

The base rates that Ancoria Bank uses as a **Floating Interest Rates** for credit and banking facilities granted before the 24<sup>th</sup> of February 2020 are the following:

i) The **Bank's Base Rate (BBR)** which will be determined and varied by the Bank from time to time without the collaboration of the Debtor and in case it falls below zero and for all the period it continues to be below zero, the BBR shall be considered zero.

#### **Bank Base Rate Definition**

The BBR aims to reflect the actual cost of funds in the local market and quantify the cost of regulatory liquidity requirements:

$$\text{BBR} = \text{Cost of Funds (A)} + \text{Liquidity Cost (B)}$$

##### **A. Cost of Funds**

The average interest rate paid by resident Monetary Financial Institutions (MFIs) on euro-denominated deposits (outstanding amounts) by euro area residents with agreed maturities of up to 2 years, as published by the Central Bank of Cyprus (CBC) in its Monetary and Financial Statistics. Current and historical rates can be found in CBC's monthly Monetary and Financial Statistics reports:

<https://www.centralbank.cy/en/publications/monetary-and-financial-statistics>

##### **B. Liquidity Cost**

$$\text{Liquidity Cost} = \text{Liquidity Outflow Rate} * (\text{Cost of Funds} - \text{Risk Free Rate})$$

Liquidity Outflow Rate = the highest outflow rate for retail deposits as defined in the (EU) 2015/61 regulation. Liquidity outflows are calculated by multiplying the outstanding balances of various types of liabilities and off-balance sheet commitments by the rates at which they are expected to run off or be drawn down<sup>1</sup>.

Cost of Funds = MFI interest rates on outstanding euro-denominated deposits with agreed maturities of up to 2 years, as per Section A above

Risk Free Rate = ECB O/N Deposit Rate – It defines the interest banks receive for depositing money with the European Central Bank overnight, considering no risk of financial loss involved.

#### **Calculation Frequency**

The BBR is calculated and published by the Bank on a quarterly basis the second Monday of each calendar quarter, or on the following working day if the second Monday falls on a local or TARGET holiday.

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<sup>1</sup> Article 22 (1), Chapter 2, TITLE III, (EU) 2015/61 regulation

#### Current Bank Base Rate

**BBR:** **0.83%**

Effective Date: 14/04/2025

Next Calculation Date: 14/07/2025

#### Liquidity Cost (B) Components

Liquidity Outflow Rate: 20.00%

Cost of Funds (A): 1.1101%

Cost of Funds: 1.1101%

Liquidity Cost (B): -0.2780%

Risk-Free Rate: 2.50%

#### Conditions and Parameters that Could Potentially Change the Bank's Base Rate Components or Calculation Methodology

The Bank reserves the right to replace any of the components used in the calculation of BBR with another relevant publicly available rate/index/benchmark, and adjust its BBR calculation accordingly in order to fairly reflect any changes in the regulatory environment and/or market conditions. Any Change to the Bank's Base Rate Components or Calculation Methodology is subject to providing prior notice to the customer.

OR

ii) The **EURIBOR** (Euro Interbank Offered Rate), which means the rate of interest for loans in euro, administered by the European Money Markets Institute (EMMI), or any successor thereto, for a period equal to the interest period. The EURIBOR rate is published on TARGET Business Days (which means a day on which the Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET) System, or any successor thereto, is operating credit or transfer instructions in respect of payments in euro) at or shortly after 11 a.m. Brussels time on the relevant Bloomberg or Reuters pages. Current and historical **EURIBOR** rates can be found on:

<http://www.emmi-benchmarks.eu/euribor-org/about-euribor.html>

OR

iii) the **LIBOR** (London Interbank Offered Rate), which means the rate of interest for loans in the currency of the loan, administered by the ICE Benchmark Administration (IBA), or any successor thereto, for a period equal to the interest period. LIBOR rates are published on London Banking Days (which means any day on which dealings in the relevant currency are transacted in the London interbank market), at 11 a.m. London time on the relevant Bloomberg or Reuters pages. Current and historical **LIBOR** rates can be found on:

<https://www.theice.com/marketdata/reports/170>

OR

iv) the **European Central Bank Main Refinancing Rate** (ECB Main Refinancing Rate) which means the main refinancing rate as published by the European Central Bank is the rate for the Eurosystem's regular open market operations for the purpose of providing the banking system with the amount of liquidity that European Central Bank deems to be appropriate. Current and historical **ECB** rates can be found on:

<http://www.ecb.europa.eu/stats/monetary/rates/html/index.en.html>

OR

v) the **STIBOR** (Stockholm Interbank Offered Rate) which means the reference rate that shows an average of the interest rates at which a number of banks active on the Swedish money market ("the Stibor banks") are willing to lend to one another without collateral at different maturities. Stibor is published by Nasdaq/OMX every business day immediately after Stibor is set. Current and historical **STIBOR** rates can be found on:

<http://www.nasdaqomx.com/transactions/trading/fixedincome/fixedincome/sweden/stiborswaptreasuryfixing>

OR

vi) the **NBP Reference Rate** (National Bank of Poland Reference Rate) which means the target interest rate set by the NBP's Monetary Policy Committee, which convenes a few times per year, in its efforts to influence short-term interest rates as part of its monetary policy strategy. Current and historical **NBP Reference Rates** can be found on:

<http://www.nbp.pl/homen.aspx?f=/srodeken.htm>

OR

vii) the **Riksbank Repo Rate** (Swedish Central Bank Repo Rate) which means the target interest rate set by the Riksbank's Monetary Policy Committee, which convenes a few times per year, in its efforts to influence short-term interest rates as part of its monetary policy strategy. Current and historical **Riksbank Repo Rates** can be found on:

<https://www.riksbank.se/en-gb/statistics/search-interest--exchange-rates/repo-rate-deposit-and-lending-rate/>

OR

viii) the **BOJ Basic Loan Rate** (Bank of Japan Basic Loan Rate) which means the interest rate set by BOJ's Monetary Policy Committee, which convenes a few times per year. At this rate the Bank of Japan extends loans to its counterparties upon request. Loans are limited by the counterparties' amount outstanding of pooled collateral that has been submitted. Current and historical **BOJ Basic Loan Rates** can be found on:

<https://www.boj.or.jp/en/index.htm/>

OR

ix) the **BOE Bank Rate** (Bank of England Base Rate) which means the target interest rate set by the Bank of England's Monetary Policy Committee, which convenes a few times per year, in its efforts to influence short-term interest rates as part of its monetary policy strategy. Current and historical **BOE Bank Rates** can be found on:

<https://www.bankofengland.co.uk/monetary-policy>

OR

x) the **SNB Mid Target Rate** (Swiss National Bank Mid Target Rate) which means the mid value of the SNB target range. The range is set by the SNB's Monetary Policy Committee, which convenes a few times per year, for the 3 month LIBOR CHF rate. Relevant target range can be found on:

[https://www.snb.ch/en/iabout/stat/statrep/id/current\\_interest\\_exchange\\_rates#t2](https://www.snb.ch/en/iabout/stat/statrep/id/current_interest_exchange_rates#t2)

OR

xi) the **Overnight Bank Funding Rate** (FED Overnight Bank Funding Rate) which is calculated as a volume-weighted median of overnight federal funds transactions and Eurodollar transactions reported in the FR 2420 Report of Selected Money Market Rates. The New York Fed publishes the OBFR for the prior business day on the New York Fed website at approximately 9:00 a.m. Current and historical rates can be found on:

<https://apps.newyorkfed.org/markets/autorates/obfr>