

# Euroclear Bank SA/NV

Financial statements  
at 31 December 2022

(English version)

## Directors' report

The directors of Euroclear Bank SA/NV ('Euroclear Bank' or the 'Company') are pleased to present their report, together with the audited financial statements of the Company for the year ended 31 December 2022.

### Principal activities

The Company is based in Brussels and is part of the Euroclear group ('the group' or 'Euroclear'). The group provides settlement, safekeeping, and servicing of domestic and cross-border securities, including bonds, equities, and investment funds. The Euroclear group includes:

- o Euroclear Bank, the International Central Securities Depository (ICSD) with a Banking Licence, which also operates issuer CSD services for Ireland;
- o the domestic Central Securities Depositories (CSDs), Euroclear Belgium, Euroclear Finland, Euroclear France, Euroclear Nederland, Euroclear Sweden and Euroclear UK & International;
- o the MFEX group, which is being integrated into the group following its acquisition in September 2021.

Euroclear Bank is rated AA by Fitch Ratings since 2021 and AA by Standard & Poor's since 2012, with stable outlook. It operates branches in Hong Kong, Krakow, and Tokyo.

By the end of 2022, the total number of persons employed by Euroclear Bank amounts to 1,856 (an increase by 174 versus last year) out of which 888 employees are based in Belgium. The Euroclear Bank's branch Krakow (Spółka Akcyjna) - Oddział w Polsce, has grown to 777 employees who serve Euroclear's global client base. The Krakow branch provides a dual-office arrangement with Euroclear Bank's existing operations in Belgium.

With 173 employees, the Hong Kong Branch of Euroclear Bank is an important contributor to client servicing in Asia. Through the Hong Kong office, Euroclear Bank is able to provide clients with a global service offering despite the time zone difference with its headquarters in Europe.

The branch in Tokyo, which supports Japan based users of its securities settlement system, counted 18 employees at the end of 2022.

Euroclear Bank issued various intra-group capital instruments for €800 million in total. These instruments aim at structuring a relevant loss absorption mechanism to restore the capital position of the Bank in recovery and resolution scenarios in accordance with the Banking Recovery and Resolution Directive applicable to the Company. These instruments were fully subscribed by Euroclear Investments SA, with €300 million out of the total amount issued recognised as Tier 2 regulatory capital by the National Bank of Belgium.

Besides the above Long-Term Notes issue, Euroclear Bank can count on a €5 billion Euro Medium-Term Note (EMTN) program and a €20 billion Certificate of Deposits (CD) multi-currency program to increase its Qualifying Liquidity Sources under the European Central Securities Depository Regulation (CSDR). At the end of 2022, Euroclear Bank had a total amount equivalent to €2.5 billion in issuance in euro (EUR) and United States dollar (USD) through its EMTN program, and a total of €2.0 billion of CDs, mainly in USD and British pound sterling (GBP) but also in EUR for maturities from one week to one year. The CD multi-currency program addresses unforeseen liquidity shortfalls beyond extreme but plausible liquidity stress scenarios consistent with the recovery plan of Euroclear Bank.

## Strategy and business review

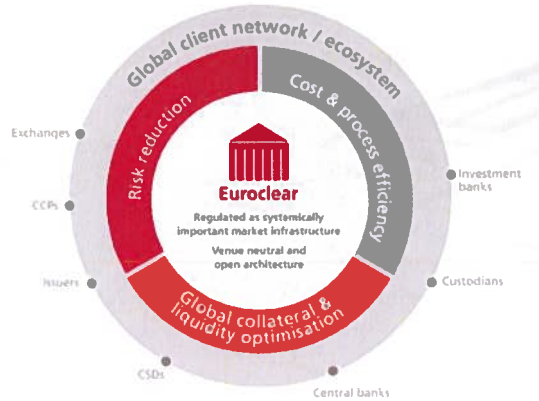
### The Euroclear group at a glance

As a financial market infrastructure (FMI) group, Euroclear operates secure platforms where a wide network of the world's largest financial firms and central banks hold and transact securities issued by companies and governments.

The group's principal operating entities are central securities depositories (CSDs) being Euroclear Bank, an international CSD and the domestic CSD for Ireland, and six other domestic European CSDs. Through its acquisition of MFEX in 2021 and the ongoing acquisition of Goji in 2022 (subject to regulatory approvals), the group is enriching its capabilities in the global funds and private equity markets, alongside other investments in strategic fintech providers.

Together, Euroclear's group companies provide solutions for domestic and global financial market participants to invest in securities issued by governments, corporations, and fund managers. In addition, the group facilitates financing in capital markets by reducing risk, increasing post-trade process efficiency, and optimising collateral mobility and access to liquidity.

The Euroclear network comprises 2,000 financial institutions which use its platform to access 50 different markets and settle transactions in 46 currencies. On their behalf, Euroclear Bank holds almost €18 trillion of assets under custody and enables over 163 million transactions per year, worth an equivalent of €692 trillion.



**A new, purpose-driven strategic vision**

Having delivered against the previous 5-year plan and key targets two years ahead of schedule, the group management and the Board undertook a strategic review in 2022 to lay the foundations for the next phase of Euroclear's growth.

The review considered the ultimate impact of the Euroclear group and defined its corporate purpose as: *"We innovate to bring safety, efficiency and connections to financial markets for sustainable economic growth"*.

Euroclear's purpose, combined with its culture and values, underpins the long-term aspiration to become a digital and data-enabled financial market infrastructure (a D<sup>2</sup>-FMI).

To realise this vision, Euroclear will continue to build an open, shared platform providing a catalogue of services to all market stakeholders and complemented by third parties. Euroclear's aim is to evolve the current market model to provide efficiencies that deliver more client value, building on previous successes in collateral and funds. Euroclear Bank is about to launch a Digital Securities Issuance based on the Distributed Ledger Technology (DLT). The first step throughout 2023 targets a limited number of pilot issuances with limited issuance amounts.

**Introducing Euroclear's business strategy**

To achieve its long-term vision, group management and the Board defined a five-year business strategy. Euroclear Bank is considered as an important contributor to this strategy.

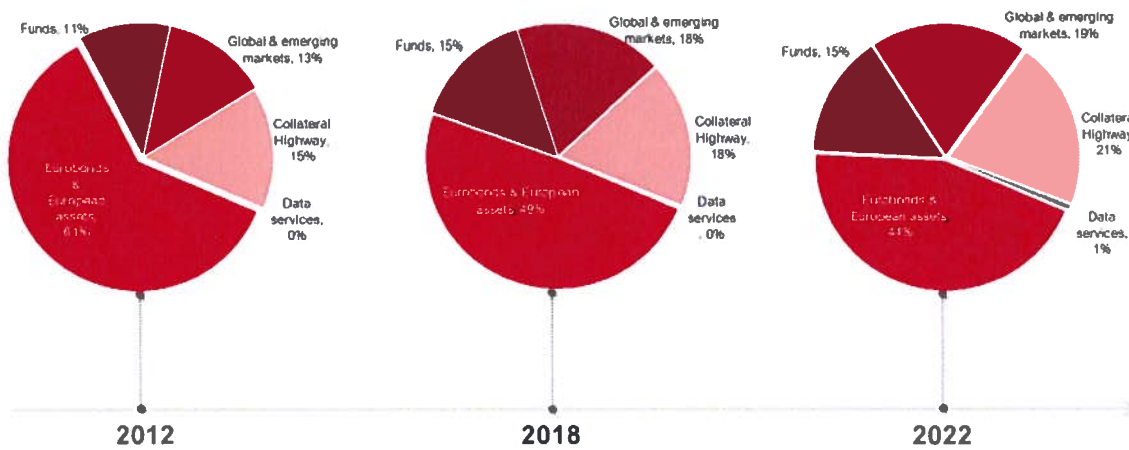


The new strategy takes a stronger client lens, focusing on the issuers, dealers and investor communities which are central to Euroclear's ecosystem.

The strategy seeks to enhance the value that is provided to these clients through Euroclear's core product and service offering, while upgrading its capabilities in ESG, data, digital and, as it continues to expand, its geographic reach.

Through the strategy, Euroclear group and in particular Euroclear Bank expect to benefit from all facets of the new strategy to continue growing and diversifying its business income, building on the considerable progress made over prior years.

**Euroclear Bank business lines diversification on the period 2012-2022**



The strategy will be driven predominantly by organic growth coming from the group's attractive customer offering in an addressable market which is estimated to grow at 4%-5% per annum through-the-cycle.

In addition, the group intends to accelerate towards its long-term vision through selective M&A and partnerships, with a goal to add capabilities and scale to the client offering while being accretive to shareholder value.

Euroclear's people and technology are the key enablers of the business strategy, and detailed plans have been defined to drive business value through continued investment in these core capabilities.

The new strategic direction places an even greater emphasis on Euroclear's responsibilities to communities and society. As such, the group has taken this opportunity to crystallise further plans to reach its own sustainability goals.

**Strategic focus on client needs across the financial market ecosystem**

Euroclear is a central part of the financial market infrastructure that connects issuers with investors: providing a platform for capital to flow to where required throughout the global economy.

Between those two parties are intermediaries, including issuer agents, which perform multiple tasks on behalf of issuers including primary issuance and corporate actions; broker-dealers, that buy and sell securities on behalf of their investor community clients and actively support the origination of issuance and bringing investors to the right products; and custodians, which safeguard the assets on behalf of underlying investors.

Euroclear remains focused on client needs and the revised corporate strategy places explicit focus on reinforcing and extending its offer for:

- issuers and their agents;
- the investor community and their custodians;
- the broker-dealer community.

For issuers and their agents, Euroclear Bank's core offering is to provide a secure place of issuance for their securities in order to access funding from the capital markets. Euroclear Bank plays the role of issuer CSD, which is to be the digital notary for the issued securities. A broad range of financial instruments are issued through Euroclear Bank, including equities, fixed income, and exchange traded funds (ETFs).

Issuers require place of issuance to allow for multiple asset classes and currencies, to have the right legal frameworks and to be attractive to investors. Moreover, issuers and their agents want to maintain a loyal investor base while meeting their regulatory responsibilities and ESG considerations.

Investors and custodians expect to transact and hold their securities in a safe and efficient way. They are looking to meet their investment goals through access to a variety of financial markets, while minimising risks. Many investors are looking to diversify their portfolios by accessing new geographical markets, multiple asset classes, contributing to a more sustainable finance marketplace.

Custodians seek to benefit from efficiency through the automation and standardisation of processes across the entire life cycle of the securities they hold for investors. This includes seamless asset servicing and related tax processes where modernisation and standardisation are hallmarks of Euroclear's custody services.

As broker-dealers act as a conduit for the trading process for the investment community, they require an efficient and reliable financial market infrastructure with access to liquidity. This enables them to focus on managing operational and credit risks in line with their regulatory responsibilities.

### Ensuring market liquidity

Euroclear supports the need for liquidity by providing settlement services and by providing a neutral, interoperable collateral management utility, known as the Collateral Highway.

Over 2022, Euroclear Bank processed a record 163 million netted transactions for clients with a total value of €692.2 trillion, which was an increase of 6% compared to 2021 – itself a year of significant activity. The Company's settlement system has proven to be robust faced with these volume levels, with an overall systems uptime of 99.9%. As part of its strategic vision Euroclear Bank continues to invest to ensure that core settlement systems are built on robust, modern technology to maintain long-term business resilience.

The Collateral Highway supports the financial market's requirement for a neutral, interoperable utility to source, mobilise and segregate collateral. It offers clients a complete view of exposures across the full spectrum of their asset classes and enables them to optimise collateral.

In 2022, demand for collateral management services remained robust, with the exceptionally challenging conditions in bond and equity markets resulting in higher need for financing services. At year-end 2022, the Euroclear Banks average daily collateral outstanding on the Collateral Highway was €1.2 trillion, with the business line contributing 21% of the Company's business income.

The Collateral Highway's growth has benefited from Euroclear Bank's leading global role in providing triparty solutions as clients implement new uncleared margin rules (UMR) for derivatives under the Basel frameworks. The regulation requires broker-dealers and investors to post margin across transactions to reduce counterparty and systemic risk.

Such new global regulations are expected to drive ongoing demand for collateral management services across a broader spectrum of market participants. The final waves of the multi-year UMR implementation were conducted in the course of 2022, and Euroclear Bank continued to support new clients in their onboarding process.

Users of collateral management services increasingly apply an ESG lens to their decision-making processes. In 2022, Euroclear Bank began adding ESG solutions to the Collateral Highway with the first phase being to create dynamic ESG criteria by adding 65 ESG indices for both fixed income and equity collateral. It is now possible to restrict accepted collateral to only green bonds by simply selecting a Green Bond Index as the eligibility criteria. The second phase, expected in 2023, will see the roll-out of a more granular solution allowing the selection of individual ESG securities in addition to indices.

As Euroclear Bank looks to enhance its offering in providing liquidity, it continues to focus on connectivity across different geographies and providing greater efficiency through the automation of processes.

One area of opportunity is through the group's connections to the European Central Bank's (ECB) TARGET2-Securities (T2S) system. Euroclear Bank is currently focusing on its connection to the Eurosystem Collateral Management System (ECMS) as part of its Collateral Highway offering, with a goal to support clients in optimising liquidity management and reducing their financing costs.

### Asset class focus: growing investment fund services

One asset class where Euroclear has increased the scope of its service offering is investment funds. Euroclear has established a comprehensive offering comprising services to distributors, custodians, and asset managers. The group administers €2.8 trillion of fund assets, servicing approximately 2,000 fund distributors and 2,500 fund management companies spanning 85 countries. Euroclear Bank offers flexible order execution to settlement services for mutual, money market, alternative funds, and ETFs (including international ETFs).

The core of Euroclear's investment funds proposition is the automated order routing, settlement, and asset servicing through both Euroclear Bank and the domestic CSDs. In addition, Euroclear has acted as a place of issuance for both domestic and international exchange traded fund (ETFs). In 2021, the group significantly enhanced its offer in funds through the acquisition of MFEX group.

MFEX brings a broad fund distribution network which is complementary to Euroclear Bank's existing post-trade expertise in investment funds. This combination allows Euroclear to offer an end-to-end suite of digital solutions for investment fund issuers across mutual funds, ETFs, and alternative asset classes.

Euroclear Bank and MFEX are making good progress with the integration and are on-track to realise the revenue and cost synergies expected by the acquisition, even though financial market conditions were exceptionally challenging for investment funds throughout 2022.

The group took another step towards providing a one-stop shop for asset managers and fund administrators through the proposed acquisition of Goji (subject to regulatory approvals). Goji is a UK-based fintech providing innovative digital access and technology-enabled solutions to the private markets.

### Continued geographic expansion

Around the world, growth economies are seeking greater levels of foreign investment to help fund long-term development needs. In parallel, international investors want opportunities to diversify their investments and access higher yielding opportunities.

Building on its foundations in Europe and Eurobonds, Euroclear works closely to support local economies that wish to connect their domestic capital markets to a broad global investor base, to maximise capital flows and provide stability to these financial markets.

Over the past decade, Euroclear Bank's Global and Emerging Markets business has proven attractive to both issuers and investors, and a source of both growth and diversification. In 2022, Global and Emerging Markets contributed 19% of business income, compared to just 13% in 2012 for Euroclear Bank. Even if global macroeconomic conditions have been increasingly volatile, in 2022, assets under custody in Euroclear Bank Global and Emerging Markets business grew by 12% to €1.7 trillion.

Last year, Euroclear Bank and Saudi Arabia's Securities Depository Center Company launched a fully 'Euroclearable' link for Saudi Arabia. The new link will enable international investors unprecedented access to the Saudi Arabia sovereign sukuk market. Consequently, such investors are able to use Saudi sovereign and quasi-sovereign sukuk for multi-currency settlement which will contribute to develop the local debt market.

Further geographic expansion saw Euroclear Bank cooperate with the Ministry of Finance and the Central Bank of the UAE to assist in the launch of domestic treasury bonds.

Also in 2022, Euroclear Bank signed a Memorandum of Understanding (MOU) with the Korean Securities Depository to make the South Korean capital markets more accessible to foreign investment.

The Asian-Pacific region is important for further Euroclear Bank growth, as evidenced by its support of further international ETFs (iETFs) issuance in the region. Last year, the Company assisted in the first ever cross-listing of iETFs in the region, allowing European issuers to expand their distribution networks.

Euroclear's global presence has been further expanded by its integration with MFEX. The entire group can now boast physical offices in 21 locations, in five continents, spanning North America to South-East Asia.

### **Supporting financial markets on the ESG journey**

The ESG marketplace strategy builds on Euroclear's long-standing commitment to sustainability, which is rooted in the group's conviction that acting responsibly is in the best interest of the company and its stakeholders in the long-term.

Euroclear has long provided services to facilitate good governance and investor engagement. For example, by providing accurate and easy-to-understand information Euroclear helps investors make their role in corporate governance more efficient.

Euroclear launched a multitude of foundational features in 2022 as part of its asset servicing modernisation programme, including providing access to reference data and creating a module for account setup. Future focus areas include client-facing modules to facilitate proxy voting and business model optimisation services.

Such services provide a strong foundation on which to provide new data-enabled solutions for issuers as part of Euroclear's D<sup>2</sup>-FMI vision. These products focus on shareholder identification service which supports issuers across the European Union in the context of the Shareholder Rights Directive (SRDII).

Having identified their shareholder base, issuers can implement targeted investor relations activities, helping to anticipate investor actions or requirements at their general meetings. Additional service developments are underway to support further issuers in their investor engagement.

Euroclear is also taking actions to support the development of the sustainable finance marketplace. One area of focus is the access to reliable ESG data for both issuers and investors. The group has made two strategic investments in fintechs with ESG data capabilities, namely Greenomy SRL and Impact Cubed Ltd.

Following its 2021 joint study with PricewaterhouseCoopers, Euroclear has begun to engage extensively with both financial market participants and related stakeholder groups to define the priorities for infrastructure developments to scale sustainable finance.

Further detail on ESG can be found in the Euroclear Sustainability Report.

### **Building a data-enabled services platform**

At the core of its vision to build a D<sup>2</sup>-FMI is Euroclear's ambition to provide a catalogue of data-enabled services available to all market players and complemented by third parties.

In order to increase the contribution of the data business, new services are developed, many of which are ESG-related. In recent years, issuers have increasingly sought to know and engage more closely with shareholders as part of their corporate governance practices. This trend has been further strengthened by new regulatory imperatives around Know Your Customer (KYC) and the SRD II.

Yet, the data opportunity goes far beyond the ESG marketplace. With almost €18 trillion of assets under custody, Euroclear Bank manages huge quantities of financial transaction data. Euroclear Bank has extended its role in bringing greater transparency and liquidity in global capital markets by harnessing more of this untapped data.

Launched in 2021, LiquidityDrive enables clients to access a unique dataset containing information on settled volumes and prices, liquidity scores, concentration and holding information, and transactional detail. In 2022, a range of enhancements were made to the service to improve the

cleanliness of the output and maintain the service's relevance to the market, which included further excluding primary market activity, intra-entity trades and bi-lateral repo.

As well as the product enhancements, Euroclear saw renewed engagement across a range of sectors, including both buy- and sell-sides, as well as vendors. To further enhance LiquidityDrive's appeal and reduce entry barriers particularly for the buy-side, a new pricing policy was deployed meaning users only pay for what they consume. Moreover, partnerships are now in play with a number of external specialists to create a user-friendly GUI, complementing Euroclear Bank's full API service package.

### **Building on resilient technologies to embrace digital and innovation opportunities**

Euroclear Bank's foundations as a financial market infrastructure are its technology platforms and the operational resilience provided by its people and systems. Having invested consistently in technology capabilities and infrastructure platforms, Euroclear Bank remains highly relevant, reliable, and scalable to meet growing market demand. In 2022, the Company again met its systems uptime targets while supporting record volumes.

Euroclear Bank's settlement systems have proven to be robust faced with these volume levels, with an overall systems uptime of 99.86% (same as in 2021). The group continues to invest to ensure that core settlement systems are built on robust, modern technology to maintain long-term business resilience and as part of its strategic vision.

Euroclear's technology investments remain focused on heightening resilience and cyber security capabilities, but also on modernising its platforms as part of building a D<sup>2</sup>-FMI.

In 2022, the Company launched its Artificial Intelligence-enabled matching tool, EasyFocus, to help its global client base avoid settlement penalties under the CSDR regime. Last year, over 70 entities benefitted from being able to predict pending transactions that might fail and cause penalties, and ahead of time take corrective measures.

As part of Euroclear's innovation agenda, the group regularly identifies and partners with innovative fintech companies to access new technologies and business models.

### **Key financial performance parameters**

Euroclear Bank's financial performance is influenced by the following parameters:

- Net fee and commission income are mainly a function of the value of securities deposited, the number of settlement transactions and the daily value of collateral provision outstanding. The value of bonds is based on nominal value whilst for equities and funds, their market value is taken into consideration.
- Interest income stems principally from Euroclear Bank's clients' cash balances invested partially overnight and partially in short-term deposits and in money market short-term securities and from the investment of Euroclear Bank's capital, together with retained earnings.
- Administrative expenses include staff costs, depreciation and amortisation. Administrative expenses are impacted to a certain level by business volume levels as well as by additional cyber and regulatory related investments.

### **Operating highlights**

Euroclear Bank continued to perform strongly in 2022, while fulfilling its role as an international financial market infrastructure that connects investors and issuers around the world. This performance is mainly driven by high market volatility and favourable interest environment despite higher regulatory, cyber security and climbing inflationary pressures.

The value of securities held for Euroclear Bank clients at the end of 2022 rose by 1.8% to €17.6 trillion compared to €17.3 trillion in 2021.

The turnover, or the value of securities transactions settled, reached €692.2 trillion in 2022, up by 6.1% compared to €652.6 trillion in 2021.

The number of netted transactions settled in Euroclear Bank amounted to 163.3 million in 2022, a 11.2% increase compared with the 146.9 million reported in 2021.

### **Financial performance highlights**

#### **Foreword**

Russia's invasion of Ukraine resulted in market-wide application of international sanctions, with Euroclear Bank playing a material role in implementation as a financial market infrastructure. A consequence of the sanctions is that assets owned by sanctioned parties are blocked in the respective financial market infrastructures, including Euroclear Bank. As the assets mature through their lifecycle, cashflows (e.g., coupons and redemptions) that are normally transferred to the underlying parties accumulate on Euroclear Bank's balance sheet for an undetermined period. As per Euroclear Bank's standard process, which is the same for any clients' long cash balances, the cash balances arising from the sanctions are reinvested in a prudent way.

In reaction to western sanctions, Russia has issued countermeasures resulting in various impacts for Euroclear Bank participants. These countermeasures have been managed by Euroclear Bank with the same level of due care as for the western sanctions.

With the growth of sanctioned liabilities and the increase of interest rates, the materiality of revenues on cash balances on Euroclear Bank's financial results is unprecedented. The Board recognises that the unexpected profit arising from sanctioned cash balances should be managed prudently, in line with its corporate purpose and considering its responsibilities towards stakeholders and society, as well as a more uncertain risk environment. Euroclear Bank has maintained regular dialogue with all concerned stakeholders, including regulators and external auditors, and will continue to act in a transparent manner with all authorities involved. Russia sanction-related earnings are segregated from underlying performance and are not distributed while uncertainties persist.

In line with the prudent management of the sanctions and their application, Russia sanction-related earnings are segregated from the underlying performance. For more information, please refer to the section "Implications of Russian sanctions" hereunder.

### Highlights on financial results

The detailed results for the year are set out in the financial statements.

Net business income increased by 11.5% to €1,033.7 million in 2022 driven by a steady income performance for Euroclear Bank's traditional business which was reinforced by stronger income performances of both Global & Emerging Markets and Collateral Highway business lines.

Net interest, banking & other income amounted to €1,197.3 million in 2022 compared to €100.9 million last year, due to Russian sanction impacts and the increased underlying balance sheet coupled with interest rates hikes across currencies, and particularly in the USD, in response to inflationary pressures in 2022.

Administrative expenses reached €715.8 million, corresponding to an increase of 17.3% compared to last year's level at €610.3 million. The increase was driven by continued investments in the business to foster technology capabilities, product enhancements, regulatory-driven and cyber security initiatives, along with inflation impacts on the Company's people and infrastructure costs.

Profit for the year before taxes was €1,529.0 million, 256.9% higher compared to last year.

The effective tax rate increased in 2022 to 25%, compared to 24% in the prior year.

Net profit for the year ended 31 December 2022 reached €1,147.6 million compared to a profit of €324.3 million in the prior year. This corresponds to a year-on-year increase of 253.9%.

### Balance sheet review

The balance sheet information below includes Russia sanction-related balances. For more information on the Russia sanction-related balances, segregated from the underlying balance sheet, please refer to the section "Implications of Russian sanctions" hereunder.

Balance sheet: Total assets stood at €123.6 billion on 31 December 2022, meaning an increase of €98.6 billion compared to the previous year.

Shareholders' equity totalled €2.6 billion in 2022, an increase of 29.8% compared to the previous year. Shareholders' equity is presented after appropriation of results and proposed dividend distribution.

Share capital remained unchanged at the end of 2022 at €285.5 million represented by 70,838 shares.

### Implications of Russian sanctions on Euroclear Bank SA/NV's financials

#### Profit and losses statement (P&L) and balance sheet (B/S) – Management view

Euroclear Bank - P&L (BEGAAP) (EUR Mln)	FY 2021	FY 2022	Russian sanctions impacts	FY 2022 Underlying	Underlying vs. 2021	
Operating income	1,034	2,228	814	1,413	379	37%
Net business income	927	1,034	-7	1,041	114	12%
Net interest, banking & other income	108	1,194	821	372	265	246%
Operating expenses	-607	-699	-20	-679	-72	12%
Operating profit before impairment	427	1,529	795	734	307	72%
Impairment	0	-5	-1	-5	-4	n.a.
Pre-tax profit	427	1,524	794	730	302	71%
Tax	-103	-376	-197	-179	-76	74%
Profit for the period	324	1,148	597	550	226	70%



**Note 1:** The line Net Interest, banking & other income includes the cost related to liquidity lines. This cost is classified as Commissions paid (part of Net business income) in the financial statements.

<b>Euroclear Bank - B/S (BEGAAP)</b> (End-of-year   EUR Mln)	2021	2022 Total	2022 Russia	2022 Underlying	Underlying vs. 2021	
Loans and advances to banks and customers	16,946	106,784	85,750	21,034	4,088	24%
Financial assets	7,748	15,908	7,630	8,279	531	7%
Goodwill and intangible assets	21	47	0	47	26	124%
Other assets & accruals	258	830	0	830	572	222%
<b>Total Assets</b>	<b>24,973</b>	<b>123,570</b>	<b>93,380</b>	<b>30,190</b>	<b>5,217</b>	<b>21%</b>
Deposits from banks and customers	17,119	114,483	92,782	21,701	4,582	27%
Debt instruments issued	5,233	5,093	0	5,093	-140	-3%
Other liabilities & provisions	310	1,085	0	1,085	775	250%
Subordinated liabilities	306	306	0	306	0	0%
Shareholders' equity	2,005	2,602	597	2,005	0	0%
<b>Total Liabilities and Shareholders' Equity</b>	<b>24,973</b>	<b>123,570</b>	<b>93,380</b>	<b>30,190</b>	<b>5,217</b>	<b>21%</b>

### Underlying business performance and impact from Russian sanctions

Excluding the impact of the Russian sanctions, Euroclear Bank's underlying business continues to perform strongly with net profit rising by 69.7% to €550.3 million.

Net business income was up 11.5% to €1,040.7 million, reflecting continued growth of Euroclear Bank's business lines. On the other hand, the international sanctions, as well as Russian countermeasures, resulted in a reduction of Russia-related business income of around €7.0 million.

Net interest, banking, and other income increased by 246.2% to €372.5 million on an underlying basis, benefitting from rising interest rates. As per Euroclear Bank's standard process, which is the same for any client's long cash balances, the cash balances arising from the sanctions are invested to minimise credit risk. Over 2022, interest arising on cash balances from Russia-sanctioned assets was €821.5 million.

Like any underlying earnings there is a dependency on the prevailing interest rate environment. This is true also for earnings linked to the sanctions, as well as any developments to the sanctions themselves. The Board expects interest income to continue to grow as blocked payments and redemptions continue to accumulate, albeit at a slower pace during 2023.

Underlying operating expenses increased by €72.3 million, up 11.9% compared to the prior year, partly due to inflation on costs but also as Euroclear Bank continued to invest in its technology and service offering as previously outlined. In addition, Euroclear Bank also incurred €19.5 million of costs related to the management, implementation and monitoring of the sanctions and counter sanctions in relation to the Russia-Ukraine crisis.

On the balance sheet, the cash on the balance sheet has increased as blocked coupon payments and redemptions accumulate, but also due to the increase of the cash on an underlying performance basis. Excluding Russian-sanction related balances, Euroclear Bank's total assets summed up to €30,190.2 million at the end of the year, an increase of €5,217.2 million or 20.9% compared to last year.

Shareholders' equity on an underlying basis totalled €2,004.8 million at year-end 2022, same as last year. In line with the prudent management of the sanctions and their application mentioned above, Russia sanction-related earnings in 2022 (€597.3 million) are not distributed while uncertainties persist.

### Key performance indicators

Net fee income margin (net fee income minus general administrative expenses compared to net fee income) has decreased from 34% to 31% in 2022, as increase in general administrative expenses exceeds the increase in net fee income.

Operating margin (profit before tax compared to operating income) has increased from 41.3% in 2021 to 68.5% in 2022, mainly driven by the surge in net interest income.

Unit cost ratio (general administrative expenses compared to the average value of securities held) decreased from 29.1 basis points (bps) to 9.1 bps as deposits balances materially increased in 2022.

Return on equity (profit for the year compared to average shareholder's equity) has increased from 18.1% in 2021 to 49.8% in 2022. Excluding €0.6 billion of results from sanctioned assets, the underlying return on equity stood at 27.2% in 2022.

Asset performance (net profit compared to total average assets) increased from 109 bps in 2021 to 155 bps in 2022 driven by higher net profit.

The CET 1 ratio of Euroclear Bank decreased to 38.4% in 2022, compared to 43.5% in 2021.

For more details about the evolution of capital base and requirement, please refer to the capital management section of the Directors' report hereunder.

## Related parties

Euroclear Bank is controlled by Euroclear SA/NV. Incorporated in Belgium, it owns more than 99.9% of its shares. The ultimate parent of the group is Euroclear Holding SA/NV, also incorporated in Belgium. Euroclear Bank enters transactions with its parent companies, as well as with other entities in the Euroclear group, as described below. All transactions are at arm's length.

- *Securities settlement and custody services*

In its normal course of business as an International Central Securities Depository, Euroclear Bank provides banking services to, and provides and receives settlement and custody services to and from, other Euroclear group's Central Securities Depositories. Terms and conditions applying to these depository links are the same as those applying to depositories outside the Euroclear group.

- *Software development, data centre and support services*

Euroclear Bank has entered into agreements with Euroclear SA/NV and the group's CSD subsidiaries, whereby Euroclear SA/NV provides software development, data centre and a variety of non-operational and administrative support services.

- *Recovery and Resolution Instruments*

Euroclear Bank has issued various intra-group capital instruments for a total of €800 million.

Two senior non-preferred notes with a contingent convertible feature, were subscribed by Euroclear Investments SA for a total of €500 million and aim at structuring a relevant loss absorption mechanism to restore the capital position of the Bank in recovery and resolution scenarios in accordance with the Banking Recovery and Resolution Directive applicable to the Company.

In addition to this, Euroclear Bank has issued two senior subordinated notes totalling €300 million, which were subscribed by Euroclear Investments SA, and which are treated as Tier 2 regulatory capital by the National Bank of Belgium.

## Post-balance sheet events

Euroclear continues to closely monitor the invasion of Ukraine by Russia, and to implement the various sanctions. In line with its role of financial market infrastructure (FMI), Euroclear is carefully managing the various aspects resulting from this situation in cooperation with the competent authorities. Future earnings linked to the sanctions will continue to depend on the prevailing interest rate environment and the evolution of the sanctions. The Board expects interest income to continue to grow materially as blocked payments and redemptions continue to accumulate in a rising interest rate environment, albeit at a slower pace in 2023.

In order to contain risks for its participants, Euroclear Bank informed them early February 2023 of the closure of its cash correspondent account in Russia and the withdrawal of rouble as a settlement currency. This means that money transfer instructions in rouble or any incoming rouble payments, including income and redemption events, are consequently no longer processed through the account.

## Information on circumstances that might materially influence the development of the Company

Other than set out in the section above, no circumstances occurred that might materially influence the development of the Company.

## Research and development

The Company has continued investing in research and development. These investments are linked to product and services development activities as well as performance and resilience of its systems. Euroclear Bank also continues investing in market research in line with its mission to provide increasingly commoditised market infrastructure services.

## Risk management at Euroclear Bank

### Enterprise risk management framework and governance

Euroclear Bank operates within a highly-regulated environment and is a wholly-owned subsidiary of Euroclear SA/NV, a systemically important financial market infrastructure. Euroclear Bank is also designated as another Systemically Important Institution in Belgium (O-SII). In this context, an integrated, compliant, and effective Enterprise Risk Management framework (ERM Framework) is in place, underpinned by a sound risk culture and a strong governance framework supporting decision making. This enables Euroclear to adequately identify, assess and manage its risks within the Board's risk appetite, whilst pursuing its strategy and corporate objectives and promoting resilience. The ERM Framework is subject to continuous improvement and its effectiveness is assessed periodically.

The ERM Framework also details the roles and responsibilities for the three lines model. The first line is the risk owner and the primary source of (non-independent) assurance on the adequacy and effectiveness of the control environment. The second line comprises Risk Management and

Compliance and Ethics (C&E), who provide independent oversight of risk-taking activities and compliance with applicable regulation respectively. Internal Audit sits in third line, providing independent reasonable assurance and insight on governance, risk management and internal controls.

Euroclear risk appetite is set by the Board and represents the maximum amount of risk the Board is willing to accept to achieve its objectives, including preservation of the long-term strength of the Company and of the trust of all key stakeholders. The risk appetite is supported by metrics which are monitored on an ongoing basis.

### Main risks affecting the Company

The Euroclear group has a comprehensive Risk Library. It includes all sources of risk to which the Company is exposed. 2022 has been a year of great change and uncertainty with the following key external drivers:

- Covid became endemic and lockdowns gave way to new ways of working, particularly hybrid working between home and office;
- Russia invaded Ukraine disrupting the stable world order that has persisted since the 2nd world war triggering various secondary effects and risks;
- Energy crisis as Russia weaponizing its supply in response to international financial sanctions;
- Supply chain constraints persist driven by slower response to demand post Covid and as a result of the war in Ukraine and energy constraints;
- Inflation re-emerges as a result of supply chain constraints and the energy crisis, to which central banks respond by aggressively increasing interest rates to stop inflation expectations becoming embedded.
- Securing the necessary specialised skills to deliver on business as usual and on the strategy

Whilst these drivers have had significant impacts on the environment in which the group operates in, overall, the group's risk profile remained relatively stable, supported by a robust control environment and the dedication and expertise of its staff.

Key risks to note are as follows:

- Operational risk (the risk of loss resulting from inadequate or failed internal processes, people and systems, or from external events) in particular cyber, business disruption and execution, delivery and process management risks:

The ERM Framework has a strong focus on managing operational risks, which are at the core of the Euroclear Bank business. The limited number of incidents and operational errors demonstrate the robustness of the control environment, with continued CSDR license.

All locations have appropriate contingency arrangements for recovery from workplace disruptions, supplemented by three geographically separate data centres to sustain operations in the event of a local and regional-scale disaster. Euroclear Bank continuously monitors and regularly tests its operational and management response and provides adequate training. The Business Resilience division supports the entities in strengthening their resilience and readiness for crisis management activities. The Company continues investing in its business resilience capabilities for the next years to come.

The Company continues to monitor and react appropriately with a view of safeguarding employees, clients (and their assets) and maintaining service levels.

Euroclear Bank has continued to invest significantly in its cyber and information security capabilities including delivery of the most critical aspects of the Information Security Control Framework, Data Protection reinforcement, Security Monitoring and Platform and Network Security, Cyber Defence Centre and Identity and Access Management improvements. Further investment will continue in 2023 and beyond to further reduce the residual risks and ensure sustainability.

- Financial risks (credit, market and liquidity)

Financial risks are borne by Euroclear Bank in its role as a settlement bank. The financial risks have increased in 2022 as a result of the significantly increased balance sheet as Euroclear Bank has implemented the international sanctions against Russia by blocking incoming cash proceeds as per sanctions legislations and reinvesting this cash safely to protect the Company and the clients, in line with CSD Regulation. More specifically, the only material market risk experienced, linked to Russian exposures was due to Euroclear Bank's decision to convert its rouble balances into euros in anticipation of the withdrawal of rouble as a settlement currency. This created a short-term and limited foreign exchange (FX) risk given the currency mismatch between rouble liabilities towards its clients and euro assets from reinvestment. This FX risk was initially hedged via the use of non-deliverable forwards, and subsequently in early 2023 structurally mitigated by the conversion of these liabilities into euros, in accordance with the Terms and Conditions governing the use of Euroclear.

Financial Risks have been managed but not eliminated and the capital impacts contained. Euroclear Bank's financial soundness remains strong. Euroclear Bank continues to operate a strong credit, liquidity and market risk framework which continuously seeks to reduce the intra-day uncommitted credit provided to its participants and to ensure smooth day-to-day operations and maintain a high level of preparedness to cope with unexpected and significant liquidity shocks.

- *Legal, Compliance, Conduct and Culture risks*

The Company also faces conduct and culture and legal and compliance risks given its position as a leading financial market infrastructure operating in a highly regulated environment. These risks continue to be monitored and managed through the robust application of Euroclear's legal and compliance risk management framework, including the Code of Ethics and Business Conduct. In 2022, legal and compliance challenges arose from the scale and complexity of international sanctions and Russian countersanctions. Euroclear has implemented all relevant international sanctions and ensures its continued compliance with relevant legislations. Uncertainties remain with regards to the Russian countermeasures taken against the international financial community, which will continue to pose risks to the investors, including increased risk of confiscation by Russia of assets blocked by the Russian CSD.

- *Change and Project risks, Business and Strategic risks*

The ability to anticipate and integrate change in an evolving market is essential for the longer-term strategy of Euroclear Bank and the Euroclear group. Therefore, Euroclear Bank operates a project management framework and has a dedicated group Project Management Office to increase the robustness of its project and program management capabilities. Early in 2022, Euroclear had defined a strategic direction to make sure that its service offering remains viable longer term. Since then, Euroclear has taken initial steps towards the strategy execution. Managing effectively change and project risks by reliance on project and programme management capabilities at corporate level, will be crucial for the successful execution of the strategy in the coming years.

## Compliance

The Compliance and Ethics function (C&E) is responsible for assisting the Boards and Senior Management of the Euroclear group in managing compliance risks effectively by monitoring compliance with applicable laws, regulations and regulatory standards that fall within the scope of Euroclear companies' competent authorities, national data protection authorities, and other foreign authorities, including providing assurance on the first line's identification, assessment and management of compliance risks. C&E has developed a group-wide compliance risk management framework which sets out clear roles and responsibilities across the three lines of defence for the effective management and independent oversight of compliance risks. It allows Euroclear Bank to adequately identify, monitor, test and report to management on controls mitigating compliance risks. C&E also advises on remedial actions to identified compliance risk control gaps and monitors progress made in closing the gaps. This framework is supported by communication efforts (communication campaigns, e-learning, and training sessions) that ensure sufficient awareness among staff members on compliance matters.

## Supervision and regulation

The National Bank of Belgium and, to a lesser extent, the Financial Services and Markets Authority (FSMA) are the supervisors of Euroclear Bank.

## Recovery plan

In line with regulatory rules and guidance, a Recovery, Restructuring and Wind-down (RRW) plan is in place for Euroclear Bank as part of its overall approach to a recovery, restructuring or orderly wind-down situation. As a minimum, this plan is reviewed and approved by the Board of Directors, upon recommendation of the Risk Committee, on an annual basis. The aim of the RRW plan is to demonstrate Euroclear Bank's ability to recover from a series of extreme but plausible stresses that could threaten its financial viability, such that Euroclear Bank can, to the extent possible, ensure the continuous provision of critical (economic) functions. To this end, the RRW plan identifies and analyses a number of recovery and restructuring options that could be used in order to restore Euroclear Bank's capital base, liquidity position or profitability, over a short-to-medium timeframe. Finally, should these recovery and restructuring options prove insufficient to negate the stress, and thus could not recover Euroclear Bank, then the RRW plan also contains a series of wind-down actions that could be taken to ensure, to the extent possible, the orderly wind-down of the Euroclear Bank's critical (economic) functions such that it does not exacerbate or create a stress on the market.

Euroclear SA/NV and Euroclear Bank are also subject to resolution requirements. To this end, Euroclear is implementing a multi-year resolution programme to ensure it can be deemed resolvable as it delivers the various resolution requirements. This will allow the resolution authority to resolve Euroclear in an effective way, should a very unlikely extreme event occur, where Euroclear is unable to recover.

Detailed information on the risks faced by Euroclear, as well as its risk management strategies, policies and processes can be found in Euroclear's yearly Pillar 3 report on [www.euroclear.com](http://www.euroclear.com) as well as in Note IV to the consolidated financial statements of Euroclear Holding SA/NV.

## Capital management in Euroclear Bank

### Capital measurement and allocation

Euroclear Bank has in place sound, effective and comprehensive capital measurement methodologies which are integrated within the overall Internal Capital Adequacy Assessment Process (ICAAP). The ICAAP relies on two complimentary views on capital adequacy, normative and economic view:

- **Normative view:** Euroclear Bank must comply under baseline and stressed conditions, for a planned period of at least three years, with all applicable regulatory capital requirements. These requirements stem from two major regulations that Euroclear Bank is subject to: Capital Requirement Regulation (CRR II and CRD V as transposed into Belgian Banking law) and CSD Regulation;
- **Economic view:** corresponds to the internal assessment of the level of capital necessary to sustain the Company's business and risk profile given its strategy and risk appetite.

The internal view on Euroclear Bank's capital needs is based on economic capital models, which estimate the amount of capital that Euroclear needs to have in order to protect itself from unexpected losses resulting from the risks it faces in its various activities. This view is complemented by stress scenarios.

These models and stress scenarios are continuously kept up-to-date and regularly validated by an independent Model Validation function. Euroclear Bank is therefore confident that the resulting capital requirements are adequate to support the risks that it faces. The capital models run in a 99.98% confidence level, covering operational, credit and market risk, with additional methodologies to measure business and pension risks. Euroclear Bank adheres to a conservative approach to capital. Combined with Euroclear's strong risk management and effective controls, this approach leads to Euroclear Bank retaining high credit ratings. Euroclear Bank is assigned an AA credit rating by Fitch Ratings and by Standard & Poor's (S&P), both with stable outlooks.

The Capital Requirement Regulation (CRR) requires Euroclear Bank, to maintain at all times:

- a ratio of total capital to risk-weighted assets that cannot fall under a threshold of 8%
- a ratio of Tier 1 capital to risk-weighted assets that must be at least 6%
- a ratio of common equity Tier 1 capital (CET1) at least 4.5%
- a Pillar 2 requirement (P2R) defined through the yearly supervisory review and evaluation process (SREP)
- a capital conservation buffer of 2.5% in common equity Tier 1 capital

In addition, Euroclear Bank is also subject to the capital requirements stipulated under CSDR.

Euroclear Bank, together with seven other banks or banking groups in Belgium, were identified in 2015 by the National Bank of Belgium as domestic systemically important banks (referred to in EU legislation as 'other systemically important institutions', or O-SIIs) under Belgian banking law and CRD IV. Subsequently, the National Bank of Belgium applies a common equity Tier 1 capital ratio surcharge of 0.75% to Euroclear Bank standalone. The designation of Euroclear Bank as an O-SII and the related buffer of 0.75% were reconfirmed by the National Bank of Belgium in 2022.

Euroclear Bank determines risk-weighted assets for credit, operational and market risks. For credit risk, the Company uses the Foundation Internal Ratings Based Approach (FIRBA). Risk-weighted assets take into consideration balance sheet assets and off-balance-sheet exposures that may give rise to credit risk. Collateral and other eligible guarantees are taken into account appropriately.

With respect to operational risk, Euroclear Bank uses the Advanced Measurement Approach (AMA) for the calculation of Pillar 1 capital requirements.

As Euroclear Bank is a limited purpose bank and does not have a trading book, the market risk that Euroclear Bank incurs is limited. For market risk, the Company uses the Standardised Approach to cover the foreign exchange risk.

Euroclear Bank intends to maintain a CET1 ratio and total capital ratio in line with the total SREP capital requirements evaluated on a yearly basis, in accordance with the supervisory review of its capital adequacy at statutory and consolidated levels.

In addition to the capital ratios, Euroclear Bank complies with the leverage ratio. The current requirement is 3%. Euroclear's current levels of the leverage ratio are above this regulatory requirement and are disclosed in the Pillar 3 publication.

The table below sets out the Tier 1 and total capital, which both exceed the highest regulatory requirements applicable to the Company.

#### Regulatory capital position

(€'000)	CY	PY
<b>Risk-weighted assets (1)</b>	<b>6,613,070</b>	<b>4,546,812</b>
<b>Capital requirement</b>	<b>529,046</b>	<b>363,745</b>
- Credit risk	154,967	85,222
- Market risk	2,570	1,576
- Operational risk	371,509	276,947
<b>Capital base (2)</b>	<b>2,837,601</b>	<b>2,275,314</b>
CET1	2,538,616	1,976,408
Tier 2	298,985	298,906
<b>Solvency ratio</b>		
CET1	38.4%	43.5%
Tier 1	38.4%	43.5%
Total	42.9%	50.0%

† Risk-weighted assets represent the total capital requirement multiplied by a factor of 12.5. This means that the risk-weighted assets do not only relate to credit and market risk, but also comprise the gross-up of the capital requirements related to operational risks. For Euroclear, the latter are the main source of capital consumption.

‡ Capital base is highly comparable to the shareholders' equity as presented on the balance sheet of Euroclear Bank after incorporation of subordinated liabilities for which regulatory capital recognition was granted by the National Bank of Belgium. Differences are due to deductions required by CRR regulation, i.e., intangible assets, current year proposed dividend and provision shortfall for expected losses.

## Authorised capital

The authorised capital amount stands at €500 million.

## Dividends

A total dividend of €7,769 per share will be distributed in respect of the financial year ending 31 December 2022, which amounts to €550,342,339 of shareholders' equity. €199,054,780 (€2,810 per share) was already paid as interim dividend in July 2022, the remaining €351,287,559 (€4,959 per share) will be paid to shareholders in 2023.

## Acquisition of own shares

During the financial year, neither the Company nor any directly controlled subsidiary or person acting in his/her own name but on behalf of the Company or a directly controlled subsidiary of the Company acquired any shares of the Company.

## Non-financial information

### Euroclear responsibility

Euroclear takes its responsibility for helping to create a more just and equitable world seriously. In 2022, Euroclear firmly embedded ESG into its new corporate purpose and strategy. After the appointment of a Chief Sustainability Officer in 2021 and the establishment of a Central Sustainability Office in 2022, the group made progress against each of its ESG ambitions: in its marketplace, for the environment, in the workplace, in its communities, and through robust and transparent governance practices.

- *Marketplace: facilitating and accelerating a sustainable financial system*

Please refer to the "Strategy and business review" section for details on the progress in this area.

- *Building a climate resilient business and support climate resilient financial markets through the management of climate risk*

Euroclear continuously strives to reduce its impact on the planet, aiming for the lowest possible carbon level. Since 2012, Euroclear has been carbon neutral to PAS 2060 standards. In April 2022 Euroclear made a commitment to reach net zero by 2050 at the latest and its new carbon reduction targets were submitted to the Science-based Targets Initiative for accreditation, re-baselining against 2019. A pathway for achieving that goal is being set out and the group's intermediate targets and action plans will be published in the 2022 Sustainability Report.

In the meantime, Euroclear continues to monitor its carbon emissions compared to a 2014 baseline. The final reduction for 2022 will be published in the 2022 sustainability report. As Euroclear has implemented a hybrid working model, this figure also considers homeworking emissions.

In 2022, Euroclear contracted with a third party to carry out the ESG assessment of its critical and high spend suppliers, including an assessment of their carbon emissions. In Belgium, Euroclear continues to reduce the carbon emissions in its car fleet. Euroclear also offers a comprehensive mobility programme which encourages employees to use public transport and greener transport options. In 2022, 35% of Euroclear's total fleet was either electric or hybrid, and 70% of orders for 2023 are either electric or hybrid vehicles.

- *Being an employer of choice by fostering a healthy, inclusive environment and attracting, developing, and upskilling staff for the future needs of financial markets*

In the course of 2022, the group has worked to update its people strategy with a specific focus on corporate culture as well as skills and capabilities at all levels of the company. Recognising the importance of People as an enabler to realise the business strategy and its purpose, we undertook a detailed study of the culture which involved the entire organisation as well as extensive reviews of the company's talent. The outcomes of the studies were encouraging and showed that Euroclear has a strong corporate culture when compared to relevant benchmarks. Further work is underway to build on these studies as part of the company's multiyear transformation and ensure the culture is aligned to the company purpose.

The year 2022 continued to be a challenging year, with Covid-19 restrictions still in place early in the year, the outbreak of war in Ukraine and rising inflation. Euroclear puts its people at the centre of everything it does, and the result of the employee engagement survey shows that staff remain engaged and motivated, with the employee engagement score reaching 7.7 out of 10. This represents an increase of 0.3 compared to 2021. Compared to the November 2019 baseline, employee engagement has risen by 1.1 points.

Last year saw the introduction of a new, flexible way of working. As Covid-19 restrictions were finally lifted coupled with successful remote working, Euroclear took advantage of the opportunities for embedding a new approach to working. The group's hybrid model is activity-based, offering staff the flexibility to work both from home and in the office, depending on clients', teams', and individual needs. Euroclear has invested in technology and training to enable a successful hybrid working model and provided home office equipment to make homeworking as effective as possible. Not only does this provide flexibility for Euroclear's staff, but it also contributes to its environmental objectives.

Euroclear further increased its focus on ensuring that the group has the right skills in place to meet future business demands and deliver on its new strategy. Key skills were identified, and the group hired over 900 new employees in 2022, while 636 employees have changed jobs internally. In 2022 the group launched its new Euroclear campus network, partnering with 40 different University campuses worldwide to support its global recruitment efforts in hiring a diverse future workforce.

In the coming years, targeted group-wide upskilling programmes will be set up to re-enforce the group's business strategy, in addition to existing training, development and coaching support for all employees. The group's People strategy also places a focus on ensuring its culture evolves in support of its purpose and business strategy.

Continuous development is a key element of Euroclear's People strategy, offering a wide range of training opportunities and specialised mentoring and coaching to all staff.

Euroclear is proud of its diverse workforce, with over 80 nationalities across the group and a 50/50 split between men and women. The group continues to strengthen its Diversity & Inclusion (D&I) programme; in 2022 Euroclear re-enforced its D&I governance model and is in the process of agreeing a series of new KPIs against which progress can be measured. This year the employee community groups were re-enforced with a focus on different aspects of diversity. There are five community groups, focussing on Gender Diversity and Inclusion; Ethnic & Cultural Diversity and Inclusion; Disability Inclusion; LGBTQ+ Network Community and Age Inclusion. Through these groups, staff are actively involved in promoting equality and raising awareness among their colleagues and management. This resulted in excellent D&I scores in the staff engagement survey:

- Non-discrimination at 8.5/10, an increase of +0.4% from 2021;
  - Inclusiveness scored 8.1/10, an 0.8% increase; and
  - Diversity at 8.5/10, an 0.3% increase.
- *Demonstrating the impact of Euroclear's support in local communities*

The Community stream focuses on four main pillars: alleviation of poverty; coaching and education, social and financial inclusion, and the environment. All employees can volunteer a minimum of 8 hours a year for corporate projects.

Euroclear continues to support many local projects as well as our corporate partners Street Child, Junior Achievement, and the Pan-Asia Women's Association (PAWA), giving special focus to financial inclusion. Last year, with the on-going Russian war in Ukraine, the group worked with its Polish employees and organisations to support those impacted by the war and help colleagues and their families wherever possible, including psychological expertise.

Participation in Euroclear's "My Volunteering" programme rose from 500 in 2020 to over 1,000 in 2022. Euroclear offers many volunteering opportunities across the group's locations and there is keen take up from both staff members and senior colleagues. Junior Achievement is one of Euroclear's flagship volunteering partnerships, with Euroclear volunteers providing master classes on entrepreneurial topics. Volunteers also coach the Start Up Programme, where students create and manage their own small-scale businesses under the guidance of advisers and volunteers from the business community. In 2022, Euroclear also sponsored the annual Junior Achievement Event in Belgium.

Euroclear sponsors the "International Social Entrepreneurship Challenge - Uniting for sustainable change" together with the Belgian University, Vrije Universiteit Brussel (VUB), which allows Euroclear's people to use their skills to find sustainable solutions to some of the most challenging problems in the world and help achieve the UN SDGs. Euroclear volunteers act as coaches for social entrepreneurs to help strengthen their projects and develop their business models.

This year, Euroclear signed a contract with Close the Gap, a social enterprise which repurposes companies' old IT assets and redeploys them where they are most needed, thereby addressing the challenge of tackling e-waste, while also making a positive social impact.

- *Ensuring robust and transparent governance across the organisation and encourage good governance through the group's value chain*

Euroclear SA/NV and its major subsidiaries are all subject to a variety of financial services regulations, most notable the CSDR Regulation and Banking Regulations which detail very specific governance requirements. The group publishes detailed governance charters which outline the main aspects of the Corporate Governance framework of the major entity in the group. The group is also subject to new climate and ESG regulations and standards coming from the ECB, European Commission (CRR-3/CRD-6) and related EBA Guidelines. Euroclear is actively monitoring these regulatory developments to determine their impact. For those regulations and standards which have already taken effect, resources have been mobilized across the organisation to address and close gaps and meet supervisory expectations.

In 2023, in addition to reporting according to the Global Reporting Initiative (GRI) standards, Euroclear is also following the UN Global Compact framework and the Task Force on Climate-related Financial requirements (TCFD). The group reports on the EU Taxonomy regulation in its annual sustainability report.

Following the launch of the "Code of Ethics & Business Conduct: We live our values together", in December 2021, Euroclear organised several communication campaigns focussing on the ethical principles of the code. In this way, Euroclear aims to put ethics at the heart of Euroclear employees' decision-making processes.

In 2022, Euroclear further improved the whistleblowing and anti-retaliation frameworks. This included awareness campaigns on the topic, encouraging colleagues to use its speak up grievance mechanisms which led to a significant increase in the use of the whistleblowing hotline. All reports are closely followed up on and action taken when necessary.

Last year, Euroclear has been working with an external party to significantly update its ESG Policy, which we plan to make public in the second quarter of 2023.

### ESG in Euroclear supply chain

Euroclear manages the supply chain risks of its suppliers to contribute to financial market stability. All critical suppliers are assessed annually, with respect to ESG and compliance (anti-money laundering, sanctions, conflicts of interest, bribery and corruption, human rights including modern slavery, personal data). Protocols are established and followed when issues are identified. In 2022, the group partnered with EcoVadis, a leading sustainability rating provider, to increase the robustness of its Euroclear's ESG supply chain assessment and will further build on this in 2023.

For more details on all these topics, please refer to the group's 2022 Sustainability Report "Our Responsibility", set out in accordance with the Global Reporting Initiative Standards, which will be published in April 2023.

### ESG risks

For an overview of the Company's approach to ESG risks, please refer to the Risk Management section of the group consolidated financial statements (Note IV).

## Conflict of Interest Euroclear Bank Board

During 2022, the Board has applied Article 7:115 of the Companies Code on conflict of interest at its meetings of 31 January and 8 February 2022. Excerpts of the minutes of these Board meetings are reproduced below.

### 31 January 2022

*"Mr. Tilkin walks the Board members through the different items as discussed at the Remuneration Committee (RemCo) meeting of 25 January as listed in his Chair report which is taken as read. As there are no specific questions on these matters, the members proceed with voting on the proposed resolutions.*

*Mr. Frenay explains in detail on the rationale of the proposal to neutralise the effect of the legal pension reform on Euroclear's pension schemes.*

#### 5.4.3. Review of Legal Pension Ceiling

*All executive directors declare having a personal and direct patrimonial conflict of interest as referred to in article 7:115 of the Code on Companies and Associations. There are no financial consequences for the Company other than those resulting from the neutralisation of the effect of the legal pension reform on Euroclear's pension schemes.*

*Upon the recommendation of the Remuneration Committee, the Board approves the neutralisation of the effect of the legal pension reform on Euroclear's pension schemes."*

### 8 February 2022

*"In compliance with article 7:115 of the Code on Companies and Associations, and prior to any deliberation, all 5 executive directors declared having a conflict of interest. They requested the Company Secretary to enact that they have a personal and direct financial interest conflicting with the recommendation to be issued in connection with their own remuneration given that they would benefit personally from the proposed remuneration. There are no financial consequences for the Company other than those resulting from any payment made by the Company there under.*

*None of the 5 executive directors attend this closed board meeting.*

#### "1. Board Committee Reports

*All Board members present declare:*

- *having received and read the Board papers as presented;*
- *having attended the Remuneration Committee meeting that preceded this Board meeting; and*
- *having been properly informed on the matters being put forward for recommendation to the Board.*

*Based on the aforesaid, the Board members present agree to immediately proceed with the voting on each of the resolutions as issued and recommended by the Remuneration Committee during its meeting of 8 February 2022.*

#### 1.1.1. Proposed Incentive Compensation Pool PY 2021

*Upon recommendation of the Remuneration Committee, the Board of Directors approves an incentive pool for performance year 2021.*

#### 1.1.2. Performance Review, Bonus and Fixed Fee – Euroclear Bank Management Committee Members and Heads of Control Functions

*Upon recommendation of the Remuneration Committee, the Board of Directors approves the proposed 2021 variable fee and the fixed fee for 2022 for each of:*

- *Mr. Stéphane Bernard;*
- *Mrs. Marie-Anne Haegeman;*
- *Mrs. Szandra Nagyné Komócsi;*
- *Mr. Didier Boonen;*
- *Mr. David Gurné;*
- *Mrs. Virpi Turunen; and*
- *Mrs. Nele Vandeputte.*



### 1.1.3. Performance Review, Bonus and Fixed Fee - CEO

Upon recommendation of the Remuneration Committee, the Board of Directors approves the proposed 2021 variable fee and the fixed fee for 2022 for the Euroclear Bank's CEO."

## Euroclear Bank Management Committee

During the financial year, the Management Committee did not take any decision whereby any of its members had a conflict of interest within the meaning of Article 59/1 of the Belgian Banking Law.

## Non-audit services

The amount of fees charged to Euroclear Bank for non-audit services amounted to €245,000. Further details of fees for audit and non-audit services are provided in Note XXIX of the financial statements.

## Publicity of external mandates

Details of the reportable directorship mandates and managerial functions exercised by the members of the Board and the Management are provided below.

Company	Registered Office Address	Activity	Listed (Y/N) - Exchange	Participating Interest >5%	Function	Executive (Y/N)
<b>Euroclear Bank Board/Management Committee Members</b>						
<b>PEIRCE, Robert (Board Chairman)</b> Independent Non-Executive Director						
<b>External Functions</b>						
MicroStart SCRL	Rue de Fiennes 77 B-1070 Brussels, BELGIUM	microcredit financing	N	N	Independent Board Member, Chairman of the Audit and Risk Committee	N
<b>Internal Functions</b>						
None						
<b>COCHRANE, Victoria (Audit Committee Chair)</b> Independent Non-Executive Director						
<b>External Functions</b>						
IntegraFin Holdings PLC	29 Clement's Lane London EC4N 7AE United Kingdom	ultimate holding company of UK investment platform provider	Y - LES	N	Member of the Board	N
HM Courts and Tribunals Service	102 Petty France London SW1H 9AJ United Kingdom	government agency	N	N	Member of the Board	N
Ninety One plc	55 Gresham Street London EC2V 7EL United Kingdom	independent asset manager	Y - LSE & JSE	N	Member of the Board	N
<b>Internal Functions</b>						
None						
<b>TILKIN-FRANSENS, Carl (Chairman Nominations and Governance Committee and Chairman Remuneration Committee)</b> Independent Non-Executive Director						

External Functions						
EBA Clearing	Rue de Courcelles 40, F-75008 Paris France	financial/ clearing services	N	N	Independent Member of the Board,	N
Laco	Woluwelaan 13A, B-1831 Diegem Belgium	business Intelligence consultancy	N	N	Member of the Board	N
ToaC-Solutions	Nieuwstraat 123, B-3370 Boutersem Belgium	management consultancy services	N	N	Owner	Y
Internal Functions						
None						
<b>MARTIN, James Michael (Mike) (Risk Committee Chairman)</b> Independent Non-Executive Director						
External Functions						
Consilium Sports Group Limited	42 Eskbank Road Dalkeith EH22 3BT Scotland	management consultancy services	N	N	Chairman of the Board	N
DLTM Limited	42 Eskbank Road Dalkeith EH22 3BT Scotland	personal investment vehicle	N	N	Director	N
DM134 Limited	42 Eskbank Road Dalkeith EH22 3BT Scotland	retail	N	N	Director	N
True Potential Administration LLP	Newburn House Gateway West, Newburn Riverside, Newcastle Upon Tyne, Tyne And Wear, NE15 8NX, United Kingdom	wealth & asset management services	N	N	Independent Chairman of the Board	N
Handelsbanken ACD Limited	No.1 Kingsway London WC2B 6AN United Kingdom	wealth & asset management services	N	N	Independent Board member	N
Internal Functions						
None						
<b>FRENAY Bernard (Representing Shareholder Euroclear SA/NV)</b> Non-Executive Director						
External Functions						
None						
Internal Functions						
Euroclear Holding SA/NV	Boulevard du Roi Albert II 1, B-1210 Brussels Belgium	financial holding	N	Y	Member of the Board	N
Euroclear SA/NV	Boulevard du Roi Albert II 1, B-1210 Brussels Belgium	Financial holding	N	Y	Executive Member of the Board	Y

Euroclear Investments SA	Boulevard du Roi Albert II 1, B-1210 Brussels Belgium	Financial holding	N	Y	Executive Member of the Board	Y
Euroclear Pension Fund	Boulevard du Roi Albert II 1, B-1210 Brussels Belgium	pension fund	N	Y	Chairman of the Board	N
Euroclear Properties France SAS	66 rue de la Victoire, F-75009, Paris France	real estate	N	Y	Chairman of the Board	N
<b>SWAELUS Anne (Representing Shareholder Euroclear SA/NV)</b> Non-Executive Director						
External Functions						
None						
Internal Functions						
None						
<b>SNEYERS, Peter (Chief Executive Officer, Management Committee Chairman)</b> Executive Director						
External Functions						
None						
Internal Functions						
Taskize Limited	Walling House, 33 Cannon Street London EC4M 5SB United Kingdom	financial industry software platform provider	N	Y	Member of the Board	N
<b>BOONEN, Didier (Chief Financial Officer, Management Committee Member)</b> Executive Director						
External Functions						
Royal Oree asbl	Drève des Brûles, 59 B-1050 Brussels Belgium	sports club	N	N	Member of the Board	N
Internal Functions						
None						
<b>BERNARD, Stéphane (Chief Operations Officer, Management Committee Member)</b> Executive Director						
External Functions						
Association of Business Service Leaders (Aspire)	Rondo ONZ 1, 00-124 Warsaw Poland	Business Association	N	N	Member of the Executive Board	N
Internal Functions						
EC Nominees Limited	Watling House, Cannon Street 33, London EC4M 5SB United Kingdom	Financial	N	Y	Director	N

Euroclear Nominees Limited	Watling House, Cannon Street 33, London EC4M 5SB United Kingdom	Financial	N	Y	Director	N
EOC Equity Limited	Watling House, Cannon Street 33, London EC4M 5SB United Kingdom	Financial	N	Y	Director	N
FundSettle EOC Nominees Limited	Watling House, Cannon Street 33, London EC4M 5SB United Kingdom	Financial	N	Y	Director	N
Euroclear Treasury Nominee Limited	Watling House, Cannon Street 33, London EC4M 5SB United Kingdom	Financial	N	Y	Director	N
<b>HAEGEMAN, Marie-Anne (Head of Banking &amp; Network Management, Management Committee Member)</b> Executive Director						
External Functions						
Argenta Bank en Verzekerings Groep	Belgielei 49-53, B-2018 Antwerp Belgium	Credit and Insurance Institution (Holding)	N	N	Member of the Board	N
Internal Functions						
None						
<b>NAGYNÉ KOMÓCSI, Szandra (Chief Risk Officer, Management Committee Member)</b> Executive Director						
External Functions						
None						
Internal Functions						
Euroclear Pension Fund	Boulevard du Roi Albert II 1, 1210 Saint-Josse-ten-Noode	Pension Fund	N	Y	Member of the Risk, Audit and Compliance Committee	N
Other Euroclear Bank Branch/Senior Managers						
<b>BERNARD, Stéphane</b> Krakow Branch Manager						
As Per Above						
<b>JANIKOWSKA, Katarzyna</b> Krakow (Deputy) Branch Manager						
None						
<b>KOSUDA, Ryo</b> Tokyo Branch Manager						
None						
<b>YAMANAKA, Yasuo</b> Tokyo (Deputy) Branch Manager						

None
<b>LEE, Kin Ying (Esmond)</b> Hong Kong Branch Manager
None
<b>LO, Alice</b> Hong Kong (Deputy) Branch Manager
None
<b>FEITO, Manuel</b> Deputy CCO - Head of Funds, Collateral & Transaction Processing
None
<b>KAREMERA, Hugues</b> Deputy COO - Head of Asset Servicing, New Issues & Reconciliations
None
<b>CRYNS, Ivy</b> Head of Credit
None
<b>HOLEMANS, Kathleen</b> Head of Network Management
None
<b>FOYAN-DJOUDOM, Hervé</b> Head of Treasury
None
<b>TURUNEN, Virpi</b> EB Chief Technology Officer
None

### Individual and collective Committee member skills

All members of the Audit Committee, the Risk Committee, the Nominations and Governance Committee and the Remuneration Committee are non-executive directors of the Company. Each of these committees also have two independent members within the meaning of Article 3,83 of the Belgian Banking Law. The committees have the required knowledge base and skills among their members and each member has the adequate personal attributes for each committee to fulfil its role efficiently.

### Board advisory committees

#### Audit Committee ('AC')

The AC assists the Board in fulfilling its financial reporting, audit, technology and compliance and ethics oversight responsibilities. The AC is comprised of four non-executive directors of the Company, of which three independent members within the meaning of Article 3,83, § 1 of the Belgian Banking Law. All members of the AC collectively have an understanding of the Company's business as well as collective competence in accounting, audit, and IT matters. At least one member is competent in accounting and/or audit matters.

### **Risk Committee ('RC')**

The RC assists the Board in fulfilling its risk oversight responsibilities. The RC is comprised of three non-executive directors of the Company. An observer from Euroclear SA/NV's RC has been appointed to support the Committee. Equally, an observer from Euroclear Bank SA/NV's RC has been appointed to attend the Euroclear SA/NV Risk Committee. The RC assists and advises the Board of Directors in its oversight of the Company's risk management governance structure, risk tolerance, appetite and strategy and key risks as well as the processes for monitoring and mitigating such risks. The RC members individually have the skills and experience to be able to understand the Company's business and to oversee the risk strategy, risk appetite (i.e., risk tolerance), risk capacity and risk profile of the Company.

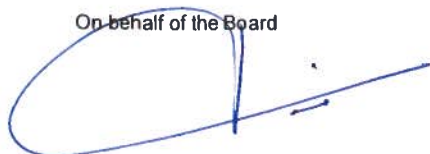
### **Nominations and Governance Committee ('NGC')**

The NGC assists and advises the Board of Directors in all matters in relation to the suitability assessment of Board, Management Committee members and key function holders, Board and Committee composition, succession planning, as well as corporate governance matters, including the suitability policy, as they apply to the Company. The NGC is comprised of three non-executive directors of the Company. Committee members possess individual and collective appropriate knowledge, skill, expertise and professional experience regarding governance, selection process, suitability and control practices and are able to properly and independently advise the Board of Directors on the composition and the functioning of the Board and Board Committees of the Company and, in particular, on the 'fit and proper' character of their members.

### **Remuneration Committee ('RemCo')**

The RemCo assists and advises the Board of Directors in defining a global compensation policy for the Company. It ensures that the members of the Management Committee ('Executives'), identified staff and the non-executive Board members of the Company are compensated as per the principles described in Euroclear's compensation policy and oversees management's implementation of the policy. The RemCo is comprised of three non-executive directors of the Company. The RemCo members exercise relevant and independent judgment on the remuneration policies and practices. They collectively have the knowledge, expertise and experience concerning remuneration policies and practices, risk management and control activities, namely with regard to the mechanism for aligning the remuneration structure to the Company's risk and capital profiles. The RemCo members collectively have an understanding of the Company's business and are competent in the sector in which the Company operates.

On behalf of the Board



Robert Peirce  
Chairman of the Board  
14 March 2023

## Euroclear Bank Board and Committees - composition

Members	Euroclear Bank Board	Audit Committee	Risk Committee	Remuneration Committee	Management Committee	Nominations & Governance Committee
<b>Robert Peirce</b> (Chairman) Independent Non-Executive Director	•	•		•		
<b>Victoria Cochrane</b> Independent Non-Executive Director	•	• (chair)	•			
<b>Mike Martin</b> Independent Non-Executive Director	•		• (chair)			•
<b>Carl Tilkin-Franssens</b> Independent Non-Executive Director	•	•		• (chair)		• (chair)
<b>Anne Swaelus</b> Non-Executive Director	•	•				•
<b>Bernard Frenay</b> Non-Executive Director	•		•	•		
<b>Didier Boonen</b> Executive Director	•				•	
<b>Marie-Anne Haegeman</b> Executive Director	•				•	
<b>Szandra Nagyné-Komocsi</b> Executive Director	•				•	
<b>Stéphane Bernard</b> Executive Director	•				•	
<b>Peter Sneyers</b> Executive Director CEO Euroclear Bank	•				• (chair)	
<b>Andrew Butcher</b> Non-Executive Director, ESA Risk Committee Chairman			• (observer)			

## Notice about additional auditing or adjusting mission

The managing board declares that no assignment neither regarding auditing nor adjusting has been given to a person who was not authorised by law, pursuant to art. 34 and 37 of the Law of 22nd April 1999 concerning the auditing and tax professions.

The annual accounts have not been audited or adjusted by an external accountant or auditor who is not a statutory auditor.

If YES, mention here after: name, first names, profession, residence-address of each external accountant or auditor, the number of membership with the professional institute ad hoc and the nature of this engagement.

- A. Bookkeeping of the undertaking \*\*
- B. Preparing the annual accounts \*\*
- C. Auditing the annual accounts and/or
- D. Adjusting the annual accounts.

If the assignment mentioned either under A. or B. is performed by authorised accountants or authorised accountants-tax consultants, information will be given on: name, first names, profession and residence-address of each authorised accountant or accountant-tax consultant, his number of membership with the Professional Institute of Accountants and Tax consultants and the nature of this engagement.

Name, first name, profession, residence-address	Number of membership	Nature of the engagement (A, B,C and/or D)

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(\*) Delete where appropriate.

(\*\*) Optional mention.



## Balance sheet

As at 31 December 2022

(€'000)	Notes	2022	2021
<b>ASSETS</b>			
I. Cash in hand, balances with central banks and post offices		-	-
II. Government securities eligible for refinancing at the central bank		10,087,790	2,837,254
III. Amounts receivable from credit institutions	I	105,326,334	16,281,913
A. On demand		83,010,782	6,164,452
B. Other amounts receivable (at fixed term or period of notice)		22,315,551	10,117,461
IV. Amounts receivable from customers	II	1,912,391	703,402
V. Bonds and other fixed-income securities	III	5,792,095	4,891,153
A. Of public issuers		3,829,938	2,386,151
B. Of other issuers		1,962,157	2,505,002
VI. Corporate shares and other variable-income securities	IV	-	-
VII. Financial fixed assets	V, VI	9,212	9,180
B. Participating interests in other associated enterprises		-	-
C. Other shares or stakes constituting financial fixed assets		9,212	9,180
D. Subordinated loans with affiliated enterprises and with other associated enterprises		-	-
VIII. Formation expenses and intangible fixed assets	VII	47,329	21,175
IX. Tangible fixed assets	VIII	6,956	4,926
X. Own shares		-	-
XI. Other assets	IX	61,979	40,854
XII. Deferred charges and accrued income	X	325,852	183,150
<b>Total assets</b>		<b>123,569,938</b>	<b>24,973,007</b>

The accompanying Notes form part of these financial statements.

## Balance sheet (continued)

As at 31 December 2022

(€'000)	Notes	2022	2021
<b>LIABILITIES</b>			
<b>THIRD-PARTY FUNDS</b>			
<b>I. Amounts payable to credit institutions</b>	XI	<b>102,671,952</b>	<b>13,954,722</b>
A. On demand		102,551,810	13,815,072
B. Resulting from refinancing by rediscounting of trade bills		-	-
C. Other amounts payable at fixed term or period of notice		120,142	139,650
<b>II. Amounts payable to customers</b>	XII	<b>12,610,991</b>	<b>3,980,583</b>
A. Savings deposits		-	-
B. Other amounts payable		12,610,991	3,980,583
1. On demand		12,053,809	3,264,056
2. At fixed term or period of notice		557,182	716,527
3. Resulting from refinancing by rediscounting of trade bills		-	-
<b>III. Debt securities in issue</b>	XIII	<b>4,426,966</b>	<b>4,498,724</b>
A. Bills and bonds in circulation		-	-
B. Other		4,426,966	4,498,724
<b>IV. Other amounts payable</b>	XIV	<b>499,549</b>	<b>69,933</b>
<b>V. Accrued charges and deferred income</b>	XV	<b>442,789</b>	<b>127,677</b>
<b>VI. A. Provisions for risks and charges</b>		<b>16,600</b>	<b>37,626</b>
1. Pensions and similar obligations		12,851	34,080
2. Fiscal charges		-	-
3. Other risks and charges	XVI	3,749	3,546
B. Deferred taxes		-	-
<b>VII. Fund for general banking risks</b>		-	-
<b>VIII. Subordinated liabilities</b>	XVII	<b>298,985</b>	<b>298,906</b>
<b>Shareholders' equity</b>		<b>2,602,106</b>	<b>2,004,836</b>
<b>IX. Capital</b>	XVIII	<b>285,497</b>	<b>285,497</b>
A. Called up share capital		285,497	285,497
B. Uncalled capital		-	-
<b>X. Share premium account</b>		<b>558,008</b>	<b>558,008</b>
<b>XI. Revaluation reserve</b>		-	-
<b>XII. Reserves</b>		<b>94,048</b>	<b>94,048</b>
A. Legal reserve		28,550	28,550
B. Non available reserve		-	-
1. For own shares		-	-
2. Others		-	-
C. Untaxed reserve		-	-
D. Available reserve		65,498	65,498
<b>XIII. Profit (loss (-)) carried forward</b>		<b>1,664,553</b>	<b>1,067,283</b>
<b>Total liabilities</b>		<b>123,569,938</b>	<b>24,973,007</b>

The accompanying Notes form part of these financial statements.

## Balance sheet (continued)

As at 31 December 2022

(€'000)	Notes	2022	2021
<b>OFF-BALANCE SHEET ITEMS</b>			
<b>I. Contingent liabilities</b>	XXII	<b>11,507,515</b>	<b>11,031,321</b>
A. Unnegotiated acceptances		-	-
B. Guarantees in the nature of credit substitutes		11,507,515	11,031,321
C. Other guarantees		-	-
D. Documentary credits		-	-
E. Assets pledged by secured guarantees on behalf of third parties		-	-
<b>II. Commitments which can give rise to a credit risk</b>	XXII	<b>2,416,838</b>	<b>1,217,567</b>
A. Firm commitments to make funds available		2,416,838	1,217,567
B. Commitments in respect of spot purchases of transferable securities or other assets		-	-
C. Available margin under confirmed credit lines		-	-
D. Commitments to underwrite and place securities		-	-
E. Repurchase commitments resulting from imperfect repurchase agreements		-	-
<b>III. Assets entrusted to the institution</b>		<b>17,611,836,797</b>	<b>17,302,729,507</b>
A. Assets held on an organised trusteeship basis		-	-
B. Assets in safe custody and under similar arrangements		17,611,836,797	17,302,729,507
<b>IV. To be paid upon corporate shares and units</b>		<b>-</b>	<b>-</b>

Under the terms of the Euroclear Securities Lending and Borrowing Programme, Euroclear Bank provides a guarantee to securities lenders whereby if a securities borrower is unable to return the securities, Euroclear Bank guarantees the lender to receive replacement securities or their cash equivalent. Euroclear Bank also provides a guarantee to the GCA lenders, should the GCA borrowers fail to return lent Securities. This guarantee is provided on a net basis (difference between the market value of the unreturned Loan Securities and the market value of the Collateral Securities relating to the unreturned Loan Securities).

As of 31 December 2022, assets in safe custody (heading III.B. above) include securities for a market value of 163,956,618,000 €-equivalent blocked pursuant to applicable international sanctions measures (2021: 11,415,844,000 €-equivalent) of which 153,524,503,000 €-equivalent related to Russian sanctions (2021: €0).

In addition to the amounts presented above, Euroclear Bank holds amounts on restricted C- and I-accounts of respectively RUB 188.5 billion and RUB 28.9 billion at year end. As a consequence of the international financial sanctions imposed on Russia, various Russian countermeasures were issued, introducing special procedures regarding the repayment of debt by the Russian state and Russian debtors to non-Russian creditors. In application of these measures, National Settlement Depository (NSD), the Russian CSD, opened new types of restricted accounts (C- and I-accounts) in the name of Euroclear Bank where all amounts received from Russian issuers are blocked. For the clients of Euroclear Bank, the main consequence is that the funds were paid on these accounts in RUB and blocked in accordance with the countermeasures. These new accounts do not meet the definition of financial assets, and are accordingly not recorded on balance sheet.

The accompanying Notes form part of these financial statements.

## Profit and loss statement

As at 31 December 2022

(€'000)	Notes	2022	2021
<b>INCOME STATEMENT</b>			
<i>(list form)</i>			
<b>I. Interest and similar income</b>	XXIII	1,404,333	197,267
Of which : from fixed-income securities		42,259	6,533
<b>II. Interest and similar charges (-)</b>		<b>(205,232)</b>	<b>(98,032)</b>
<b>III. Income from variable-income securities</b>	XXIII	306	278
A. Corporate shares and other variable-income securities		-	-
B. Participating interests in affiliated enterprises		-	-
C. Participating interests in associated enterprises		-	-
D. Other shares or stakes representing financial fixed assets		306	278
<b>IV. Commissions received</b>	XXIII	1,631,203	1,417,671
A. Brokerage and similar commissions		525,843	439,096
B. Management, advisory and safekeeping services		759,836	707,324
C. Other commissions received		345,524	271,251
<b>V. Commissions paid</b>		<b>(597,492)</b>	<b>(490,970)</b>
<b>VI. Profit from (loss on) financial operations</b>	XXIII	<b>(10,184)</b>	<b>3,567</b>
A. Foreign exchange transactions and transactions in securities and other financial instruments		(10,184)	3,567
B. Sale of investment securities and similar operations		-	-
<b>VII. General administrative expenses</b>		<b>(711,275)</b>	<b>(607,097)</b>
A. Wages and salaries, social charges and pensions		(141,154)	(125,835)
B. Other administrative expenses		(570,121)	(481,262)
<b>VIII. Depreciation and amounts written off (-) on formation expenses and intangible and tangible fixed assets</b>		<b>(4,539)</b>	<b>(3,234)</b>
<b>IX. Write-back of amounts written off (amounts written off (-)) on amounts receivable and write-back provisions (provision (-))for headings "I. Contingent liabilities" and "II. Commitments which can give rise to a credit risk" in the off-balance sheet section</b>		<b>(61)</b>	<b>1</b>
<b>X. Write-back of amounts written off (amounts written off(-)) on the investment portfolio of bonds, shares and other fixed-income or variable-income securities</b>		-	-
<b>XI. Uses and write-back of provisions for risks and charges other than those referred to in heading "I. Contingent liabilities"and "II. Commitments which can give rise to a credit risk" in the off-balance sheet section</b>		<b>14,287</b>	<b>11,349</b>
<b>XII. Provisions for risks and charges other than those covered in headings "I. Contingent liabilities" and "II. Commitments which can give rise to a credit risk" in the off-balance sheet section (-)</b>		<b>(389)</b>	<b>(1,140)</b>
<b>XIII. Transfers from (Appropriation to) the fund for general banking risks</b>		-	-
<b>XIV. Other operating income</b>	XXIII	32,743	19,127
<b>XV. Other operating charges (-)</b>	XXIII	<b>(24,691)</b>	<b>(21,316)</b>
<b>XVI. Current profit (loss) before taxes</b>		<b>1,529,009</b>	<b>427,471</b>

The accompanying Notes form part of these financial statements.

## Profit and loss statement (continued)

As at 31 December 2022

(€'000)	Notes	2022	2021
<b>INCOME STATEMENT (CONTINUED)</b>			
<i>(list form)</i>			
<b>XVII. Exceptional income</b>		-	-
A. Write-back of depreciation and amounts written off on intangible and tangible fixed assets		-	-
B. Write-back of amounts written off on financial fixed assets		-	-
C. Write-back of provisions for exceptional risks and charges		-	-
D. Capital gains on disposal of fixed assets		-	-
E. Other exceptional income	XXV	-	-
<b>XVIII. Exceptional charges</b>		<b>(5,023)</b>	<b>(8)</b>
A. Exceptional depreciation on and amounts written off on formation expenses, intangible and tangible fixed assets		(5,023)	(8)
B. Amounts written off on financial fixed assets		-	-
C. Provisions for extraordinary risks and charges		-	-
D. Capital losses on disposal of fixed assets		-	-
<b>XIX. Profit (Loss (-)) for the year before taxes</b>		<b>1,523,986</b>	<b>427,463</b>
<b>XIX. Bis. Deferred taxes</b>		-	-
A. Transfers to deferred taxes (-)		-	-
B. Transfers from deferred taxes		-	-
<b>XX. Taxes on profit</b>	XXVI	<b>(376,374)</b>	<b>(103,157)</b>
A. Taxes (-)		(376,381)	(103,996)
B. Adjustment of income taxes and write-back of tax provisions		6	839
<b>XXI. Profit (Loss (-)) for the year</b>		<b>1,147,612</b>	<b>324,306</b>
<b>XXII. Transfers to the non taxable reserve (-)</b>		-	-
<b>XXIII. Profit (loss (-)) for the year to be appropriated</b>		<b>1,147,612</b>	<b>324,306</b>

The accompanying Notes form part of these financial statements.

## Appropriation and transfer

As at 31 December 2022

(€'000)	2022	2021
<b>APPROPRIATION AND TRANSFER</b>		
<b>A. Profit (loss (-)) to be appropriated</b>	<b>2,214,895</b>	<b>1,192,312</b>
1. Profit (loss (-)) of the year to be appropriated	1,147,612	324,306
2. Carried forward profit (loss (-)) of previous financial years	1,067,283	868,006
<b>B. Transfer from shareholder's equity</b>	-	-
1. From capital and share premium	-	-
2. From reserves	-	-
<b>C. Appropriation to shareholder's equity (-)</b>	-	-
1. To the capital and to the share premium	-	-
2. To the legal reserve	-	-
3. To the other reserves	-	-
<b>D. Profit (loss) to be carried forward (+)/(-)</b>	<b>1,664,553</b>	<b>1,067,283</b>
<b>E. Shareholders' intervention in the loss</b>	-	-
<b>F. Profit to be distributed</b>	<b>550,342</b>	<b>125,029</b>
1. Shareholders (a)	550,342	125,029
2. Directors (a)		
3. Other beneficiaries (a)		

(a) Solely in Belgian limited companies

A total dividend of €7,769 per share will be distributed in respect of the financial year ending 31 December 2022, which amounts to €550,342,339 of shareholders' equity. €199,054,780 (€2,810 per share) was already paid as interim dividend in July 2022, the remaining €351,287,559 (€4,959 per share) will be paid to shareholders in 2023.

The accompanying Notes form part of these financial statements.

## Notes

## I. Statement of amounts receivable from credit institutions

As at 31 December 2022

(€'000)	2022	2021
<i>(heading III of the assets)</i>		
<b>A. For the heading as a whole</b>	<b>105,326,334</b>	<b>16,281,913</b>
1. Amount receivable from affiliated enterprises	-	-
2. Amount receivable from other enterprises linked by participating interests		
3. Subordinated amounts receivable		
In terms of nature, the following additional analysis is relevant		
- Surplus funds with banks	102,917,580	15,835,079
- Loans to banks	2,408,754	446,834
	<b>105,326,334</b>	<b>16,281,913</b>
<b>B. Other amounts receivable (with a term or period of notice) from credit institutions</b>	<b>22,315,551</b>	<b>10,117,461</b>
<i>(heading III B. of the assets)</i>		
1. Bills eligible for refinancing at the central bank of the country or countries of establishment of the credit institution	-	-
2. Breakdown according to remaining term to maturity		
- Up to 3 months	22,315,551	10,117,461
- Over 3 months and up to one year	-	-
- Over one year and up to 5 years		
- Over 5 years		
- Undated		

## II. Statement of amounts receivable from customers

(Heading IV of balance sheet assets)

As at 31 December 2022

(€'000)	2022	2021
<b>1. Amounts receivable from affiliated enterprises</b>	<b>110</b>	<b>379</b>
<b>2. Amounts receivable from other enterprises linked by participating interests</b>		
<b>3. Subordinated amounts receivable</b>		
<b>4. Bills eligible for refinancing at the central bank of the country or countries of establishment of the credit institution</b>		
<b>5. Breakdown of amounts receivable according to remaining term to maturity</b>		
a. Up to 3 months	1,912,391	703,402
c. Over one year and up to 5 years	-	-
d. Over 5 years	-	-
e. Undated	-	-
<b>6. Breakdown according to the nature of the debtors</b>		
a. On public authorities	524	81
b. On individuals	-	-
c. On corporates	1,911,867	703,321
<b>7. Breakdown by type</b>		
a. Commercial paper	-	-
b. Leasing loans	-	-
c. Consumer loans	-	-
d. Real estate loans	-	-
e. Other loans superior to 1 year	-	-
f. Other	1,912,391	703,402
<b>8. Geographical breakdown (a)</b>		
a. Belgium	64,013	3,073
b. Foreign countries	1,848,378	700,329
<b>9. Analytical data related to real estate loans with reconstitution of capital at the bank</b>		
a. Initial capital granted	-	-
b. Reconstitution fund and mathematical reserve linked to the loans	-	-
c. Net position (a-b)	-	-

(a) Geographical breakdown is done according to the beneficiaries of the credits.



## III. Statement of bonds and other fixed-income securities

(Heading V of balances sheet assets)

As at 31 December 2022

(€'000)	2022	2021
<b>A. GENERAL</b>	<b>5,792,095</b>	<b>4,891,153</b>
1. Bonds and other securities issued by affiliated enterprises	-	-
2. Bonds and other securities issued by other enterprises linked by participating Interests		
3. Bonds and securities representing subordinated loans		
4. Geographical breakdown of the following headings		
a. Belgian public issuers	282,355	286,840
b. Foreign public issuers	3,436,423	1,987,643
c. Belgian other issuers	1,004,330	1,067,795
d. Foreign other issuers	1,068,987	1,548,875
5. Quotations		
a. Book value listed securities	5,792,095	4,891,153
b. Market value listed securities	5,571,867	4,905,637
c. Book value unlisted securities	-	-
6. Quotations and durations		
a. Residual term up to one year	2,738,231	2,044,540
b. Residual term over one year	3,053,864	2,846,613
7. Breakdown according to whether the securities are part of :		
a. Trading portfolio	-	-
b. Investment portfolio	5,792,095	4,891,153
8. For the trading portfolio		
a. Positive difference between the market value and the acquisition value for bonds and securities to be valued at their market value	-	-
b. Positive difference between the market value and the book value for bonds and securities valued in accordance with Article 35 ter §2 (2)	-	-
9. For the investment portfolio		
a. Positive difference in respect of all securities with a redemption value higher than their book value	42,301	2,665
b. Negative difference in respect of all securities with a redemption value lower than their book value	57,216	77,830

## III. Statement of bonds and other fixed-income securities (continued)

(Heading V of balance sheet assets)

As at 31 December 2022

(€'000)	2022	2021
<b>B. DETAILS OF THE BOOK VALUE OF THE INVESTMENT PORTFOLIO</b>		
<b>1. Acquisition value at the end of the previous financial year</b>	<b>4,891,153</b>	<b>3,210,321</b>
<b>2. Changes during the financial year</b>		
a. Acquisitions	6,230,617	2,356,215
b. Redemptions and disposals	(5,306,874)	(639,138)
c. Adjustments made in accordance with Article 35 ter §4 and 5 (+/-)	(22,801)	(36,245)
<b>3. Acquisition value at the end of the financial year</b>	<b>5,792,095</b>	<b>4,891,153</b>
<b>4. Transfers between portfolios</b>		
a. From the investment portfolio to the trading portfolio ( - )		-
b. From the trading portfolio to the investment portfolio ( + )		-
c. Impacts of these transfers on the result		-
<b>5. Write-offs at the end of the previous financial year</b>	-	-
<b>6. Changes during the financial year</b>		
a. Charged		-
b. Reserved because of surplus (-)		-
c. Cancelled (-)		-
d. Transferred from one heading to another (-)		-
<b>7. Write-offs at the end of the financial year</b>		-
<b>8. Book value at the end of the financial year</b>	<b>5,792,095</b>	<b>4,891,153</b>

## IV. Statement of corporate shares and other variable-income securities

(Heading VI of balance sheet assets)

As at 31 December 2022

(€'000)	2022	2021
<b>1. Geographical breakdown of the securities</b>		
a. Belgian issuers	-	
b. Foreign issuers	-	
<b>2. Quotations</b>		
a. Book value listed securities	-	
b. Market value listed securities	-	
c. Unlisted securities	-	
<b>3. Shares and securities belonging to the</b>		
a. Trading portfolio	-	
b. Investment portfolio	-	
<b>4. For the trading portfolio</b>		
a. Positive difference between the acquisition value and the market value for securities valued at their market value	-	
b. Positive difference between the market value, when higher, and the book value for securities valued in accordance with Article 35 ter § 2 (2)	-	

## IV. Statement of corporate shares and other variable-income securities (continued)

(Heading VI of balance sheet assets)

As at 31 December 2022

(€'000)	2022	2021
<b>B. Details of the book value of the investment portfolio</b>		
<b>1. Acquisition value at the end of the previous financial year</b>	-	
<b>2. Changes during the financial year</b>	-	
a. Acquisitions	-	
b. Cancelled (-)	-	
c. Other changes	-	
<b>3. Acquisition value at the end of the financial year</b>	-	
<b>4. Transfers between portfolios</b>		
a. From the investment portfolio to the trading portfolio (-)	-	
b. From the trading portfolio to the investment portfolio (+)	-	
c. Impact of these transfers on the result	-	
<b>5. Write-offs at the end of the previous financial year</b>	-	
<b>6. Changes during the financial year</b>		
a. Charged	-	
b. Reversed because of surplus (-)	-	
c. Cancelled (-)	-	
d. Transferred from one heading to another (+/-)	-	
<b>7. Write-offs at the end of the financial year</b>	-	
<b>8. Book value at the end of the financial year</b>	-	

## V. Statement of financial fixed assets

(Heading VII of balance sheet assets)

As at 31 December 2022

(€'000)	2022		2021	
	Credit institutions	Other	Credit institutions	Other
<b>A. Breakdown of the headings VII A, B, C, D of the assets</b>				
<b>1. Economic sector of</b>				
b. Participation in other enterprises linked by participating interests	-	9,212	-	9,180
c. Other financial assets	-		-	
d. Subordinated loans with affiliated enterprises and with other associated enterprises	-		-	

(€'000)	2022		2021	
	Quoted	Not quoted	Quoted	Not quoted
<b>2. Quotation</b>				
b. Participation in other enterprises linked by participating interests	-	9,212	-	9,180
c. Other financial fixed assets	-		-	
d. Subordinated loans with affiliated enterprises and with other associated enterprises	-		-	

## V. Statement of financial fixed assets (continued)

(Heading VII of balance sheet assets)

As at 31 December 2022

(€'000)	Enterprises		Other
	Affiliated	Associated	
<b>B. Details on the book value at the end of the financial year (VII A, B and C of the assets)</b>			
1. Acquisition value at the end of the previous financial year	-	-	9,180
2. Changes during the financial year	-	-	32
a. Acquisitions	-	-	32
b. Sales	-	-	-
c. Transfers from one heading to another (+/-)	-	-	-
3. Acquisition value at the end of the financial year	-	-	9,212
4. Revaluation at the end of the previous financial year	-	-	-
5. Changes during the financial year	-	-	-
a. Charged	-	-	-
b. Acquired from third parties	-	-	-
c. Cancelled (-)	-	-	-
d. Transferred from one heading to another(+/-)	-	-	-
6. Revaluation at the end of the financial year	-	-	-
7. Write-offs at the end of the previous financial year	-	-	-
8. Changes during the financial year	-	-	-
a. Charged	-	-	-
b. Reversed because of surplus (-)	-	-	-
c. Acquired from third parties	-	-	-
d. Cancelled (-)	-	-	-
e. Transfers from one heading to another (+/-)	-	-	-
9. Write-offs at the end of the financial year	-	-	-
<b>10. Net book value at the end of the financial year</b>	-	-	<b>9,212</b>

## V. Statement of financial fixed assets (continued)

(Heading VII of balance sheet assets)

As at 31 December 2022

(€'000)	Affiliated enterprises	Associated enterprises
<b>C. Details of the subordinated loans</b>		
<b>1. Net book value at the end of the previous financial year</b>		
<b>2. Changes during the financial year</b>		
a. Additions		
b. Repayments (-)		
c. Write-off (-)		
d. Write-off taken back		
e. Exchange differences (+/-)		
f. Other change(+/-)		
<b>3. Net book value at the end of the financial year</b>		
<b>4. Cumulated provisions at the end of the financial year</b>		

## VI. Information on financial participations

As at 31 December 2022

### A. Participating interests and other rights in other enterprises

Mentioned hereafter are the enterprises in which the credit institution holds a participation as mentioned in the Royal Decree of 23 September 1992, as well as the other enterprises in which the credit institution holds social rights representing at least 10% of the subscribed equity.

Name, address, VAT or Nat. Id nr	Shareholder's stake				Data from the last available financial statements			
	Type of shares	Directly		Through subsidiaries	Financial statements of	Currency	Equity	Net result
		Number	%					



## VI. Information on financial participations (continued)

As at 31 December 2022

**B. Enterprises to which the company is unlimitedly liable either as a qualified partner or member**

The annual accounts of each of the enterprises to which the company is unlimitedly liable will be added to the present accounts and published jointly. Departure from that requirement will be mentioned in the second column referring to the appropriate code (A, B, C or D) as defined hereafter.

The annual accounts of the enterprise:

- A. will be published through a deposition in the National Bank of Belgium;
- B. will be published effectively in another member state of the EC pursuant to art.16 of the directive 2017/1132;
- C. will be fully or proportionally consolidated in the consolidated annual accounts of the company which is prepared, audited and published pursuant to the provision of the Code of companies and associations related to the consolidated annual accounts;
- D. Concern a company of the common law.

Code	Name and complete address of the headquarter and for the Belgian enterprises, mention of the VAT number or the national number	Possible code (a)
05		10

## VII. Statement of formation expenses and intangible fixed assets

(Heading VIII of balance sheet assets)

As at 31 December 2022

(€'000)	2022	2021
<b>A. Detail of the formation expenses</b>		
1. Net book value at the end of the previous financial year		-
2. Changes during the financial year		-
a. New expenses incurred		-
b. Depreciation		-
c. Other changes		-
3. Net book value at the end of the financial year		-
4. Including		-
a. Formation and capital - increased expenses or issuing expenses for loans and other start-up expenses		-
b. Reorganisation expenses		-
<b>B. Intangible fixed assets</b>		
	<b>Goodwill</b>	<b>Other intangible fixed assets</b>
		<b>Commissions for the operations of art 27 BIs</b>
1. Acquisition value at the end of the previous financial year	-	60,091
2. Changes during the financial year		27,493
a. Acquisitions including production of fixed assets		34,493
b. Transfers and disposals (-)		(6,094)
c. Transfers from one heading to another(-)		(906)
3. Acquisition value at the end of the financial year		87,584
4. Depreciation and amounts written off at the end of the previous financial year		38,916
5. Changes during the financial year	-	1,339
a. Charged		2,408
b. Reversed because of surplus (-)		-
c. Acquired from third parties		-
d. Cancelled (-)		(1,073)
e. Transferred from one heading to another (+/-)		4
6. Depreciation and amounts written off at the end of the financial year		40,255
<b>7. Net book value at the end of the financial year</b>		<b>47,329</b>

## VIII. Statement of tangible fixed assets

(Heading IX of balance sheet assets)

As at 31 December 2022

(€'000)	Land and buildings	Installations, machines and tools	Furniture, fixtures and vehicles	Leasing and similar rights	Other tangible fixed assets	Fixed assets under construction and advance payments
1. Acquisition value at the end of the previous financial year	-	5,428	2,303	-	6,325	-
2. Changes during the financial year	-	2,022	468	-	1,507	-
a. Acquisitions including own production of fixed assets		2,025	537	-	869	
b. Transfers and disposals (-)		(3)	(69)		(268)	
c. Transfers from one heading to another (+/-)		-	-		906	
3. Acquisition value at the end of the financial year	-	7,450	2,771	-	7,832	-
4. Revaluations at the end of the previous financial year						
5. Changes during the financial year	-	-	-	-	-	-
a. Recorded						
b. Acquired from third parties						
c. Cancelled (-)						
d. Transferred from one heading to another (+/-)						
6. Revaluations at the end of the financial year	-	-	-	-	-	-
7. Depreciation and amounts written-off at the end of the previous financial year	-	3,839	1,747	-	3,544	-
8. Changes during the financial year	-	913	173	-	881	-
a. Charged		916	221	-	1,170	
b. Reversed because of surplus (-)						
c. Acquired from third parties		-	-		-	
d. Cancelled (-)		(3)	(48)		(293)	
e. Transferred from one heading to another (+/-)		-	-		4	
9. Depreciation and amounts written-off at the end of the financial year	-	4,752	1,920	-	4,425	-
10. Net book value at the end of the financial year	-	2,698	851	-	3,407	-

**IX. Other assets**

(Heading XI of balance sheet assets)

As at 31 December 2022

(€'000)	2022	2021
<b>Breakdown of this caption if it represents an important amount</b>		
a. Taxes to recover	27,543	23,617
b. Guarantee deposits	5,205	4,742
c. Tax assets	20	-
d. Miscellaneous	29,211	12,495
	<b>61,979</b>	<b>40,854</b>

## X. Deferred charges and accrued income

(Heading XII of balance sheet assets)

As at 31 December 2022

(€'000)	2022	2021
<b>1. Deferred charges</b>	6,274	6,330
<b>2. Accrued income</b>	319,578	176,820
	<b>325,852</b>	<b>183,150</b>

## X.bis Re-use of funds of segregated customers

(Heading XII of balance sheet assets)

As at 31 December 2022

(€'000)	2022	2021
<b>1. Total</b>		

## XI. Amounts payable to credit institutions

(Heading I of balance sheet liabilities)

As at 31 December 2022

(€'000)	2022	2021
<b>1. Amounts payable to affiliated enterprises</b>	-	-
<b>2. Amounts payable to other enterprises linked by participating interests</b>		
<b>3. Breakdown of the amounts payable other than at sight according to their residual term (heading I.B and C of the liabilities)</b>		
a. Up to three months maximum	117,329	137,001
b. Over three months and up to one year maximum	2,813	2,649
c. Over one year and up to five years maximum	-	-
d. Over five years	-	-
e. Undated		
	<b>120,142</b>	<b>139,650</b>

## XII. Amounts payable to customers

(Heading II of balance sheet liabilities)

As at 31 December 2022

(€'000)	2022	2021
<b>1. Amounts payable to affiliated enterprises</b>	<b>508,712</b>	<b>501,278</b>
<b>2. Amounts payable to other enterprises linked by participating interests</b>		
<b>3. Breakdown by residual term</b>		
a. At sight	12,100,705	3,471,358
b. Up to 3 months maximum	7,168	6,400
c. Over 3 months and up to one year maximum	5,000	5,000
d. Over one year and up to 5 years maximum	199,445	199,313
e. Over 5 years	298,673	298,512
f. Undated	-	-
<b>4. Breakdown of the debts according to the nature of the debtors</b>		
a. Debts on public authorities	50,440	65,839
b. Debts on individuals	-	-
c. Debts on corporates	12,560,551	3,914,744
<b>5. Geographical breakdown of the amounts payable to</b>		
a. Belgium	46,920	47,805
b. Foreign countries	12,564,071	3,932,778
	<b>12,610,991</b>	<b>3,980,583</b>

Amounts payable to credit institutions and customers (headings I and II of balance sheet liabilities) include an amount 99,567,345,000 €-equivalent (2021: 6,682,667,000 €-equivalent) of deposits blocked pursuant to applicable international sanctions measures of which 92,570,000,000 €-equivalent related to Russian sanctions (2021: 0).

In December 2016, a 10-year contingent convertible loan amounting to €200,000,000 was granted by Euroclear Investments SA to Euroclear Bank. In June 2018, the loan was converted for the same amount into a senior convertible note and certain features were amended in order to better meet recovery and resolutions requirements applicable to Euroclear Bank.

In June 2018, two additional notes were issued by Euroclear Bank and fully subscribed by Euroclear Investments SA, in order to strengthen the recovery profile of the Bank:

- €300,000,000 12 year fixed rate senior non preferred contingent convertible loan,
- €100,000,000 10 year fixed rate senior non preferred security.

In March 2019, the €100,000,000 10 year fixed rate senior non preferred security was converted into a new Tier 2 subordinated debt.

**XIII. Debt securities in issue**

(Heading III of balance sheet liabilities)

As at 31 December 2022

(€'000)	2022	2021
<b>1. Amounts payable which, to the knowledge of the credit institution, constitute amounts payable to affiliated enterprises</b>		-
<b>2. Amounts payable which, to the knowledge of the credit institution, constitute amounts payable to other enterprises linked by participating interests</b>		-
<b>3. Breakdown according to the residual term</b>		
a. Up to 3 months maximum	1,925,442	1,766,785
b. Over 3 months and up to one year maximum	552,333	793,991
c. Over one year and up to 5 years maximum	1,949,191	1,937,948
d. Over 5 years		-
e. Undated		-
	<b>4,426,966</b>	<b>4,498,724</b>

Euroclear Bank issues Medium Term Notes and Certificates of Deposits since 2018.



**XIV. Other amounts payable**

(Heading IV of balance sheet liabilities)

As at 31 December 2022

(€'000)	2022	2021
<b>1. Fiscal and social debts towards the fiscal administration</b>	<b>25,714</b>	<b>11,015</b>
a. Overdue	-	-
b. Not overdue	25,714	11,015
<b>2. Fiscal and social debts towards the social security authorities</b>	<b>5,154</b>	<b>4,630</b>
a. Overdue	-	-
b. Not overdue	5,154	4,630
<b>3. Taxes</b>	<b>25,714</b>	<b>11,015</b>
a. Payable	23,868	815
b. Estimated	1,846	10,200
<b>4. Other debts</b>		
Breakdown of this caption if it represents an important amount		
Dividend	351,288	-
Payroll (other than social security)	25,483	22,733
Other payable	91,910	31,555

## XV. Accrued charges and deferred income

(Heading V of balance sheet liabilities)

As at 31 December 2022

(€'000)	2022	2021
<b>1. Accrued charges</b>	441,913	126,645
<b>2. Deferred income</b>	876	1,032
	<b>442,789</b>	<b>127,677</b>

**XVI. Provisions for other liabilities and charges**

(Heading VI.A.3 of balance sheet liabilities)

As at 31 December 2022

(€'000)	2022	2021
Breakdown of this heading if it represents an important amount		
Provisions for onerous lease contracts	1,665	2,177
Provisions for dilapidation costs	1,312	986
HR-related provisions	772	383
	<b>3,749</b>	<b>3,546</b>

## XVII. Statement of subordinated liabilities

(Heading VIII of balance sheet liabilities)

As at 31 December 2022

(€'000)	2022	2021
<b>1. Debts to affiliated enterprises</b>	-	-
<b>2. Debts to other enterprises linked by participating interest</b>	298,985	298,906
<b>3. Charges in respect of subordinated debts</b>	9,979	9,976

## 4. Details of subordinated debt are as follows:

N° Ref.	Currency	Amount	Maturity date	A) Circumstances for early redemption B) Conditions for subordination C) Conditions for convertibility
1	EUR	200,000	30/03/2033	<p>A) At early redemption date (30/03/2028) the issuer has the option to redeem in whole the outstanding amount of the Note, with a notice period of 15 days. Early redemption is allowed for tax deductibility and capital disqualification events.</p> <p>B) Payment after all preferred and non-preferred creditors, equally with other subordinated obligations, before shareholders and holders of other obligations or instruments of the Issuer that rank or are expressed to rank junior to the Note.</p> <p>C) Permanent write-off at Common Equity Tier 1 trigger of €1,175 million. Write-off amount corresponds to the lower of (i) the amount necessary to restore the level of the Issuer's Common Equity Tier 1 capital to €1,175 million and (ii) the Outstanding Principal Amount.</p>
2	EUR	100,000	30/03/2033	<p>A) At early redemption date (30/03/2028) the issuer has the option to redeem in whole the outstanding amount of the Note, with a notice period of 15 days. Early redemption is allowed for tax deductibility and capital disqualification events.</p> <p>B) Payment after all preferred and non-preferred creditors, equally with other subordinated obligations, before shareholders and holders of other obligations or instruments of the Issuer that rank or are expressed to rank junior to the Note.</p> <p>C) Permanent write-off at Common Equity Tier 1 trigger of €1,275 million. Write-off amount corresponds to the lower of (i) the amount necessary to restore the level of the Issuer's Common Equity Tier 1 capital to €1,275 million and (ii) the Outstanding Principal Amount.</p>

## XVIII. Statement of capital and shareholding structure

As at 31 December 2022

## A. Statement of capital

	Amounts (€'000)	Number of shares
<b>1. Capital</b>		
<b>a. Subscribed capital</b> <i>(heading IX. A. of the liabilities)</i>		
- At the end of the last financial year	285,497	70,838
- Subscribed capital changes throughout the exercise		
- At the end of the financial year	285,497	70,838
<b>b. Structure of capital</b>		
- Categories of shares		
* Ordinary shares	285,497	70,838
* Registered or dematerialised shares		
* Registered	XXXXXXXXXXXXXXX	70,838
* Dematerialised	XXXXXXXXXXXXXXX	-
	<b>Uncalled capital</b>	<b>Called up capital, unpaid</b>
<b>2. Called up but unpaid capital</b>		
a. Uncalled capital		-
b. Called capital, unpaid	-	-
c. Shareholders still owing capital payment	-	-
	<b>Capital amount held</b>	<b>Corresponding number of shares</b>
<b>3. Own shares held</b>		
a. By the credit institution	-	-
b. By its subsidiaries	-	-
<b>4. Share issuance commitment</b>		
a. Following the exercise of conversion rights		
- Amount of convertible loans outstanding	-	-
- Amount of capital to be subscribed	-	-
- Corresponding maximum number of shares to issue	-	-
b. Following the exercise of subscription rights		
- Number of subscription rights outstanding	-	-
- Capital amount to be subscribed	-	-
- Corresponding maximum number of shares to issue	-	-
<b>5. Non-subscribed authorised capital</b>	500,000	-

XVIII. Statement of capital and shareholding structure(continued)  
As at 31 December 2022

	2022	2021
<b>6. Shares not representing capital</b>		
<b>a. Breakdown</b>		
* Number of stakes	-	-
* Number of voting rights attached	-	-
<b>b. Breakdown by shareholder</b>		
* Held by the credit institution	-	-
* Held by its subsidiaries	-	-

**B. Structure of the institution's shareholding structure at the closing date of its accounts, as it results from the declarations received by the institution**

**XIX. Breakdown of total assets and total liabilities in euros and foreign currencies**

As at 31 December 2022

(€'000)	2022
<b>1. Total assets</b>	
a. In euros	86,110,852
b. In foreign currencies (euro equivalent)	37,459,086
<b>2. Total liabilities</b>	
a. In euros	73,013,214
b. In foreign currencies (euro equivalent)	50,556,724

XX. Trustee operations referred to in Article 27ter, § 1 paragraph 3  
As at 31 December 2022

(€'000)	2022
<b>Concerned headings of the assets and liabilities</b> ..... ..... ..... .....	



## XXI. Statement of guaranteed liabilities and commitments

As at 31 December 2022

Secured guarantees provided or irrevocably promised by the credit institution on its own assets

(€'000)	Mortgages (a)	Pledging of goodwill (b)	Pledges on other assets (c)	Guarantees established on future assets (d)
<b>1. As security for liabilities and commitments of the credit institution</b>				
a. Headings of the liabilities				
b. Off-balance sheet headings				
- Guarantee with the National Bank of Belgium			3,529,164	
- Guarantee with other central banks			249,804	
<b>2. As security for liabilities and commitments of third parties</b>				
a. Headings of the liabilities				
b. Off-balance sheet headings				

(a): Amount registered or book value of the real estate encumbered if the latter is lower

(b): Amount registered

(c): Book value of the assets pledged

(d): Amount of the assets in question

Part of investment securities €3,529,164,000 (2021: €3,521,496,000) resulting from the reserve repo activity have been deposited with the National Bank of Belgium as potential collateral for TARGET2-related exposures.

Other investments securities of €249,804,000 (2021: €601,261,000) have been deposited with the Bank of England as potential collateral for the settlement of our operations on the UK market.

## XXII. Statement of the contingent liabilities and of commitments which can give rise to a credit risk

(Heading I and II of the off-balance sheet)  
As at 31 December 2022

(€'000)	2022	2021
1. Total of contingent liabilities on account of affiliated enterprises	-	-
2. Total of contingent liabilities on account of other enterprises linked by participating interests	-	-
3. Total of the commitments to affiliated enterprises	-	-
4. Total of the commitments to other enterprises linked by participating interests	-	-

**XXIII. Operating results**

(Headings I through XV of the profit and loss accounts)

As at 31 December 2022

(€'000)	2022		2021	
	Belgian entities	Entities abroad	Belgian entities	Entities abroad
<b>1. Breakdown of operating income according to origin</b>				
a. Interests and similar income	1,404,314	19	197,235	32
b. Income from variable-income securities				
- Corporate shares and other variable-income securities				
- Participation in affiliated enterprises	-	-	-	-
- Participation in other enterprises linked by participating interests				
- Participating interests and shares representing financial fixed assets	306		278	
c. Commissions received	1,631,203	-	1,417,671	-
d. Profit from financial operations				
- From exchange transactions and transactions in securities and other financial instruments	(10,480)	296	2,543	1,024
- From sale of investment securities	-	-	-	-
e. Other operating income	31,870	873	19,004	123

## XXIII. Operating results (continued)

(Headings I through XV of the profit and loss accounts)

As at 31 December 2022

(€'000)	2022	2021
<b>2. Workers registered</b>		
a. Total number of workers at the end of the financial year	1,856	1,682
b. Average number registered as full-time equivalent	1,728	1,623
- Management	304	282
- Employees	1,424	1,342
- Manual workers	-	-
- Other	-	-
c. Number of hours worked	2,698,588	2,511,421
<b>3. Social charges</b>		
a. Wages and direct social advantages	104,601	91,320
b. Social insurance paid by the employer	20,573	18,784
c. Employer premiums for extra legal insurance	2,840	2,405
d. Other	5,883	5,460
e. Pensions	7,257	7,866
	<b>141,154</b>	<b>125,835</b>
<b>4. Provisions for pensions</b>		
a. Additions (+)	-	-
b. Write-backs (-)	(13,776)	(10,390)
	<b>(13,776)</b>	<b>(10,390)</b>
<b>5. Other operating income</b>		
a. Breakdown of the heading XIV if they represent an important amount		
.....		
.....		
.....		
<b>6. Other operating charges</b> (heading XV of the profit and loss account)		
a. Taxes	12,493	10,224
b. Other operating charges	12,198	11,092
c. Breakdown of the other operating charges if they represent an important amount		
- Royalties	5,773	4,413
- Other operating charges	6,425	6,679
	<b>24,691</b>	<b>21,316</b>
<b>7. Revenues results linked to affiliated enterprises</b>	25,961	24,879
<b>8. Expenses results linked to affiliated enterprises</b>	613,868	532,072

XXIV. Forward off balance sheet operations in securities, foreign currencies and other financial instruments that do not constitute commitments creating a credit risk as defined in section II of the off balance sheet

As at 31 December 2022

(€'000)	Amount at 31 December 2022	Of which transactions do not constitute hedging transactions
<b>A. Types of operations</b>		
<b>1. On transferable securities</b>		
a. Forward purchases and sales of transferable securities and negotiable instruments	-	-
<b>2. On currencies (a)</b>		
a. Forward exchange operations	15,761,272	-
b. Interest-rate and currency swaps	-	-
c. Currency futures	-	-
d. Currency options	-	-
e. Forward exchange rate contracts	-	-
<b>3. On other financial instruments</b>		
a. On interests (b)		
- Interest-rate swaps	2,766,899	-
- Interest-rate futures	-	-
- Forward interest-rate contracts	-	-
- Interest-rate options	-	-
b. Other forward purchases and sales (c)		
- Other option contracts	-	-
- Other futures operations	-	-
- Other forward purchases and sales	-	-
	<b>15,761,272</b>	<b>-</b>

(a) Amounts to be delivered

(b) Nominal/notional reference amount

(c) Agreed buying/selling price

XXIV. Forward off balance sheet operations in securities, foreign currencies and other financial instruments that do not constitute commitments creating a credit risk as defined in section II of the off balance sheet (continued)

As at 31 December 2022

**B. Estimation of the impact on the results of the derogation to the valuation rule defined under Article 36 BIS, § 2, granted by the Belgian Banking and Finance Commission, concerning interest-rates derivatives**

(€'000)	Amount at closing date (a)	Difference between market value and book value (b)
<b>B. Type of interest-rate derivative</b>		
<b>1. For the purposes of treasury management</b>	-	-
<b>2. For the purposes of asset and liability management</b>	-	-
<b>3. Without effect on risk reduction</b>	-	-

(a) Notional amount

(b) Positive fair value (Negative fair value)

## XXV. Exceptional results

(Heading XVII.E and XVIII.E of the profit and loss accounts)

As at 31 December 2022

(€'000)	2022	2021
<b>1. Realised gain on disposal of fixed assets to affiliated enterprises</b>	-	-
<b>2. Realised loss on disposals of fixed assets to affiliated enterprises</b>		
<b>3. Breakdown of the heading if it represents an important amount</b>		
.....		
<b>4. Other exceptional charges - Breakdown of the heading if it represents an important amount</b>		
.....		

## XXVI. Income taxes

(Heading XX of the profit and loss accounts)

As at 31 December 2022

(€'000)	2022	2021
<b>1. Income tax for the year</b>	<b>376,104</b>	<b>103,676</b>
a. Taxes or withholding taxes paid or due	374,278	93,476
b. Taxes or withholding taxes receivable booked as an asset	-	-
c. Additional estimated tax (brought to heading IV. B. of the liabilities) as fiscal debts	1,826	10,200
<b>2. Income taxes on previous financial years</b>	<b>270</b>	<b>(519)</b>
a. Additional taxes or withholding taxes	270	(519)
b. Additional estimated taxes (brought to the heading IV of the liabilities) or provisioned (brought to heading VI A.2. of the liabilities)	-	-
	<b>376,374</b>	<b>103,157</b>
<b>3. Sources of the differences between accounting profit and tax profit</b>		
With particular mention of those related to timing differences		
- Non-deductible expenses	4,283	3,556
- Taxable provisions	5,512	138
- RDT	(306)	(278)
- Non tax deductible pension costs	(20,865)	(10,389)
- Capital gain on the sale of subsidiaries		
<b>4. Impact on the extraordinary results of the taxes on the result of the year</b>		
.....		
.....		
.....		
<b>5. Sources of deferred taxes (where those indications are important for the valuation of the credit institution)</b>		
a. Deferred tax assets		
- Cumulated tax losses, future deductible taxed benefits		
- Other deferred tax assets	-	-
b. Deferred tax liabilities		
- Breakdown of deferred tax liabilities	-	-
.....		



## XXVII. Other taxes and taxes at the charges of third parties

As at 31 December 2022

(€'000)	2022	2021
<b>1. VAT charged and special taxes</b>		
a. To the credit institution (deductible)	214,527	177,659
b. By the credit institution	10,710	10,046
<b>2. Taxes withheld</b>		
a. Personal income tax withheld	19,655	17,773
b. Withholding tax on financial revenue		

## XXVIII. Off-balance sheet rights and commitments and transactions with related parties

As at 31 December 2022

(€'000)	2022	2021
<b>A. Off-balance sheet rights and commitments</b>		
<b>1. Major commitments for the acquisition of fixed assets</b>		
.....		
.....		
.....		
<b>2. Major commitments for the sale of fixed assets</b>		
.....		
.....		
.....		
<b>3. Important legal proceedings and other important commitments</b>		
.....		
.....		
<b>4. If necessary, brief description of the commitments relating to the supplementary retirement benefit plan for the benefit of employees and directors</b>		
<b>5. Retirement benefits which are the responsibility of the credit institution</b>		
- Estimated amount of engagement for the credit institution for services already carried out	87,812	112,160
- Method of this estimation		-
<b>6. Nature and business purpose of off-balance sheet operations</b>	107,543	118,143
To the extent that the risks and advantages related to those operations are significant and that the disclosure of those risks and rewards is necessary for the correct assessment of the financial situation of the institution	3,355	4,575
The commitment of Euroclear Bank towards Euroclear SA/NV as of 31 December 2022 amounts to €107,543,000 and corresponds to the development costs related to infrastructure and innovation projects currently under development or already launched that Euroclear SA/NV, as owner, will charge out in future years. The amount of €3,355,000 is a right to receive from other group entities and relates to the Easyway infrastructure.		
.....		

## XXVIII. Off-balance sheet rights and commitments and transactions with related parties (continued)

As at 31 December 2022

	2022
<p><b>B. Transactions with related parties not carried out at arm's length</b></p> <p>Disclosure of such transactions to the extent that they are significant, including their amount, the nature of the links with the related party, as well as any other information on the transactions which would be necessary for a better understanding of the financial situation of the institution</p> <p>.....</p>	-
<p><b>C. Nature and financial impact of significant subsequent events at the balance sheet date that are not included in the income statement or in the balance sheet.</b></p> <p>Euroclear continues to closely monitor the invasion of Ukraine by Russia, and to implement the various sanctions. In line with its role of financial market infrastructure (FMI), Euroclear is carefully managing the various aspects resulting from this situation in cooperation with the competent authorities. Future earnings linked to the sanctions will continue to depend on the prevailing interest rate environment and the evolution of the sanctions. The Board expects interest income to continue to grow materially as blocked payments and redemptions continue to accumulate in a rising interest rate environment, albeit at a slower pace in 2023.</p> <p>In order to contain risks for its participants, Euroclear Bank informed them early February 2023 of the closure of its cash correspondent account in Russia and the withdrawal of rouble as a settlement currency. This means that money transfer instructions in rouble or any incoming rouble payments, including income and redemption events are consequently no longer processed through the account.</p>	-

## XXIX. Financial relationships with

As at 31 December 2022

(€'000)	2022	2021
<b>A. Directors and managers, individuals or corporate bodies who control the credit institution directly or indirectly, but who are not affiliated enterprises or other enterprises controlled directly or indirectly by those persons</b>		
<b>1. Amounts receivable from them</b>		
a. Main conditions concerning amounts receivable	-	-
b. Amounts that may have been reimbursed or waived	-	-
<b>2. Amount of guarantees given on their behalf</b>		
a. Main conditions concerning guarantees given on their behalf	-	-
<b>3. Other significant commitments undertaken in their favour</b>		
a. Main conditions concerning other commitments	-	-
<b>4. The amount of direct and indirect remuneration and pensions included in the income statement, as long as this disclosure does not concern exclusively or mainly the situation of a single identifiable person</b>		
a. To directors and managers	3,239	3,066
b. To past directors and past managers	-	-
(€'000)	2022	2021
<b>B. The auditor(s) and person(s) to whom he (they) is (are) linked</b>		
<b>1. Audit fees</b>	468	388
<b>2. Non-statutory audit services</b>		
a. Other assurance services	245	193
b. Tax services	-	-
c. Other services	-	-
<b>3. Non-statutory audit services performed by individuals related to the statutory auditor</b>		
a. Other assurance services	-	-
b. Tax services	-	-
c. Other services	-	-
	<b>713</b>	<b>581</b>

## 4. Disclosure in application article 3:64, §2 et §4 of the Code of companies and associations

Euroclear Bank ensures that the independence of the external auditor is preserved through a specific policy adopted by the board and agreed to by Deloitte. This policy adheres to the highest standards of independence. The engagement of the external auditor for non-core services is subject to specific controls, supervised by the Audit Committee.

## XXX. Positions in financial instruments

As at 31 December 2022

(€'000)	2022	2021
<b>1. Financial instruments to be received by the institution on behalf of customers</b>		
<b>2. Financial instruments to be delivered by the institution to customers</b>		
<b>3. Financial instruments deposited by customers by the institution</b>	13,916,171,888	13,899,049,583
<b>4. Financial instruments from customers deposited by the institution</b>	17,611,789,296	17,302,639,150
<b>5. Financial instruments from customers received in guarantee by the institution</b>	3,695,664,909	3,403,679,924
<b>6. Financial instruments from customers given in guarantee by the institution</b>	47,501	90,357

## XXXI. Information country by country

As at 31 December 2022

Information to be completed for the institutions referred to in Article 4 Section 1, 3 of the Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on the prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 except those who are publishing consolidated accounts in accordance with the Royal Decree of 23 September 1992 on the consolidated accounts of credit institutions, investment firms and management companies of undertakings for collective investment.

DENOMINATION of the branch, subsidiary or joint subsidiary NATURE of activities COUNTRY	2022				
	Number of full-time employees	Revenues	Profit (loss) before tax (1)	Income taxes	Public subsidies received
Euroclear Bank					
Credit institution	808	3,025,342	1,591,182	(370,445)	283
BE					
Euroclear Bank's Hong Kong branch					
Operational support	165	279	(22,880)	(316)	-
HK					
Euroclear Bank's Polish branch					
Operational support	737	4	(40,399)	(5,334)	-
PL					
Euroclear Bank's Japan branch					
Operational support	17	33	(3,918)	(279)	-
JP					

(1) Figures are presented after intercompany eliminations, i.e. before the recharge of operating expenses to Head Office

## XXXII. Derivative financial instruments not estimated at fair value

As at 31 December 2022

Estimate of the fair value for each category of derivative financial instruments which are not evaluated on the basis of its economic value stating the volume and nature of the instruments concerned

Category of derivative financial instruments	Risk covered	Speculation/c overage	Volume	2022		2021	
				Book value	Fair value	Book value	Fair value
Forward foreign exchange	Forex	Coverage	15,761,272		24,524		(8,320)
Interest rate derivatives	Interest	Coverage	2,766,899		(90,896)		1,263

	Book value	Fair value
<b>FINANCIAL FIXED ASSETS THAT ARE CAPITALIZED AT AN AMOUNT OVER THE FAIR VALUE</b>		
<b>Amounts of assets adequately taken separately or grouped</b>		
<b>Reasons for which the book value is not reduced</b>		
<b>Elements that allow to suppose that the book value will be covered</b>		

XXXIII. Note related to associated companies as defined in Article 1:20 of the Code of companies and associates  
As at 31 December 2022

	2022
<b>1. Financial Assets</b>	
a. Participations	-
b. Subordinated loans	-
c. Other receivables	-
<b>2. Other receivables</b>	
a. More than one year	-
b. Up to one year	-
<b>3. Debts</b>	
a. More than one year	-
b. Up to one year	-
<b>4. Personal and real guarantees constituted or irrevocably promised</b>	
a. as security for debts or commitments to associated companies	-
b. as security for debts or commitments of the institution	-
<b>5. Other significant financial liabilities</b>	-



## Statement relative to the consolidated accounts

As at 31 December 2022

### Declaration related to consolidated accounts

#### A. Information to be completed by all the credit institutions

~~The credit institution establishes and publishes consolidated accounts and a consolidated management report\*~~

The credit institution does not establish consolidated accounts or a management report for one of the following reasons\*:

- the credit institution does not control, solely or jointly, one or more subsidiaries under Belgian or foreign law\*
- ~~the credit institution, however, submitted to the Royal Decree of 23 September 1992, is exempted to establish consolidated accounts and a consolidated management report because the credit institution is a subsidiary of a mother company that establishes and publishes consolidated accounts (Article 4 of the Royal Decree of 23 September 1992).\*~~
  - ~~justification of the respect of the provisions set out Article 4:~~
  - ~~name, complete address of the headquarter company and, if it concerns a Belgian legal entity, the VAT number or the national number of the mother company that establishes and publishes the consolidated accounts in the name of which the exemption is authorised:~~

#### B. Information to be completed by the credit institution of a subsidiary or a joint subsidiary

Name, complete address of the headquarter and, if it concerns a Belgian legal entity, the VAT number or the national number of the mother company and mention if this mother company establishes and publishes consolidated accounts in which the credit institution accounts are integrated by the consolidation\*\*:

Ultimate parent	Immediate parent
Euroclear Holding SA/NV	Euroclear SA/NV
1 Boulevard du Roi Albert II	1 Boulevard du Roi Albert II
1210 Brussels	1210 Brussels
Belgium	Belgium
BE 0700.808.073	BE 423.747.369

~~If the mother company is under foreign law, place where the above mentioned consolidated accounts can be obtained\*\*:~~

\* Delete where not appropriate.

\*\* Where the accounts of the enterprise are consolidated at different levels, the information should be given for the consolidated aggregate at the highest level on the one hand and the lowest level on the other hand of which the enterprise is a subsidiary and for which consolidated are prepared and published.

## Social report

As at 31 December 2022

Numbers of joint industrial committees which are competent for the enterprise: 310

## I. Statement of the persons employed

## A. Number of employed persons for whom a DIMONA declaration has been introduced by the company or who are recorded in the general personnel register during the financial period

	Total	1. Men	2. Women
<b>1. During the financial year</b>			
a. Average number of staff			
- Full-time	632	288	344
- Part-time	171	23	148
- Total full-time equivalents (FTE)	762	305	457
b. Effective hours worked			
- Full-time	892,984	427,694	465,290
- Part-time	175,835	24,291	151,544
- Total	1,068,819	451,985	616,834
c. Personnel expenses (€'000)			
- Full-time	63,536	31,649	31,887
- Part-time	12,515	1,877	10,637
- Total	76,051	33,527	42,524
d. Benefits in addition to wages (€'000)	886	371	515
	<b>P. Total</b>	<b>1P. Men</b>	<b>2P. Women</b>
<b>2. During the previous financial year</b>			
a. Average number of staff	743	287	456
b. Effective hours worked	1,041,195	428,866	612,329
c. Personnel expenses (€'000)	69,849	30,150	39,699
d. Benefits in addition to wages (€'000)	860	352	509

In accordance with the applicable regulations, please note that the population reflected in the staff survey does not agree with the figures presented in Note C5.23 of the financial statements. The reason is that the latter present figures related to the legal entity, i.e. including its foreign branches, whereas the former exclusively shows figures associated with the headquarters in Belgium.

## Social report (continued)

As at 31 December 2022

## I. Statement of the persons employed (continued)

## A. Number of employed persons for whom a DIMONA declaration has been introduced by the company or who are recorded in the general personnel register during the financial period (continued)

	Full-time	Part-time	Total (T) or total full-time equivalents (FTE)
<b>3. At the end of the financial year</b>			
a. Number of staff in the personnel register	680	161	803
b. Breakdown by type of employment contract			
- Contract of unlimited duration	680	161	803
- One-job contract	-	-	-
- Interim substitution contract	-	-	-
c. Breakdown by sex and school degree			
- Men	319	21	335
Primary school	-	-	-
Secondary school	16	4	19
Higher non-academic degree	107	6	111
Academic degree	196	11	205
- Women	361	140	468
Primary school	-	-	-
Secondary school	35	14	45
Higher non-academic degree	116	39	145
Academic degree	210	87	277
d. Breakdown by professional occupation			
- Management	166	24	186
- Employees	514	137	616
- Manual workers	-	-	-
- Other	-	-	-

## B. Temporary personnel and persons placed at the disposal of the enterprise

During the year	Hired personnel	Personnel put at disposal
1. Average number of people	1	-
2. Effective hours worked	923	-
3. Expenses incurred by the Company (€'000)	50	-

## Social report (continued)

As at 31 December 2022

## II. List of personnel movements during the financial period

	1. Full-time	2. Part-time	3. Total full-time equivalents
<b>A. New employment contracts</b>			
<b>1. Number of staff engaged during the financial year</b>	<b>160</b>	<b>6</b>	<b>165</b>
<b>2. Breakdown by type of employment contract</b>			
a. Contract of undefined duration	160	6	165
c. One-job contract	-	-	
d. Interim substitution contract	-	-	
<b>B. Employment contracts terminated</b>			
<b>1. Number of employment contracts terminated during the financial year</b>	<b>91</b>	<b>13</b>	<b>101</b>
<b>2. Breakdown by type of employment contract</b>			
a. Contract of undefined duration	91	12	100
b. Contract of defined duration		1	1
c. One-job contract			
d. Interim substitution contracts			
<b>3. Breakdown by motive for the termination of the contract</b>			
a. Retirement	1	1	1
b. Early retirement			
c. Dismissal	12	1	13
d. Other reason	78	11	86
- Of which the number of staff that continues to provide services to the Company as an independent on at least a half-time basis	-	-	

## Social report (continued)

As at 31 December 2022

## III. Information on vocational training for personnel during the financial period

(€'000)	Men	Women
<b>1. Continued training initiatives with a formal character at the expense of the Company</b>		
a. Number of staff involved	311	492
b. Number of training hours	3,234	5,378
c. Expenses incurred by the Company (€'000)	824	1,299
- of which gross charges directly linked to training	813	1,284
- of which contributions paid to collective funds	11	15
- of which subsidies and other financial advantages received	-	-
<b>2. Continued training initiatives with less formal or informal character at the expense of the Company</b>		
a. Number of staff involved	79	87
b. Number of training hours	237	261
c. Expenses incurred by the Company (€'000)	13	14
<b>3. Initial training initiatives at the expense of the Company</b>		
a. Number of staff involved		
b. Number of training hours		
c. Expenses incurred by the Company		

## Complementary Information

As at 31 December 2022

**Pension Plans**

Euroclear Bank has several defined benefit pension plans covering employees in Belgium and Japan, as well as medical plans and termination indemnities.

The most recent full actuarial valuation of the plans was made by independent qualified professional actuaries as of 31 December 2022. The valuation shows a deficit of €13,492,000 (2021: €33,444,000) offset by a pension surplus of €991,000 (2021: €0). Pension plans deficit are classified as provisions, while pension plans surplus are presented as deferred charges.

The service and interest cost (respectively recorded as Wages and salaries and financial charge), and actuarial result (recorded as movements in provisions) are fully expensed in the current year. The contributions (directly reducing the pension provisions) reflect employers' contributions for funded plans and benefit disbursements for unfunded plans.

Funding levels are monitored on an annual basis and contributions are made to comply with minimum requirements as determined by local regulations and internal funding policy.

The actuarial valuation at 31 December 2022 showed a net deficit of €12,501,000 (2021: €33,444,000). It is detailed as follows:

(€'000)	2022	2021
<b>Balance at 1 January</b>	<b>(33,444)</b>	<b>(43,630)</b>
<b>Movements</b>		
a. Contributions	13,856	6,070
b. Service cost	(6,416)	(6,889)
c. Interest cost	(351)	(305)
d. Transfers	291	1,521
e. Foreign currency difference	128	52
f. Actuarial gains (/losses)	13,434	9,737
<b>Balance at 31 December</b>	<b>(12,501)</b>	<b>(33,444)</b>

The main assumptions used are the following :

	2022	2021
Discount rate	3.67%	1.10%
Expected inflation rate	2.20%	1.90%
Future salary increases	3.19%	2.90%
Expected medical cost trend rate	2.70%	2.40%

The above percentages are weighted averages of the assumptions used for individual plans.

The value of assets in the plans and the expected rates of return were:

(€'000)	2022	2021
<b>Value of assets</b>		
Equities	42,209	43,149
Bonds	26,970	28,814
Cash	236	408
Other	5,896	6,342
<b>Total market value of assets</b>	<b>75,311</b>	<b>78,713</b>

## Valuation rules

As at 31 December 2022

The financial statements of Euroclear Bank SA/NV and its subsidiary undertakings are made up as at, and for the period ending, 31 December. The valuation rules used to draw up the group's accounts and the stand-alone accounts of Euroclear Bank have been prepared in accordance with the Royal Decree of 23 September 1992 ('the Royal Decree'), relating to the annual accounts of credit institutions.

This document contains the specification of the valuation rules in a number of areas, where the Royal Decree allows alternative treatments, where significant management estimates are required, or which are very significant areas in the financial statements.

Those areas are:

- a] Income and expenditure recognition
- b] Provisions for bad and doubtful debts
- c] Provisions for liabilities and charges
- d] Leasing
- e] Intangible fixed assets
- f] Tangible fixed assets
- g] Subsidiary undertakings
- h] Debt securities and equity shares
- i] Sale and repurchase transactions
- j] Pensions and other post-retirement benefits
- k] Derivatives and other financial instruments
- l] Foreign currencies
- m] Fund for general banking risks

### **a] Income and expenditure recognition**

Interest income is recognised in the profit and loss account as it accrues.

Dividend income is recognised in the profit and loss account when received.

Fees receivable, which represent a return for services provided, are credited to income when the related service is performed.

Fees receivable, which represent a return for credit risk borne or which are in the nature of interest, are taken to the profit and loss account over the period of the loan, or on a systematic basis over the expected life of the transaction to which they relate.

Expenditure is accounted for on an accrual basis.

### **b] Provisions for bad and doubtful debts**

Specific provisions are made against advances when, in the opinion of the directors, credit risks or economic or political factors make recovery doubtful. The need to adjust provisions is reviewed regularly in the light of actual experience. The provisions which are made during the year (less amounts released and recoveries of bad debts previously written off) are charged against operating profit. Bad debts are written off in part or in whole when a loss has been confirmed.

### **c] Provisions for liabilities and charges**

Specific provisions are recognised where there is a present obligation arising from a past event, there is a probable outflow of resources, and the outflow can be estimated reliably.

### **d] Leasing**

Contracts to lease assets are classified as finance leases where they transfer substantially all the risks and rewards of ownership of the asset to the customer. Contracts not deemed to be finance leases are treated as operating leases.

Rentals payable and receivable under operating leases are accounted for on the straight-line basis over the period of the lease.

### **e] Intangible fixed assets**

Intangible fixed assets are amortised in equal instalments over their estimated useful lives.

### **f] Tangible fixed assets**

Depreciation of tangible fixed assets is provided on a straight-line basis over their estimated useful lives as follows:

- Leasehold improvements: shorter of economic life and period of lease
- Data processing and communications equipment: 3 to 5 years
- Furniture and fixtures: 7 years

#### **g) Subsidiary undertakings**

Investments in Euroclear Bank's subsidiary undertakings are stated in the parent company's stand-alone accounts at cost less dividends received from pre-acquisition reserves and any impairment in value.

#### **h) Debt securities and equity shares**

Securities and shares intended for use on a continuing basis in the group's activities are classified as investment securities and are stated at cost less provision for any impairment in value. The carrying value of investment securities is adjusted over the period to maturity to allow for the amortisation of premiums or discounts on an actuarial basis. Such amortisation is included in interest receivable.

#### **i) Sale and repurchase transactions**

Securities that have been sold with an agreement to repurchase continue to be shown on the balance sheet and the sale proceeds recorded as a deposit. Securities acquired in reverse repurchase transactions are not recognised in the balance sheet and the purchase price is treated as a loan. The difference between the sale price and repurchase price is accrued evenly over the life of the transaction and charged or credited to the profit and loss account as interest payable or receivable.

#### **j) Pensions and other post-retirement benefits**

The Company operates a number of post-retirement benefit schemes for its employees, including both defined contribution and defined benefit pension plans.

A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity and has no legal or constructive obligation to pay further contributions if the fund does not hold sufficient funds to pay all employees the benefits relating to employee service in the current and prior periods.

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

The provision recognised in the balance sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension liability.

All actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the income statement in the period in which they occur.

Past service cost is recognised immediately in the profit and loss account.

The costs of defined contribution plans are charged to the income statement in the period in which they fall due.

The Company provides post-retirement healthcare benefits to their retirees. The expected costs of these benefits are accrued over the period of employment using an accounting methodology similar to that for defined benefit pension plans. Actuarial gains and losses arising from experience adjustments, and changes in actuarial assumptions, are charged or credited to the income statement. These obligations, recorded under the form of provisions, are valued annually by independent qualified actuaries.

#### **k) Derivatives and other financial instruments**

Transactions are undertaken in derivative financial instruments (derivatives) for hedging purposes, which include interest rate swaps, futures, options and similar instruments. A derivative is designated as non-trading as there is an offset between the effects of potential movements in market rates on the derivative and the designated non-trading asset, liability or position being hedged. Non-trading derivatives are reviewed regularly for their effectiveness as hedges.

Non-trading derivatives are accounted for on an accruals basis, consistent with the assets, liabilities or positions being hedged. Income and expense on non-trading derivatives are recognised as they accrue over the life of the instruments as an adjustment to the income or expense of the hedged item.

Where a non-trading derivative no longer represents a hedge because either the underlying non-trading asset, liability or position has been derecognised, or the effectiveness of the hedge has been undermined, it is restated at fair value and any change in value is taken directly to the profit and loss account and reported within 'Profit from (loss on) financial operations'. Thereafter, the derivative is classified as a trading instrument and accounted for accordingly.

In other circumstances, where non-trading derivatives are terminated, any resulting gains and losses are amortised over the remaining life of the hedged asset, liability or position. Unamortised gains and losses are reported within 'Other assets' and 'Other liabilities' on the balance sheet.



Derivatives hedging anticipatory transactions are accounted for on a basis consistent with the relevant type of transaction. i.e. gains and losses are not recognised until the period the anticipated transactions occur. When anticipatory transactions do not actually occur, related derivatives are restated at fair value and changes in value are taken directly to the profit and loss account and reported within 'Profit from (loss on) financial operations'.

Treasury swaps are initiated by Euroclear Bank in order to convert balances in non-core currencies into euro or US dollars, and reduce reinvestment risk. Treasury swap are derivative contracts that involve the exchange of interest payments, as well as the exchange of principal amounts. The exchange of interest is recorded as interest expense/income..

#### **l) Foreign currencies**

Monetary assets and liabilities denominated in foreign currencies are translated into euros at rates prevailing at the balance sheet date. Profit and loss amounts in foreign currencies are translated into euros at the rates prevailing on the date of the transaction.

Non-monetary assets and liabilities denominated in foreign currencies are translated into euros at historical exchange rates.

Spot foreign exchange contracts are translated into euros at market rates and the resulting gains or losses are taken into the profit and loss account.

The results of branches in foreign currencies are translated at average exchange rates for the year. Exchange differences arising on consolidation of the Company's branches are taken to the profit and loss account.

#### **m) Fund for general banking risks**

Additions to, and the uses of, a fund for general banking risks are determined by the Board of directors of Euroclear Bank SA/NV.

## EUROCLEAR BANK SA

### STATUTORY AUDITOR'S REPORT TO THE SHAREHOLDERS' MEETING FOR THE YEAR ENDED 31 DECEMBER 2022 - ANNUAL ACCOUNTS

In the context of the statutory audit of the annual accounts of Euroclear Bank SA (the "company"), we hereby submit our statutory audit report. This report includes our report on the annual accounts and the other legal and regulatory requirements. These parts should be considered as integral to the report.

We were appointed in our capacity as statutory auditor by the shareholders' meeting of 29 April 2021, in accordance with the proposal of the board of directors ("bestuursorgaan" / "organe d'administration") issued upon recommendation of the audit committee and presentation of the works council. Our mandate will expire on the date of the shareholders' meeting deliberating on the annual accounts for the year ending 31 December 2023. We have performed the statutory audit of the annual accounts of Euroclear Bank SA for 5 consecutive periods.

#### Report on the annual accounts

##### Unqualified opinion

We have audited the annual accounts of the company, which comprises the balance sheet as at 31 December 2022 and the income statement for the year then ended, as well as the explanatory notes. The annual accounts show total assets of 123 570 million EUR and the income statement shows a profit for the year ended of 1 148 million EUR.

In our opinion, the annual accounts give a true and fair view of the company's net equity and financial position as of 31 December 2022 and of its results for the year then ended, in accordance with the financial reporting framework applicable in Belgium.

##### Basis for the unqualified opinion

We conducted our audit in accordance with International Standards on Auditing (ISA), as applicable in Belgium. In addition, we have applied the International Standards on Auditing approved by the IAASB applicable to the current financial year, but not yet approved at national level. Our responsibilities under those standards are further described in the "Responsibilities of the statutory auditor for the audit of the annual accounts" section of our report. We have complied with all ethical requirements relevant to the statutory audit of the annual accounts in Belgium, including those regarding independence.

We have obtained from the board of directors and the company's officials the explanations and information necessary for performing our audit.

We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

##### Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts of the current period. These matters were addressed in the context of our audit of the annual accounts as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters	How our audit addressed the key audit matters
<p><b>Key audit matter 1: Revenue recognition</b></p> <p>The Company's 31 December 2022 Annual Accounts show "Interests and similar income" and "Commissions received" captions amounting to 1 404 333 (000) EUR, and 1 631 203 (000) respectively. The aggregated amount of these captions represent the majority of the revenues of Euroclear.</p>	<p>We focused our audit effort on:</p> <ul style="list-style-type: none"> <li>Assessing the appropriateness of the design and operating effectiveness of the internal control framework relating to the billing system of Euroclear in the circumstances;</li> </ul>

<p>We identified these revenues as a Key Audit Matter due to (i) the significance of the balance, (ii) the accounting treatment applied, (iii) the risks surrounding the revenue recognition related to frozen liabilities in application of the sanctions regime and (iv) the dependency on IT systems.</p>	<ul style="list-style-type: none"> <li>• Assessing the appropriateness of the design and operating effectiveness of the internal control framework relating to the investment portfolio;</li> <li>• Assessing the appropriateness of the design of the internal control framework relating to the compliance with sanctions regime;</li> <li>• Testing the IT Systems and IT General Controls over the fee and interest income system infrastructure. We performed specific testing on the appropriateness of the access rights and the system changes brought to the IT systems;</li> <li>• Performing substantive analytical procedures on the fee income charged by comparing monthly evolution of the volumes to the evolution of the related fee income</li> <li>• Testing a representative sample of invoices, the existence and accuracy of the amount recorded in the general ledger as commissions received;</li> <li>• For the interest margin, performing substantive analytical procedures by extrapolating the interest income based on the balances recognized on the balance sheet and the interest rates applied contractually;</li> <li>• Recomputing the interest income for a representative sample of loans, on the basis of the data output of the operational systems;</li> <li>• Reviewing and validating the accounting technical analysis related to the revenue recognition of the interests generated from the reinvestment of the frozen balances;</li> <li>• For the revenue generated by the treasury swaps recognized in the interest margin caption, performing substantive analytical procedures by extrapolating the time component of the treasury swaps based on the balances recognized on the balance sheet and the rates applied contractually;</li> <li>• Recomputing the interest income for a representative sample of treasury swaps, on the basis of the data trade ticket confirmation;</li> <li>• Recomputing the Market value of a representative sample of treasury swaps, on the basis of the data output of the operational systems;</li> <li>• Assessing the adequacy of a representative sample of manual journals impacting the reported fee amount.</li> </ul>
<p><b>Key audit matter 2 : Technology risk</b></p> <p>The IT infrastructure of the group and its resilience is essential to the activity of the company and to the financial reporting processes.</p> <p>We have identified the operating systems (including the mainframe), the databases, the applications and</p>	<p>Our review procedures involve the participation of IT experts. In accordance with our defined audit approach we tested the design, implementation and operating effectiveness of internal control and governance procedures relating to General IT Controls (GITC) applicable to the components considered as key in the financial reporting process.</p>

their interfaces as key elements of the IT infrastructure. We consider the general computer controls and controls over application interfaces as being key in mitigating technology risk across the IT infrastructure.

This assessment is based on:

- The multiplicity of applications;
- the very high volume of transactions;
- the importance of adequate (privileged) user access management to ensure data integrity; and
- the continuous development by Euroclear of the IT systems in terms of access management and change management.

The scope include privileged access management and change management procedures on:

- Operating systems
- Databases
- Applications

When required, we have also tested additional business controls and conducted audit procedures to obtain sufficient comfort.

### Responsibilities of the board of directors for the preparation of the annual accounts

The board of directors is responsible for the preparation and fair presentation of the annual accounts in accordance with the financial reporting framework applicable in Belgium and for such internal control as the board of directors determines is necessary to enable the preparation of the annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the board of directors is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters to be considered for going concern and using the going concern basis of accounting unless the board of directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

### Responsibilities of the statutory auditor for the audit of the annual accounts

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue a statutory auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts.

During the performance of our audit, we comply with the legal, regulatory and normative framework as applicable to the audit of annual accounts in Belgium. The scope of the audit does not comprise any assurance regarding the future viability of the company nor regarding the efficiency or effectiveness demonstrated by the board of directors in the way that the company's business has been conducted or will be conducted.

As part of an audit in accordance with ISA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from an error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors;
- conclude on the appropriateness of the use of the going concern basis of accounting by the board of directors and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our

statutory auditor's report to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our statutory auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern;

- evaluate the overall presentation, structure and content of the annual accounts, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the audit committee regarding, amongst other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and we communicate with them about all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated to the audit committee, we determine those matters that were of most significance in the audit of the annual accounts of the current period and are therefore the key audit matters. We describe these matters in our report unless law or regulation precludes any public disclosure about the matter.

## Other legal and regulatory requirements

### Responsibilities of the board of directors

The board of directors is responsible for the preparation and the content of the directors' report on the annual accounts, the statement of non-financial information attached to the directors' report on the annual accounts and other matters disclosed in the annual report, for the documents to be filed according to the legal and regulatory requirements, for maintaining the company's accounting records in compliance with the legal and regulatory requirements applicable in Belgium, as well as for the company's compliance with the Code of companies and associations and the company's articles of association.

### Responsibilities of the statutory auditor

As part of our mandate and in accordance with the Belgian standard complementary to the International Standards on Auditing (ISA) as applicable in Belgium, our responsibility is to verify, in all material respects, the director's report on the annual accounts, the statement of non-financial information attached to the directors' report on the annual accounts and other matters disclosed in the annual report, those documents to be filed according to the legal and regulatory requirements and compliance with certain obligations referred to in the Code of companies and associations and the articles of association, as well as to report on these matters.

### Aspects regarding the directors' report and other information disclosed in the annual report

In our opinion, after performing the specific procedures on the directors' report on the annual accounts, the directors' report on the annual accounts is consistent with the annual accounts for that same year and has been established in accordance with the requirements of article 3:5 and 3:6 of the Code of companies and associations.

In the context of our statutory audit of the annual accounts we are responsible to consider, in particular based on information that we became aware of during the audit, if the directors' report on the annual accounts and other information disclosed in the annual report, i.e.:

- Business review
- Key performance indicators
- Risk management
- Capital management

is free of material misstatements, either by information that is incorrectly stated or otherwise misleading. In the context of the procedures performed, we are not aware of such a material misstatement.

The non-financial information as required by article 3:6, § 4 of the Code of companies and associations, will be disclosed in a separate report (applicable for the Euroclear group) which will be published later in 2023.

**Statement on the social balance sheet**

The social balance sheet, to be filed at the National Bank of Belgium in accordance with article 3:12, § 1, 8° of the Code of companies and associations, includes, both in form and in substance, all of the information required by this Code, including those relating to wages and training, and is free from any material inconsistencies with the information available to us in the context of our mission.

**Statements regarding independence**

- Our audit firm and our network have not performed any prohibited services and our audit firm has remained independent from the company during the performance of our mandate.
- The fees for the additional non-audit services compatible with the statutory audit of the annual accounts, as defined in article 3:65 of the Code of companies and associations, have been properly disclosed and disaggregated in the notes to the annual accounts.

## Other statements

- Without prejudice to certain formal aspects of minor importance, the accounting records are maintained in accordance with the legal and regulatory requirements applicable in Belgium.
- The appropriation of results proposed to the general meeting is in accordance with the relevant legal and regulatory requirements.
- We do not have to report any transactions undertaken or decisions taken which may be in violation of the company's articles of association or the Code of companies and associations.
- This report is consistent with our additional report to the audit committee referred to in article 11 of Regulation (EU) N° 537/2014.
- The board of directors has taken the decisions described in the directors' report, with financial consequences as a result. In accordance with article 7:115 of the Code of companies and associations, the board of directors has informed the shareholders that all executive board members have a personal and direct financial interest conflicting with the recommendation to be issued in connection with their respective remuneration (including pension schemes) given that they would benefit personally from the proposed remuneration.
- We have assessed the financial consequences for the company relating to the decisions taken in respect of the conflict of interest as described in the directors' report and we have nothing to report.
- In the context of article 7:213 of the Code of companies and associations, an interim dividend was distributed during the financial year on which we have issued the attached report in accordance with the legal requirements.

Signed at Zaventem.

## The statutory auditor

**Digitally signed by**  
Yves Dehogne  
Signed By: Yves Dehogne (Signature)  
Signing Time: 30-mrt-2023 | 09:50 CEST  
 **DocuSign** C. BE  
Issuer: Citizen CA  
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Deloitte Bedrijfsrevisoren/Réviseurs d'Entreprises BV/SRL  
Represented by Yves Dehogne

# Deloitte.

Deloitte Bedrijfsrevisoren/Réviseurs d'Entreprises BV/SRL  
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VAT BE 0429.053.863 - RPR Brussel/RPM Bruxelles - IBAN BE86 5523 2431 0050 - BIC GKCCBEBB

Member of Deloitte Touche Tohmatsu Limited

## REPORT ON THE LIMITED REVIEW OF THE STATEMENT OF ASSETS AND LIABILITIES TO THE BOARD OF DIRECTORS OF THE COMPANY EUROCLEAR BANK SA/NV IN THE CONTEXT OF THE DISTRIBUTION OF AN INTERIM DIVIDEND

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In accordance with article 7:213 of the Code of companies and associations and the articles of association of the company Euroclear Bank SA ("the company") and in the context of our appointment as statutory auditor, we hereby report to the board of directors on the limited review of the statement of assets and liabilities for the period ended 30 June 2022.

We have conducted the limited review of the company's enclosed statement of assets and liabilities for the period ended 30 June 2022 which was prepared based on the financial reporting framework applicable in Belgium.

### Board of directors' responsibility for the preparation of the statement of assets and liabilities

The board of directors is responsible for the preparation of the statement of assets and liabilities for the period ended 30 June 2022 in accordance with the financial reporting framework applicable in Belgium, following the principles stipulated in article 3:1, § 1, first paragraph, of the Code of companies and associations, as well as for compliance with the conditions set by article 7:213, second paragraph, of the Code of companies and associations.

### Statutory auditor's responsibility

Our responsibility is to draw a conclusion on the statement of assets and liabilities, based on the limited review conducted by us.

We conducted our limited review in accordance with ISRE 2410, "Review of interim financial information performed by the independent auditor of the entity". This kind of review consists of making inquiries, primarily with persons responsible for financial and administrative matters, and of applying analytical and other review procedures. A limited review is substantially less in scope than an audit performed in accordance with the International Standards on Auditing (ISA) and consequently does not enable us to obtain any assurance that we would become aware of all significant matters that might be identified during the audit.

Accordingly, we do not express an audit opinion on this statement of assets and liabilities.



## Conclusion

Based on our limited review, no facts have come to our attention that cause us to believe that the enclosed statement of assets and liabilities of Euroclear Bank SA for the period ended 30 June 2022 showing total assets of 103 634 254 KEUR and a result for the current period of 301 763 KEUR, has not been prepared, in all material respects, in accordance with the financial reporting framework applicable in Belgium.

## Restrictions on the use of our report

This report has solely been prepared in virtue of article 7:213 of the Code of companies and associations and may not be used for any other purposes.

Signed at Zaventem.

## The statutory auditor

Digitally signed by  
Yves Dehogne Signed By: Yves Dehogne (Signature)  
Signing Time: 19-jul-2022 | 16:27 CEST  
 C: BE  
Issuer: Citizen CA  
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**Deloitte Bedrijfsrevisoren/Réviseurs d'Entreprises BV/SRL**

Represented by Yves Dehogne

Enclosure: Statement of assets and liabilities for the period ended 30 June 2022

# Deloitte.

Deloitte Bedrijfsrevisoren/Réviseurs d'Entreprises BV/SRL

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Member of Deloitte Touche Tohmatsu Limited

## Balance sheet

As at 30 June 2022

<b>Bilan (C'000)</b>	<b>Jun-22</b>	<b>Dec-21</b>
<b>Assets</b>		
Trésorerie et avoirs auprès des banques centrales	69,822,429	6,043,687
Prêts et avances au coût amorti	24,796,647	10,902,174
Actifs financiers évalués à la juste valeur par le biais des autres éléments du résultat global	8,263,436	7,747,803
Actifs financiers non détenus à des fins de transaction	6,561	6,561
Actifs financiers détenus à des fins de transaction	195,260	19,879
Dérivés utilisés à des fins de couverture	1,136	70
Autres actifs	369,130	93,659
Charges à reporter et produits acquis	135,740	133,072
Immobilisation corporelles	4,672	4,926
Immobilisations incorporelles	39,245	21,175
<b>Total des actifs</b>	<b>103,634,254</b>	<b>24,973,007</b>
<b>Passifs</b>		
Dépôts des banques centrales	(57,227,598)	(440,972)
Dépôts des banques et clients	(38,199,845)	(16,677,977)
Titres émis et emprunts	(4,728,319)	(5,232,717)
Passifs financiers détenus à des fins de transaction	(34,529)	(13,850)
Dérivés utilisés à des fins de couverture	(252)	(7)
Autres passifs	(689,853)	(129,125)
Charges à imputer et produits à reporter	(113,154)	(119,897)
Passifs d'impôt exigible	(14,872)	(10,214)
Provisions pour risques et charges	(3,270)	(3,546)
Passif relatif aux régimes de retraite	(14,494)	(33,447)
Passif subordonnés	(301,467)	(306,419)
<b>Total des passifs</b>	<b>(101,327,655)</b>	<b>(22,968,171)</b>
<b>Capitaux Propres</b>		
Capital appelé	(285,497)	(285,497)
Prime d'émission	(558,008)	(558,008)
Autres réserves	(28,550)	(28,550)
Résultat reporté	(1,434,545)	(1,132,782)
<b>Total des capitaux propres</b>	<b>(2,306,600)</b>	<b>(2,004,836)</b>
<b>Total des passifs et des capitaux propres</b>	<b>(103,634,254)</b>	<b>(24,973,007)</b>