



Brussels, 4 February 2022

## ECB decision in the context of the 2021 Supervisory Review and Evaluation Process (SREP)

Belfius has been notified of the European Central Bank (ECB) decision on the 2021 Supervisory Review and Evaluation Process (SREP).

Based on the new Pillar 2 Requirement (P2R) of 2,13% applicable as from 1 March 2022 onwards, Belfius SREP CET1 requirement (based on and including currently applicable Countercyclical Capital Buffers) will equal to 9.71%, a slight increase of 7.5 bp compared to H1 2021 level of 9.635%.

This slightly higher P2R solely stems from a prudential add-on for Non Performing Exposures (the so-called "NPE P2R add-on") equal to 13 bps, this on the basis of ECB's assessment of the provisioning by Belfius of NPE's that are in scope of the ECB's prudential provisioning expectations and relating to the automatic application of the prudential backstop by the ECB on NPE stock as of 31 March 2018.

This new SREP CET1 requirement remains materially below Belfius CET1 levels, confirming Belfius' continued very solid capital buffers. For reference, as of end H1 2021 :

- Belfius displayed a NPL ratio of 2% and average coverage ratio of 58,2%, while credit risk provisions in excess of expected loss, according to article 159 of CRR, amounted to EUR 429 million.
- Belfius CET1 ratio stood at 16.16%, well in excess of both 2021 and 2022 SREP CET1 requirements.

### Contact

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