

3Q 2023

# Prudential Data Report

European GSIBs prudential  
capital and liquidity



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This publication aims to offer comparable, consistent, and timely information on banking prudential regulation, thereby filling a market gap identified by AFME's research department. Many existing sources of prudential data and statistics tend to provide information that is not directly comparable due to regulatory changes, or they publish this information with significant delays. This report is designed to address these shortcomings.

Other than gathering and analysing information on the prudential capital\*, leverage, loss-absorption capacity and liquidity ratios of European Global Systemically Important Banks (GSIBs), this report illustrates the performance of debt and contingent convertible (CoCo) securities issued by European deposit taking corporations.

Apart from the data on CoCo markets, all data is retrieved from public sources and updated as of December 2<sup>nd</sup>, 2023. Moreover, all figures exclude any estimate of the impact of the final Basel III proposals.

In its series of reports on the matter, AFME emphasizes the progress made by European GSIBs in enhancing their capital, leverage, loss-absorption and liquidity positions over the years, in line with CRDV.

CRDV rules establish minimum requirements on bank solvency and liquidity, in an effort to enhance the loss and shock absorption capabilities of the banking sector.

## Key Highlights:

European global systemically important banks (EU and UK GSIBs) continued to comply with the minimum required solvency and liquidity ratios in 3Q23.

Among the main findings of this report:

- The end-point **CET1 ratio** of European GSIBs **increased** to 14.4% in 3Q23, from 13.9% in 4Q22 and 13.3% in 2Q23.
- The increase was driven by lower RWAs, and robust **earnings retention**. Interim dividends and buyback programmes have partially offset the gradual year-to-date and quarterly increase. Only during 3Q23, 7 out of the 11 GSIBs repurchased part of their capital.
- The end-point **T1 ratio** of European GSIBs **increased** by 40 bps in 3Q23 v. 4Q22, finalising 3Q23 at 16.3%. The rise was driven by higher CET1

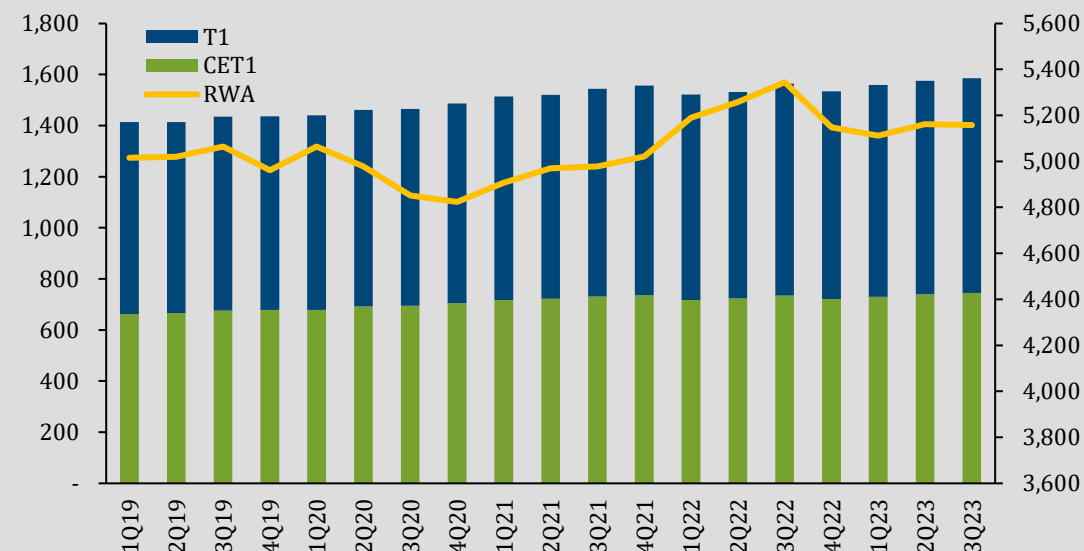
capital (+5.7 €bn) and offset by lower AT1 (-2.0 €bn).

- 8 out of the 29 monitored European countries **increased their national countercyclical buffers** in 3Q23.
- The **leverage ratio** of EU based GSIBs has continued virtually unchanged during the year at 4.8%, while the ratio for UK based GSIBs declined to 4.5% in 3Q23 (from 4.6% in 4Q'22).
- European GSIBs continued to increase their **TLAC buffers**. In 3Q23, TLAC capital covered 31% of RWAs and 9.4% of exposure measure, an increase from 29.7% of RWAs and unchanged from 9.4% of exposure measure in 4Q'22.
- The **Liquidity Coverage Ratio** of European GSIBs finished the quarter **49 bps above requirement** (100%) and above the ratio observed at the end of 2022 (145%).

## Prudential capital ratios:

		2013	2019	2020	2021	2022	Q3 2023
CET1 ratio (end-point)		10.0%	13.6%	14.4%	14.5%	13.9%	14.4%
T1 ratio (end-point)		11.3%	15.3%	16.2%	16.3%	15.9%	16.3%
Leverage ratio	EU (end-point)	3.3%	4.8%	5.2%	5.1%	4.8%	4.8%
	UK (end-point)	3.9%	4.8%	5.0%	4.8%	4.6%	4.5%
Liquidity Coverage Ratio (LCR)		-	139.5%	153.2%	152.5%	145.0%	146.2%
TLAC ratio	% RWAs	-	26.3%	28.1%	29.5%	29.7%	31.0%
	% exposure measure	-	8.5%	9.1%	9.3%	9.4%	9.4%

## Regulatory capital development (€bn):



## Key Highlights:

### AT1 market rebound starting from 3Q23:

In 2023YtD (as of early December), a total of €20.6 bn of AT1 capital was issued by European banks. A large portion of issuance was undertaken during the first quarter of the year.

The market halted during the months of April and May, leading to only €1.2 bn being issued in June 2023 when the market reopened. The sudden stop was the consequence of the unexpected writedown of AT1 securities of a major Swiss bank in March 2023.

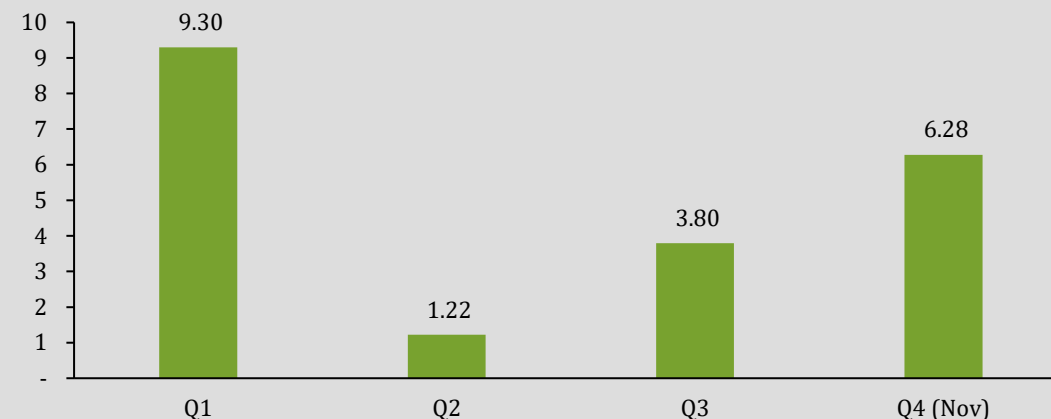
AT1 issuance began to recover from the third quarter of 2023 and is currently on track to return to pre-writedown issuance levels.

### Lowering AT1 risk premia levels:

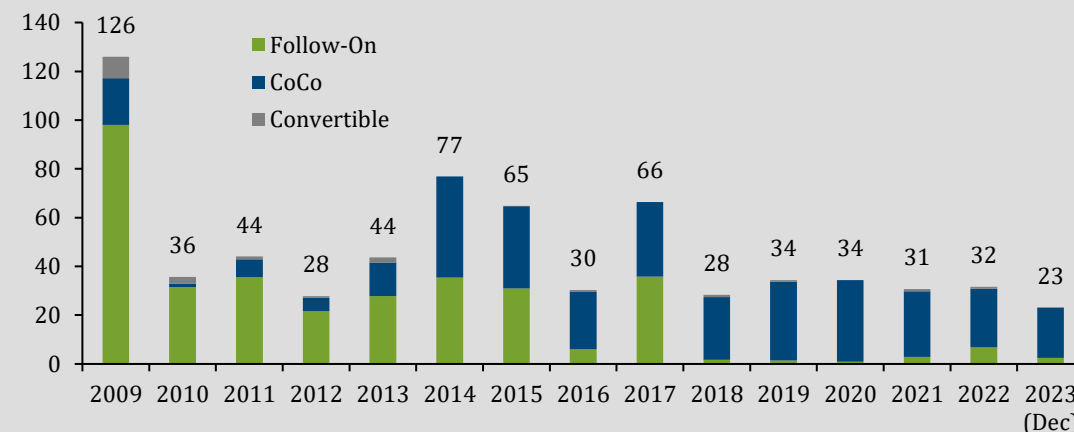
After a high volatility period started in March 2023, AT1 option-adjusted spreads have gradually tightened.

As of December 1st, AT1 OAS stood 277 bps lower than the peak levels of March. However, the risk premium remains 60bps above the average of February.

### AT1 issuance by quarter in 2023 (€bn):



### Fresh capital raised by European banks (€bn):



## Agreement reached on the Basel III package in the EU

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On Dec. 6th, 2023, the European Parliament and the European Council reached an agreement on the CRR3 and CRD6 proposal, which will implement the final Basel III package in the EU and conclude an era of regulatory review of prudential standards for banking institutions.

The box on pages 21-23 describes AFME's views on the package and next steps going forward.

AFME welcomes the agreement as it strengthens banks' resilience and recognizes their role in financing the economy.

In particular, AFME supports the agreement to maintain limited European market specificities while remaining faithful to the Basel principles. Improvements to the treatment of exposures to unrated corporates as the Output Floor is introduced are also welcome and should avoid unnecessarily restricting funding for corporates without ratings, which are key cogs in the EU economy.

AFME, however, regrets that the Output Floor will be applied at the solo level of consolidation, even though it was calibrated by Basel to be applied at the highest level of consolidation. This will hurt the competitiveness of the European banking market by adding unnecessary fragmentation.

AFME also calls on decision makers to resist further increases in capital requirements in the coming years as the banking sector goes through an important implementation phase and will need capacity to finance the real economy during the digital and green transition.

### Next steps:

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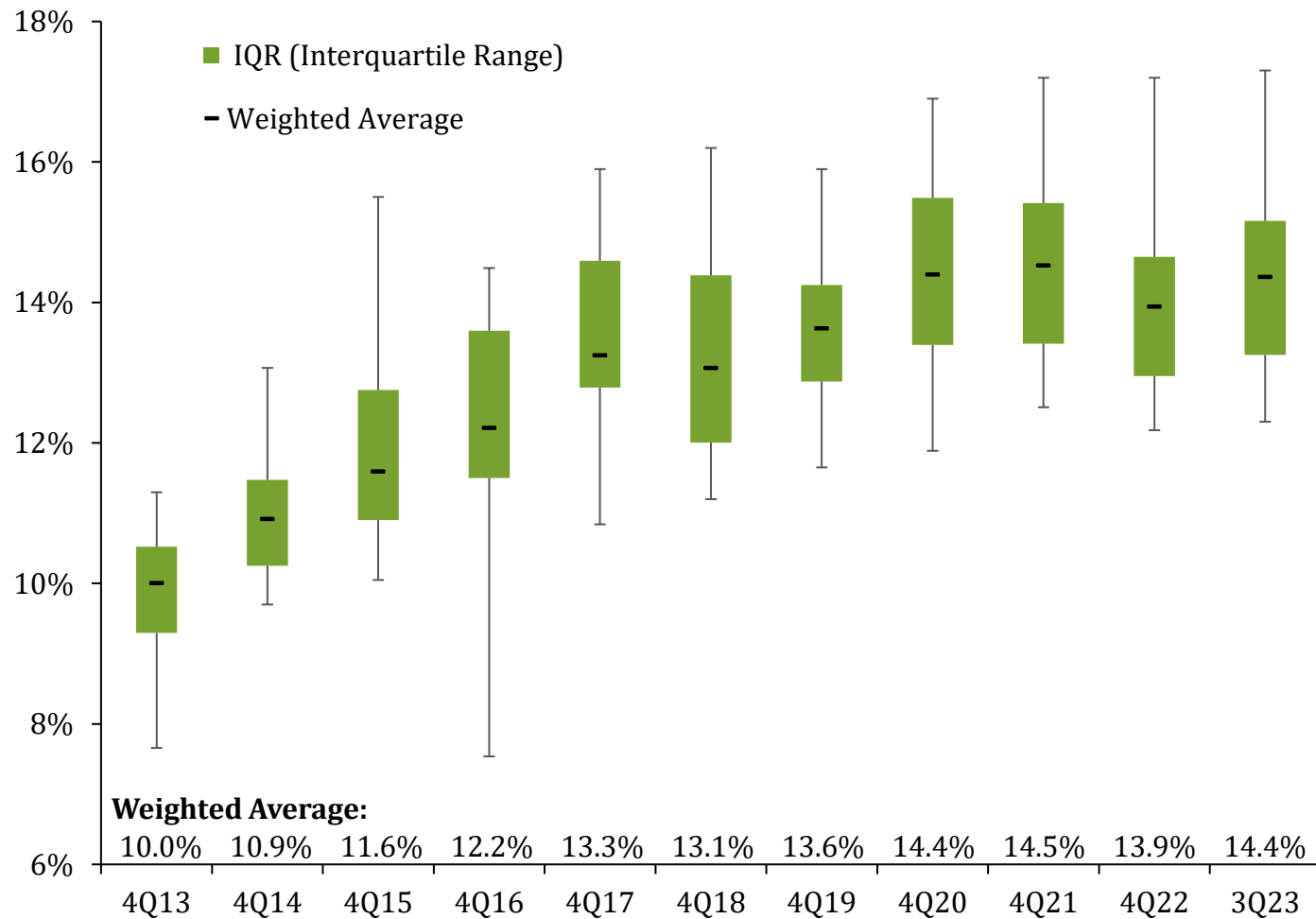
*"As we look ahead at a long and complex implementation phase, it is important that the EU is flexible with regards to the implementation date, particularly with respect to market risk standards, to ensure global consistency and avoid harming its capital market competitiveness."*

*Caroline Liesegang, Head of Prudential Regulation at AFME*

# Capital and liquidity ratios



## CET1 end-point ratio:



Source: European GSIBs earning reports

## CET1 ratio rebounds from slight dip in 2022; long-term growth stabilizes:

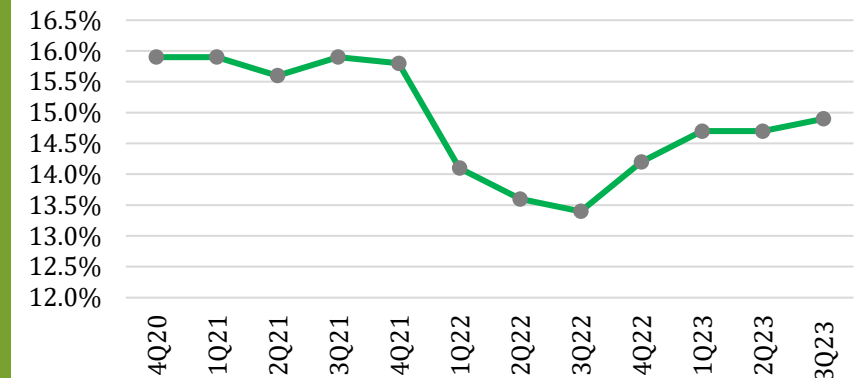
Following a steady increase initiated in 2013, CET1 ratio for European GSIBs stabilised at a level of c14.2% (12m moving average) since 2020.

Banks accumulated record capital buffers during the COVID pandemic, which were later partially released to be more consistent with optimal balance sheet, profit distribution, and capital allocation.

During 3Q23, the CET1 ratio increased by 6 bps quarter-on-quarter, and by 42 bps year-to-date.

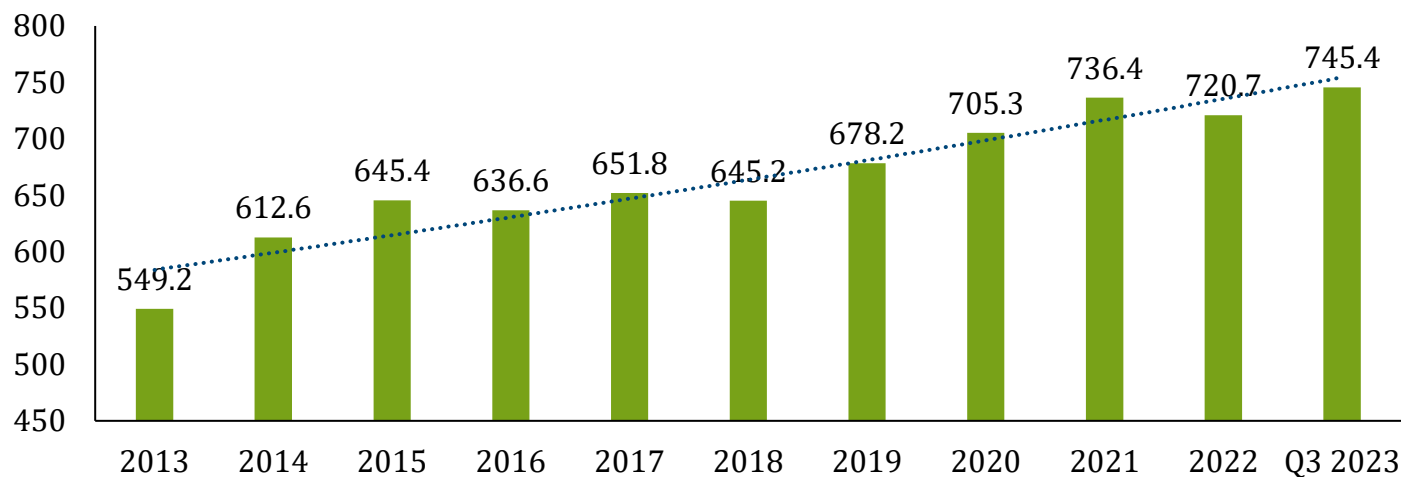
The recent increase was driven by lower RWAs coupled with strong capital generation, partially offset by interim dividends and buyback programmes.

### CET1 ratio trend over the past 3 years:

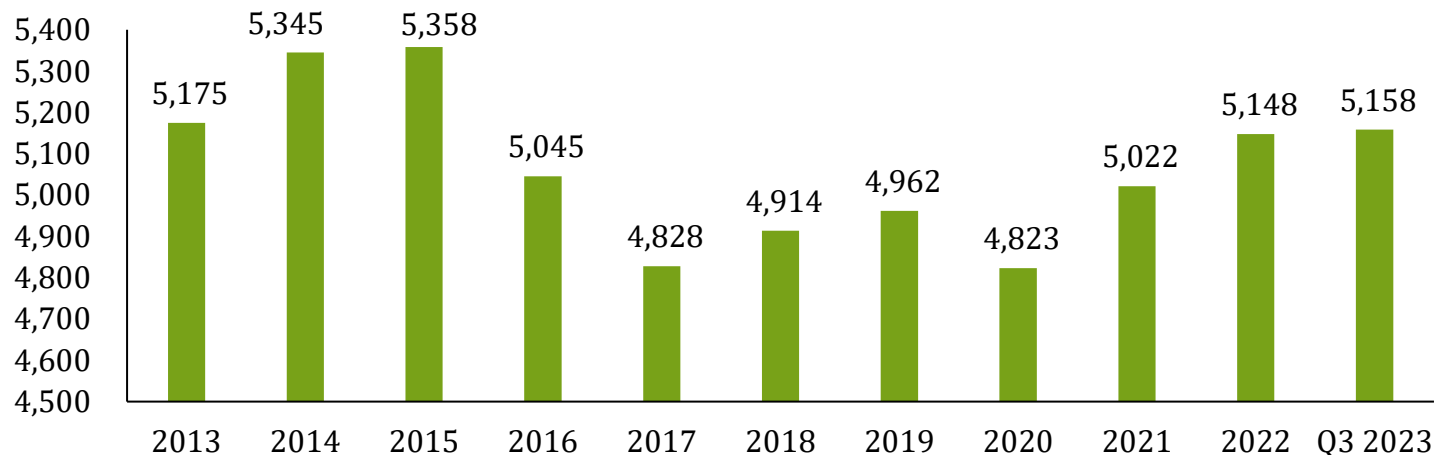




## Aggregate CET1 Capital (€bn):



## Aggregate RWAs (€bn):



Source: European GSIBs earning reports

## Strong capital formation:

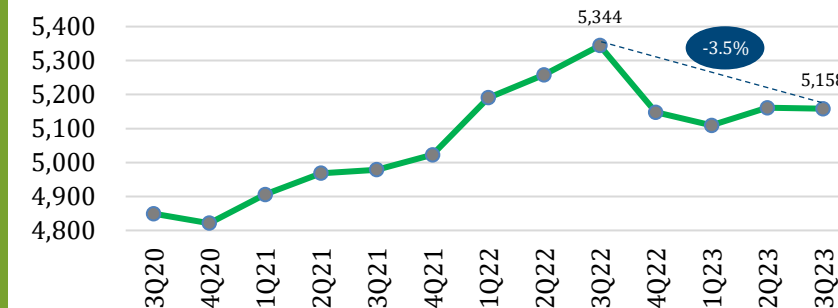
The aggregate CET1 capital for European GSIBs has persistently increased since 2013.

In 2023, CET1 capital increase has totalled c€8.7 €bn per quarter. During 3Q23, 7 of the 11 banks covered in this reported an increase in CET1 capital.

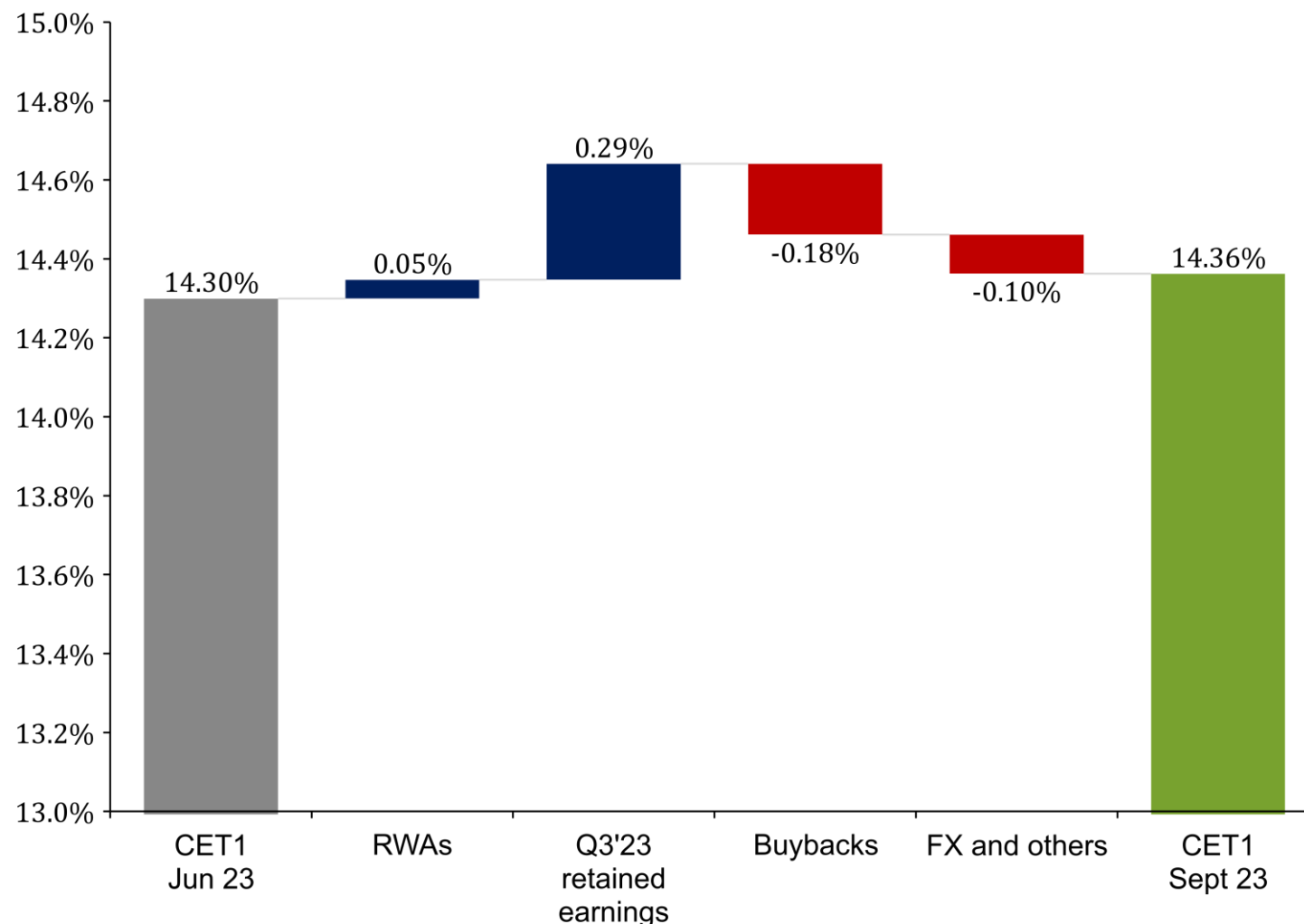
RWAs remained largely unchanged throughout the first three quarters of 2023, with a slight decrease of 0.06% in 3Q23 compared to 2Q23, and an increase of 0.19% compared to 4Q22.

However, year-on-year, RWAs have exhibited a 3.5% decline mainly driven by efficiency actions, process improvements, credit protection, and FX variations. 2 of the analysed banks saw a reduction exceeding 8%, and for 3 other banks, the decrease was more than 4%.

### RWA trend over the past 3 years (€bn):



## Change in CET1 ratio by component in 3Q23 (%)



Source: European GSIBs earning reports

## CET1 ratio increase by component:

The average CET1 ratio of European GSIBs increased by 6bps from 14.30% to 14.36% from June to September 2023.

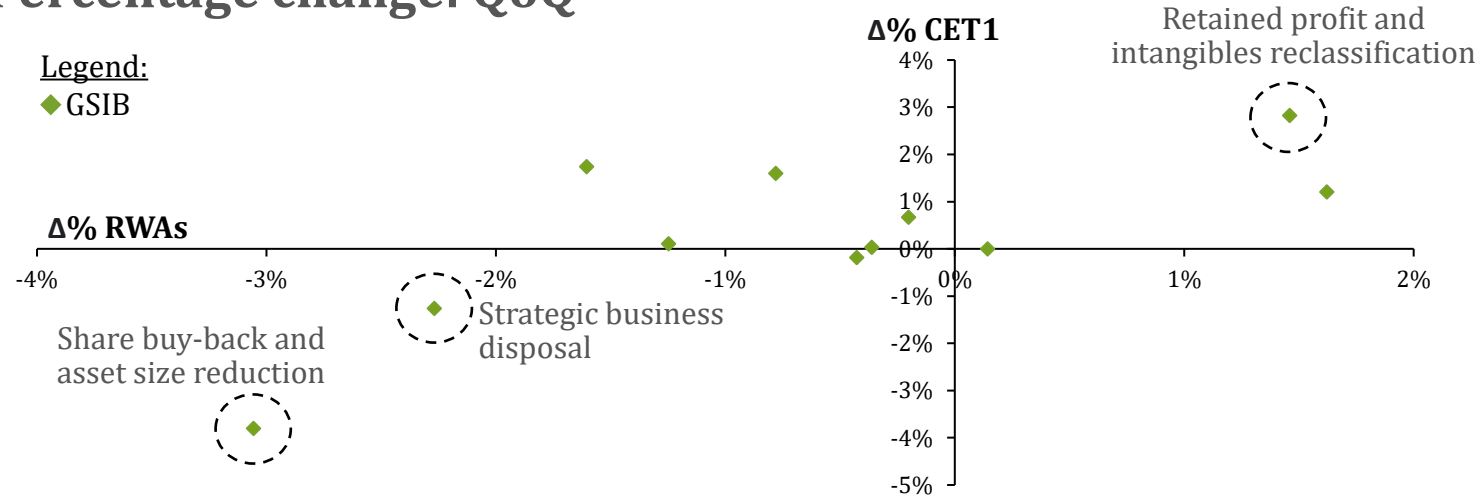
Earnings retention and lower RWAs contributed 29 bps and 5 bps respectively to the increase, while buybacks, FX, and other items contributed negatively to the quarterly variation.

7 of the 11 banks covered in the report undertook buyback programmes during the quarter. Additionally, 2 banks announced that they will undertake, or have initiated the dialogue for, share buybacks in the remaining of the year.

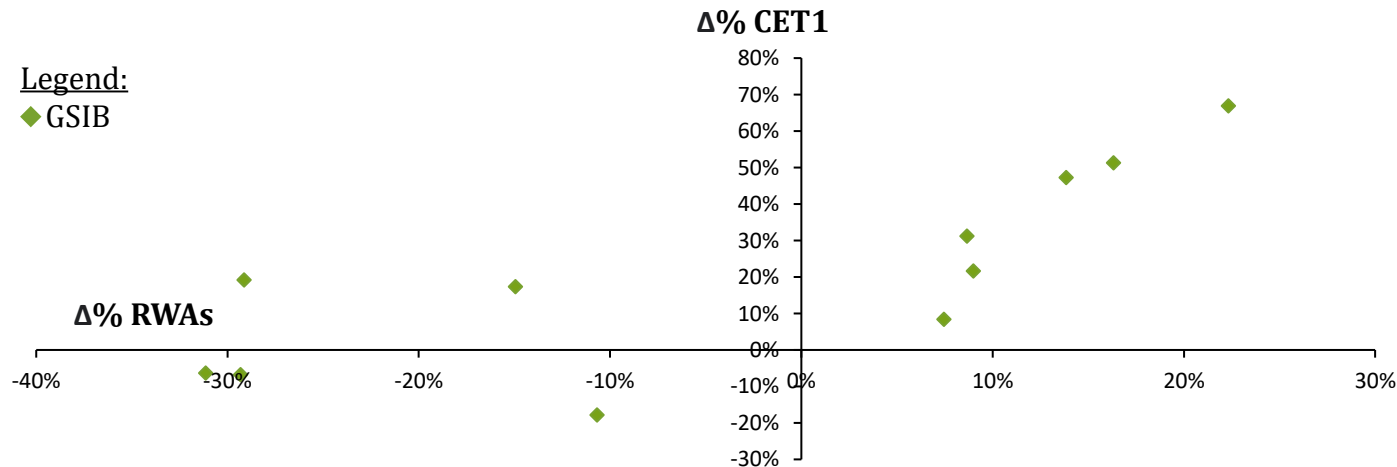
# afme / CET1 and RWA delta by bank

Finance for Europe

## Percentage change: QoQ



## Percentage change: 3Q23 v. 4Q14



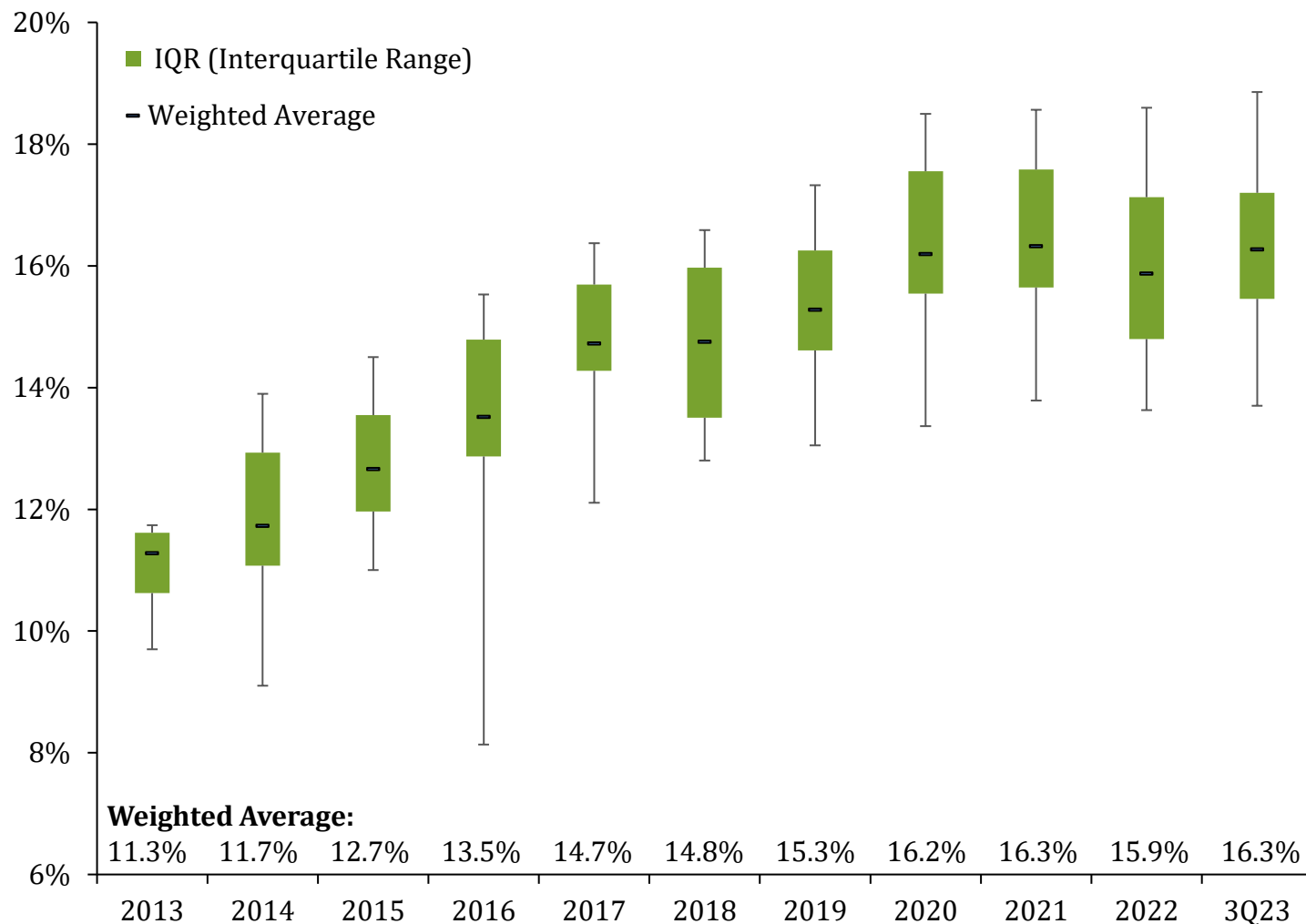
## CET1 and RWA variations by bank:

Most banks (8 out of 11) reported lower RWAs during 3Q23 compared to 2Q23. The decrease was largely due to a balance sheet reduction and losses incurred from currency translations.

The majority of banks (9 of the 11) exhibited a quarterly increase in CET1, primarily due to profit retention. Only 2 European GSIBs experienced notable reductions in their CET1 capital, predominantly due to share buy-backs and dividend distribution.

Some of the bank-specific factors are shown on the top chart which include the disposal of a branch in Oman, the reclassification of intangible assets, and share buy-back programs.

## T1 end-point ratio:



Source: European GSIBs earning reports

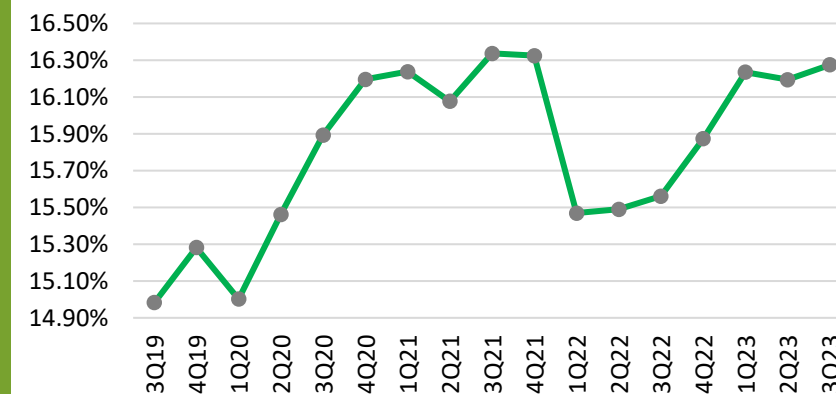
## Stable end-point T1 ratio during the first three quarters of 2023:

In 2020, there was a marked increase in the T1 ratio, attributed to constraints on dividend distributions and share repurchases.

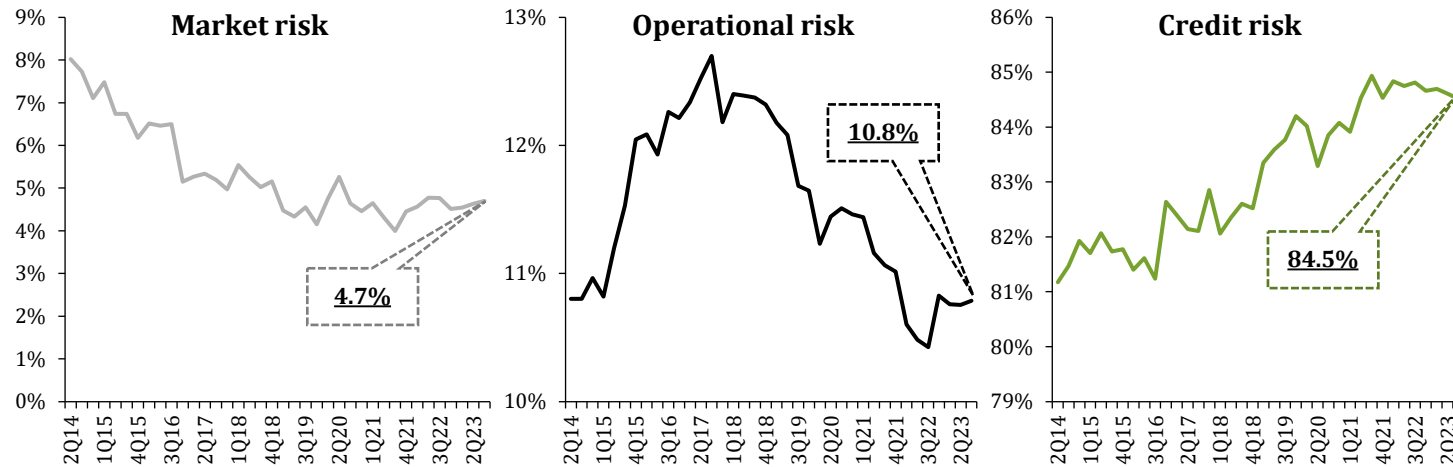
After these constraints were lifted, the ratio marginally declined. Yet, starting from the Q4 2022, the T1 began to climb once more, only to stabilize at around 16.3%.

In 3Q23, the T1 ratio increased by 8 bps QoQ and 71 bps YoY.

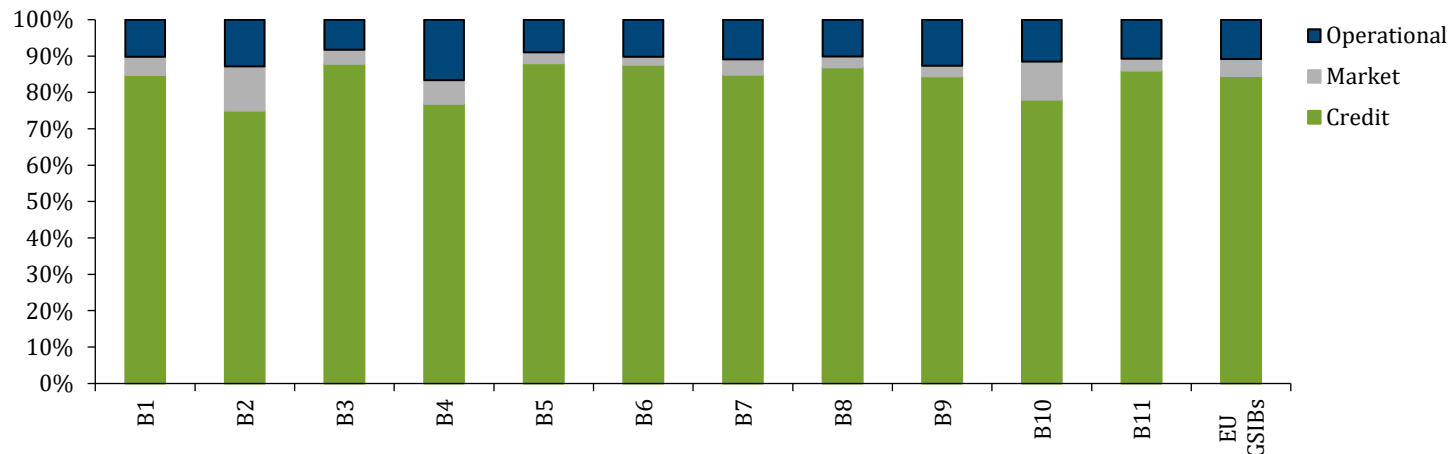
### T1 ratio trend over the past 4 years:



## Development of RWA risk composition:



## RWA risk composition in Q3 2023:



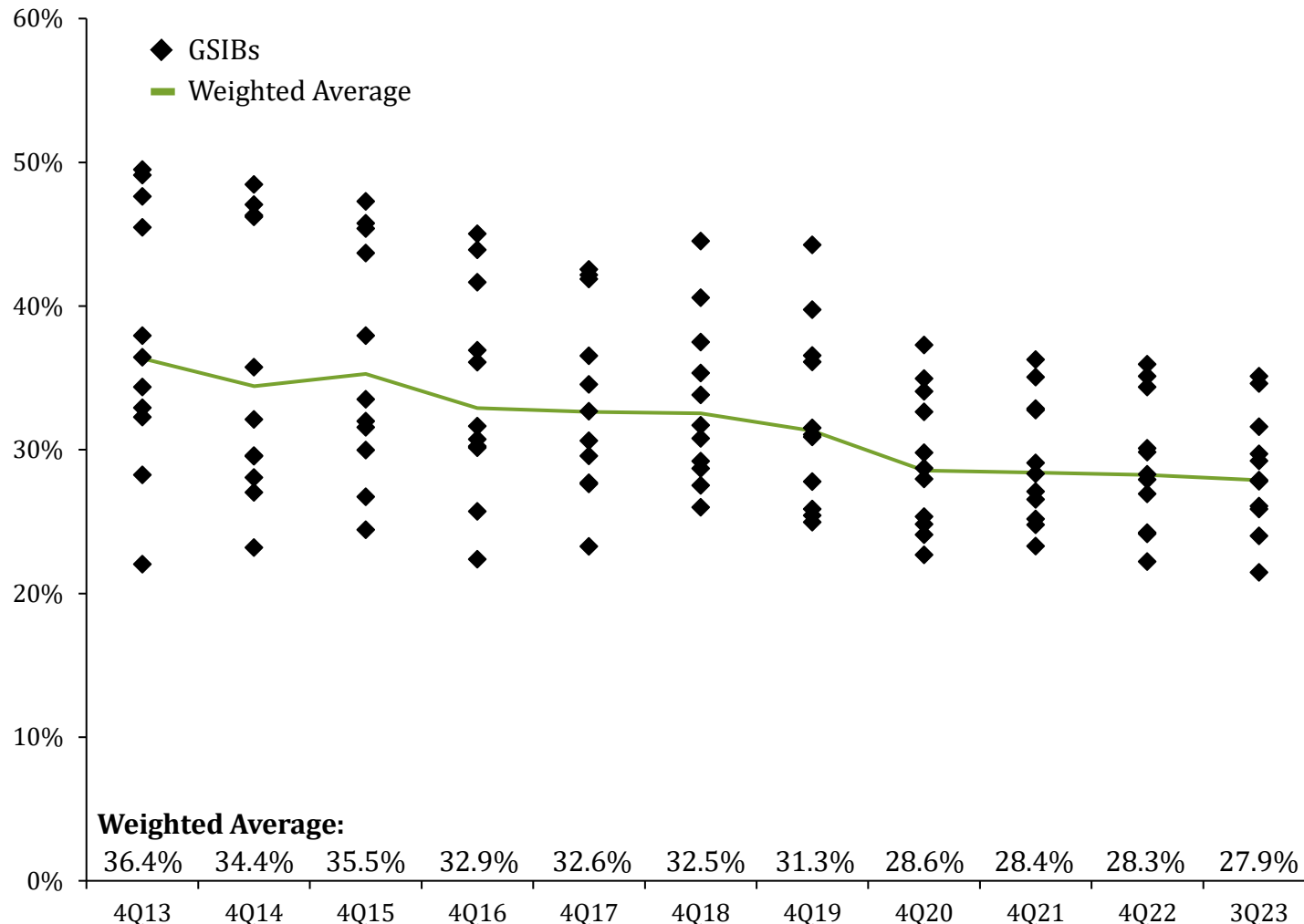
Source: European GSIBs earning reports

**Operational risk reaches a steady state, market and credit risk set for a trend reversal:**

Operational risk RWAs for European GSIBs have since stabilized at 11% of total RWAs, following a declining trend observed since 2017 when it peaked at 13% of RWAs.

Credit risks continue to represent the largest portion of RWAs at 84.5% of the total, followed by operational risk (10.8%) and market risks (4.7%).

## RWA densities: RWA/total assets



Source: European GSIBs earning reports

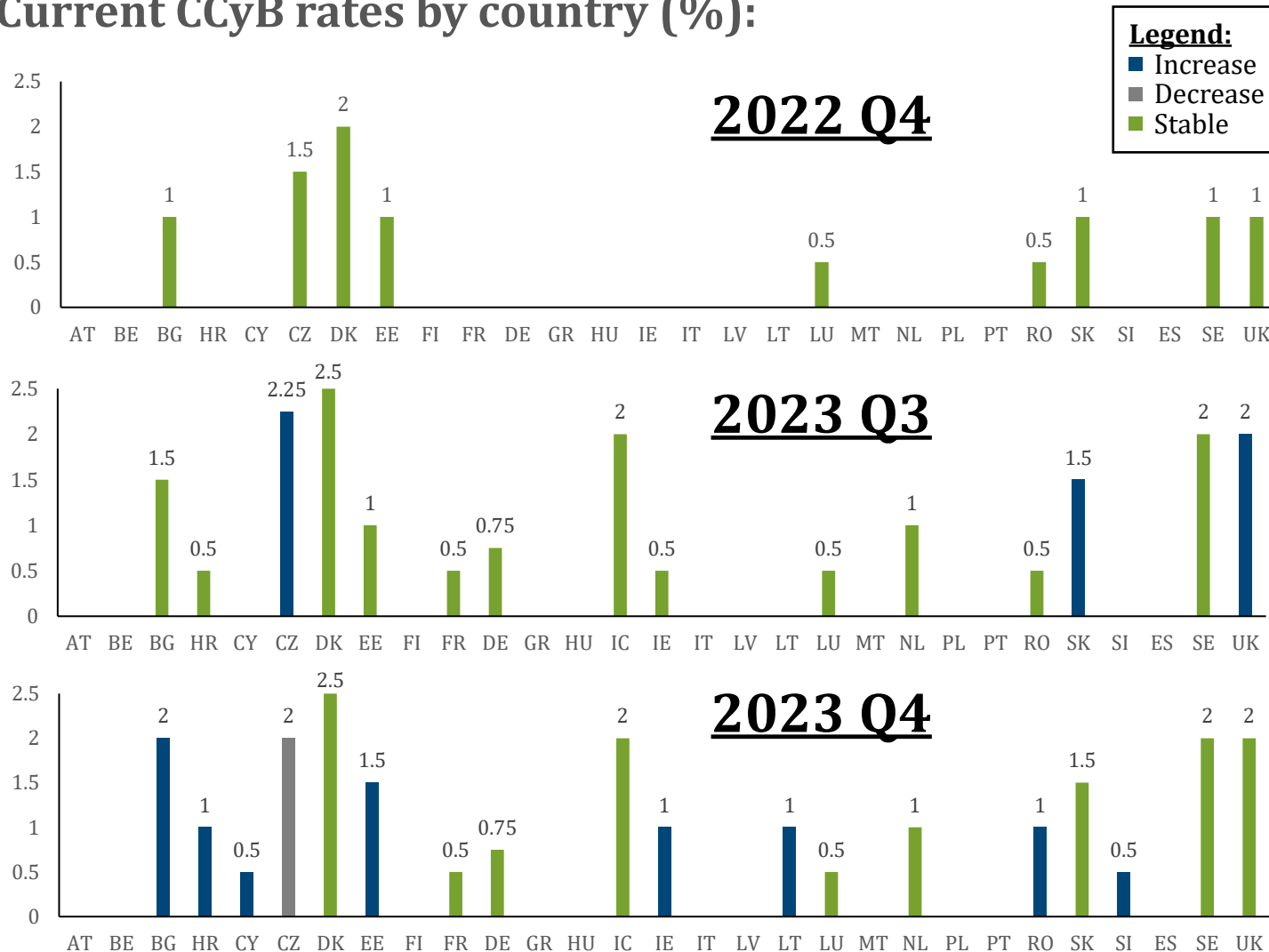
### A decade of decreasing RWA density:

RWA densities have persistently exhibited a declining trend over the last decade, suggesting that GSIBs have changed their balance sheet composition towards activities with lower risk weights.

Throughout 2023, however, the overall RWA density remained almost unchanged. In 3Q23, it decreased by 38 basis points relative to the end of 2022.

The variation in RWA densities by banks has been narrowing over time. Notably, the variability of RWA densities across banks (as measured by standard deviation) has reduced from 9% in 2013 to 4% in 2023.

## Current CCyB rates by country (%):



Notes: Exemptions are provided for certain small and medium-sized investment firms from holding a CCyB in the following countries: Croatia, Cyprus, Luxembourg, Malta, Poland, Slovakia, Sweden and the United Kingdom.  
Source: ESRB

## Increasing CCyB:

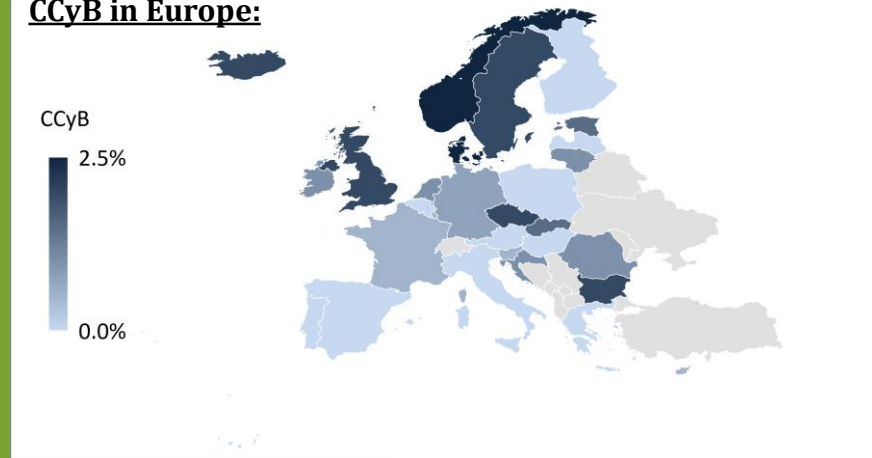
During Q3 2023, three national macroprudential authorities increased their CCyB rates.

As shown in the bottom chart, eight countries will see a further increase in their national CCyB rate during 4Q23.

Additionally, eight countries are expected to increase their national CCyB rates in 2024. These include:

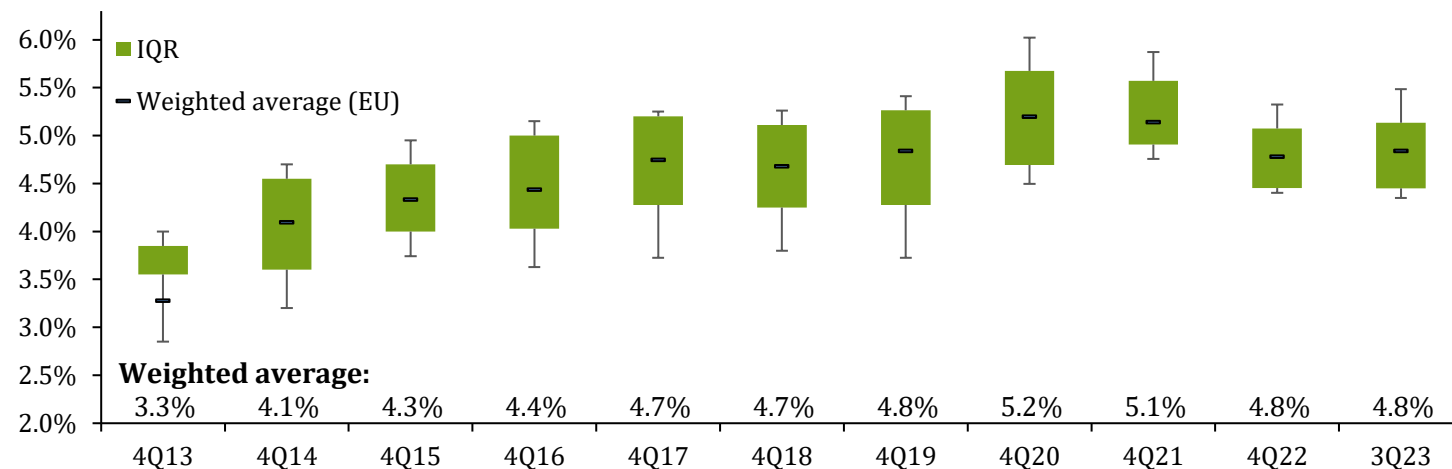
- Belgium: exp. 0.5% in Apr 2024; exp. 1% in Oct 2024
- Croatia: exp. 1.5% in Jun 2024
- Cyprus: exp. 1% in Jun 2024
- France: exp. 1% in Jan 2024
- Hungary: exp. 0.5% in Jul 2024
- Iceland: exp. 2.5% in Mar 2024
- Ireland: exp. 1.5% in Jun 2024
- Netherlands: exp. 2% in May 2024

## CCyB in Europe:

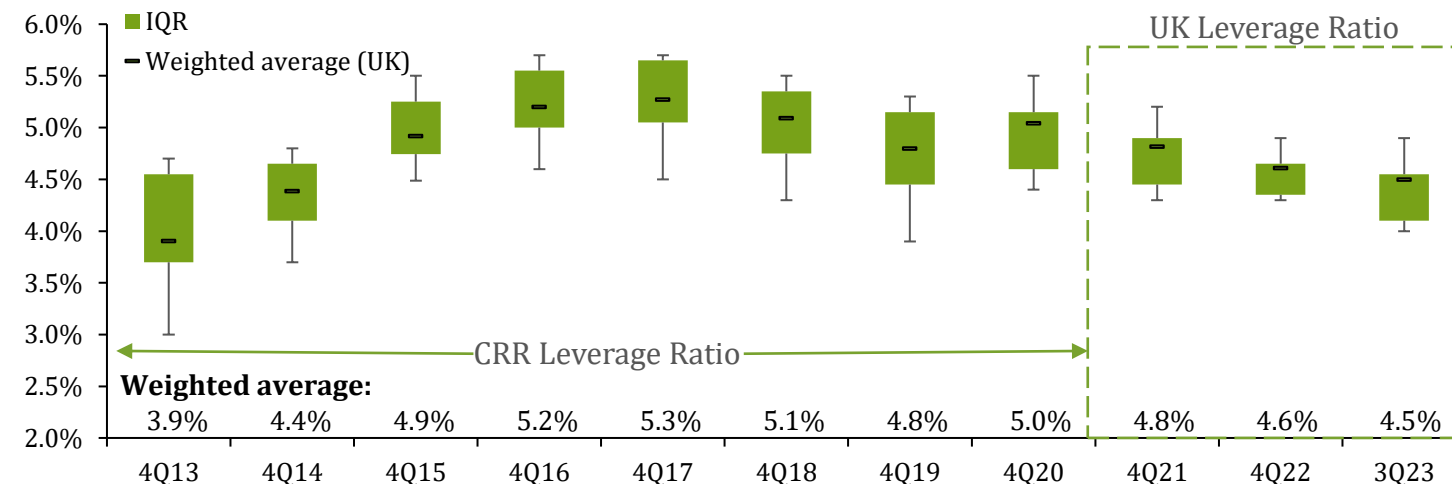




## Leverage ratio: end-point (EU)



## Leverage ratio: end-point (UK)



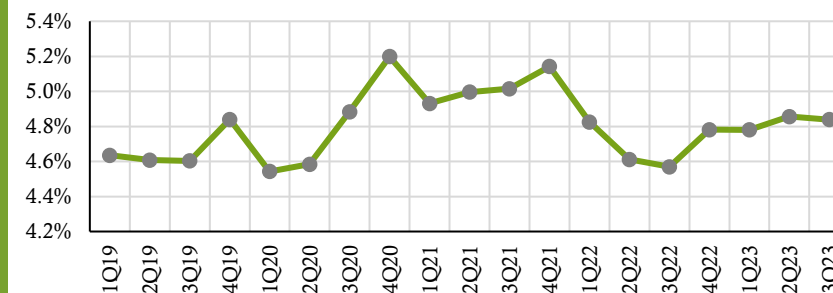
Source: European GSIBs earning reports

## Stable leverage ratio in the EU, declining in the UK:

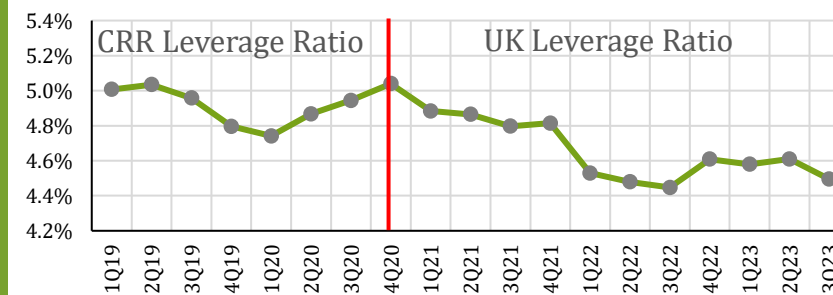
The leverage ratio of EU GSIBs remained stable around 4.8% from 4Q22 to 3Q23.

On the other hand, the leverage ratio of UK GSIBs marginally declined by 10bps during 3Q23

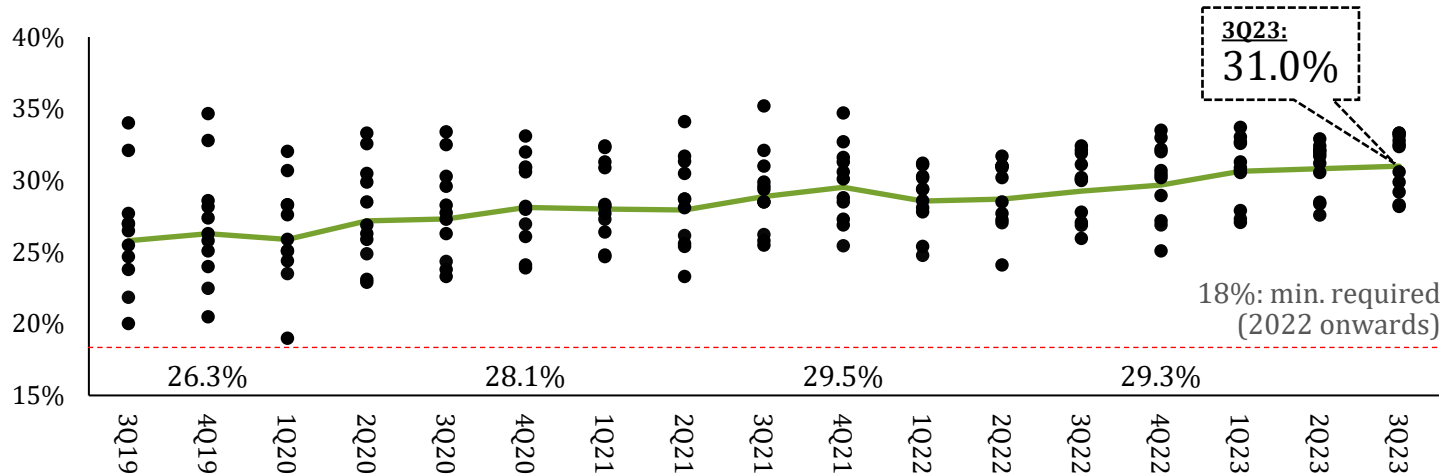
### Leverage ratio trend: EU



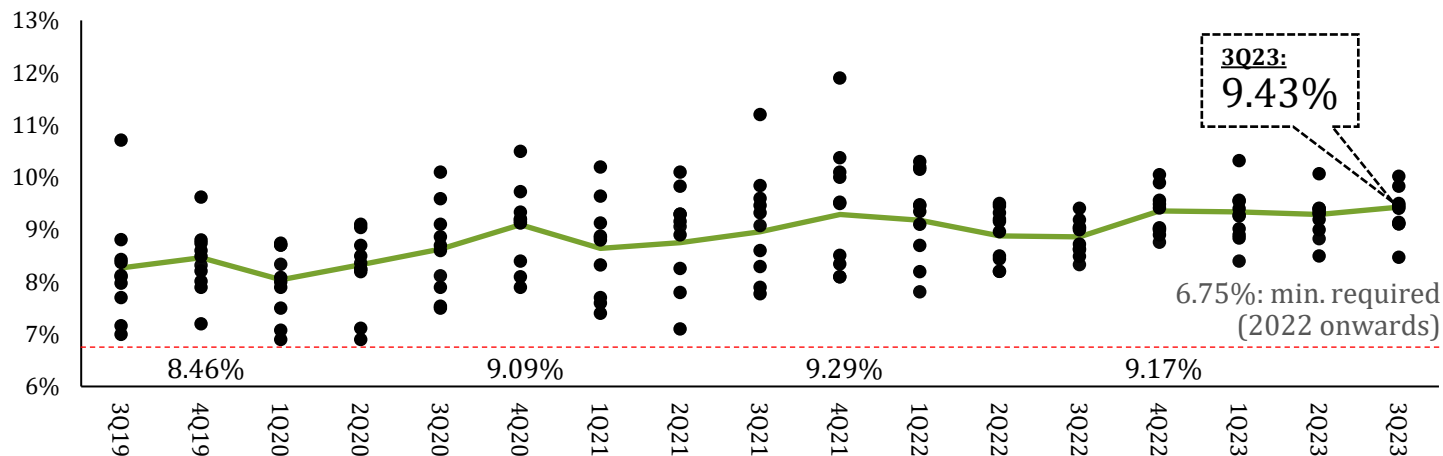
### Leverage ratio trend: UK



## TLAC ratio (as % of RWAs):



## TLAC ratio (as % of exposure measure):



Source: European GSIBs earning reports and AFME estimates. Estimates are computed as a sum of own funds, senior non-preferred allowance, and senior preferred allowance amounting to 3.5% of RWAs.

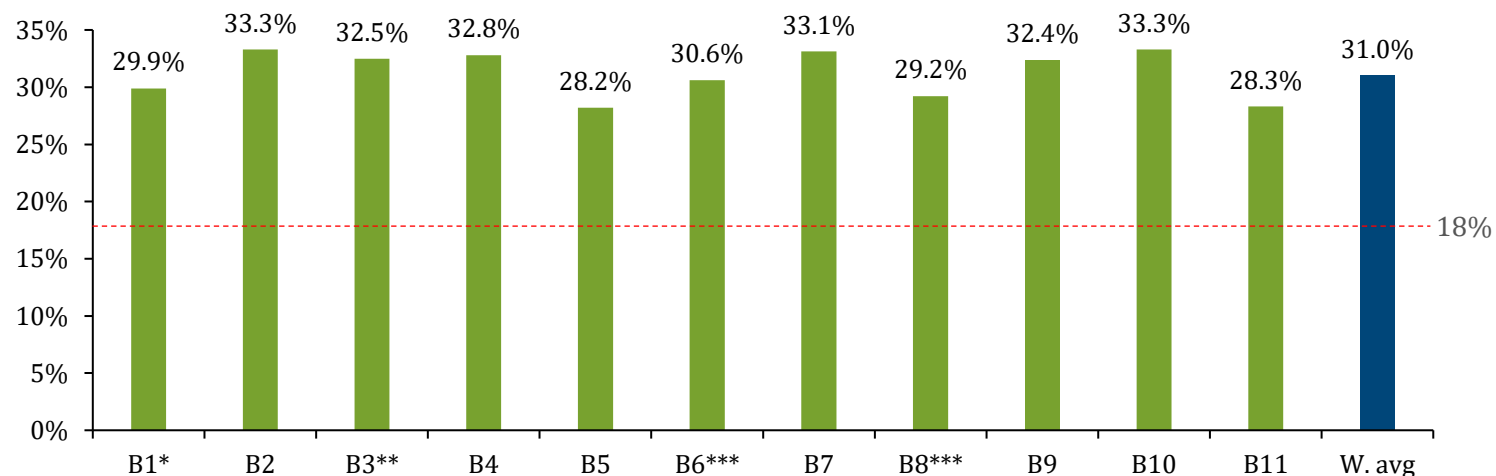
## Higher TLAC buffers for European GSIBs:

The average TLAC ratio of European GSIBs relative to RWAs has gradually increased over the last four years

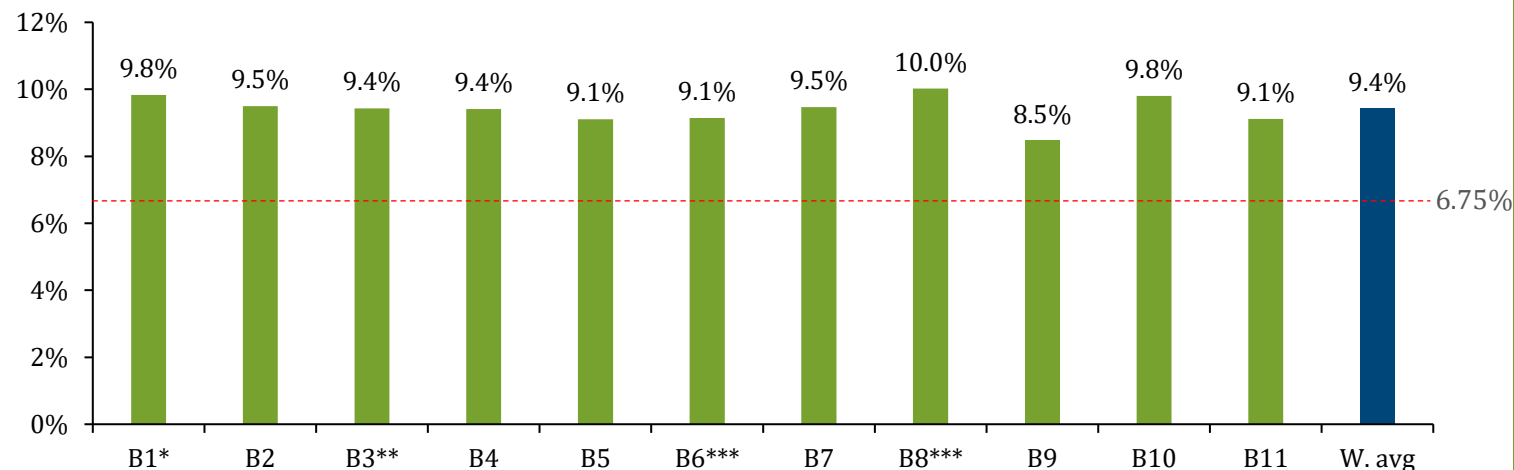
In Q3 2023, TLAC capital relative to RWAs declined from 30.81% in 2Q23 to 31.0% in 3Q23 on the back of shrinking RWAs.

TLAC capital relative to exposure measure has mirrored the upward trend. During 3Q23, it increased by 14 bps QoQ and 57 bps YoY due lower exposure measures.

## TLAC ratio (as % of RWAs):



## TLAC ratio (as % of exposure measure):



Source: European GSIBs earning reports and AFME estimates. Estimates are computed as a sum of own funds, senior non-preferred allowance, and senior preferred allowance amounting to 3.5% of RWAs.

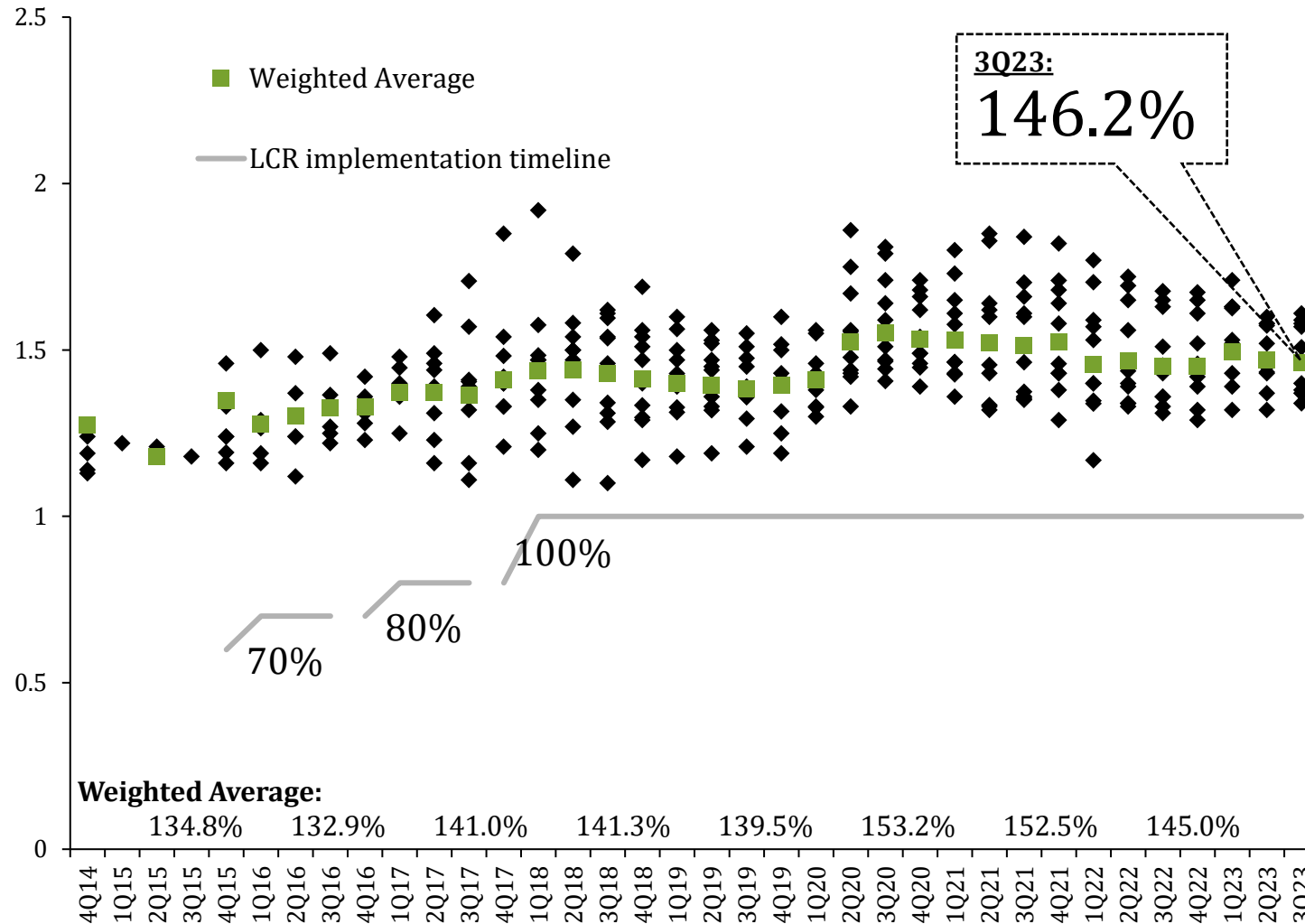
--- Minimum requirement

## GSIBs TLAC ratios well above requirement:

AFME estimates suggest that European GSIBs hold c. 1.6 €tn TLAC eligible liabilities.

As of the end of the third quarter of 2023, the TLAC/RWAs ratio for each GSIB widely above the minimum required of 18%. Meanwhile, the TLAC/exposure ratios were at least 160 basis points above the minimum required of 6.75%.

## Liquidity coverage ratio (%)



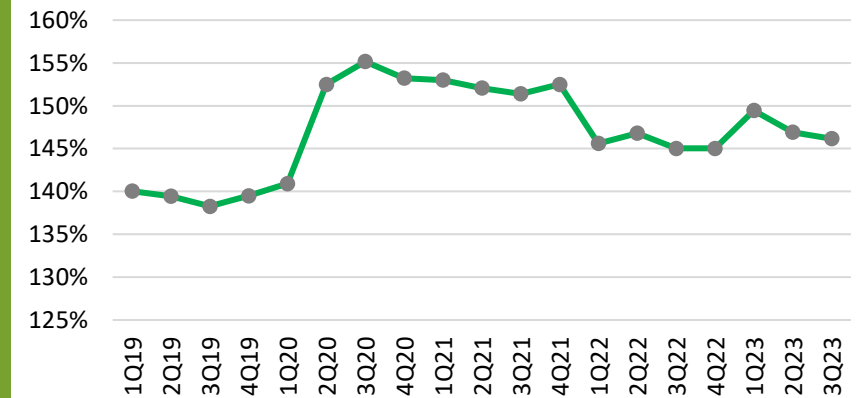
Source: European GSIIBs earning reports

## Strong liquidity buffers

The aggregate liquidity coverage ratio remains well above the 100% requirement (46.2% above the minimum requirement).

Since the COVID pandemic, banks have structurally increased their liquidity buffers, from c40% above requirement in 2019 to 50-45% above requirement since 2020.

### LCR trend since 2019:



# Box: Agreement reached on the Basel III package in the EU

# Agreement reached on the Basel III package in the EU

In December 2023, the European Parliament (ECON committee) and the European Council (EU Ambassadors) approved the final versions of CRR3 and CRD6 proposals, which will implement the final Basel III package in the EU and conclude an era of regulatory review of prudential standards for banking institutions.

AFME welcomes the agreement as it strengthens banks' resilience and recognizes their role in financing the economy.

In particular, AFME supports the agreement to maintain limited European market specificities while remaining faithful to the Basel principles. Improvements to the treatment of exposures to unrated corporates as the Output Floor is introduced are also welcome and should avoid unnecessarily restricting funding for corporates without ratings, which are key cogs in the EU economy.

The recognition of the floor's impact on securitisation and the introduction of a transitional arrangement to mitigate its impact

is a positive development and will hopefully translate into the growth of the EU's securitisation market. At the same time, a more extensive review of the capital treatment for the securitisation framework is important to ensure this tool can effectively be used by all banks, irrespective of their model approach, to finance the real economy.

AFME, however, regrets that the Output Floor will be applied at the solo level of consolidation, even though it was calibrated by Basel to be applied at the highest level of consolidation. This will hurt the competitiveness of the European banking market by adding unnecessary fragmentation.

AFME also calls on decision makers to resist further increases in capital requirements in the coming years as the banking sector goes through an important implementation phase and will need capacity to finance the real economy during the digital and green transition.

## Goal

- Implements the Basel III agreement in the EU while considering the specific features of the EU's banking sector

## Industry priorities

- Level of application of the Output Floor
- Impact of Output floor on securitisations and need to mitigate said impact
- Risk-sensitive market risk framework to preserve capacity to support wholesale markets
- Third country access (21c) and third country branches requirements to avoid adverse impact for international markets financing and the provision of cross-border services
- Extending non-performing loans massive disposals provision so as not to impede the EU's economic recovery and support a return to growth
- Alignment with Basel crypto-assets prudential treatment and introducing differentiation in treatment of certain types of crypto-assets

## Reference dates

- 11 December 2023: vote on package in ECON (EP) committee
- 1 January 2025: Implementation of CRR3
- H2 2025: Implementation of CRD6
- H2 2026: End of transition period of Art 21c

## Next steps

- April 2024: Potential vote in EP Plenary
- Q2 2024: Publication in the EU's Official Journal.



\*As a general guide, the publication timeframe from reception of all files for documents of more than 500 pages, is at least 20 working days.

ESAs/EC mandates

Legislative process

2023

2024

2025

Beyond

27 June  
Political deal reached by SE PCY

6-9 June  
EU elections

Q2\*  
Expected publication of package in OJ of EU (in L series)

1 January  
Proposed implementation date CRR3

21c transitional arrangement

H2 (OJEU + 18months)  
Proposed implementation date CRD6

H2 2026

April (TBC)  
Possible vote on package in EP Plenary

6-11 December  
Endorsement in COREPER (6 Dec) and vote in ECON committee (11 Dec)

TBC 2023  
EBA Level 2 roadmap to be published

24 November  
Deadline silence (in Council) procedure on final text

PCY

Sweden

H1

H2

Spain

Belgium

H1

H2

Hungary

Poland

H1

H2

Denmark

Cyprus

H1

2026

H2

Ireland

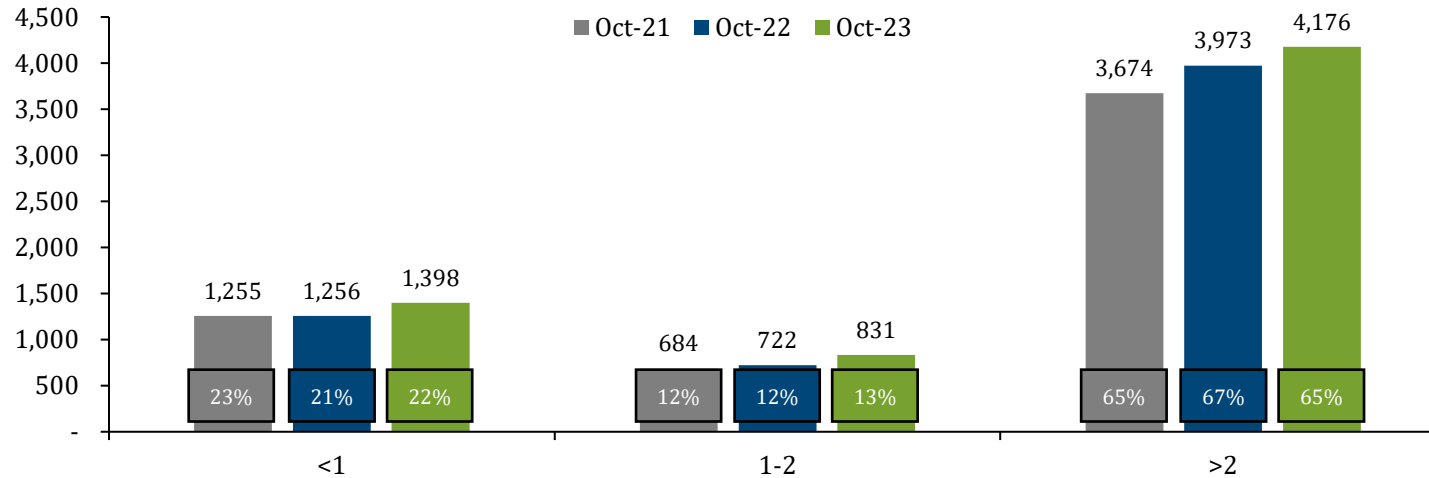
Lithuania

H1

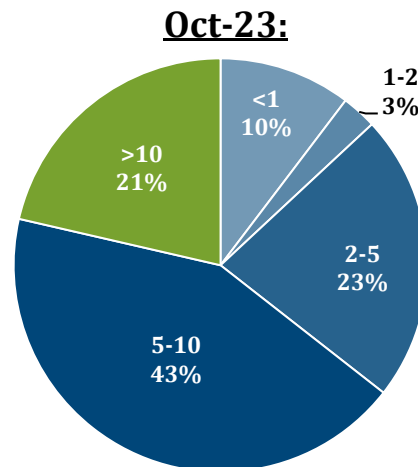
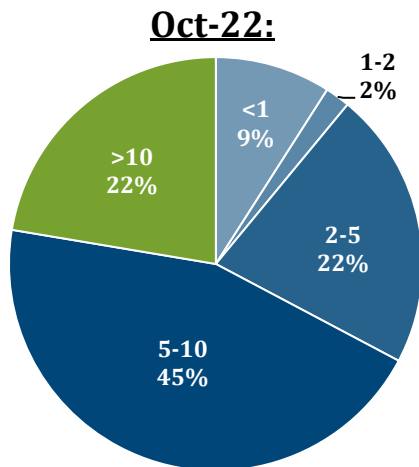
2027

# Funding structure

## Residual maturity of outstanding debt securities (€bn):



## Original debt maturity:



Notes: maturity in years.  
Source: ECB. Oct-23 latest available.

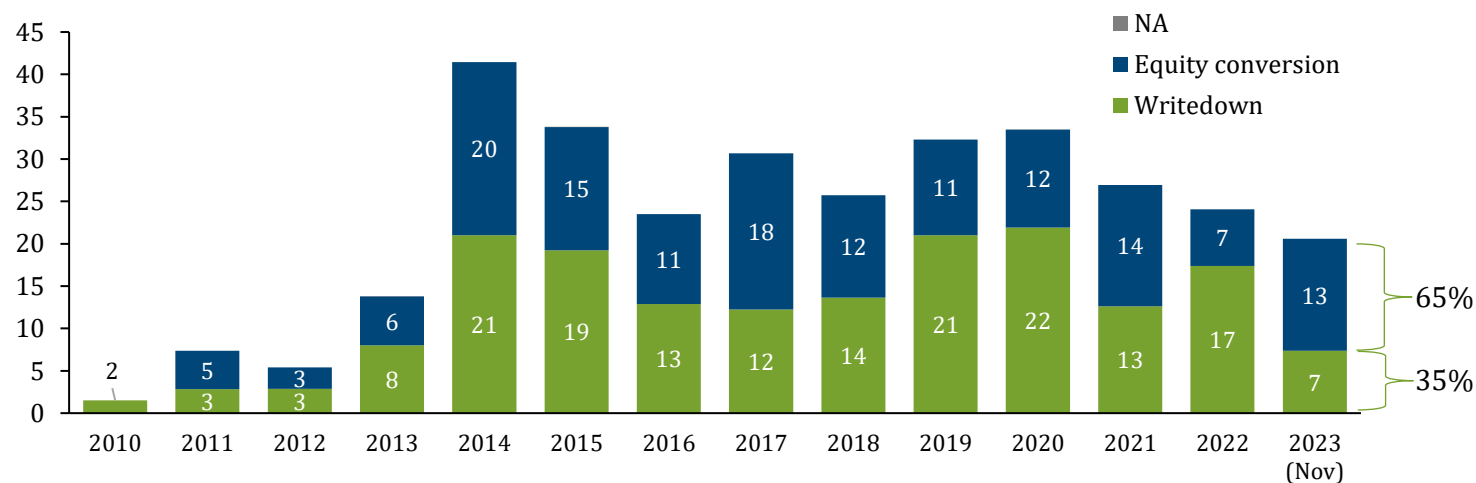
## Decreasing magnitude of long-term debt securities of European banks:

Over the past two years, European banks' debt liabilities have expanded at a CAGR of 6.8%, going from €5,613 bn in October 2021 to €6,405 bn.

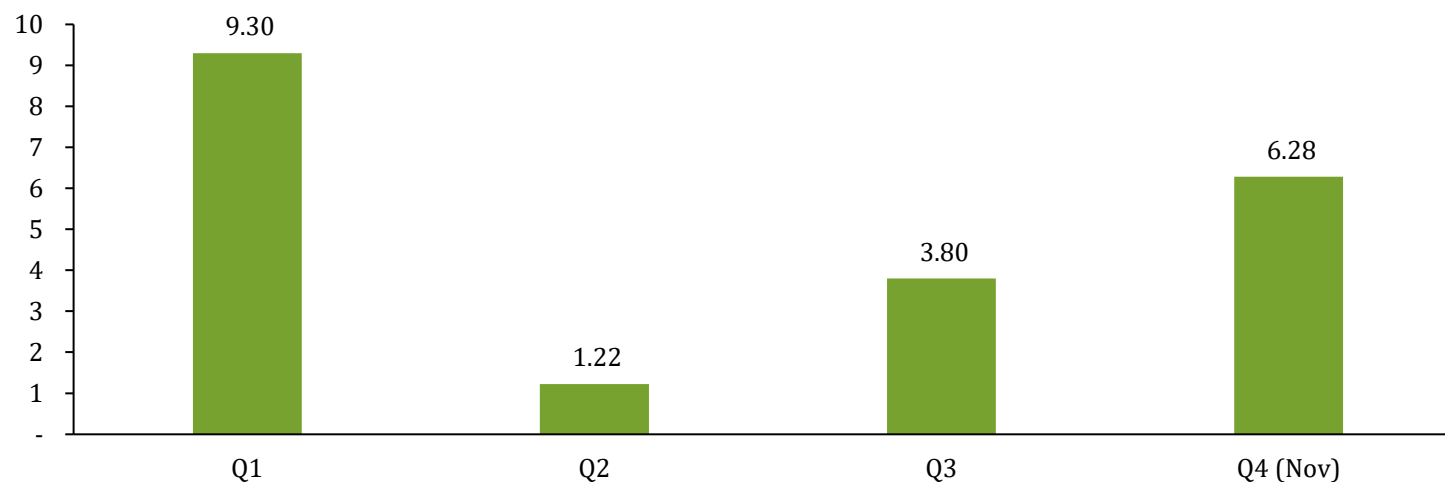
In the past 12 months, the proportion of securities with residual maturity of less than 1 year and between 1 and 2 years has grown, while the significance of securities with longer term residual maturity has diminished.

# Contingent Convertibles (CoCo)

## Tier 1 CoCo issuance by loss absorbing mechanism (€ bn):



## Tier 1 CoCo issuance by quarter in 2023 (€ bn):



Source: Dealogic and Eikon.

## Declining trend in Tier 1 CoCo issuance related to Swiss bank turbulence:

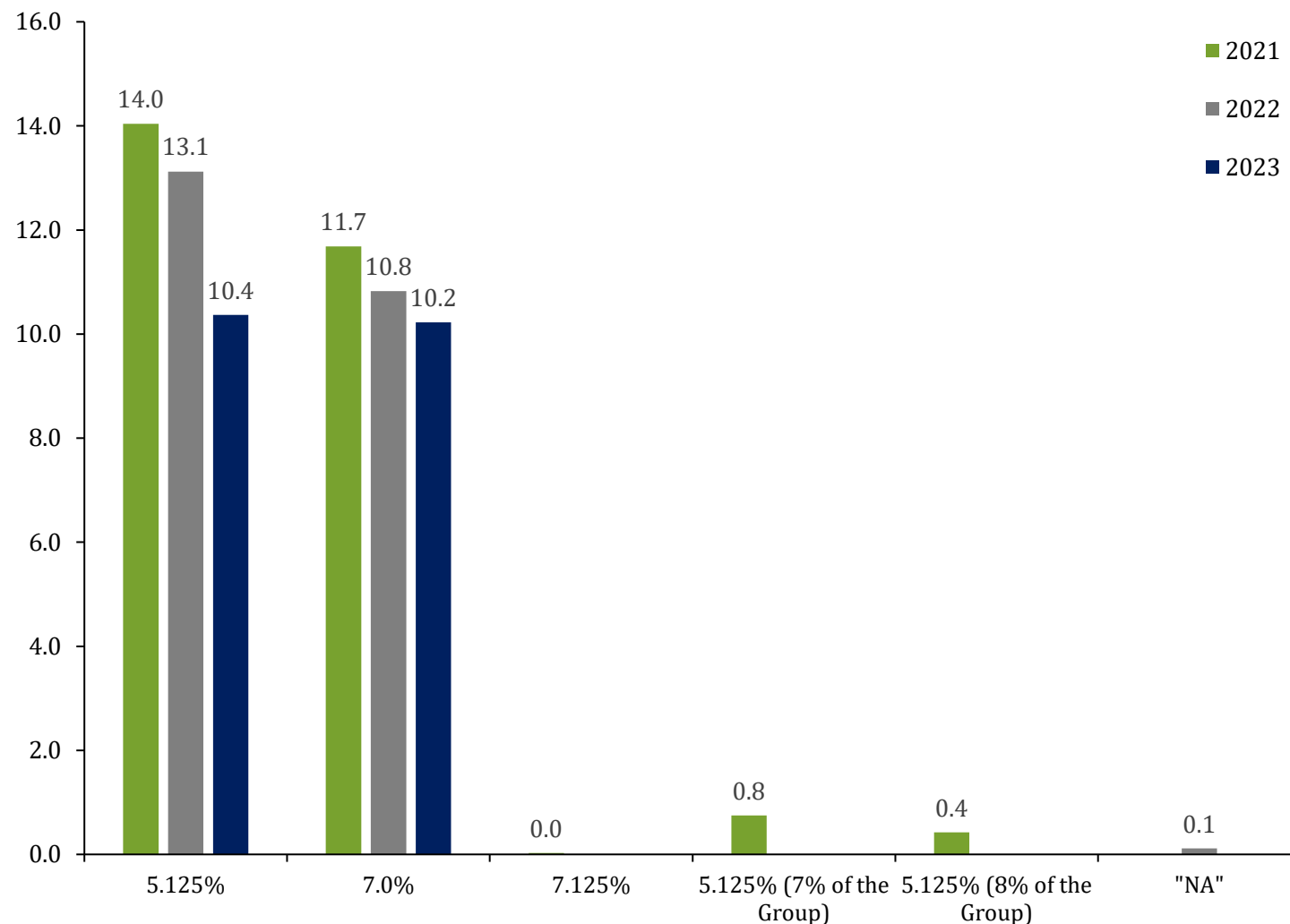
European GSIBs issued a total of €20.6 bn of Tier 1 Contingent Convertible instruments from January to November 2023. Given the current trend, 2023 is on track to conclude with the lowest issued amount since 2016.

Q1 experienced the highest level of issuance (€9.3 bn) relative to the rest of the year. CoCo Issuance reached its lowest point in Q2 (€1.2 bn), due to the market turbulence originated by the unexpected write-down of an AT1 instrument by a major Swiss bank.

Following a gradual recovery in Q3, Q4 is on track to reach Q1 levels.

The majority of Tier 1 CoCos issued in 2023 features equity conversion provisions (65%), rather than write-down provisions (35%). This contrasts with 2022 when banks preferred a write-down loss absorption mechanism.

## Tier 1 CoCo issuance by trigger (€ bn):



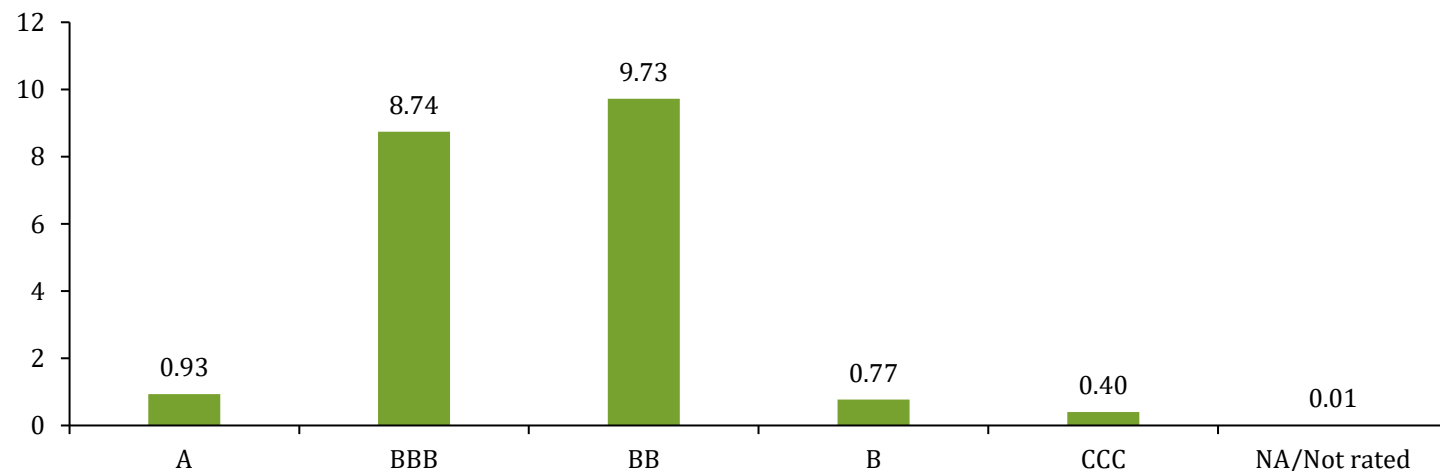
Source: Dealogic and Eikon.

## CoCo capital triggers:

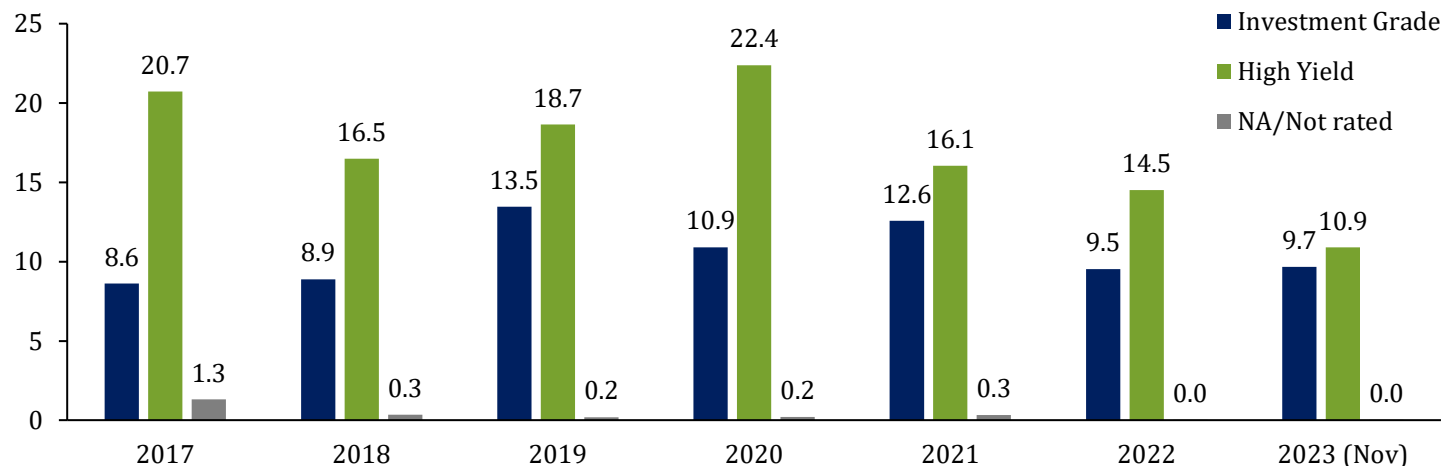
Tier 1 CoCo instruments issued by European GSIBs in 2023YtD are almost evenly divided, with approximately half originated on the basis of a 5.125% capital trigger (50.3%) and the other half with a trigger of 7.0% (49.7%).

This is in contrast with the previous years, when the majority of instruments were issued with a 5.125% capital trigger.

## 2023YtD CoCo issuance by credit rating (€ bn):



## CoCo issuance by credit risk (€ bn):



Source: Dealogic and Eikon.

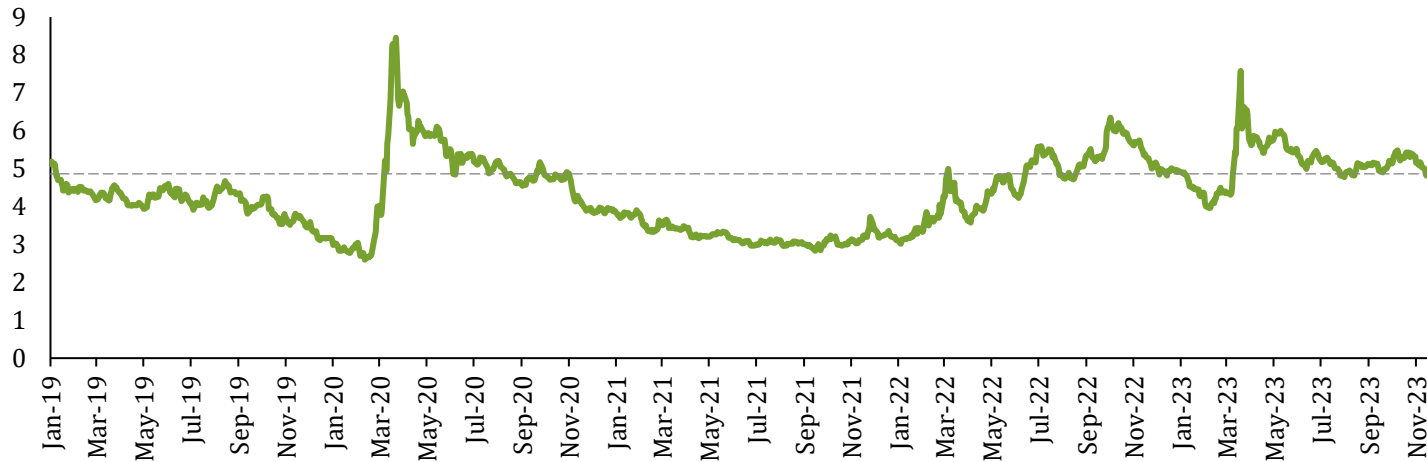
## Decline in High Yield CoCo issuance:

In 2023YtD, High Yield CoCos represented 53% of total CoCo issuance, a marginally lower proportion compared to 2022 (60%) and 2020 (67%).

Notably, approximately 90% (equivalent to €18.5 billion) of CoCo bonds issued this year have been rated in the BBB+ to BB- range.



## AT1 CoCo option-adjusted spreads (%):



## Tier 2 CoCo option-adjusted spreads (%):



Notes: OAS is measured against treasuries.  
Source: Bloomberg-Barclays indices.

## AT1 and Tier 2 CoCo risk premia restoring to pre-March 2023 turbulence levels:

The Option-Adjusted Spread (OAS) of European AT1 and Tier 2 CoCos experienced two significant increases between 2019 and November 2023. The initial surge was visibly in 1Q20 following the onset of the COVID-19 pandemic.

The subsequent major shock took place in March 2023, albeit of marginally lower magnitude, in the wake of a major Swiss bank's decision to write down its AT1 securities.

Both AT1 and Tier 2 spreads continue only marginally above pre-March 2023 levels.

## Option-adjusted spreads (OAS) by credit quality (%):



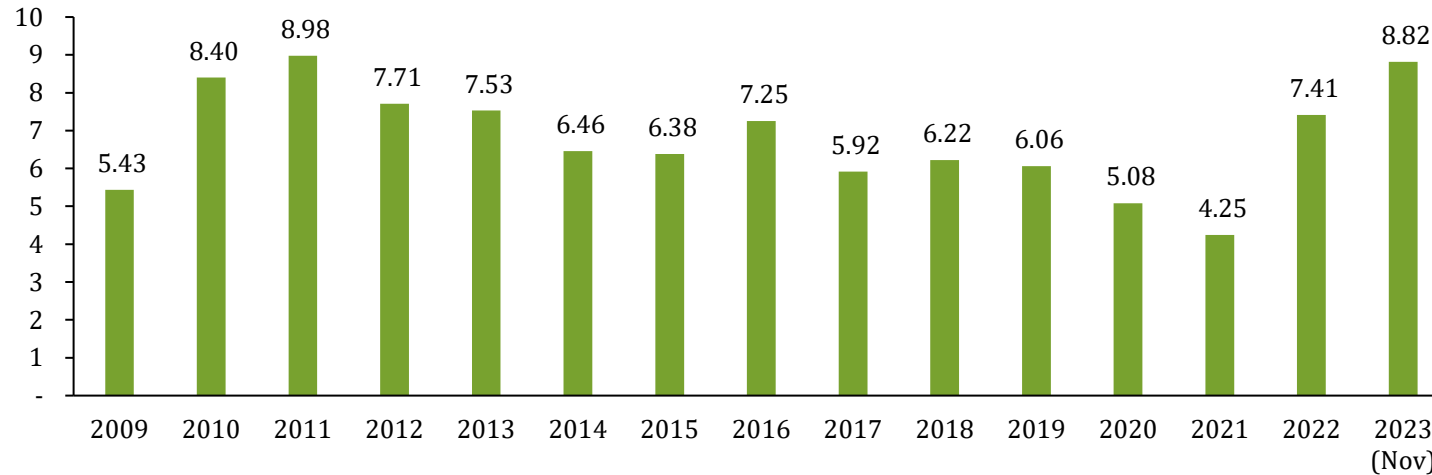
Notes: OAS is measured against treasuries.  
Source: Bloomberg-Barclays indices.

## Decreasing OAS for both Investment Grade and High Yield AT1 securities

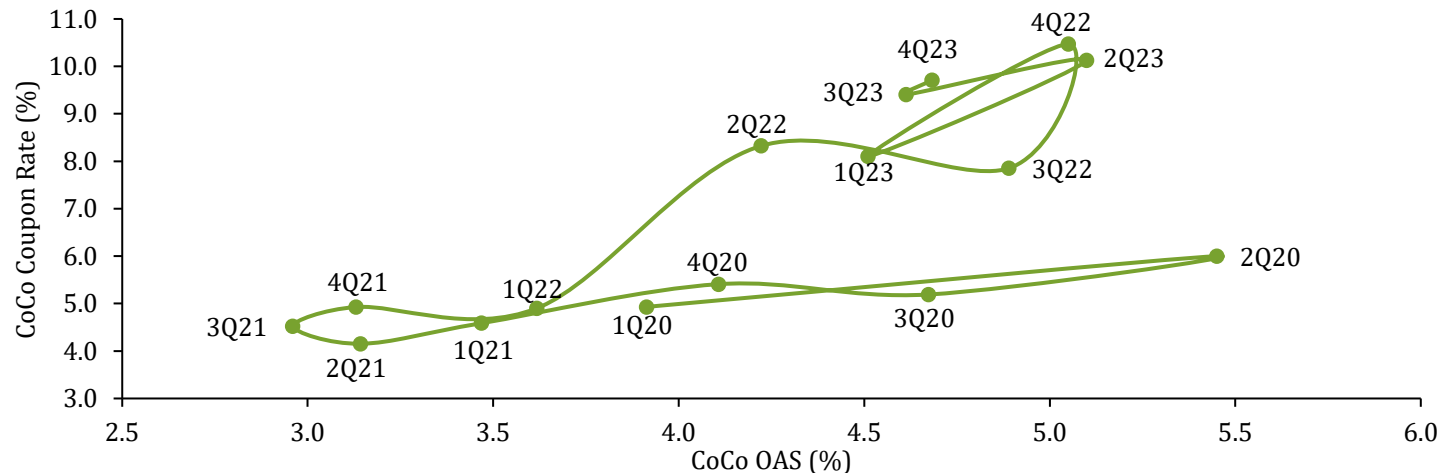
Following the market turbulence events of March 2023, spreads have undertaken a steady decline, although without reaching pre-Mar 2023 levels yet.

Over 3Q23 and the beginning of 4Q23, spread tightening has been more visible for high yield securities.

## Weighted average coupons of fixed-rate CoCos (%):



## CoCo risk premia (OAS) and coupon rates of new issues:



Notes: OAS is measured against treasuries.  
Source: Dealogic and Bloomberg-Barclays indices.

## Increasing coupon rates mainly driven from inflation outlook:

In 2023YtD, the weighted average coupon rate of fixed rate CoCos issued by European banks has risen by 41 bps compared to 2022, sustaining its rising trajectory and surpassing the rates from 2010.

There are multiple factors behind the trend, including the wider macroeconomic outlook, as well as the market-specific turbulence observed more predominantly during the months of March and April of 2023.

There is a positive correlation between CoCo coupon rates and their Option-Adjusted Spread. The slope of such relationship has recently increased, likely due to higher inflation expectations as for the same level of risk (characterised by OAS) issuers are now paying 400-500bps more in coupon rates than what they paid prior to the sudden inflationary increase.

# afme / Recently issued CoCos

Finance for Europe

Pricing Date	Issuer	Tier Capital	Deal Total Value (Euro)	Trigger	Conversion mechanism	Issue Rate	Effective Rating (Launch)	Maturity	Coupon
09-Jan-23	Lloyds Banking Group	Tier I	851,982,279	7.000%	Equity conversion	Fixed rate conv. to floating rate note	BB+	Perpetual	8.5
01-Feb-23	Alpha Services & Holdings SA	Tier I	400,000,000	5.125%	Equity conversion	Fixed rate conv. to floating rate note	CCC+	Perpetual	11.875
06-Feb-23	Bankinter	Tier I	300,000,000	5.125%	writedown	Fixed rate	BB	Perpetual	7.375
07-Feb-23	ING Groep NV	Tier I	929,281,665	7.000%	Equity conversion	Fixed rate	BBB-	Perpetual	7.5
07-Feb-23	Julius Baer Group AG	Tier I	400,000,000	5.125%	writedown	Fixed rate	BBB-	Perpetual	6.625
16-Feb-23	Swedbank	Tier I	467,136,918	5.125%	Equity conversion	Fixed rate conv. to floating rate note	BBB	Perpetual	7.625
17-Feb-23	Sparebanken Sor	Tier I	11,438,873	5.125%	writedown	Floating rate note		Perpetual	3-mth Nibor (Norway) +330
21-Feb-23	BNP Paribas SA	Tier I	420,359,407	5.125%	writedown	Fixed rate	BBB	Perpetual	5.9
27-Feb-23	Barclays plc	Tier I	1,698,369,565	7.000%	Equity conversion	Fixed rate	BB	Perpetual	9.25
28-Feb-23	HSBC Holdings Plc	Tier I	1,891,521,256	7.000%	Equity conversion	Fixed rate	BBB	Perpetual	8
01-Mar-23	CaixaBank	Tier I	750,000,000	5.125%	Equity conversion	Fixed rate	BB	Perpetual	8.509
06-Mar-23	Lloyds Banking Group	Tier I	1,175,530,164	7.000%	Equity conversion	Fixed rate	BB+	Perpetual	8
13-Jun-23	BBVA	Tier I	1,000,000,000	5.125%	Equity conversion	Fixed rate conv. to floating rate note	BB	Perpetual	8.375
13-Jun-23	Bank of Cyprus Holdings plc	Tier I	220,000,000	5.125%	writedown	Fixed rate conv. to floating rate note	B-	Perpetual	11.875
06-Jul-23	Abanca Corporacion Bancaria SA	Tier I	250,000,000	5.125%	writedown	Fixed rate conv. to floating rate note	B+	Perpetual	10.625
07-Aug-23	BNP Paribas	Tier I	1,362,521,573	5.125%	Equity conversion	Fixed rate	BBB-	Perpetual	8.5
31-Aug-23	Intesa Sanpaolo SpA	Tier I	1,250,000,000	5.125%	writedown	Fixed rate conv. to floating rate note	BB-	Perpetual	9.125
11-Sep-23	BBVA	Tier I	934,492,104	5.125%	writedown	Fixed rate	A-	Perpetual	9.375
08-Nov-23	UBS Group AG	Tier I	1,636,278,635	7.000%	writedown	Fixed rate	BBB-	Perpetual	9.25
08-Nov-23	UBS Group AG	Tier I	1,636,278,635	7.000%	writedown	Fixed rate	BBB-	Perpetual	9.25
16-Nov-23	Santander	Tier I	1,058,883,109	5.125%	Equity conversion	Fixed rate	BB+	Perpetual	9.625
16-Nov-23	Santander	Tier I	1,243,036,693	5.125%	Equity conversion	Fixed rate	BB+	Perpetual	9.625
17-Nov-23	Banco BPM SpA	Tier I	300,000,000	5.125%	writedown	Fixed rate	B+	Perpetual	9.5
29-Nov-23	Virgin Money UK plc	Tier I	403,784,033	7.000%	Equity conversion	Fixed rate conv. to floating rate note	BB+	Perpetual	11

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