 2025. This MREL requirement would be equivalent to 18.54% of total liabilities and own funds (TLOF) as at 30 June 2019. The MREL requirement is in line with the Bank's expectations, and largely in line with its funding plans[5]
- The MREL ratio of the Bank as at 30 Sep 2020, calculated according to SRB's eligibility criteria currently in effect, and based on our internal estimate stood at 18.55% of RWAs
- In November 2020, the Group received communication from the ECB informing it that no SREP decision will be issued for the 2020 SREP cycle and the 2019 SREP will remain in force hence leaving the Group's capital requirements unchanged as well as other requirements established by the 2019 SREP decision. The communication follows relevant announcement by the ECB earlier in the year that ECB will be taking a pragmatic approach towards the SREP for the 2020 cycle.

1) The Central Bank of Cyprus (CBC) set the O-SII buffer for the Group at 2%. This buffer will be phased-in gradually, having started from 1 January 2019 at 0.5% and increasing by 0.5% every year thereafter, until being fully implemented (2.0%) on 1 January 2022. In April 2020 the CBC, as part of the COVID measures, decided to delay the phasing-in by 12 months (1 January 2023). As a result, the phasing-in of 0.5% on 1 January 2021 has been delayed for 12 months
2) 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
3) Additional Tier 1 Capital
4) The new provisions are effective from January 2020
5) This decision is based on the current legislation, is expected to be updated annually and could be subject to subsequent changes by the resolution authorities, especially considering that next year's decision will be under the BRRD II, which among others, may affect the quantum of the MREL requirement, the final compliance period, the subordination requirements and is expected to impose a requirement for a binding interim target for 1 January 2022

Buffer to MDA Restrictions Level & Distributable Items[1]

Maximum Distributable Amount for BOCH

CET1 Ratios

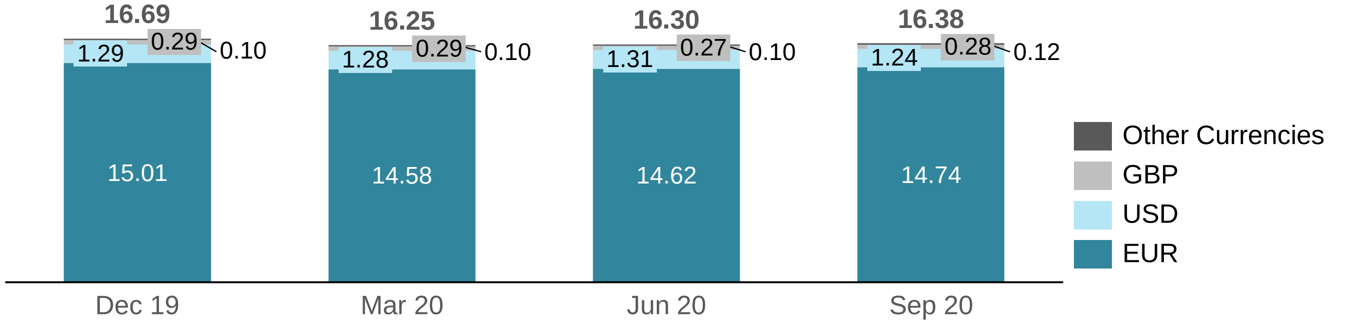


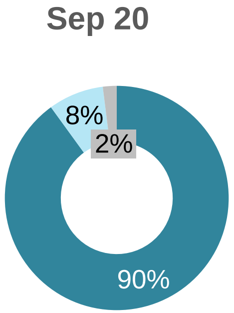
- The Bank and BOCH having obtained approval by their shareholders, the ECB and the Court of Cyprus and Irish High Court respectively, implemented a capital reduction process in October 2020, which resulted in the reclassification of ~€619 mn and €700 mn of share premium to distributable reserves respectively
- 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[3] (30 Sep 2020) : ~359 bps (~€426 mn)

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 years 2019 and 2018. 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 (+50 bps). The Central Bank of Cyprus (CBC) set the O-SII buffer for the Group at 2%. This buffer will be phased-in gradually, having started from 1 January 2019 at 0.5% and increased by 0.5% every year thereafter, until being fully implemented on 1 January 2022. In April 2020 the CBC, as part of the COVID measures, decided to delay the phasing-in by 12 months (1 January 2023). As a result, the phasing-in of 0.5% on 1 January 2021 has been delayed for 12 months

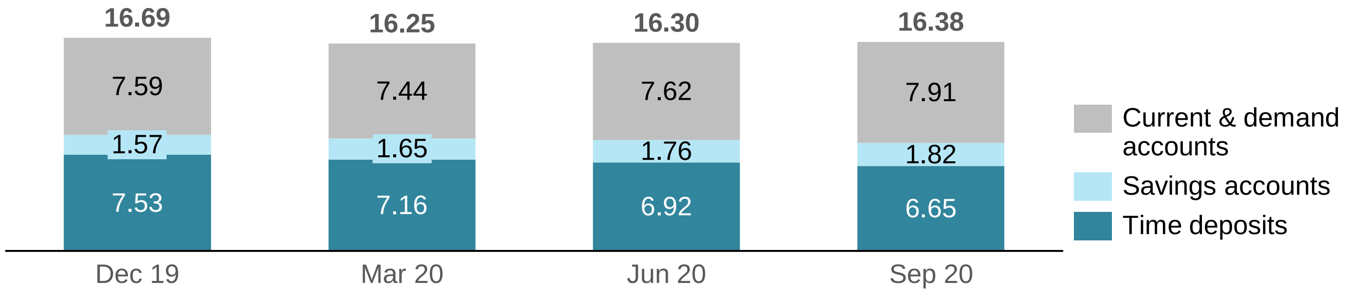
Analysis of Deposits

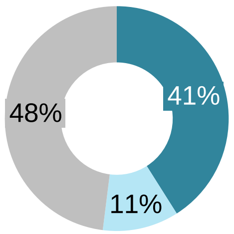
Deposits by Currency (€ bn)



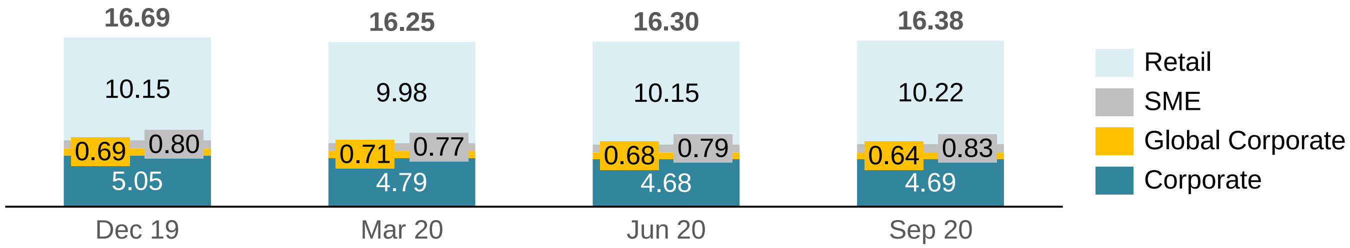


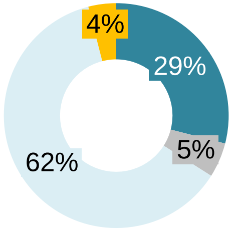
Deposits by Type (€ bn)





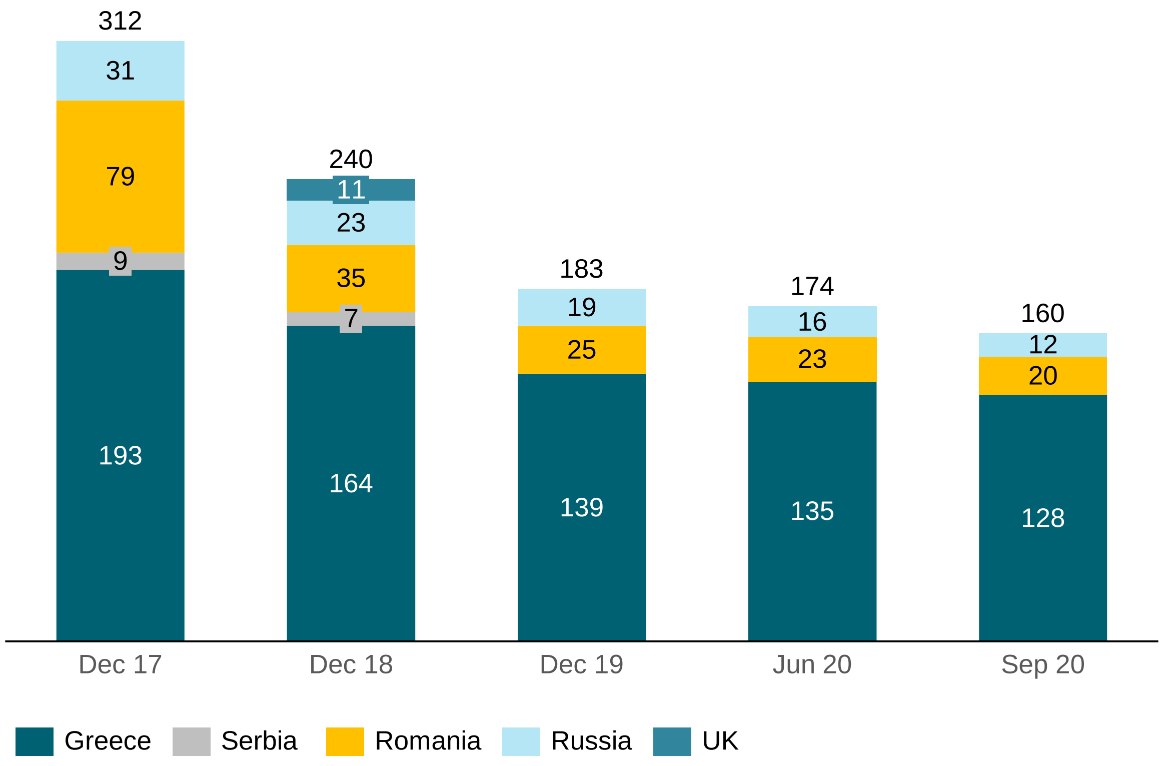
Deposits by customer Sector (€ bn)





Reduction in Overseas Non-Core Exposures

Overseas non-core exposures (€ mn)



- The Group continues its efforts for further deleveraging and disposal of non-essential assets and operations in Greece, Romania and Russia
- In addition as at 30 September 2020, there were €270 mn of overseas exposures in Greece (€269 mn at 30 June 2020) not identified as non-core exposures

APPENDIX

Glossary & Definitions

Glossary & Definitions

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.
Advisory and other restructuring costs	Comprise mainly: fees of external advisors in relation to: (i) disposal of operations and non-core assets, and (ii) customer loan restructuring activities.
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, 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 investments (excluding equities and mutual funds).
AT1	AT1 (Additional Tier 1) is defined in accordance with Articles 51 and 52 of 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
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.
Contribution to DGF	Relates to the contribution made to the Deposit Guarantee Fund.
Contribution to SRF	Relates to the contribution made to the Single Resolution Fund.
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 balance is calculated as the average of the opening balance and the closing balance).
CRR DD	Default Definition.
DFAs	Debt for Asset Swaps.
DFEs	Debt for Equity Swaps.
DTA	Deferred Tax Assets.

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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 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.
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
ESMA	European Securities and Markets Authority
Foreclosures	Value of on-boarded assets is set at a conservative 25%-30% discount from open market valuations, by two independent sources; Includes consensual and non consensual DFAs and DFEs
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 are reported before the residual fair value adjustment on initial recognition relating to loans acquired from Laiki Bank (calculated as the difference between the outstanding contractual amount and the fair value of loans acquired) amounting to €243 mn at 30 September 2020 (compared to €248 mn at 30 June 2020 and €271 mn at 31 December 2019). Additionally, gross loans include loans and advances to customers classified and measured at fair value through profit and loss adjusted for the aggregate fair value adjustment of €334 mn at 30 September 2020 (compared to €331 mn at 30 June 2020 and €427 mn at 31 December 2019).
Gross Sales Proceeds	Proceeds before selling charge and other leakages
GVA	Gross Value Added
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
IB, W&M	International Banking, Wealth and Markets

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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.
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 41.5% at 30 September 2020, compared to 41.7% at 30 June 2020, 41.0% at 31 March 2020, 41.1% at 31 December 2019, 40.8% at 30 September 2019, 41.3% at 30 June 2019, 46.7% at 31 March 2019, 45.4% at 31 December 2018 and as at 30 September 2018, 38.6% at 30 June 2018 and 37.4% at 31 March 2018. The market share on loans was affected as at 30 June 2019 following the derecognition of the Helix portfolio upon the completion of Project Helix announced on 28 June 2019. The market share on loans was affected during the quarter ended 31 March 2019 following a decrease in total loans in the banking sector of €1 bn, mainly attributed to reclassification, revaluation, exchange rate and other adjustments (CBC). The market share on loans was affected as at 30 September 2018 following a decrease in total loans in the banking sector, mainly attributed to €6 bn non-performing loans of Cyprus Cooperative Bank (CyCB) which remained to SEDIPES as a result of the agreement between CyCB and Hellenic Bank. The market share on loans was affected as at 30 June 2018 following a decrease in total loans in the banking sector of €2.1 bn, due to loan reclassifications, revaluations, exchange rate or other adjustments (CBC).
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	Comprise gross loans (as defined) net of allowance for expected loan credit losses (as defined, but excluding credit losses on off-balance sheet exposures).
Net loan to deposit ratio	Net loan to deposit 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 average YTD change (if positive) for overdraft facilities.

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Non-interest income	Non-interest income comprises Net fee and commission income, Net foreign exchange gains and net gains 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 'Consolidated Condensed Interim Income Statement – Underlying basis' relate to the following items, as applicable: (i) advisory and other restructuring costs - organic, (ii) restructuring costs – Voluntary Staff Exit Plan (VEP), (iii) Provisions/net loss relating to NPE sales, including restructuring expenses, (iv) Loss on remeasurement of investment in associate upon classification as held for sale (CNP) net of share of profit from associates, and (v) Reversal of impairment of DTA and impairment of other tax receivables.
NPEs	According to the EBA standards and ECB's Guidance to Banks on Non-Performing Loans (published in March 2017), 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, distress restructuring and obligor bankruptcy, (iii) material exposures as set by the CBC , which are more than 90 days past due, (iv) performing forborne exposures under probation for which additional forbearance measures are extended, and (v) performing forborne exposures under probation that present more than 30 days past due within the probation period. 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. The NPEs are reported before the deduction of allowance for expected loan credit losses (as defined). The exit criteria of NPE forborne are the following: 1. The extension of forbearance measures does not lead to the recognition of impairment or default 2. One year has passed since the forbearance measures were extended 3. There is not, following the forbearance measures, any past due amount or concerns regarding the full repayment of the exposure according to the post forbearance conditions
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 sales	NPE sales refer to sales of NPE portfolios completed in each period and contemplated sale transactions, as well as potential further NPE sales, at each reporting date, irrespective of whether or not they met the held for sale classification criteria at the reporting dates. They include both Project Helix and Project Helix 2, as well as other portfolios.
NSFR	The NSFR is calculated as the amount of "available stable funding" (ASF) relative to the amount of "required stable funding" (RSF), on the basis of Basel III standards. Its calculation is a SREP requirement. The EBA NSFR will be enforced as a regulatory ratio under CRR II in 2021.
OMV	Open Market Value
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
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).

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Loan credit losses for impairment of customer loans	Credit losses for impairment of customer loans and gains/(losses) on derecognition of loans and changes in expected cash flows on acquired loans
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').
Project Helix 2	Project Helix 2 refers to the portfolio of loans with a gross book value of €898 mn as at 30 June 2020 for which an agreement for sale was reached on 3 August 2020. For further information please refer to section A.1.4 Loan portfolio quality of the press release.
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
RWA	Risk Weighted Assets
RWA Intensity	Risk Weighted Assets over Total Assets
Special levy	Relates to the special levy on deposits of credit institutions in Cyprus.
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 and contributions to the Single Resolution Fund (SRF) and Deposit Guarantee Fund (DGF). It does not include 'advisory and other restructuring costs-organic', or any restructuring costs relating to the Voluntary Staff Exit Plan, or any restructuring costs relating to NPE sales. 'Advisory and other restructuring costs-organic' amounted to €3 mn for 3Q2020 (compared to €3 mn for 2Q2020, €3 mn for 1Q2020 and €8 mn for 4Q2019). Restructuring costs relating to NPE sales amounted to Nil for 3Q2020 (compared to €1 mn for 2Q2020, €3 mn for 1Q2020 and €10 mn for 4Q2019). Restructuring costs relating to the Voluntary Staff Exit Plan amounted to €81 mn for 4Q2019..

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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