

15/11 Grand Hyatt
Athens

Credit Risk in the age of Crisis Continuum

16^ο Συνέδριο Credit Risk Management



Together to the next level

www.icapcrif.com

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President & Group CEO, ICAP CRIF



About ICAP CRIF

ICAP CRIF (previously ICAP S.A. group of companies), with **59** years of successful presence in Greece, Romania, Bulgaria and Cyprus, is **the market leader** in Credit Risk & Business Information Solutions in Southeastern Europe. As of December 23, 2021, ICAP CRIF is a wholly owned company of CRIF.

ICAP CRIF S.A., is **the only** company in Greece that is certified as a **Credit Rating Agency (CRA)**, by the European Securities and Markets Authority (**ESMA**) and also has been recognized as an **External Credit Assessment Institution (ECAI)** by the Bank of Greece.

ICAP 1.0

ICAP HELLAS LTD.
1964 - 2006

ICAP 2.0

ICAP S.A. group of companies
2007 - 2021

ICAP CRIF 3.0

ICAP CRIF S.A. group of companies
as of 2022



About CRIF

CRIF, is a global company, specializing in Credit & Business Information Systems, Analytics, Outsourcing and Processing Services, as well as Advanced Digital Solutions for Credit and Open Banking.

CRIF, brings together **Human Intelligence**, **best in class Technology** and **Digital Innovation**, to provide added value solutions to its global clients.

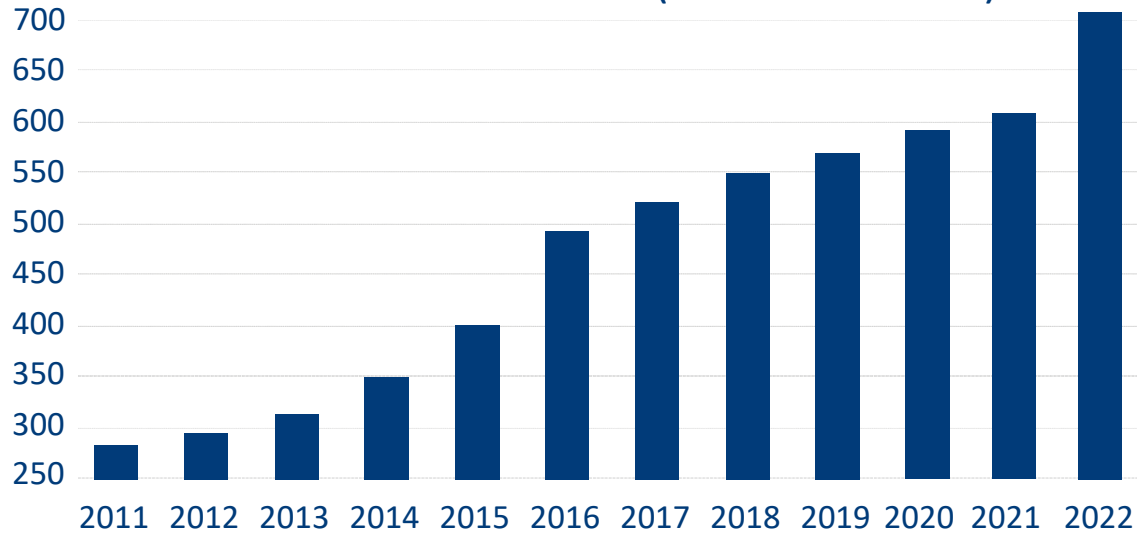
It is consistently included in the prestigious **IDC FinTech Ranking Top 100**, the ranking of the leading global Technology Solutions providers to the Financial Institutions.

In 2019 **CRIF** expanded its coverage as an **Account Information Service Provider (AISP)** in **31** European countries, where the revised Payment Services Directive is applicable.

CRIF AT A GLANCE

- 39 ● Country-based operations
- 85+ ● Subsidiary companies
- 4 ● Continents
- 6,600+ ● Professionals at your service
- 10,500+ ● Financial institutions
- 600 ● Insurance companies
- 82,000+ ● Business clients
- 1,000,000+ ● Consumer clients

TOTAL REVENUES (millions of Euro)



ICAP CRIF BUSINESS LINES



Business Information & Credit Risk Solutions

- Business Information Services
- BI Analytics Services
- Customer Portfolio Analysis & Credit Risk Services
- Dun & Bradstreet Finance & Compliance Solutions
- ESG Service – Synesgy
- Risk Training Institute



Credit Rating Agency Services

- Corporate Credit Ratings & Scores
- Banks & Non Banks Financial Institutions Credit Ratings & Scores
- Structured Finance Ratings & Scores
- Industry Ratings
- ESG Ratings & Scores
- Financial Crime Ratings
- Green Crime Ratings
- Project Finance Ratings & Scores
- Risk Data Analytics



Marketing & Sales Solutions

- Marketing & Sales Tools
- Digital Marketing
- Brand Advertising in Printed Business Editions
- Awards, Conferences & Events



Technology Solutions & Advanced Analytics

- Corporate Planning & Management
- Business Intelligence & Datawarehouse
- End-to-end Credit Management Platform
- Digital Onboarding & Remote Collaboration
- Personal & Business Finance Management
- Digital Lending as a Service Platform
- Loan Origination
- Open Banking Suite
- Regulatory & Advanced Analytics
- Credit Collection Solutions



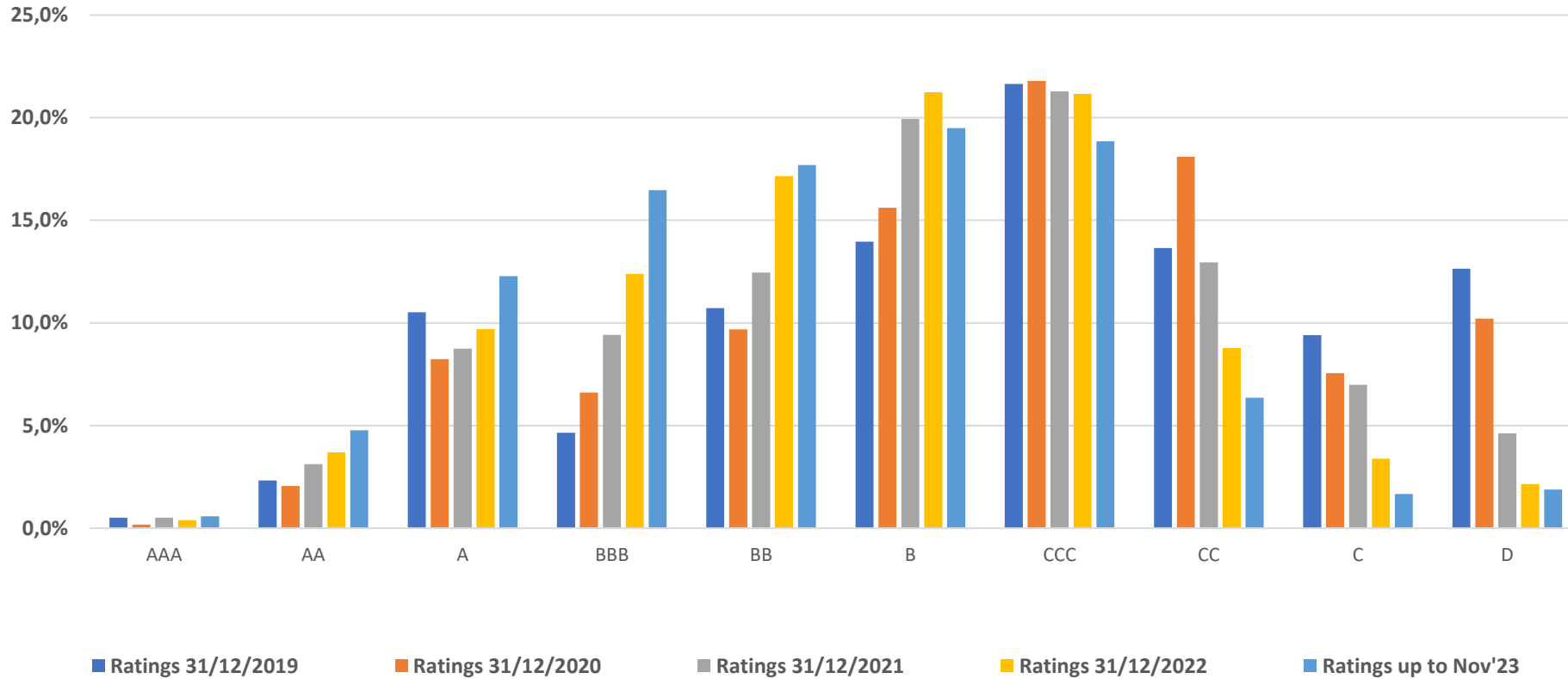
Consulting Services

- Business Strategy
- Digital Transformation Consulting
- Risk & Management Consulting
- Business Process Optimization
- Market Analytics
- Compliance Services
- ESG Consulting
- Credit Passport



ICAP CRIF as an Economic Hub – Corporate Credit Ratings

ICAP Corporate Ratings %

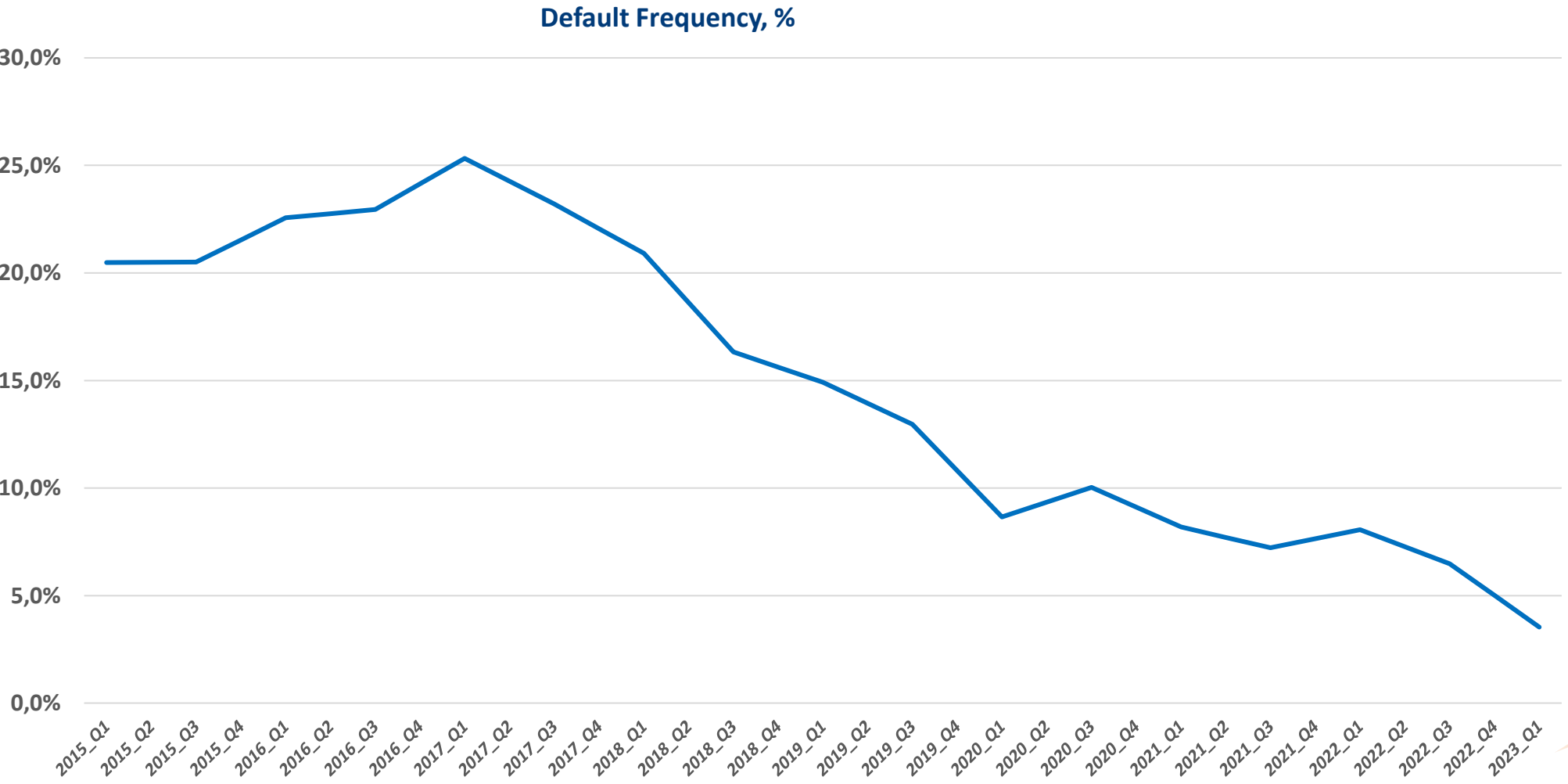


Credit Ratings Distribution

- Since 2011:
 - 6,018 corporates are rated,
 - The rated corporates exceed 210bn of assets
- Moving from 2020 to 2023:
 - Rated corporates continue to decrease in the higher risk classes
 - Rated corporates continue to increase in the lower risk classes



ICAP CRIF as an Economic Hub – Default Frequency

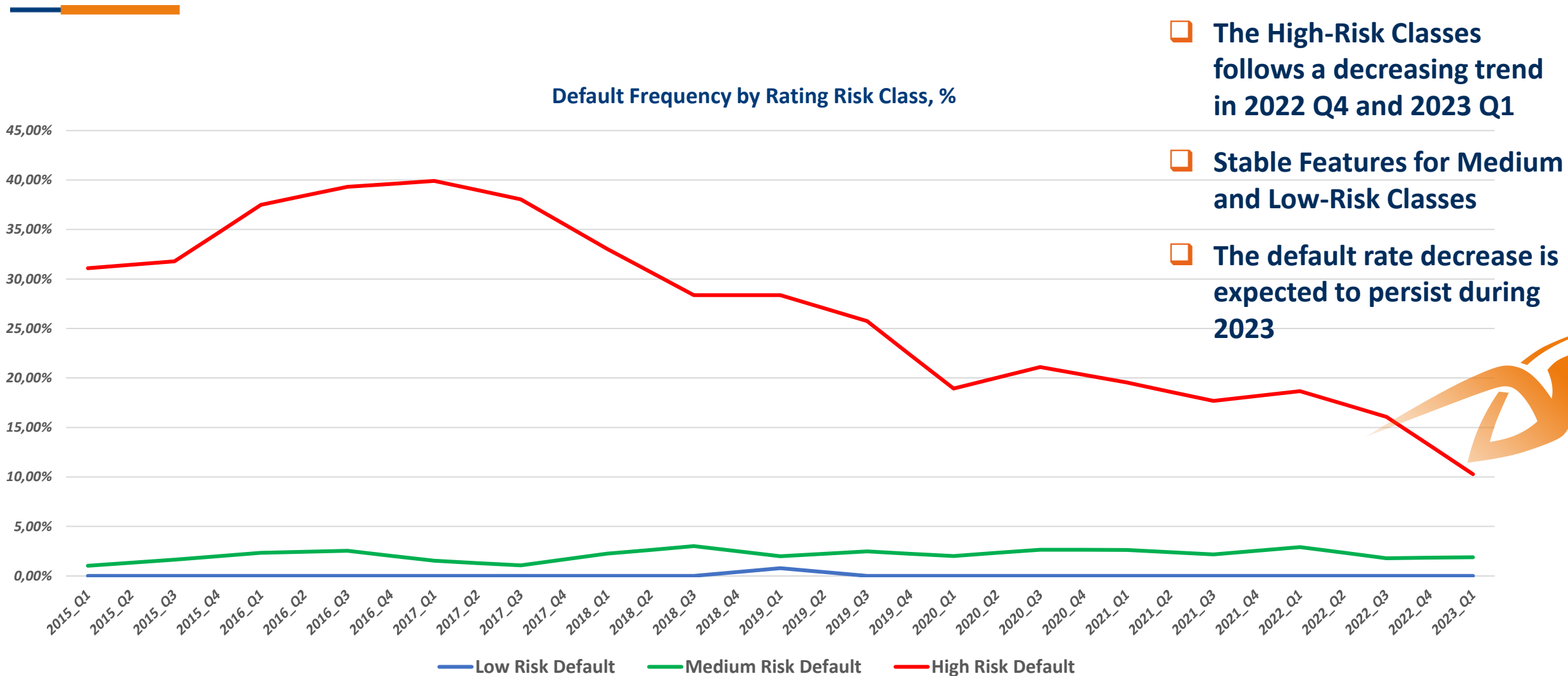


Default Frequency

- Decreasing trend from 2017 and onwards
- The decrease as expected persisted during 2022 and is expected to continue also in 2023



ICAP CRIF as an Economic Hub – Default Frequency per Risk Class



ICAP CRIF as an Economic Hub – Credit Ratings Transition

- ❑ All Tables exhibit strong diagonal elements (stability). Moreover, high risk ratings present significant improvement to medium risk zones
- ❑ The Upgrade to Downgrade ratio increases from 4.25 (2022 vs 2021) to **6.1** (2023 vs 2022)
- ❑ The high Upgrade to Downgrade ratios depict the improving macroeconomic conditions of the country



	All Companies	Issuers	Most Recent Rating up to November 2023		
			Low Risk	Medium Risk	High Risk
			Most Recent Rating up to 31/12/2022	Low Risk	332
Medium Risk	637	11,77%	86,19%	2,04%	
High Risk	127	0,00%	31,50%	68,50%	
Total	1096	36,59%	54,29%	9,12%	

	All Companies	Issuers	Most Recent Rating up to 31/12/2022		
			Low Risk	Medium Risk	High Risk
			Most Recent Rating up to 31/12/2021	Low Risk	229
Medium Risk	443	8,80%	87,36%	3,84%	
High Risk	140	0,00%	32,86%	67,14%	
Total	812	32,64%	53,69%	13,67%	



ICAP CRIF as an Economic Hub – Credit Ratings Transition per company size



Ratings Transition per Company size

- ❑ 65% of Large Companies Ratings are in Low-Risk Class (vs only 28% of Medium & Small Companies)
- ❑ Both Tables exhibit strong diagonal elements (stability)
- ❑ Large Companies exhibit mainly Upgrades. Small & Medium Companies Upgrade to Downgrade ratio is 5.7

Large Companies		Issuers	Most Recent Rating up to November 2023		
			Low Risk	Medium Risk	High Risk
Most Recent Rating up to 31/12/2022	Low Risk	147	100,00%	0,00%	0,00%
	Medium Risk	97	13,40%	85,57%	1,03%
	High Risk	4	0,00%	0,00%	100,00%
	Total	248	64,52%	33,47%	2,02%

Medium & Small Companies		Issuers	Most Recent Rating up to November 2023		
			Low Risk	Medium Risk	High Risk
Most Recent Rating up to 31/12/2022	Low Risk	185	96,76%	3,24%	0,00%
	Medium Risk	540	11,48%	86,30%	2,22%
	High Risk	123	0,00%	32,52%	67,48%
	Total	848	28,42%	60,38%	11,20%



Credit Risk
in the age
of Crisis
Continuum

Going forward in Crisis Continuum era

In an era of increased uncertainty, identifying, assessing and managing risk is a priority for all businesses:

- ❑ Integrate sustainability principles in the decision-making process,
- ❑ Incorporate climate risks on companies risk management,
- ❑ Manage financial and green crime through targeted systems, policies and procedures,
- ❑ Monitor closely macro and industry trends to encompass the financial markets increased volatility

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Thank you
for your attention

Together to the next level !

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