NATIONAL BANK
OF GREECE

Group and Bank

Annual Financial Report

31 December 2020

March 2021

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Chairman of the Board of Directors' Statement

Costas P. Michaelides | Chairman of the Board of Directors

"Over 2020, the National Bank of Greece S.A. ("NBG" or the "Bank") weathered the storm of the global coronavirus ("COVID-19") pandemic and its extraordinary impact. Throughout the year, NBG demonstrated its ability to adapt swiftly and effectively to new conditions. At the same time, we continued our transformation journey and diverted some of the transformation initiatives to address the challenges posed by the COVID-19 pandemic.

In this difficult environment, my fellow Board members and I are particularly proud that NBG is now a successful and dynamic Bank. We pride ourselves in our complete alignment of vision, mission, culture, values, strategy, and execution. We are recreating both our operating and our business model.

Our Transformation Program operates as effective institutional machinery for sustainable change enabling the Bank to pursue its strategic priorities, to track and measure results, to scan and select optimally changing priorities, and to motivate and inspire our people. This type of dynamic and reliable machinery capable to sustain NBG in motion towards fulfilling targets also allows the Bank to face the future and a spectrum of strategic options confidently. NBG is now capable to participate effectively and in a leadership role in the considerable commercial, technology, and regulatory challenges we face. In many significant ways, we redesigned the Bank to become future proof and fit for international markets. We are learning to live and breathe values driven leadership in all we do.

During 2020, ensuring the health and safety of our people and our customers has been and remains our top priority. Currently, half of our headquarter staff work remotely, efficiently, and cyber-securely. All our branches remained open throughout the past year, we increased capacity of alternative channels, and adapted our processes to serve our customers remotely. At the same time, we maintained all necessary controls. We also moved fast to provide active support to households and businesses most affected by the crisis. Specifically, we implemented payment moratoria and interest payment subsidy programs, and participated actively in the State-sponsored financing programs for Small Business, SME, and Corporate clients. Today, we continue to support our customers following the end of payment moratoria while the economy gradually returns to normalcy.

Parallel to our ongoing Transformation Program, we continued to emphasise and focus on ensuring that the Bank and the Group possess a strong and sound corporate governance framework and robust internal controls, which are crucial drivers for mitigating risks especially in times of crisis.

Through our Board assessments this year, we validated that we have an effective Board with robust processes, solid structure and dynamics in place. Our Board discharges its duties fully. The Board is effectively dealing with the COVID-19 crisis and with risk management and internal controls and the Board dynamics are healthy. Among our many positives, the open and frank discussions at the Board foster diverse thinking and rigorous debate to make significant quality decisions.

Keeping abreast of regulatory developments, as well as international best practices, during the last couple of years, the Board has continuously focused on the ongoing application of the highest standards of governance and has pursued significant initiatives such as the reform of Board Committees and the creation of a Compliance, Ethics and Culture Committee, ensuring dedicated oversight of relevant initiatives, the addition of important skillsets to the Board such as technology and digital expertise and the establishment of an IT and Innovation Advisory Council supporting the Board, the establishment of the role of Senior Independent Director, as well as the revision of the Bank's internal governance documents in adherence to regulatory provisions and best practices.

I am proud to see that all the above has been greatly acknowledged by third parties, as over the past few years NBG has been the recipient of several awards and distinctions concerning the corporate governance and Corporate Social Responsibility ("CSR") practices it implements, including from prominent international organisations, appreciating the Bank's performance in these two important areas.

The successes registered during 2020 would not be possible without the leadership of our Chief Executive Officer ("CEO"), Pavlos Mylonas, our dynamic Management team, and our people. The energy, motivation and determination the NBG team demonstrated during the past year are truly remarkable, and on behalf of the Board I would like to commend them for their tireless efforts. I would also like to reiterate our commitment to continue investing in our people, our strongest and most valued asset. Indeed, we have redefined our performance management framework to emphasise teamwork, initiative, creativity, and contribution in the assessment and development of our people. The results of these efforts are already visible in our shared culture – one that combines traditional values such as trustworthiness and focus on growth, with new concepts such as human-centricity, responsiveness and sustainability. Looking forward, the Board will continue to work intensively and tirelessly, with a particular interest in the areas of Environment, Social & Governance ("ESG") and sustainability, and a focus on long-term vision and strategic direction.

Closing, I would like to thank you, our shareholders, for your continued support. The year 2021 marks the 200th anniversary since the beginning of the Greek revolution, as well as the 180th anniversary since the foundation of NBG, the first financial institution of the modern Greek State. During this landmark year, I feel confident and certain that NBG will continue to build on the solid foundations of its recent achievements, to fulfil its vision to become the undisputed Bank of first choice for its customers, people, shareholders and the society at large."

Athens, 24 March 2021

Costas P. Michaelides

Chairman of the Board of Directors

Pavlos K. Mylonas | Chief Executive Officer

"Year 2020 will undoubtfully be a year we will all remember. The COVID-19 pandemic crisis and the resulting worldwide economic shock due to lockdowns and movement restricting measures in many countries surpassed any foreseeable stress test scenario for the economy and banking sector. The unprecedented policy response launched by the European authorities and the Greek Government absorbed a large part of the shock, and aided banks to lend to the Greek economy in the form of liquidity support to both corporate and retail customers.

To this end, we actively supported our customers who are facing short-term liquidity issues due to COVID-19. During 2020, we offered payment moratoria to over 85 thousand customer accounts of €3.8 billion loans. In addition, we disbursed c. €4.7 billion of new loans, utilizing and fully absorbing all state-support programs and measures. Since the end of the year, we continue to support our customers whose moratoria have expired with specialised products such as step-up solutions.

Another, and just as important priority has been to ensure the health and safety of our employees and customers as well as the resilience of our operations. From very early on and continuing until early 2021, c. 50% of our staff works remotely, with the percentage exceeding c.70% during the full lockdowns, but efficiently and cyber-securely. In addition, all our branches have remained open throughout the pandemic crisis, while our support to our customers steadfast.

Despite the pandemic, we managed to continue to make solid progress towards our strategic goals. The Bank's management team as well as the bank's staff, proved agile in adapting swiftly to the new circumstances. In this regard, our Transformation mechanism has proven to be an important competitive advantage.

I would like to mention some of the most significant achievements of the past year.

First, on the Non Performing Exposures ("NPE") front, we completed the preparation and launched our landmark NPE securitization transaction of c. €6 billion, Project Frontier. As a result and combined with organic NPE reduction which continued throughout the year, our NPE ratio was reduced to 13.6% in FY20, less than half of what it was a year ago (31.3%) and approximately one - third of the level two years ago. Post Frontier, our NPEs stand at €4.4 billion, with provision coverage at 63.3%. Most notably, we have managed to absorb the additional provisions required for Project Frontier as well as for COVID-19 within our 2020 profitability.

Second, a fair solution was found for the supplementary pension fund, NBG's Auxiliary Pension Plan ("LEPETE"), which was transferred to the public pension system in exchange for certain specified additional contributions by the Bank, thus ending large uncertainties both for our pensioners as well as the Bank.

Third, we have made important strides in meeting our commitments to European Commission (the "DG Competition") and thus exiting the restructuring plan. Specifically, we reached an agreement to sell 90.01% of our insurance subsidiary, Ethniki Hellenic General Insurance S.A., to CVC Capital Partners. The transaction is capital accretive by c.60 bps, and includes an exclusive bancassurance agreement of 15 years.

We also made large steps in our digital transformation. The pandemic arrived at a time when we had already made large significant progress – becoming the lead bank in Greece regarding digital services—which allowed us to capitalize on the new modus operandi prescribed by the restrictive measures, and to accelerate our digital initiatives, implementing additional digital functionalities and offering new innovative digital products, like the first instant consumer loan in the Greek market. The results are impressive: the number of digital monthly active users increased by 52% y-o-y, while, within Q1.2021, 95% of total transactions were made through digital and alternative channels. Moreover, in 2020, more than 2 million customers were active in our internet and mobile banking platforms, an increase of 45.5% y-o-y.

We increased the level of centralization and applied robotics processes automation ("RPA") in our back-office operations and continued to enhance our technology and data infrastructure, including the preparation for the implementation of a new core banking system. To protect our customers as well as the Bank, we have continued to enhance our internal controls, compliance and risk management practices.

Our full-year profitability for 2020 reflects the efforts of the past 2 ½ years. Core operating profitability, without trading gains and non-recurring provisions, reached €328 million, increasing by 40.9% compared with 2019. This result reflects the resilience in core income, despite the significant reduction in NII from the NPE clean-up, as well as rigorous cost cutting efforts which have brought cost savings of €150 million over the past two years. Trading gains of €1.1 billion fully absorbed COVID-19 as well as Frontier related loan provisions of c. €0.8 billion in total, resulting in Profit after Tax from continued operations of almost €600 million for 2020.

An important comparative advantage is our strong capital position. Our CET1 and total capital ratios stand at 15.7% and 16.7% respectively for FY.20. More importantly, upon completion of both Project Frontier and the sale of Ethniki Insurance, capital is expected to be boosted additionally by c. 170 bps, providing us *strategic flexibility, inter alia, to speed up our NPE reduction so as to be near mid-single digits by 2022. New NPEs stemming from moratoria are not expected to be significant enough to derail our NPE targets.*

The future of our bank depends on the dedication, motivation and teamwork of our people. In 2020, we concluded our inaugural Employee Engagement Survey which encouragingly, validated the broad support and commitment of our people to the transformation of the Bank. Another important step was the agreement reached with the Bank's employee union, to revise and modernize our Performance Management System. Through its launch in 2021, we expect to observe increased motivation and engagement in our staff. Linked to the performance management, we will introduce a bank-wide Reward Scheme, both for the network and headquarters, and will continue to expand our training and career planning programs. All the above aim to create an improved culture in the Bank, in line with our purpose and values.

Our ESG activities have traditionally been strongly acknowledged in the Greek society and, to mention just a few examples, comprise our leading role in financing renewable energy sources as well as the activities of our cultural foundation (MIET). In 2020, we obviously diverted our focus to health initiatives.

We are proud to be able to confirm that the Bank's 2020 results are in line with our business plan announced in the Investors Day in London in May 2019. Looking forward to 2021, we expect economic conditions to improve allowing the Bank to continue its focus on its ambitious Transformation Program and business plan targets, of having a clean balance sheet, with a normal level of NPEs, and attractive profitability as early as 2022.

I would like to personally thank the Board of Directors for their continued support, my management team for the tireless focus on the targets and all the people of the Bank for their resilience during such a challenging year. We all together remain committed to position NBG as the "the Bank of First Choice in Greece."

Athens, 24 March 2021

Pavlos K. Mylonas

Chief Executive Officer

Certification by the Chairman of the Board of Directors, the Chief Executive Officer and the Board of Directors member pursuant to Article 4 of Greek Law 3556/2007

We, the members of the Board of Directors of National Bank of Greece S.A. certify that to the best of our knowledge:

(1) The annual financial statements for the period ended 31 December 2020 have been prepared in accordance with the applicable accounting standards and present a true and fair view of the assets, liabilities, equity and results of operations of the Bank and of the companies included in the consolidation.

(2) The Board of Directors Report for the period ended 31 December 2020 fairly presents the evolution, the performance and the position of the Bank and of the companies included in the consolidation, including the description of the main risks and uncertainties they face.

Athens, 24 March 2021

THE CHAIRMAN OF THE BOARD OF DIRECTORS	THE CHIEF EXECUTIVE OFFICER	THE BOD MEMBER
COSTAS P. MICHAELIDES	PAUL K. MYLONAS	MATTHIEU A. KISS

NATIONAL BANK OF GREECE

Board of Directors Report

2020

for the year ended 31 December 2020

Key Highlights

Our vision is to become the "*bank of first choice*" for customers, talent and investors. A trustworthy, human, responsive bank, that acts as a growth catalyst and unlocks potential for households, businesses and communities.

Strategic priorities for 2021-2023

1. Healthy Balance Sheet

"We accelerate the clean - up of our non-performing assets, further strengthening our Balance Sheet"

2. Efficiency & Agility

"We eliminate operational inefficiencies and tightly manage spend, improving profitability in a sustainable manner"

3. Best Bank for our Clients

"We deepen trust-based relationships with our customers, addressing their needs through our traditional and digital channels"

4. Technology & Processes

"We enhance all aspects of our technological infrastructure and core processes, enabling our commercial and efficiency objectives"

5. People, Organisation & Culture

"We revamp our structure, our Human Resources platform and our corporate culture, building a modern and flexible organisation"

6. Visibility, Control & Compliance

"We create a modern, robust and comprehensive framework for risk management, internal controls and compliance"

About NBG's Transformation Program

NBG's Transformation Program capitalises on our strengths and addresses our key challenges to ensure we successfully implement our strategy and achieve our financial and operational targets.

Strong governance and cadense, with full sponsorship of management team and Board of Directors;

45+ initiatives driving sustainable changes in line with our Business Plan;

1000+ colleagues across the whole organization actively involved in the Transformation Program.

Response to COVID-19 crisis

The health and safety of our employees, customers and stakeholders, together with our ability to continue to deliver services, has been our top priority

Our People

- We ensured that the majority of our employees at headquarters were **able to work remotely, activating our Crisis Management Plan ("CMP") sites** to decongest critical on-site based operations;
- activated **rigorous incident management processes**;
- ensured required **protective and cleaning materials were made available to employees**;
- deployed **extensive internal communications**;
- secured uninterrupted operations by **redesigning critical processes** to facilitate remote work while at the same time ensuring that emerging risks were mitigated by adequate and efficient controls.

Our Customers

- We shifted towards **digital banking platforms** to ensure nationwide service availability to our customers;
- redirected resources to prepare for the necessary **financial support** to our customer base, mitigating the immediate impact of the COVID-19 pandemic;
- implemented **payment moratoria for corporate and retail customers** corresponding to c. €3.9 billion in eligible loans approved in 2020;
- participated in **all State Schemes COVID-19 support schemes**, including:
  - **Entrepreneurship Fund II ("TEPIX II")** through c. 5,000 customers and c. €368 million of gross loans approved by Hellenic Development Bank S.A. ("HDB") (of which c. €216 million have already been disbursed);
  - **State-guaranteed working capital** with c. €1,344 million of gross loans approved (of which c. €1,114 million have already been disbursed);
  - **Cosme working capital (European Investment Fund ("EIF") guaranteed)** with c. €76 million of gross loans approved (of which c. €44 million disbursed);
  - **European Investment Bank ("EIB") working capital (EIB funds pool)** with c. €61 million of gross loans approved (of which c. €25 million disbursed);
  - **"Gefyra" loan subsidy program (Ministry of Finance ("MinFin"))** with c. €1.3 billon eligible loans (mostly mortgages);
  - **Interest subsidy program (MinFin)** approving 10,343 applications corresponding to interest payment subsidy of c. €46 million.
- deployed **extensive external communications**.

Our Stakeholders

- We kept our employees, customers, shareholders, investors and regulatory bodies **informed at all times** by raising awareness about key hygiene measures, travel restrictions and policies;
- **encouraged and educated** our customers to use digital channels.

Our Society

- We **donated medical equipment** to the National Health System;
- we **monitored closely** the parameters relating to the pandemic health crisis and maintained support for our employees, customers, stakeholders and society through these unprecedented times.

2020 Group Financial Results

2020: a year of significant challenges and transformatory developments for NBG

Adjusted Group profit for the period from continuing operations

€591 million for the year ended 31 December 2020 (31 December 2019: €469 million).

Domestic new loan disbursements

Domestic loan disbursements reach €4.6 billion (+40.1% year-over-year ("y-o-y"), aided by State schemes.

Non-Performing Exposures ("NPEs")

Held for sale transfer of the Project "Frontier" portfolio pushes Group's NPE ratio down to 13.6% (including Project "Frontier" senior notes of c. €3 billion) from 29.3% in 3Q.2020.

Issuance of the first green senior bond in Greece

Successful placement of the first green senior bond in Greece of amount €500 million, with 6-year tenor.

Common Equity Tier 1 ratio ("CET1")

The Group's CET1 and Total Capital ratios at 31 December 2020 were 15.7% and 16.7%, respectively, exceeding the 2020 & 2021 Overall Capital Requirement ("OCR") of 11.5%, post capital relief measures.

Digital functionality

Digital transactions soared, supported by our efforts to accelerate onboarding & engagement and enhance the digital capabilities of our customers

COVID-19 restrictions in combination with campaigns to promote digital channels usage and the introduction of new digital capabilities led to a significant acceleration of digital customer onboarding and engagement:

- 29.6% y-o-y increase in transactions via digital channels.
- Digital active users reach 2 million (+45.5% y-o-y).
- More than 620,000 new digital customers registered year-to-date.

Awards

Selected awards & recognitions

- **"Loyalty Awards 2020"**
- **"Digital Banking Awards 2020"**
- **"International Banker Awards 2020"**
- **"Business IT Excellence Awards 2020"**
- **"Mobile Excellence Awards 2020"**
- **ISO certifications, for:**
  - the Quality Management systems, per ISO 9001:2015; and
  - the Anti-bribery management systems, per ISO 37001:2016.

Digital Strategy

Key milestones

Inform	• Digital & direct marketing. • Campaigns & digital events.
Onboard	• More than 244,000 new users registered in 2020 via Mobile Banking. • Existing customer onboarding for personal businesses via Mobile Banking/Internet Banking. • Self-service info & document management via Mobile Banking/Internet Banking.
Engage	• New Internet Banking for business customers. • Self Service Functionalities for business customers (i.e. online legalization, enhanced approval workflows). • Peer to Peer (“P2P”) transfers (individuals). • Online disbursements & loan repayments (business). • Online Application for Loan Payment Holiday, and Cheque Payment Suspension due to COVID-19.
Gross-sell	• Available in 2020: ○ Cards (debit/credit/prepaid/virtual): +149,700 new cards issued. ○ Time deposits: +27,600 new accounts. ○ Savings & current accounts launched: +23,800 new accounts. ○ Bancassurance launched in the fourth quarter of 2020: + 500 contracts. ○ Consumer lending launched in the fourth quarter of 2020: +1,900 loans. • In progress: ○ Bancassurance (enrich offering) and Investments. ○ E-commerce for businesses. ○ End-to- end (“E2E”) business loan. ○ Digital Signatures.

Digital transactions soared, supported by our efforts to accelerate onboarding & engagement and to enhance the digital capabilities of our customers

Digital active users

2.0 million

+45.5%
y-o-y

Digital subscribers

3.0 million

+26.0%
Registered subscribers
y-o-y

2.3 million

+63.2%
App downloads
y-o-y

Key achievements and significant developments of NBG Group in 2020

Large scale Transformation Program

Building upon its long-lasting tradition of trust and service to society, the National Bank of Greece ("NBG" or the "Bank") embarked on a large-scale Transformation Program (see section "*Transformation Program*") in the second half of 2018 to transform the Bank, responding to the challenges and tapping the business opportunities presented by the rapidly changing economic and banking landscape.

The Transformation Program identifies the strategic areas that leverage on our strengths and address our weaknesses, so as to unlock the Bank's substantial untapped profitability potential, though six discrete workstreams, more than 45+ initiatives and more than 1,000+ executives and employees of the Bank.

The Bank's new strategy, including key drivers and the resulting ambitious set of financial and business targets up to 2023, along with the new management team, was presented to the investment community in London on 16 May 2019. NBG's Investor Day was highly successful, bringing together c. 120 investors in London, constituting the first such event of a Greek Bank for more than 10 years. The Investor Day Presentation is posted on the Bank's website www.nbg.gr/en/the-group/investor-relations/financial-information/presentations).

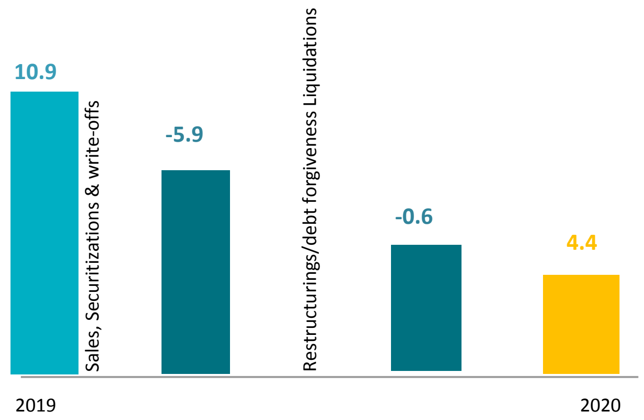
NPE reduction plan

From December 2015 to December 2020, the Group achieved a decrease of €17.5 billion of the NPE stock through a combination of organic and inorganic actions, with Group NPE stock as of 31 December 2020 at €4.4 billion (Bank: €4.1 billion). Similarly, the NPE ratio dropped from 46.8% to 15.0% (or 13.6% pro-forma, including Project "Frontier", see below, senior notes of c. €3 billion). More specifically, during 2020, the decrease of NPEs at Group level by €6.5 billion (almost entirely from the Bank), mainly attributed to inorganic actions of €5.9 billion through securitization, sales and write-offs. Organic actions led to a decrease of €0.6 billion, mainly through restructurings/debt forgiveness and liquidations.

Furthermore, post-COVID-19 revised targets will be submitted to the Single Supervisory Mechanism ("SSM") on 31 March 2021, as per the regular European Central Bank ("ECB") calendar, based on which the NPE ratio is expected to be reduced to below 5% by 2023.

NPE reduction in 2019 - 2020

(GROUP, € billion)



Disposal of NPE portfolios

Project "Frontier" NPE securitization

NBG in the context of its Transformation Program, has launched the securitization of a portfolio of NPEs under the project name "Frontier", accounting for €6.1 billion in terms of gross book value as of 30 June 2020. The Bank has submitted on 29 January 2021, an application for the inclusion of Frontier under the "Hercules" guarantee scheme, according to the provisions of Greek Law 4649/2019 (see below). The application provides for a guarantee by the Greek State for senior notes with a total value up to €3.3 billion. NBG launched the transaction in the fourth quarter of 2020. Upon the successful completion of the transaction, the Bank expects to retain 100% of the senior and 5% of the mezzanine and junior notes, while disposing up to 95% of the latter to the market through a competitive process, which is expected to be completed (Signing and Closing) in the second quarter of 2021.

Hellenic Republic Asset Protection Scheme

In December 2019, the Greek parliament voted for the creation of an Asset Protection Scheme ("APS") (Greek Law 4649/2019) also known as the "Hercules Scheme". The Hercules Scheme will support banks on deleveraging NPEs through securitization, with the aim of obtaining greater market stability. The participation in the Hercules Scheme is voluntary and open to all Greek banks and it does not constitute state aid as guarantees are priced on market terms.

Under the Hercules Scheme, the Hellenic Republic will provide guarantees up to €12.0 billion on the senior bonds of securitizations of NPEs. The Hercules Scheme will become effective only when the originator has sold at least 50% plus one of junior tranches (and mezzanine if any) and the notes are of such amount that allows the derecognition and the Significant Risk Transfer ("SRT") of the securitized receivables.

However, the launch of the extended "Hercules" Scheme, named Hercules II, is expected in April 2021 upon approval from the Directorate General for the Competition of the European Commission (the "DG Competition"). Hercules II scheme aims to expand the scheme by 18 months, with no material changes in terms.

Project "Icon"

As part of the implementation of the NBG Transformation Program the Bank, on 12 February 2021, NBG announced that it has completed the disposal of a non-performing, predominantly secured, corporate loan portfolio ("Project Icon") with total principal amount as at 30 June 2019 of c. €1.6 billion (€0.6 billion of allocated collateral value) to Bain Capital Credit ("Bain Capital"). The transaction was implemented in the context of NBG's NPE deleveraging strategy and in accordance with the Operational Targets submitted to the SSM.

Project Danube

On 22 December 2020, the Bank announced that it has entered into a definite agreement with Bain Capital for the disposal of a Romanian-risk corporate NPE portfolio ("Project Danube") with a total Gross Book Value of c. €174 million (€102 million of allocated collateral value). The transaction is being implemented in the context of NBG's NPE deleveraging strategy and in accordance with the Operational Targets submitted to the SSM.

The transaction is currently expected to be concluded in the second quarter of 2021, after approval of the competent regulatory authorities.

Divestments

Planned disposals of subsidiaries and Branch under 2019 Revised Restructuring Plan commitments

Sale of a majority equity holding in Ethniki Hellenic General Insurance S.A.

On 24 March 2021, the Bank's Board of Directors approved the sale of the 90.01% out of 100.00% stake in Ethniki Insurance Company S.A. ("Ethniki Insurance" or "NIC") and authorized the Bank's Management to proceed with the signing of the Share Sale and Purchase Agreement ("SPA") with CVC Capital Partners ("CVC") on 26 March 2021.

The equivalent nominal consideration corresponding to 100.00% of NIC would be €505 million, including an "earn-out" payment of up to €120 million, which will be subject to meeting agreed upon performance targets for the bancassurance channel of NBG by 2026. The transaction includes a 15-year Bancassurance partnership. NIC has been classified as held for sale and discontinued operations.

National Bank of Greece (Cyprus) Ltd

On 26 November 2019, the Bank signed a SPA with AstroBank Limited for the sale of its 100.00% stake in National Bank of Greece (Cyprus) Ltd ("NBG Cyprus"). However, on 26 November 2020, which was the last date ("Longstop Date") for Astrobank Limited to fulfil certain condition precedents specified in the SPA entered into between NBG and Astrobank Limited, the Bank took note that such condition precedents were not fulfilled and henceforth decided to terminate the SPA on 27 November 2020.

The Bank remains committed to implementing all options of compliance with its Commitments under its 2019 Revised Restructuring Plan (see below "*2019 Revised Restructuring Plan*"). NBG Cyprus has been classified as held for sale and discontinued operations.

National Bank of Greece – Egyptian Branch Network

As of 31 December 2018, the Branch Network in Egypt ("NBG Egypt") had been classified as held for sale and discontinued operations.

On 2 May 2019, the Bank signed a definitive agreement to sell certain assets and liabilities of NBG Egypt to Bank Audi S.A.E. ("Bank Audi Egypt"). Closing of the Egypt transaction was subject to the approval of the Central Bank of Egypt ("CBE"), as the Central Bank of Lebanon approved the transaction in June 2019. Given that the CBE approval was still pending six months after the signing of the definitive agreement, Bank Audi SAE issued an agreement termination notice in November 2019.

On 11 May 2020, Bank Audi Egypt informed the Bank that will not pursue further the potential acquisition of NBG's operations in Egypt. As a result, the financial statements of the Bank and the Group were amended retrospectively, as if the NBG Egypt never qualified as held for sale and discontinued operations. Furthermore, in January 2021, an official application was submitted to the Central Bank of Egypt to downsize and ultimate cease its operations in Egypt.

The divestment of NBG Egypt is an obligation of the Bank under its 2019 Revised Restructuring Plan (see below "*2019 Revised Restructuring Plan*").

Other divestments

CAC Coral Ltd

On 16 October 2020, the Bank announced that it has entered into a definite agreement with Bain Capital for the disposal of its 100% stake in a Cypriot Credit Acquiring Company, CAC Coral Ltd (Project "Marina"), which contains a portfolio of non-performing corporate, SME and consumer and mortgage loans with total Gross Book Value of c. €325 million (€200 million of allocated collateral value). The portfolio consists predominantly of legacy non-performing loans. The transaction is being implemented in the context of NBG's NPE deleveraging strategy and in accordance with the Operational Targets submitted to the SSM.

The transaction is currently expected to be concluded by the end of the third quarter 2021 after approval of the competent regulatory authorities.

CAC Coral Ltd has been classified as held for sale and discontinued operations.

Financial highlights

Increased adjusted profit after tax from continuing operations by 26.0%

Adjusted Group profit after tax ("PAT") from continuing operations increased by 26.0% y-o-y to €591 million in 2020, reflecting resilience in core income against COVID-19 headwinds, a sizable gains arising from Greek government bond transactions (see below "*Exchange of Greek government bonds in January 2020 and in December 2020*"), as well as sharply lower personnel expenses and General & Administrative ("G&A"). The strong trading income more than offset non-recurring credit losses, as well as VES charges, restructuring costs and other one-offs totalling €152 million.

Cost cutting through Voluntary exit scheme ("VES") and G&A as a key transformation lever towards an efficient and agile organization

Domestic operating expenses for the year ended 31 December 2020 decreased by 4.4% y-o-y to €768 million, as the reduction in both personnel expenses (8.2% y-o-y) and G&A (11.8% y-o-y) was nearly offset by the increase in depreciation charges (+22.5% or €27 million y-o-y) arising from the application of IFRS 16 and the disposal of NBG Pangaea REIC (currently Prodea Investments S.A.) in May 2019. The reduction in domestic personnel expenses reflects the benefit from the headcount reduction due to the 2019 VES that expired in February 2020 and to the new VES ("2020 VES") that the Bank launched in November 2020 concerning its domestic operations. In total 863 and 840 employees for the Group and the Bank, respectively, participated in 2020 in the VES.

Loan impairments in 2020 related mainly to the COVID-19 and Project "Frontier"

Loan impairments of €1,071 million in 2020 include namely the COVID-19 related loan impairments of €0.4 billion recognized by the Bank almost in its entirety in 1Q.2020 and the incremental provisions required for the Held for Sale ("HFS") transfer of the Project "Frontier" portfolio of €0.4 billion booked in 4Q.2020.

ECB exposure to Targeted Longer-Term Refinancing Operations increased, fueling credit extension, while domestic deposit momentum is maintained in 2020 benefitting by private deposit inflows

On an annual basis, deposits in Greece increased by €4.7 billion or 11.2% to €47.0 billion, mainly from premium & mass customers and corporates inflows. Private sector deposit inflows reflect the confluence of positive support measures from the ECB, the Government and the Banking system towards households and corporates. At the same time, Greek deposit cost continued to decline to 13bps in 4Q.2020 from 33bps in 4Q.2019. International deposits remained flat at €1.5 billion.

As a result, Loans-to-Deposits Ratio settled at 54.3% in Greece and 55.3% at the Group level. Moreover, the Group's LCR and Net Stable Funding Ratio ("NSFR") stood at 232.2% and 120.9%, respectively, well above regulatory thresholds.

Eurosystem funding amounted to €10.5 billion as at 31 December 2020 under TLTRO III (31 December 2019: €2.2 billion), as a result of increased liquidity buffer needs for COVID-19 purposes, with net repo exposure with financial institutions amounted to €0.3 billion. The significantly lower funding terms under TLTRO III, coupled with the repricing of time deposits by 41bps y-o-y to 23bps in 4Q.2020, have led to a substantial improvement of the Bank's blended funding cost to nearly zero levels in 4Q.2020 (7bps) compared to 41bps in 4Q.2019, supporting NII.

Receivables from withholding taxes on bonds and treasury bills

Current income tax advance includes withholding tax receivables of €187 million (2019: €203 million) relating to the financial years 2009, 2011, 2012 and 2013 (tax years 2008, 2010, 2011 and 2012), which the Bank claims from the Greek State. On 29 March 2019, an amendment was passed through Greek Law 4605/2019 (article 93, para. 1 & 2) regarding Corporate Income Tax legislation, clarifying the status of these withholding tax receivables of banks. Specifically, (a) taxes of €41 million (2019: €41 million), withheld in accordance with the provisions of para. 8 of article 12 of Greek Law 2238/1994, are offset as a priority when income tax is incurred and to the extent that income tax is sufficient for the purposes of the above set-off, (b) withholding taxes of €146 million (2019: €162 million), which are subject to the provisions of para. 6 of Article 3 of Greek Law 4046/2012 and not offset within five years, are offset in equal instalments within 10 years with any tax liabilities of banks, starting from 1 January 2020. The first instalment of €16 million has been set-off against other tax liabilities within 2020 and the respective balance as of 31 December 2020 amounted to €146 million.

Exchange of Greek government bonds in January 2020 and in December 2020

In January 2020 and December 2020, the Hellenic Republic and NBG had agreed on a Greek Government Bond exchange, involving existing Greek Government Bonds held by the Bank with new Greek Government Bonds. The terms of the existing and new Greek Government Bonds at the relevant trade dates are as follows:

Existing Greek Government Bond Exchanged

ISIN	Maturity	Interest Rate	Nominal Amount in € million	Settlement Amount in€ million
20 January 2020				
GR0112009718	20 March 2023	2.90%	250	271
GR0116007924	20 March 2025	3.25%	964	1,092
GR0118018663	20 March 2026	3.55%	2,100	2,440
Total			**3,314**	**3,803**
3 December 2020				
GR0138016820	20 March 2050	3.25%	**600**	**879**
18 December 2020				
GR0138016820	20 March 2050	3.25%	**350**	**513**

The exchanges were executed at market terms and were settled on 21 January 2020, 11 December 2020 and 28 December 2020, respectively (see below table), and the difference between the settlement amounts for the bonds exchanged and the bonds received was settled in cash. The realized gain for the Bank amounted to €766 million.

New Greek Government Bonds

ISIN	Maturity	Interest Rate	Nominal Amount in € million	Issue price (HDAT*)
21 January 2020				
GR0138016820	20 March 2050	3.25%	**3,314**	114.71
11 December 2020				
GR0124035693	12 March 2029	3.875%	150	126.95
GR0128015725	30 January 2033	3.900%	150	135.85
GR0128016731	4 February 2035	1.875%	100	112.70
GR0133011248	30 January 2037	4.000%	150	144.55
GR0138015814	30 January 2042	4.200%	150	158.52
Total			**700**	
28 December 2020				
GR0128015725	30 January 2033	3.900%	144	135.55
GR0128016731	4 February 2035	1.875%	405	112.22
GR0133011248	30 January 2037	4.000%	142	144.02
GR0138015814	30 January 2042	4.200%	171	157.63
Total			**862**	

* *Electronic Secondary Securities Market (HDAT).*

The transactions enhanced Bank's capital position, facilitating the execution of the NPE reduction plan.

Issuance of debt securities

On 8 October 2020, the Bank completed the issuance of €500 million Green Fixed Rate Resettable Unsubordinated Minimum Requirement for own funds and Eligible Liabilities ("MREL") Notes with an annual coupon of 2.75% and a yield of 2.875%. The notes have a 6-year maturity with first reset date on the completion of 5 years. With this transaction, the Bank demonstrated its commitment to supporting the green economy and its strategic direction as the Bank for green energy.

This issuance is an integral part of NBG's strategy, as presented in London on 16 May 2019 during the NBG Investor Day.

NBG Auxiliary Pension Plan

On 19 March 2020, a legislative amendment (Article 63, Law 4680/2020) on Article 24 of Greek Law 4618/2019 was passed ("the amendment"). According to the amendment, the employees insured with NBG's Auxiliary Pension Plan ("LEPETE") were transferred to the former ETEAEP and are now governed by the legislation of the Auxiliary Insurance Plan of Single Social Security Entity ("e-EFKA"). As a result, the Bank is liable for normal employer's contributions (3.25% from 1 June 2019 to 31 May 2022 and 3.00% from 1 June 2022 and onwards). The Bank is also obligated to pay an additional social security contribution to the Auxiliary Insurance Plan of e-EFKA for the years 2018 to 2032, amounting to 12.0% per annum of the gross salaries of employees with any employment relationship with the Bank on 31 December of each respective year. These additional annual contributions from the Bank were duly paid for the year 2018 by 30 June 2020 and for the remaining years the contribution is payable by the last business day of the first quarter of each following year. The additional contribution for the years 2019 and 2020 is offset by the additional contribution paid by the Bank to the former ETEAEP pursuant to Article 24 of Greek Law 4618/2019, as in force prior to its replacement herein. With the payment of the above additional social security contributions the obligation of the Bank to the Auxiliary Insurance Plan of e-EFKA as well as to any other third party is exhausted.

There are pending legal actions against the Bank from LEPETE and former employees who are disputing the defined contribution nature of the plan, claiming that the Bank has an obligation to cover any deficit arising. The Bank for the one of the First Instance Court decisions appealed directly to the Supreme Court. In December 2020, the Supreme Court issued the decisions 1238/2020 and 1239 /2020 on appeals filed by the Bank and the opponents which were discussed on 17 December 2019. More specifically, the decision 1239/2020 accepted the appeal of the Bank and the decision 1238/2020 rejected the –auxiliary- appeal of the opponents.

2019 Revised Restructuring Plan

The Group is subject to European Commission rules on European Union ("EU") State aid in light of the aid received from the Hellenic Financial Stability Fund ("HFSF") and the Hellenic Republic. These rules are administered by the DG Competition. Under these rules, the Bank's operations are monitored and limited to the operations included in the 2019 Revised Restructuring Plan, which aims to ensure the Bank's return to long term viability. The 2019 Revised Restructuring Plan was approved on 10 May 2019 by the European Commission.

The 2019 Revised Restructuring Plan includes a number of commitments to implement certain measures and actions that had to be completed during the period 2019-2020 (the "2019 Revised Restructuring Plan Commitments"). The 2019 Revised Restructuring Plan Commitments relate both to domestic and foreign operations of the Group. Differentiations to the 2015 Restructuring Plan which expired on 31 December 2018 relate to the deepening of the Bank's operational restructuring, some amendments on the commitments and deadlines, as well as a commitment to sell the remaining stake (32.66%) in NBG Pangaea REIC (currently Prodea Investments S.A.) in substitution for the commitment to dispose of Stopanska Banka A.D.-Skopje.

For domestic operations, the 2019 Revised Restructuring Plan Commitments relate to constraining operating expenses, including the number of personnel and branches. In particular, the Commitments include the following:

A further reduction of the number of branches in Greece to 420 (by the end of 2019) and 390 (by the end of 2020). As at 31 December 2020, the Bank had reduced its branches to 365.

A further reduction of the number of employees in Greece to 8,600 as at 31 December 2019 and 8,000 as at 31 December 2020. As at 31 December 2020, the Bank had reduced the number of employees at domestic level to 7,762[1].

A further reduction of total operating expenses in Greece to €845 million as at 31 December 2019 and €800 million as at 31 December 2020. As at 31 December 2020 such costs amounted to €768[1] million.

Divestment of domestic non-banking activities: In May 2019 the Bank completed the sale of its remaining stake in NBG Pangaea REIC (currently Prodea Investments S.A.) and has to dispose at least 80% of NIC. See above *"Sale of a majority equity holding in Ethniki Hellenic General Insurance S.A."* for a description of the status of this Commitment.

Divestment from international operations: The Bank reduced its international activities, by disposing of certain subsidiaries in the years 2016 - 2019. The only incomplete divestment from international operations relates to the subsidiary NBG Cyprus, as for the branch network in Egypt, in January 2021, an official application was submitted to the Central Bank of Egypt to downsize and ultimate cease its operations in Egypt (see above *"Divestments-Planned disposals of subsidiaries under 2019 Revised Restructuring Plan commitments").*

Lastly, the 2019 Revised Restructuring Plan provides for prolongation of the 2015 Restructuring Plan's Commitments on corporate governance, commercial operations, acquisitions and advertising.

The implementation of the 2019 Revised Restructuring Plan Commitments is monitored by the Monitoring Trustee.

Regulatory developments

2021 EU-wide Stress Test

On 29 January 2021 the European Banking Authority ("EBA") launched the 2021 EU-wide stress test. Following the postponement of the 2020 EU wide stress test-exercise, due to the COVID-19 pandemic, this year's EU-wide stress test will provide valuable input for assessing the resilience of the European banking sector. Accordingly, the adverse scenario is based on a narrative of a prolonged COVID-19 scenario in a 'lower for longer' interest rate environment, in which negative confidence shocks would prolong the economic contraction. The 2021 EU-wide stress test will be conducted on a sample of 50 EU banks – 38 from countries under the jurisdiction of the SSM and the EBA expects to publish the results of the exercise by 31 July 2021.

Other

NBG becomes Signatory of the global Principles for Responsible Banking

On 21 January 2021 the Bank endorsed the United Nations Principles for Responsible Banking (the "UN Principles for Responsible Banking") – a single framework for a sustainable banking industry developed through an innovative partnership between banks worldwide and United Nations Environment's Finance Initiative – thus becoming an official signatory together

[1] Excluding NIC.

with more than 200 banks from around the world which represent more than a third of the global banking industry.

The Principles for Responsible Banking set out the banking industry's role and responsibility in shaping a sustainable future and in aligning the banking sector with the objectives of the UN Sustainable Development Goals and the 2015 Paris Climate Agreement. They also, importantly, enable banks to embed sustainability across all their business areas, and to identify where they have the potential to make the most impact in its contributions to a sustainable world. Additionally, the UN Principles for Responsible Banking also position banks to leverage new business opportunities with the emergence of the sustainable development economy.

Recognizing the significance of responsible practices for ensuring the sustainability of its long-term operation, as well as the creation of value for its shareholders, customers, employees and the community at large, the Bank endorsed UN Principles for Responsible Banking, aiming at further enhancing its commitment to its long-term strategic planning for contributing to a sustainable future for all.

The Initiative 1821 - 2021 and the 200th anniversary of the beginning of the Hellenic Revolution

In light to its long history, NBG which is closely linked to the creation and development of the Hellenic Republic and to the philhellene individuals responsible for establishing the Bank – has turned to the 15 charitable and cultural institutions to provide input, recognizing their highly commendable work and contribution to the wider Greek community, in order to create a focus of understanding for the celebration of our National rebirth.

The purpose of the "Initiative" and its actions

The "Initiative 1821-2021" (www.protovoulia21.gr) regarding the celebration since the outbreak of the Greek Revolution aims to highlight a message of unity of purpose, declaring that history should be a source of inspiration for the future. In this spirit, the preparation of a variety of actions and events for the celebration of our National Rebirth, in Greece and abroad, began in 2019, including conferences, exhibitions, music concerts, educational - research programs and scholarships, as part of the planned objectives for the three years 2020-2022.

COVID-19 outbreak

See section **"***Response to COVID-19 crisis*".

Response to COVID-19 crisis

(Audited)

In the first quarter of 2020, the World Health Organization declared the outbreak of COVID-19 a pandemic. COVID-19 has caused a significant global economic downturn which has adversely affected, and is expected to continue to adversely affect, the Group's business and results of operations. The future impacts of the COVID-19 pandemic on the Greek and/or global economy and the Group's business, results of operations and financial condition remain uncertain.

Due to COVID-19 pandemic, authorities implement numerous measures attempting to contain its spread and impact, such as travel bans and restrictions, quarantines, shelter in place orders, and limitations on business activity, including closures. These measures severely restrict economic activity, businesses, market participants, our counterparties and customers, as well as the Greek and/or global economy for a prolonged period of time. These restrictions took place in March 2020, while in May 2020 the restrictions were slowly eased. However, worsened epidemic trends in October-November 2020 led to a reintroduction of protective restrictions on economic and social activity at a national level up to the date of this Annual Report. This poses significant downside risks to Gross Domestic Product ("GDP") growth in 2021 and could amplify the recessionary hit on households and businesses. These risks will be partly offset by a new set of fiscal measures as described below ("*Response to COVID-19 crisis from Greek and European authorities*").

The deterioration of financial conditions has increased our impairment charges for ECL on loans and advances to customers (see Note 21 of the Annual Financial Statements) and has led to loan modification programs (see below "*Customer Support measures in response to COVID-19 crisis*"). The Group also evaluated its assets, including intangibles and equity investments, for potential impairment, and assessed fair values of financial instruments that are carried at fair value. Based upon our assessment as of 31 December 2020, no significant impairments have been recorded for the Group and the Bank with the exception of the impairment charge for ECL relating to loans and advances to customers at amortised cost, and there have been no significant changes in fair values and in fair value hierarchy classifications.

Activation of Crisis Management Committee

The COVID-19 pandemic led to the activation of our Crisis Management Committee in February 2020, with the aim of dealing with increased measures regarding our employee health & safety, business continuity through remote work and customer support in response to COVID-19 crisis (see below "*Key Focus on Employee, Customer Support and, Other Stakeholders and Society in response to the COVID-19 crisis*").

More specifically, the Crisis Management Committee is the institutional body that activates the Bank's CMP and acts in case of emergency and unexpected change of conditions (such as operational, commercial, environmental, personnel, etc.), that could lead to a crisis that consequently could have impact on the Bank's business operations.

The Crisis Management Committee is comprised of the following members:

Chair	Chief Executive Officer ("CEO")
	General Manager – Corporate and Investment Banking
	General Manager – Retail Banking
	General Manager – Group Compliance and Corporate Governance
	General Manager – Group Risk Management, Chief Risk Officer ("CRO")
Members	General Manager – Group Internal Audit
	General Manager – Group Chief Financial Officer ("CFO")
	General Manager – Group Treasury and Financial Markets
	General Manager – Chief Operations Officer ("COO")
	General Manager – Legal Services

General Manager – Group Human Resources
General Manager– Special (Troubled) Assets
General Manager –Transformation, Strategy & International Activities
General Manager – Group Marketing
General Manager – Group Real Estate
Assistant General Manager – Group Chief Control Officer
Assistant General Manager – Strategic Transactions
Assistant General Manager – Head of Operations
Head of Group Security/Assurance

Currently, the Crisis Management Committee convenes twice a month at the invitation of its Chair.

Key Focus on Employee, Customer Support, Other Stakeholders and Society in response to COVID-19 crisis

Leveraging on our CMP and capabilities, of primary importance and key priority was the health and safety of our customers and employees, as well as, ensuring the servicing of our customers and other stakeholders of the Bank and the Group without disruption. This was achieved through:

- Ensuring that the majority of our employees at the central units were able to work remotely, activating our CMP site to decongest critical site-based operations, as well as decongesting our employees at the branches. More specifically, more than c. 50% of our central units staff have been working remotely throughout the pandemic, with the percentage exceeding c. 70% during full lockdowns, efficiently and cyber-securely.
- Activating the Measures Taking Committee which convenes on a daily basis, comprising of senior executives as well as a dedicated Bacteriologist - Clinical Pathologist with specialised knowledge on COVID-19, taking daily decisions on measures, to ensure our staff and customers are kept safe.
- Upgrading our infrastructure to accommodate telecommuting on a large scale, while also gradually distributing remote access equipment. Thus, we have currently provided to more than 5,700 employees the ability to work remotely, ensuring the smooth operation of the Bank and the Group as well as the safety of our employees.
- Activating rigorous incident management processes, ensuring required protective and cleaning material were made available to employees.
- Issuing multiple communications to educate the staff on COVID-19, providing instructions on how to protect themselves, communicating limitations in traveling and meetings, informing them on the process to follow in the event that they feel ill or believe they have been in contact with the coronavirus.
- Implementing integrated marketing actions (preparation of Press Releases, responses to Customers, placement of posters, information messages in ATMs, etc.), in order to ensure the appropriate communication with the involved parties (Customers, National Media, other Stakeholders, etc.).
- Identifying important and specific activities, as well as measures that the critical third Party Service Providers should take in order to be prepared against the spread of the COVID-19 in the workplace, in accordance with the guidelines issued by the Word Health Organization ("WHO") or any other official domestic or international websites.
- Supporting the Group's domestic and international subsidiaries for all operations while maintaining a line of communication. At the same time, from the beginning of the pandemic, the senior executives inform periodically external supervisory bodies (Bank of Greece, ECB, SSM) as well as the Crisis Management Committee and the Board of Directors of the Bank.
- Ensuring uninterrupted operations by redesigning critical processes and by implementing controls to facilitate remote work while mitigating emerging risks.
- Shifting to digital banking platforms to ensure nation-wide service offerings to our customers.
- Redirecting resources to prepare for the necessary financial support to our customer base to mitigate the COVID-19 emergency implications.
- Donating medical equipment to the National Health System to contribute to society.
- Monitoring closely the parameters relating to the pandemic health crisis and maintained support for our employees, customers, stakeholders and society through these unprecedented times.

We will continue to manage the increased operational risk relating to the execution of our CMP in accordance with our Risk Framework, Operational Risk Management Program and our Business Continuity Management Systems.

Customers Support measures in response to COVID-19 crisis

COVID-19 moratoria

EBA published on 25 March 2020 a "Statement on the application of the prudential framework regarding Default, Forbearance and IFRS 9 in light of COVID-19 measures" which states that "institutions are expected to use a degree of judgment and distinguish between borrowers whose credit standing would not be significantly affected by the current situation in the long term, and those who would be unlikely to restore their creditworthiness (see below "*Response to COVID-19 crisis from Greek and European authorities - European Banking Authority*"). In this context, the Group performed portfolio reviews and applied this regulatory guidance to its clients. EBA also states that "the public and private moratoria, as a response to COVID-19 pandemic, do not have to be automatically classified as forbearance if the moratoria are not borrower specific, based on the applicable national law or on an industry or sector-wide private initiative agreed and applied broadly by relevant credit institutions". The Group has also adopted this guidance, incorporating it into its processes and policies.

Under these moratoria, the Group has granted a postponement of interest and/or principal payments, extensions of loan terms as well as renewal of credit lines, depending on the program, as described below.

The gross carrying amount of loans and advances to customers subject to moratoria granted during 2020 for the Group amounts to €4.0 billion (excluding Project "Frontier") as at 31 December 2020, consisting of 30.0% mortgages loans, 9.7% consumer loans and 60.3% corporate and small business lending. More specifically, the gross carrying amount of loans for which the moratoria expired during 2020 amounts to €3.9 billion (out of which €0.3 billion relates to moratoria that expired at 30 September 2020 and €3.6 billion to moratoria that expired at 31 December 2020), whereby 90.5% comprises performing loans as at 31 December 2020. Therefore, the gross carrying amount of loans for which the moratoria have not expired as at 31 December 2020 amounts to €0.1 billion and mainly relates to corporate and small business lending. The modification impact of the aforementioned moratoria has been assessed by the Group and was not material to the Group and the Bank's financial statements (see also Note 21 of the Annual Financial Statements).

Summary of COVID-19 relief measures offered to NBG's customers, within the context of EBA guidelines, government and sector initiatives:

I. Medium & Large Corporates

To facilitate Medium-sized and Large Enterprises, NBG offers to all performing borrowers whose operations have been impacted by the COVID-19 following the outbreak of the pandemic in our country, the option to defer the payment of their loans' principal instalments (amortization amounts), in all or in part, for the period 1 March 2020 through to 31 December 2020.

The said relief measure shall be reviewed upon request submitted by the businesses and may be implemented by:

- deferring the instalments, fully or in part, at the end of the loan term and/or;
- increasing the subsequent loan instalments and/or;
- extending the loan term for a respective time period.

Alternatively, all capital instalments starting from i.e. 1 March 2020 till the end of the repayment schedule, can be deferred for up to nine months, with a respective increase to the loan's total duration. No further amendments to any of the loan's terms are permitted, especially regarding the interest rate.

II. SMEs

As part of the actions NBG has undertaken regarding the business sectors described in emergency legislation and the relevant Ministerial Decisions of the Greek Government, to address the impact of the crisis, NBG offers to all performing SMEs whose operations have been impacted by the COVID-19 as a result of the outbreak of the pandemic in our country, the option to **defer payment** of all of their loan principal repayment instalments (amortization amounts) via Internet Banking for the period 1 March 2020 through to 31 December 2020, by extending the term on their loans accordingly.

At the same time, with respect to SMEs that have duly fulfilled their obligations through to the outbreak of the pandemic in Greece, NBG has already approved **renewal of all the credit lines** expiring 1 March 2020 through to 31 May 2020 for three months as of their expiry date under the same terms and conditions.

III. COVID-19 support schemes

Additionally, NBG, as applicable for the Medium & Large Corporates and SMEs customers, participated in following COVID-19 support schemes (online applications available via Internet Banking):

- **Interest subsidy program** offered by the Ministry of Development for the period 1 April 2020 to 31 August 2020, applicable to customers holding a loan or revolving credit line prior to 1 April 2020 and less than 90 days in arrears by 31 December 2019.
- **Co-financing working capital loans with the Hellenic Development Bank S.A. ("HDB") (TEPIX II),** for amounts up to €500,000, with zero interest rate for the first two years.
- **State Guarantee working capital Program with the participation of HDB:** 80% of the loan is guaranteed by HDB, it has a total duration of up to five years, and the amount can reach 25% of 2019 turnover or the equivalent of double the annual salary costs of the companies for 2019.
- **Loan Guarantee Program - COSME COVID-19** with the participation of European Investment Fund ("EIF") up to €150.000: 80% of the loan is guaranteed by EIF, it has a total duration of up to 10 years.
- **Loan Guarantee Program – SME Guarantee COVID-19:** Sub-window with the guarantee of EIF, for amounts up to €7.5 million. The loan is guaranteed up to 80% by EIF and its purpose is to provide the necessary liquidity to companies that meet at least one of the Innovation and Digitalisation criteria of the program.
- **Funding program "NBG COVID-19 Response for SMES & MidCaps"** with the participation of EIB, for amounts up to €12.5 million. Its purpose is to tackle the economic consequences of the COVID-19 pandemic and mitigate the short-term financing constraints to medium-sized enterprises, as well as Mid-Cap companies, with less than 3,000 employees.
- **Extension of 75 days according to emergency legislation for cheques.** Initially the said measure addressed cheques with payment date from 31 March 2020 to 31 May 2020, with an additional extension of 60 days was provided to companies in the tourism industry specifically. The measure was extended in November 2020 to address cheques with payment date from 18 November 2020 to 31 December 2020. A further extension was granted in February 2021 for cheques of qualifying entities maturing from 25 January to 28 February 2021.

These measures form part of NBG's actions in line with the respective initiative by Greek banks, emergency legislation and relevant Ministerial Decisions of the Greek government aiming at addressing the impact of the crisis.

IV. Individuals & Professionals

NBG also recognizes that many of our performing debt holders, individuals and professionals, have been severely impacted by the COVID-19 and may be experiencing difficulty in continuing to service their loans. Accordingly, NBG announced the option to **suspend instalment payments** through to 31 December 2020 with online applications available via Internet Banking.

This relief measure applies to all borrowers who have regularly fulfilled their loan obligations until the outbreak of the pandemic in Greece, and who have experienced a severe drop in their income due to the coronavirus health emergency and now wish to be included in the support program. Moreover, a subsidy (**"Gefyra"** loan subsidy program) provided by the Greek state for loan payments, on loans collateralized by the principal residency of the eligible borrower, for up to nine months following the approval of the application.

V. Additional initiatives for our Customers

At the same time, NBG has implemented a comprehensive and broad range of initiatives, aiming at enabling & informing our Retail customers to perform with safety their day-to-day banking activities without the need to visit a Branch, thus also supporting the general social distancing measures in response to COVID-19.

Such initiatives included:

Communication of important guidelines and information via email, SMS, ATMs and internet banking regarding:

a. COVID-19 safety instructions and promoting usage of alternative channels for transactions in order to avoid branch visits;

b. cybersecurity – safe online practices;

c. Hellenic Bank Association guidelines regarding changes in basic banking transactions and payments;

d. changes in limits related to contactless (from 25 Euros to 50 Euros) and pin-less transactions (from 100 Euros to 150 Euros);

e. capability to repay consumer loans via online platforms of selected commercial partners.

Pensioners support through:

a. informative targeted campaigns via outbound calls and SMS to:
   - encourage debit card usage at the NBG ATM network for basic transactions and promoting POS transactions;
   - notify of the crediting of pensions and encourage withdrawal via NBG ATM network;

b. debit-card issuance without branch visit.

Mass customers support: Upgraded "Full Preventive Healthcare" Bancassurance program, offering polymerase chain reaction (PCR) test for COVID-19 detection, with minimal additional fees for the insured customer.

Premium customers support: Launched targeted informative campaigns to Premium Banking customers via e-mail/ sms, regarding:

- communication options with their Relationship Managers;
- ways to perform key transactions remotely;
- an online time deposit, "e-three months", available to all customers through e-banking.

Increasing e-banking penetration & usage through:

a. targeted informative campaigns (such as e-banking registration for customers who transact at Branches);

b. "Learn with NBG" promotion of internet banking via video tutorials and dedicated help line to individuals and Businesses

Response to COVID-19 crisis from Greek and European authorities

In response to the economic and market conditions resulting from the COVID-19 pandemic, the Greek government and European authorities have provided, among others, the following measures:

Greek authorities

Financial state aid measures

The measures for the qualifying businesses include:

- Granting of guarantees on working capital.
- Subsidising the interest cost for performing loans initially for April, May and June and subsequently up to August 2020.
- New loans through the Hellenic Fund for Entrepreneurship & Development S.A. with a 100% interest rate subsidy for the first two years.
- The granting of a new State loan ("Repayable Advance") which is conditioned upon turnover loss in March until August 2020, and the total amount to be granted for the three phases will amount to €3.5 billion. Phase 4 took place during November and December 2020 and amounted to €2.2 billion. Phase 5 took place during January-February 2021 and amounted to €0.6 billion. Phase 6 will take place during March 2021 and will amount to €0.5 billion.
- A subsidy provided by the Greek state for loan payments, on loans collateralized by the principal residency of the eligible borrower, for up to nine months following the approval of the application. A borrower is eligible as soon as the borrower, their spouse or dependent are affected by the COVID-19 crisis and they meet the eligibility criteria for the subsidy.

Tax measures

The measures for the qualifying businesses and the individuals that were affected by the COVID-19 crisis include:

- Suspension of tax obligation payments until 30 April 2021.
- Suspension of VAT payments until 31 May 2021.
- Suspension of Social Security Contributions (“SSC”) payments until 31 December 2021.
- Postponement of the payment of any instalments of debts owed to the tax authorities by qualifying businesses and for employees, whose employment contracts have been suspended.
- 25% discount on tax and social security contributions instalment schemes for April, in case they are paid on time. Following the amendment the measure extended to cover the month of June. Only for tax liabilities paid between 30 March and 30 April 2020, for employees of halted firms as well as for self-employed, freelancers and firms.
- Advance tax payment reduction for qualifying businesses with turnover decrease in March, April and May 2020 under certain conditions.
- Provision of a set off on certified tax liabilities with payment date from 1 May 2020 onwards, equal to 25% of VAT payable in April, in case the latter is paid in due time. Only for VAT payable in April, for qualifying businesses.
- Provision of Income Tax payment in eight installments and provision for 2% tax credit for individuals on the total amount of tax and other settling debt, provided that the tax due will be paid in a single lump sum payment on the basis of the timely filing.
- Accelerated refunds of up to €30,000 for income tax and VAT for all open tax audit cases, as on 20 March 2020 for all legal entities for income tax and VAT refunds and all individuals for VAT refunds.
- Reduction of the VAT on certain goods and services from a rate of 24% to a rate of 13% for the period from 1 June 2020 to 30 April 2021 and reduction of the VAT to 6%, from 24%, for sanitary products (masks, gloves, etc.) until 31 December 2020.
- Relief from import duties and VAT exemption on importation granted for goods needed to combat the effects of the COVID-19 crisis until 31 July 2020 for legal persons or individuals, provided, however, that such items shall be made available free of charge to beneficiaries specified in decision.
- The calculation of the Tax on Ownership of Real Estate Property (“ENFIA”) will be based on the currently applicable "deemed" property values for 2020.
- Owners of real estate property rented to affected businesses, may also benefit from offsetting part of the revenue lost against their tax liabilities arising after July 2020.
- R&D expenses will have a deduction of 100% instead of the current 30% for expenses incurred as of 1 September 2020 onwards.
- Tourist packages from 80/20 (80% taxable at 13%, 20% taxable at 24%) to 90/10 (90% taxable at 13%, 10% taxable at 24%) for the period from 1 June 2020 to 31 October 2020.

Labor protection measures

- Special allowance of 800 Euros:
  (1) for short period of time for qualifying self-employed, freelancers and individual businesses affected by the COVID-19 crisis;
  (2) during the suspension period for employees of firms affected by the COVID-19 crisis, whose labor contract has been suspended based on specific Economic activities in the European Community (NACE) codes;
  (3) for short period of time for employers (with up to 20 employees) affected by the COVID-19 crisis. This allowance was reduced to 534 Euros or 300 Euros depending on specific criteria during May until October and was increased again to 800 Euros as part of the measures announced in November 2020.
- Special allowance of 600 Euros for a short period of time for economists/accountants, engineers, lawyers, doctors, teachers and researchers.
- Unemployment benefit of 400 Euros. Lump sum payment for 155,000 individuals that became long term unemployed since April 2019. Second lump sum payment for 130,000 individuals that became long term employees since 1 March 2020 was announced in November 2020.
- Extension of the regular unemployment benefit payment, as well as extension of the long-term unemployment benefit.
- Lump sum payment to those eligible for minimum guaranteed income for December 2020. The payment will be given to 256,562 households and the amount will depend on the number of people in the household, with a minimum of 200 Euros.
- Introduction of special purpose leave, only for workers with children attending to schools (while schools are closed), the cost of which will be shared between the state, the firm and the employee.
- 40% reduction in commercial rent since March 2020 for businesses affected by the COVID-19 crisis. A subsidy in relation to the reduction will be provided to the lessor.
- 40% reduction in primary and student residence rent since March 2020 for employees of firms affected by COVID-19 crisis. A subsidy in relation to the reduction will be provided to the lessor.
- Ability to suspend contracts of employment of part or all of the staff for a continuous period of 45 days, while prohibiting employees’ dismissal. It can be applied for short period of time for qualifying businesses affected by the COVID-19 crisis. The right to suspend employment contracts, the provision of the special purpose compensation, as well as the social security coverage will be extended for a prolonged period.
- Ability of transfer staff to other companies within the same group, following a relevant intra company agreement. For qualifying businesses affected by the COVID-19 crisis.

Duration of measure is to be determined.

- Possibility for employers to pay the Easter bonus at a later time and until 30 June 2020 for qualifying businesses affected by the COVID-19 crisis.

The Bank believes the above mentioned measures implemented or announced by Greek authorities will help its customers meet their financial obligations.

The European Central Bank

In March, April and June 2020, ECB announced the following measures:

- Temporary increase in the Asset Purchase Programme ("APP") of €120 billion (12 March 2020).
- Pandemic Emergency Purchase Programme ("PEPP") €750 billion until the end of 2020 for all asset categories eligible. Expanded the range of eligible assets under the Corporate Sector Purchase Programme ("CSPP") to non-financial commercial paper (18 March 2020).
- Modifications to the terms and conditions of its targeted longer-term refinancing operations (TLTRO III): TLTRO III reduced by 25 basis points to -0.5% from June 2020 to June 2021. For banks meeting the lending threshold of 0% introduced on 12 March 2020, the interest rate can be as low as -1%. Start of the lending assessment period brought forward to 1 March 2020 (30 April 2020).
- Collateral easing measures: Package of temporary collateral easing measures to facilitate the availability of eligible collateral for Eurosystem counterparties to participate in liquidity providing operations. The main features are:
    - Collateral measures to facilitate an increase in bank funding against loans to corporates and households,
    - General reduction of collateral valuation haircuts by a fixed factor of 20% and other measures (lowering of the non-uniform minimum size threshold for domestic claims, increase of maximum share of unsecured debt instruments issued by any single other banking group in a credit institution's collateral pool and waiver of the minimum credit quality requirement for marketable debt instruments issued by the Hellenic Republic for acceptance as collateral in Eurosystem credit operations) (7 April 2020).
- New pandemic emergency longer-term refinancing operations: Series of additional longer-term refinancing operations to ensure sufficient liquidity and smooth money market conditions during the pandemic period. Operations allotted on a near monthly basis maturing in the third quarter of 2021 (30 April 2020).
- The envelope for PEPP will be increased by €600 billion to a total of €1,350 billion. In response to the pandemic-related downward revision to inflation over the projection horizon, the PEPP expansion will further ease the general monetary policy stance, supporting funding conditions in the real economy, especially for businesses and households. The purchases will continue to be conducted in a flexible manner over time, across asset classes and among jurisdictions. This allows the Governing Council to effectively stave off risks to the smooth transmission of monetary policy (4 June 2020).
- The horizon for net purchases under the PEPP will be extended to at least the end of June 2021. In any case, the Governing Council will conduct net asset purchases under the PEPP until it judges that the coronavirus crisis phase is over (4 June 2020).
- The maturing principal payments from securities purchased under the PEPP will be reinvested until at least the end of 2022. In any case, the future roll-off of the PEPP portfolio will be managed to avoid interference with the appropriate monetary stance (4 June 2020).
- ECB set up a new backstop facility, called the Eurosystem repo facility for central banks ("EUREP"), to provide precautionary euro repo lines to central banks outside the euro area. EUREP addresses possible euro liquidity needs in case of market dysfunction resulting from the COVID-19 shock that might adversely impact the smooth transmission of ECB monetary policy. EUREP will be available until the end of June 2021 (25 June 2020).
- The interest rate on the main refinancing operations and the interest rates on the marginal lending facility and the deposit facility will remain unchanged at 0.00 per cent, 0.25 per cent and -0.50 per cent respectively (10 December 2020).
- Increase the envelope of the PEPP by €500 billion to a total of €1,850 billion. Extend the horizon for net purchases under the PEPP to at least the end of March 2022 (10 December 2020).
- Further recalibration of the conditions of the TLTRO III. Specifically, extend the period over which considerably more favourable terms will apply by twelve months, to June 2022. Three additional operations will also be conducted between June and December 2021. Moreover, the Governing Council decided to raise the total amount that counterparties will be entitled to borrow in TLTRO III operations from 50 per cent to 55 per cent of their stock of eligible loans. In order to provide an incentive for banks to sustain the current level of bank lending, the recalibrated TLTRO III borrowing conditions will be made available only to banks that achieve a new lending performance target (10 December 2020).
- Extend to June 2022 the duration of the set of collateral easing measures adopted on 7 April 2020 and 22 April 2020. The extension of these measures will continue to ensure that banks can make full use of the Eurosystem's liquidity operations, most notably the recalibrated TLTROs. The Governing Council will reassess the collateral easing measures before June 2022, ensuring that Eurosystem counterparties' participation in TLTRO III operations is not adversely affected (10 December 2020).
- Net purchases under the asset purchase programme (APP) will continue at a monthly pace of €20 billion. The Governing Council continues to expect monthly net asset purchases under the APP to run for as long as necessary to

reinforce the accommodative impact of its policy rates, and to end shortly before it starts raising the key ECB interest rates (10 December 2020).

- The EUREP and all temporary swap and repo lines with non-euro area central banks will be extended until March 2022 (10 December 2020).

The following prudential measures have also been implemented by ECB:

- Pillar 2: Banks permitted to cover Pillar 2 requirements with capital instruments other than common equity tier 1 (CET1) (12 March 2020).
- Operational flexibility in implementation of bank specific supervisory measures (12 March 2020).
- Will allow banks to operate temporarily below the level of capital defined by the Pillar 2 Guidance (“P2G”), the capital conservation buffer (“CCB”) and the Liquidity Coverage Ratio (“LCR”). The ECB considers that these temporary measures will be enhanced by the appropriate relaxation of the countercyclical capital buffer (“CcyB”) by the national macroprudential authorities (12 March 2020).
- Will consider rescheduling on-site inspections and extending deadlines for the implementation of remediation actions stemming from recent on-site inspections and internal model investigations, while ensuring the overall prudential soundness of the supervised banks. In this context, the ECB Guidance to banks on non-performing loans also provides supervisors with sufficient flexibility to adjust to bank-specific circumstances. Extending deadlines for certain non-critical supervisory measures and data requests will also be considered (12 March 2020).
- Capital relief: Total package amounts to €120 billion to absorb losses, or potentially finance up to €1.8 trillion of lending (20 March 2020).
- Non-Performing Loans (“NPLs”): Supervisory flexibility regarding the treatment of NPLs, in particular to allow banks to fully benefit from guarantees and moratoriums put in place by public authorities to tackle the current distress (20 March 2020).
- Dividends and Buy Back: banks should not pay dividends for financial years 2019 and 2020 until at least 1 January 2021. Also, banks should refrain from share buy-backs until the 1 January 2021 (28 July 2020). The ECB asked all banks to consider not distributing any cash dividends or conducting share buy-backs, or to limit such distributions, until 30 September 2021 (15 December 2020).
- Given the persisting uncertainty over the economic impact of COVID-19, the ECB expects dividends and share buy-backs to remain below 15% of the cumulated profit for 2019-20 and not higher than 20 basis points of the Common Equity Tier 1 (CET1) ratio, whichever is lower (15 December 2020).
- ECB reiterates supervisory expectation that banks exercise extreme moderation on variable remuneration (15 December 2020).
- Leverage Ratio: ECB exercises regulatory discretion declaring exceptional circumstances due to pandemic and allows banks to temporarily exclude central bank exposures from leverage ratio until 27 June 2021 (17 September 2020).
- Non-objection opinion on measures taken by macro-prudential authorities in the Euro area by releasing or reducing capital buffer in reply to COVID-19 (15 April 2020).
- Market Risk: Temporary relief on market risk capital charges, by allowing banks to adjust the supervisory component of this requirement. The ECB will reduce the qualitative market risk multiplier. This decision will be reviewed after six months on the basis of observed volatility (16 April 2020).
- Grandfathering until September 2021 of eligible marketable assets used as collateral in Eurosystem credit operations falling below current minimum credit quality requirements (22 April 2020).
- The ECB decided that the Pillar 2 requirements (P2R) and Pillar 2 guidance (P2G) would be kept stable, and that the Supervisory Review and Evaluation Process (“SREP”) scores would not be updated, unless changes were justified by exceptional circumstances affecting an individual bank. Supervisory concerns were addressed mainly through qualitative recommendations rather than supervisory measures (28 January 2021).
- Based on the SREP analysis and taking into account the situation triggered by the pandemic, ECB Banking Supervision decided to concentrate its efforts on four key areas materially affected by the current crisis situation, setting the following supervisory priorities for 2021: credit risk; capital strength; business model sustainability; and governance (28 January 2021).

The European Commission

The European Commission announced the following measures:

- Banking package to facilitate lending to households and businesses in the EU (28 April 2020).
    - Amendments to the Capital Requirements Regulation (CRR). The European Commission proposes exceptional temporary measures to alleviate the immediate impact of Coronavirus-related developments, by adapting the timeline of the application of international accounting standards on banks' capital, by treating more favorably public guarantees granted during this crisis, by postponing the date of application of the leverage ratio buffer and by modifying the way of excluding certain exposures from the calculation of the leverage ratio. The European Commission also proposes to advance the date of application of several agreed measures that incentivize banks to finance employees, SMEs and infrastructure projects.
    - Interpretative Communication on the EU's accounting

and prudential frameworks. The Communication confirms the recent statements on using flexibility within accounting and prudential rules, such as those made by the Basel Committee of Banking Supervision, the EBA and the ECB, amongst others. For example, the respective communication confirms – and welcomes – the flexibility available in EU rules when it comes to public and private moratoria on loan repayments (EBA Guidelines of 2 April 2020).

- The European Commission issued a €17 billion inaugural social bond under the EU SURE instrument to help protect jobs and keep people employed. SURE has an overall firepower of up to €100 billion to help protect jobs and workers affected by the pandemic. The European Commission has already proposed a total of €87.8 billion in financial support under SURE to 17 Member States. (21 October 2020).
- The European Commission presented a strategy to prevent a future build-up of NPLs across the European Union, as a result of the coronavirus crisis. The strategy aims to ensure that EU households and businesses continue to have access to the funding they need throughout the crisis. The European Commission is proposing a series of actions with four main goals (16 December 2020):
  - Further developing secondary markets for distressed assets.
  - Reform the EU's corporate insolvency and debt recovery legislation.
  - Support the establishment and cooperation of national asset management companies (AMCs) at EU level.
  - Precautionary measures.
- The European Commission has adopted a Temporary Framework to enable Member States to use the full flexibility foreseen under State aid rules to support the economy in the context of the coronavirus outbreak. The Temporary Framework, as amended on 3 April, 8 May, 29 June, 13 October 2020 and 28 January 2021, provides for the following types of aid among others, which can be granted by Member States:
  - Direct grants, equity injections, selective tax advantages and advance payments;
  - State guarantees for loans taken by companies to ensure banks keep providing loans to the customers who need;
  - Subsidised public loans to companies (senior and subordinated debt) with favourable interest rates to companies.
  - Safeguards for banks that channel State aid to the real economy that such aid is considered as direct aid to the banks' customers, not to the banks themselves, and gives guidance on how to ensure minimal distortion of competition between banks

EU Member States - Coronavirus Recovery Fund

On 21 July 2020, EU leaders agreed to a €1.8 trillion aid and budget deal aimed at helping members recover from the economic fallout of the COVID-19 pandemic. The package includes a €750-billion fund to be sent as loans and grants which is part of EU's extraordinary recovery effort, Next Generation EU ("NGEU"), as well as a seven-year €1 trillion EU budget. The plan includes €390.0 billion worth of grants and €360.0 billion worth of loans.

On 17 September 2020, the European Commission set out guidance for the implementation of the Recovery and Resilience Facility in its 2021 Annual Sustainable Growth Strategy ("ASGS"). The Facility will provide an unprecedented €672.5 billion of loans (up to €360.0 billion) and grants (up to €312.5 billion) in frontloaded financial support for the crucial first years of the recovery. The European Parliament adopted the Recovery and Resilience Regulation on 9 February 2021. The European Council adopted on 11 February 2021, the regulation establishing the Recovery and Resilience Facility ("RRF"). EU countries have until 30 April 2021, as a rule, to submit their national recovery and resilience plans setting out their reform and investment agendas until 2026.

European Banking Authority

The European Banking Authority ("EBA") announced the following measures:

- Stress tests: EU-wide stress test postponed to 2021 (12 March 2020).
- Supervisory requests: Competent Authorities ("CAs") recommended to be pragmatic, flexible and to postpone non-essential activities (12 March 2020).
- Pillar 2: CAs encouraged to make full use of flexibility in Pillar 2 Guidance (P2G) to provide the necessary support (12 March 2020).
- Dividends and share buy backs: EBA stressed institutions should refrain from the distribution of dividends of share buy-backs and assess their remuneration policies in line with the risks stemming from the economic situation (1 April 2020).
- Risk weights for specialised lending exposures: The EBA published a response to the European Commission's intention to amend the EBA's final draft regulatory technical standards ("RTS") for assigning risk weights to specialised lending exposures. The EBA takes the view that the proposed changes, despite their substantive nature, do not alter the draft RTS in a significant manner, as they still maintain a good balance between the flexibility and risk sensitivity required for the Internal Ratings Based ("IRB") approach and the need for a harmonised regulatory framework (16 April 2020).
- Prudent Valuation RTS: Amendment of the regulatory technical standard on prudent valuation by introducing the use of a 66% aggregation factor to be applied until the 31 December 2020 under the so-called core approach (22 April

2020).

- SREP 2020: Need for a pragmatic approach focusing on the most material risks and vulnerabilities driven by the crisis (22 April 2020).
- On 25 March 2020, the EBA stated it is of the view that the public and private moratorium to the extent they are not borrower specific but rather addressed to broad ranges of product classes or customers, do lead to automatic classification in default, forborne or IFRS 9 status (see Note 21 of the Annual Financial Statements).
- On 21 September 2020, EBA announced that it will phase out its Guidelines on legislative and non-legislative payment moratoria in accordance with its end of September deadline. The regulatory treatment set out in the Guidelines will continue to apply to all payment holidays granted under eligible payment moratoria prior to 30 September 2020.
- On 2 December 2020, EBA has decided to reactivate its Guidelines on legislative and non-legislative moratoria. This reactivation will ensure that loans, which had previously not benefitted from payment moratoria, can now also benefit from them. The EBA revised Guidelines, which will apply until 31 March 2021, include additional safeguards against the risk of an undue increase in unrecognised losses on banks' balance sheet.
- On 15 December 2020, EBA urges banks to refrain from distributing capital outside the banking system when deciding on dividends and other distribution policies, including share buybacks, unless extreme caution is applied.
- On 16 December 2020, EBA welcomed the European Commission's comprehensive action plan to tackle the expected rise of NPLs on banks' balance sheets following the outbreak of the COVID-19 pandemic. The action plan requests the EBA's support to improve data quality and comparability, enhance transparency and market discipline under Pillar 3 rules, and address regulatory impediments to NPL purchases. The EBA is going to act swiftly to support these initiatives while continuing its wider regulatory and supervisory work on NPLs in the EU.
- On 29 January 2021, EBA published a Report on implementation of selected COVID-19 policies including:
  - i) QAs on implementation of guidelines moratoria;
  - ii) common criteria that institutions should follow for the identification and treatment of COVID-19-related operational risk events and losses;
  - iii) clarifications on the likely identification of a COVID-19-triggered downturn period and its incorporation into downturn LGD estimation; and
  - iv) clarifications on the treatment of the COVID-19 public guarantee schemes as a form of credit risk mitigation under the A-IRB approach.

Council of Ministers of the European Union

On 12 March 2020, the Ministers of Finance of the Member States of the EU agreed with the assessment of the European Commission, that the conditions for the use of the general escape clause of the EU fiscal framework – a severe economic downturn in the euro area or the Union as a whole – are fulfilled.

The use of the clause will ensure the needed flexibility to take all necessary measures for supporting our health and civil protection systems and to protect our economies, including through further discretionary stimulus and coordinated action, designed, as appropriate, to be timely, temporary and targeted, by Member States.

Ministers remain fully committed to the respect of the Stability and Growth Pact. The general escape clause will allow the Commission and the Council to undertake the necessary policy coordination measures within the framework of the Stability and Growth Pact, while departing from the budgetary requirements that would normally apply, in order to tackle the economic consequences of the pandemic.

On 18 November 2020, the German Presidency of the Council and the European Parliament reached a political agreement on Recovery Assistance for Cohesion and the Territories of Europe (REACT-EU), an emergency legislative initiative to release €47.5 billion through the structural funds to the hardest hit member states and regions. This additional funding will come from the European Recovery Instrument and will be available over two years €37.5 billion in 2021 and €10.0 billion in 2022.

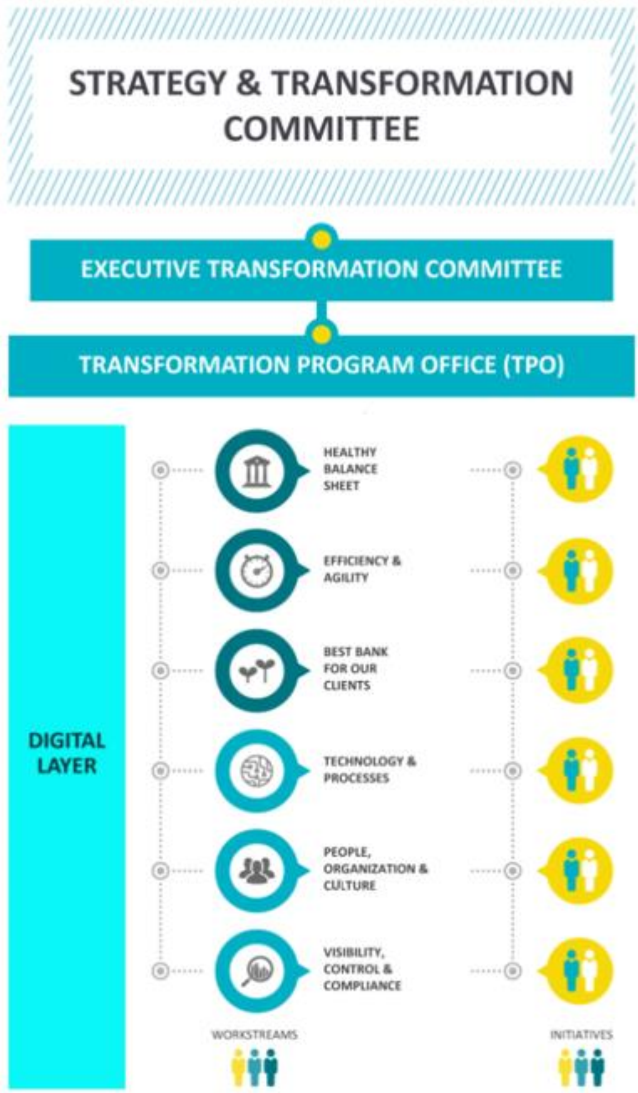
Hellenic Bank Association

The Hellenic Bank Association announced in March 2020 that workers, freelancers and small business owners that have been directly affected by the COVID-19 crisis as a result of the Government ordering the suspension of their business operations in order to fight the pandemic, will benefit, if the customer so desires, with a deferral of all loan payments for a short period of time. Furthermore, corporations likewise effected by the COVID-19 crisis measures will also benefit, if they so desire, with a short-term deferral in the payment of capital and an extension of 75 days has been provided for post-dated cheques at maturity.

Similar initiatives have been taken by other countries and central banks where the Group operates.

The NBG's Transformation Program

Following a clear mandate from NBG's Board of Directors, NBG launched a rigorous Transformation Program in the second half of 2018, committing to the delivery of aspiring financial and operational targets. The Transformation Program has been designed and is being delivered across six key Workstreams, each led by a senior executive of the Bank.



Delivering the Transformation

The Transformation Program is structured over six-month periods, termed Seasons. This setup helps sustain the pace and ensures that the Bank remains focused yet agile, as new Initiatives may enter the Transformation Program and existing ones may be adjusted in line with the needs of the moment or removed. Each Season begins and ends with a Ceremony, aimed at reviewing progress made, acknowledging achievements and ensuring that lessons to be learned from each Season are embedded in our future planning. In parallel, a strong Transformation Program Office ("TPO") has been established so as to:

- Ensure coherent and consistent planning of Workstreams and initiatives, including prioritisation of activities and tracking of programme-level dependencies.
- Provide project and Transformation Program management discipline and best practices across Workstreams and Initiatives.
- Deploy a thorough, timely and effective progress (and risk) reporting mechanism.

The TPO is a fundamental factor in executing the Transformation Program in a coordinated, timely and disciplined manner.

Transformation Program success in 2020

During 2020, more than 1,000 staff have been directly involved in the Transformation Program in at least one of the 45+ Initiatives, achieving significant tangible results across all six Workstreams:

Workstreams	Key achievements in 2020
Healthy Balance Sheet	• Sale of Project Icon (€1.6 billion), Project Marina (€0.3 billion) and Project Danube (€0.2 billion) NPE portfolios. • Preparation for Project Frontier securitization. • Acceleration of organic actions across all portfolios to address COVID-19 impact on asset quality. • Completion of online sales of repossessed assets through Real Estate Owned ("REO") website.
Efficiency & Agility	• Further reduction of staff costs through the completion of VES leading to a reduction of the Bank's headcount by 840 full-time employees ("FTEs"). • Further reduction of non-staff costs across key expenditure categories through operationalisation of a new demand management unit and further enhancement of centralised procurement unit practises. • New Value Based Management ("VBM") mechanism in place to accelerate performance management capabilities and enhance value creation across the organisation.
Best Bank for our Clients	• Acceleration of customers' migration to digital channels & of customers to NBG's digital offering: (a) For individuals: digital sales of debit, prepaid & virtual cards, credit cards, time deposits, savings & current accounts, instant microloan (the first in the market), "safe wallet' insurance. (b) For businesses: new digital portal, online document management, legalisation, disbursements & repayments. • Set up of Corporate Transaction Banking unit to enhance cross selling and provide a holistic offering to our Corporate clientele. • Setup of Analytics Centre of Excellence to provide data-driven insights across the organisation. • Completion of new customer-centric operating model across all branches. • Distribution of programmes sponsored by the State & European Union ("EU") institutions to address COVID-19 impact.
Technology & Processes	• Enhancement of IT resources to further speed up digital transformation. • Launch of the Core Banking System ("CBS") replacement program. • Continuation of efforts for process re-engineering (e.g., Corporate & Small Business lending, Collateral Management) and back-office centralisation (e.g., Corporate loan administration and Trade Finance operations), and set up of Processes Centre of Excellence
People, Organisation & Culture	• Launch of the new Performance Management System across the organisation. • Completion of first Employee Engagement Survey. • Establishment of NBG Academy and launch of flagship leadership programs and special curriculum for high potential employees.
Visibility, Control & Compliance	• Enhancement of bank-wide operational risk framework and risk culture program. • Design of adequate and efficient controls for very high priority processes.

Strategic Priorities for 2021-2023

Between now and 2023, NBG is currently pursuing six strategic priorities as follows:

Workstreams	Strategic priorities until 2023
Healthy Balance Sheet	■ Achieving a material reduction in NPEs to below 5% of gross loans by 2023, driven by a frontloaded large securitization transaction, a comprehensive program to address issues faced by customers temporarily impacted by the COVID-19 pandemic, as well as an increase in concessionary long-term restructuring efforts. ■ Further improvements in the quality of the Bank's assets will be achieved through the REO platform that has been set up and is supporting liquidation targets and actively managing repossessed assets.
Efficiency & Agility	■ Developing efficient and agile operations with lower headcount and staff cost base, as well as enhanced productivity through material further improvements in the Bank's operating model. ■ Sustaining material reductions in G&A expenses through tighter demand management, best-in-class procurement practices and targeted efforts for specific spend categories (including real estate spend optimisation especially in light of a more flexible and partially remote working model since the outburst of the COVID-19 pandemic).
Best Bank for our Clients	■ Boosting revenue generation through an increased focus on cross-selling and fee generation opportunities in the Retail banking and through deepening large client relationships and broadening the SME base of the Corporate banking. ■ In the case of the Retail banking, this will be achieved through, segment-focused relationship managers, a stronger focus on fee-generating products, and expanded usage data and analytics insights. ■ In the case of the Corporate banking, this will be achieved through, enhanced service levels, an increase in relationship managers' capacity and time spent on sales, and a drive to increase sales of ancillary products and fees. ■ Across segments, digital channels will play an increasingly important role in onboarding, engaging and selling to customers, a trend which accelerated since the outburst of COVID-19.
Technology & Processes	■ Modernising the Bank's technology infrastructure including replacing the core banking system and building a cloud-enabled infrastructure. ■ Optimising core processes (both customer-facing and internal) through simplification, centralisation and automation levers, to enable improved service levels and cost reduction.
People, Organisation & Culture	■ Mobilising the Bank's human resources through the implementation of a new people strategy that rewards performance and aligns individual objectives to strategic goals. ■ Strengthening corporate culture and internal communication.
Visibility, Control & Compliance	■ Modernising credit policies, framework and models to enable healthy growth across segments. ■ Further strengthening risk, internal controls and compliance awareness across the organisation.

Key developments in the Macroeconomic and Financial environment

Global Economy & Financial Environment

2020: A severe economic contraction, as real GDP growth is estimated to have declined by 3.5% due to the COVID-19 crisis

Euro area: An unprecedented recession, with real GDP growth declining by 6.8% in 2020.

The Next Generation EU ("NGEU") instrument, amounting to €750 billion, could kick-start the European economy in 2021.

The European Central Bank

Expanded the size of its Pandemic Emergency Purchase Program by €500 billion to €1,850 billion, at least up to March 2022.

Extended the period of the third series of Targeted Longer-Term Refinancing Operations ("TLTRO-III") by 12 months to June 2022.

Retained its policy interest rates unchanged at 0% and -0.5%.

The Federal Reserve

Expanded its balance sheet by USD 3.2 trillion to USD 7.4 trillion in 2020.

Revised its Monetary Policy Framework.

Lowered its Federal Funds interest rate by 150 basis points to near zero.

The global economic recovery is set to accelerate in 2021 on the back of the easing of the pandemic related restrictions

Global economic activity was closely linked to pandemic developments in 2020, with real GDP declining by 3.5% from +2.8% in 2019[2] as COVID-19 infections and restrictions took their toll on activity in 1H.20. On a regional basis, considerable differentiation was recorded, depending on the effectiveness of the containment measures and the pace of policy support. In that context, economic activity in China recorded its slowest pace since 1976, albeit maintaining positive rates of growth. Indeed, real GDP growth decelerated to +2.3% in 2020 from +6.1% in 2019. In the United States ("US"), real GDP declined by -3.5% in 2020 from +2.2% in 2019, with expansionary fiscal policy alleviating the recession. Finally, the euro area real GDP growth was -6.8% in 2020, compared with +1.3% in 2019. Intra-euro area, services-oriented economies recorded a sharper contraction, relative to member-states where the manufacturing sector contributes considerably to the non-financial business economy value added.

Fiscal policy remained pivotal in mitigating the pandemic-induced deterioration of economic conditions, through both additional spending as well as via liquidity support. According to the International Monetary Fund ("IMF"), fiscal measures to stem the economic consequences from the pandemic, have reached USD 14 trillion globally (16% of 2019 World GDP), consisting of USD 7.8 trillion in additional spending or forgone revenue and USD 6 trillion in equity injections, loans, and state guarantees. The fiscal envelope is heavily concentrated in advanced economies, with an estimated total count of USD 11.8 trillion (23% of 2019 Advanced Economies GDP). The United States account for the bulk of additional spending (USD 3.5 trillion).

Monetary policy shifted to a much more accommodative stance to lessen the economic impact of the COVID-19 via preserving favourable financing conditions. The Federal Reserve ("Fed") lowered its main policy interest rate cumulatively by 150 basis points ("bps") to 0%-0.25%. Moreover, the Fed adopted a set of measures to avoid a tightening of financial conditions and to support the unperturbed flow of credit to households and businesses, including large-scale asset purchases. As a result, the Fed's total balance sheet stood at USD 7.4 trillion as of 10 February 2021 or 35% of 2019 GDP compared with pre-pandemic levels of USD 4.2 trillion. Moreover, under the revised Monetary Policy Framework, the Fed is expected to seek to achieve inflation that averages 2% over time. At the same time, the appropriate monetary policy will now be informed by the Fed's assessments of the "shortfalls of employment" from its maximum level, instead of symmetric "deviations" from its maximum level, pointing to a lengthy period of near-zero interest rates.

[2] Source: IMF, World Economic Outlook Update, January 2021

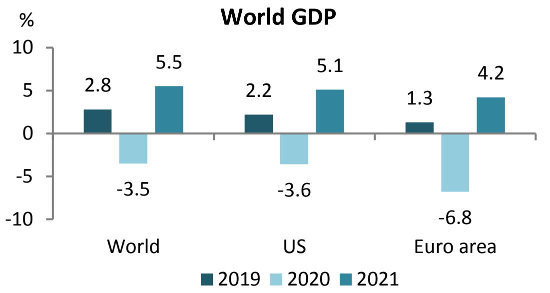
On the other side of the Atlantic, the ECB announced a pandemic emergency purchase programme of public and private sector securities ("PEPP") with a total envelope of €1,850 billion, as enhanced in December 2020, until, at least, the end of March 2022. At the same time, net purchases under the Asset Purchase Programme ("APP") continue at a pace of €20 billion per month. As a result, the ECB's balance sheet stood at EUR 7.1 trillion (5 February 2021) or 62% of 2019 GDP compared with pre-pandemic levels of EUR 4.7 trillion. Policy interest rates were left unchanged at 0% (Main refinancing operations ("MRO")) and -0.5% (deposit facility rate ("DFR"). Moreover, the ECB is expected to continue to provide ample liquidity at an attractive cost for commercial banks by June 2022, through its refinancing operations, namely the third series of targeted longer-term refinancing operations (TLTRO III) and the emergency TLTROs. Finally, the ECB's Banking Supervision arm provided temporary capital, liquidity, and operational relief to the euro area financial institutions.

Global financial markets exhibited elevated volatility over the year. The CBOE S&P500 VIX implied volatility index surged above 80% in March 2020, before declining to 26% in 2H.20 (period average), albeit remaining at the 84th percentile of its distribution since 1990. Risk assets suffered sharp losses by mid-March 2020 with "safe-haven" Government bond prices edging higher. However, the massive fiscal and monetary policy support, as well as the approval and rollout of vaccines late in 2H.20 boosted expectations of a global economic recovery, with many equity indices recouping their COVID-19 related losses and Investment-Grade corporate bond spreads reverting to pre-pandemic levels. In all, the Morgan Stanley Capital International All Country World Index ("MSCI ACWI") increased by 14% in USD terms as of 31 December 2020 with US and Emerging equity indices over-performing their European peers. Speculative Grade corporate bond spreads, albeit narrowing substantially in 2H.20, widened by circa 25 (USD) to 45 (EUR) basis points ("bps") in 2020 reflecting, initially, higher risk aversion amid increased corporate default rates. At the same time, expansionary monetary policy alongside declining expectations for global growth and inflation, led nominal government bond yields significantly lower during 2020 (US 10-Year: -101 bps to +0.91% | German 10-Year: -40 bps to -0.56%). In the first quarter of 2021 (as of 12 February 2021), risk assets continued to edge higher due to improving expectations for corporate profitability.

Looking forward, the growth rate of the global economy is expected to accelerate in 2021, as economies gradually re-open and mobility is picking up, due to the progress of the rollout of vaccines against COVID-19. Overall, global real GDP growth is expected at +5.5% in 2021, from -3.5% y-o-y in 2020[3]. Still, exceptional uncertainty remains, as global economic activity is highly dependent on the path of the pandemic, alongside the respective medical developments.

[3] Source: IMF, World Economic Outlook Update, January 2021

World GDP



Source: IMF, World Economic Outlook Update, January 2021

Greek Economy

Fiscal and liquidity support measures partially cushion the ongoing COVID-19 shock, which stresses the most vulnerable segments of the economy

Greek GDP declined by 8.0% y-o-y in 12M.20[4], remaining resilient to the second pandemic wave in 4Q.20.

The tightening of the containment measures in February-March 2021 presages a modest GDP decline in 1Q.21.

High frequency indicators of economic activity showed higher resilience to the renewed restrictions, although information from the services sector remains limited.

Around €10.0 billion (6.0% of GDP) of additional fiscal support measures were activated in 4Q.20 and 1Q.21 to cushion the additional recessionary pressure[5].

Credit growth increased at the highest pace in 11 years, buoyed by State guarantees and higher demand for working capital.

ECB accommodative stance and accelerating financing inflows from the EU improve liquidity and funding conditions, with Greek government bond yields at historical lows.

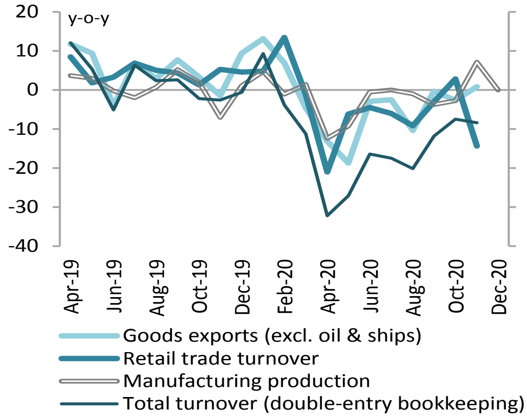
NGEU could be the catalyst for medium-term growth and investment, with €5.5 billion of inflows expected in 2021[6].

[4] Source: EL.STAT., Quarterly National Accounts Press Release, 4th quarter 2020, March 2021
[5] Sources: Ministry of Finance, Budget 2021, November 2020 & Government official statements
[6] Source: Ministry of Finance, Budget 2021, November 2020

COVID-19-related pressure on economic and business activity remained high until end-2020

The COVID-19 pandemic has led to a sharp increase in uncertainty and to the enforcement of stringent containment measures leading to an unprecedented fall in GDP in 2Q.20 (-13.8% y-o-y, -13.4% quarter-over-quarter ("q-o-q")). Economic activity responded positively to the easing of the restrictions in the third quarter – increase in GDP by 3.1% q-o-q, but still -10.5% y-o-y – although the rebound was weakened by the sizeable hit on the tourism sector, which suffered an unprecedented contraction (decline in tourism revenue of 75.8% y-o-y to 2.6% of GDP in FY.20 from 9.6% of GDP in FY.19).

Turnover of enterprises, retail trade, goods exports & manufacturing production



Source: EL.STAT.

Economic activity has showed higher-than-initially-anticipated resilience to the new tightening of COVID-19 containment measures in 4Q.20. The ongoing second wave of the pandemic led to the tightening of restrictions, especially in specific regions experiencing rising infection rates, possibly taking an additional toll on economic activity in 1Q.21.

4Q.20 GDP data confirmed than the second round of restrictions had a far milder negative impact on economic activity compared with 2Q.20, since additional fiscal support was combined with higher adaptability of businesses and households and resilient goods exports. Indeed, the annual decline in GDP of 8.0% y-o-y in FY.20 (seasonally adjusted "s.a." data) was smaller-than initially-feared, not only due to the 4Q.20 outcome but also due to the revision of the GDP decline in 3Q.20 to -10.5% y-o-y from -11.7% in the initial estimate.

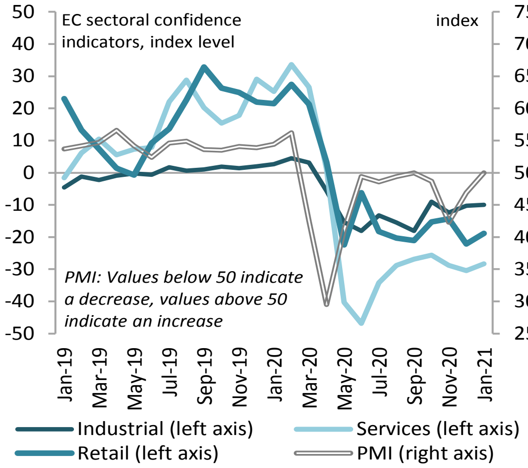
As regards economic activity in 4Q.20, GDP grew by 2.7% q-o-q, s.a., following an upwardly revised 3.1% q-o-q, s.a. in 3Q.20 – two consecutive quarters of solid expansion (4Q.20 GDP declined by 7.9% y-o-y compared with -12.2% y-o-y, on average, in 2Q and 3Q).

Final consumption remained relatively resilient, mostly, due to an aggressive fiscal policy. In fact, private consumption dropped by a relatively modest 4.7% y-o-y in 4Q.20 (-12.9% y-o-y in 2Q.20), while increased government consumption (+7.3% y-o-y) offset more than half of the resulting drag on final consumption (-2.2% y-o-y in 4Q.20).

Gross fixed capital formation was broadly stable for the year as a whole in a very unfavourable environment, reflecting mainly the buoyancy of construction.

Most importantly, the drag on GDP growth from net exports declined drastically to only -1.1 pps in 4Q.20 from -15.0 pps in 3Q. In fact, goods exports gained additional traction as international trade recovers, increasing by 13.6% y-o-y in 4Q (+1.3% y-o-y in 9M.20) and lowering the pace of decline in total exports to -13.4% y-o-y in 4Q against -36.0% y-o-y, on average, in 2Q.20 and 3Q.20.[7]

PMI & main sectoral confidence indicators



Sources: European Commission & IHS Markit

The economic sentiment remained resilient in 4Q.20, increasing slightly to 91.8 on average (from 90.6 in 3Q.20) and stabilized to c. 91 in January-February 2021 (a 5-year low of 87.9 was recorded in June 2020[8], while the PMI (Purchasing Managers' Index for manufacturing) edged up to 49.7 in January-February 2021, following a small decline to 46 in 4Q.20[9].

The Greek government, in order to ameliorate the recessionary hit to the economy, implemented in 2020 fiscal expansion measures of a combined value of c. €18 billion - comprising c. €10.0 billion in social transfers, subsidies, tax relief, and payment deferrals for tax and social security contributions and €2.5 billion in the form of State subsidies and guarantees for new bank lending, complemented by a "repayable advances" scheme to enterprises of €5.5 billion[10].

The measures helped cushion the recession with support to the labour market exceeding €4.0 billion in 2020. The introduction of employment allowance and labour subsidy schemes, along with the deferral of tax and social security obligations for the mostly affected households and firms minimized job losses. The unemployment rate increased modestly to 16.7% in 3Q.20 and averaged to 16.5% in FY.20 compared with 17.3% in FY.19, whereas employment decreased by 0.9% y-o-y in FY.20[11]. State support minimized the decline in labour income to 0.8% in FY.20. The persistence of the pandemic led to the activation of additional fiscal support measures of about €6.0 billion for 1Q.21. However, despite the relief measures, corporate profitability (as

[7] Source: EL.STAT., Quarterly National Accounts Press Release, 4th quarter 2020, March 2021

[8] Source: EU Commission, Business and Consumer Survey Results, February 2021

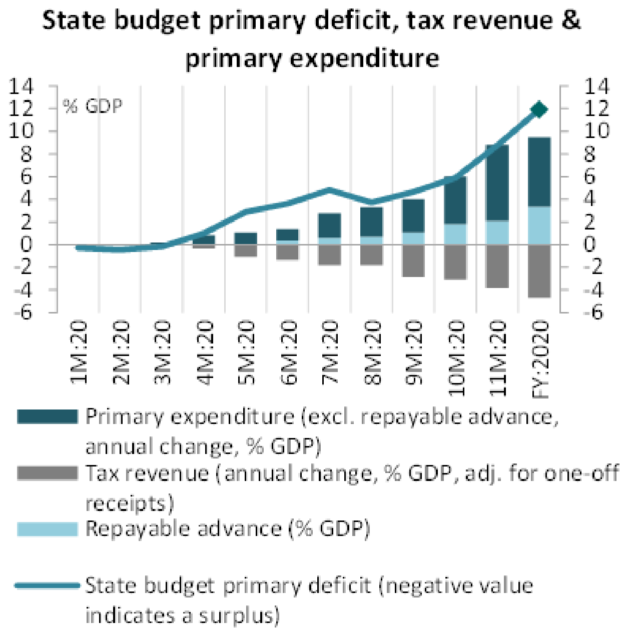
[9] Source: Markit Economics, Greece Manufacturing PMI, Press Release, February 2021

[10] Sources: Ministry of Finance, Budget 2021, November 2020, Press Releases on Repayable Advance Schemes, Hellenic Development Bank

[11] Source: EL.STAT., Labour Force Survey database

approximated by the gross operating surplus of corporations) recorded an unprecedented average drop of 25.8% y-o-y in 9M.20[12], respectively – against a backdrop of an average fall in economy-wide business turnover of 13.5% y-o-y in FY.20[13].

Inevitably, the primary deficit in the state budget for FY.20 surged to €18.2 billion (or -11.0% of GDP)[14], which is expected to translate into a General Government primary deficit of about 8-9% of GDP in 2020, in comparison with a 3.6% surplus in 2019 (as per the Enhanced Surveillance definition). This deterioration is comparable to the euro area average, where primary deficit is estimated by the European Commission at 7.2% of GDP in 2020 vs. a 1.0% primary surplus in 2019[15]. This easing has been endorsed by the European institutions, which suspended the Enhanced Surveillance primary surplus target of 3.5% of GDP in 2020 for Greece.



This easing reflects the activation of the "escape clause" within the Stability and Growth Pact for all countries, to allow the provision of adequate fiscal support to cope with the pandemic crisis[16].

Greece's gross Government debt is expected to reach an all-time high of 207.1% of GDP in 2020 and return to a downward trend from 2021 onwards[17]. As acknowledged by all major rating agencies the significant size of the Greek State's cash buffer (about €30.0 billion in late 2020 or 8.0% of gross public debt), along with the very long maturity of the debt (20 years) and affordable debt servicing terms, offset the risks from the temporary increase in the debt ratio to GDP due to the COVID-19 shock[18]. Accordingly, Moody's upgraded Greece's sovereign rating by one notch to Ba3 on 6 November 2020, whereas all major rating agencies maintain a stable outlook for the country, with the distance from investment grade territory ranging between 2 and 3 notches[19].

The real estate market showed remarkable resilience to the COVID-19 shock, with residential prices increasing by 4.2% y-o-y in FY.20 (2.6% y-o-y in 4Q.20), following an annual increase of 7.2% in 2019. Similarly, commercial real estate prices (referring to the average price of retail and office spaces) increased by 2.5% y-o-y in 1H.20 from 5.5% in 2019[20]. Residential construction activity rose by 14.7% y-o-y in FY.20, according to the national accounts data, suggesting that the sizeable market adjustment in previous years has offset the near-term pressure from uncertainty and the drop in foreign demand~~,~~ along with the drastic shrinkage in the number of properties rented through short-term rental platforms, mainly by tourists.[21]

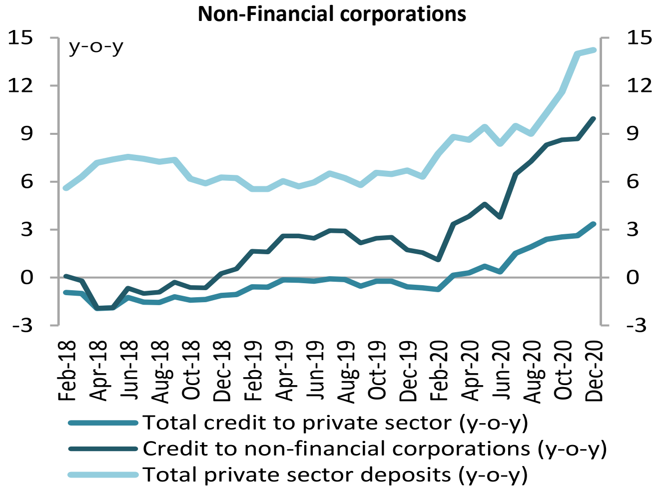
In 2H.20, two reports regarding Greece's progress under the Enhanced Surveillance regime were successfully concluded, acknowledging the continuing progress in the implementation of efficiency increasing policies, although areas of slower-than-initially-planned progress have also been identified. Following the Enhanced Surveillance Report in November 2020 and the subsequent Eurogroup decision, the European Stability Mechanism's ("ESM") Board of Directors approved the transfer of the SMP/ANFA income equivalent amounts and the reduction to zero of the step-up interest margin on certain European Financial Stability Facility ("EFSF") loans, worth €767 million cumulatively. [22]

Greece is increasingly benefiting from the ECB's monetary stimulus measures, following the granting of a waiver on the eligibility requirements for securities issued by the Greek government for i) purchases under the PEPP and ii) participating in the ECB' amended longer-term refinancing operations ("LTROs") and TLTRO III. As of March 2020, the ECB has expanded the collateral framework for participating in the LTRO funding by accepting collateral and new debtor types covered by COVID-19 government guarantees, enlarging the scope of acceptable credit assessment systems (e.g. supervisor-approved banks' own assessments) and reducing the additional credit claims ("ACC") loan level reporting requirements to speed-up processes. In this context, until January 2021 the ECB has acquired €19.0 billion of public sector securities, since it launched the PEPP in late-March[23], while Greek banks have taken up €39.0 billion of LTRO financing until November 2020[24], leading to a continuous compression of GGB yields in late-2020 and early-2021 to new all-time lows (the 10-year Greek government bond yield declined to 0.6% in December 2020 from 1.1% in 3Q.20 and 3.9% on 18 March 2020[25]. In this environment, the Hellenic Republic issued a three new government bonds in February, April and June 2020 (with a 15, 7 and 10 year maturity, respectively) raising €12 billion in total[26]. Despite the increasing needs to finance the fiscal expansion measures and the limited inflows from the EU in 2020, the cash balances of the Greek State remained above €30

[12] Source: EL.STAT., Quarterly Non-Financial Sector Accounts - Non-Financial Corporations (Provisional Data, 1Q.- 3Q.20), January 2021
[13] Source: EL.STAT., Turnover of Enterprises Under Suspension of Operation Due to the Pandemic of the Corona Virus Disease 2019 (COVID-19), December 2020
[14] Source: Ministry of Finance, Budget Execution Monthly Bulletin, December 2020
[15] Source: European Commission, Autumn Economic Forecast, November 2020
[16] Source: Ministry of Finance, Stability Program 2020, April 2020.
[17] Source: EU Commission, Autumn Economic Forecast, November 2020
[18] Source: PDMA, Hellenic Republic Public Debt Bulletin, September 2020
[19] Source: Moody's Press Release, November 2020
[20] Source: Bank of Greece, Bulletin of Conjuctural Indicators, November-December 2020 & Indices of residential property prices: 4Q.20, Press Release, March 2021
[21] Source: EL.STAT., Gross fixed capital formation, 4th Quarter 2020
[22] Source: ESM, Press Release, 4 February 2021
[23] Source: European Central Bank, Press Releases
[24] Source: Bank of Greece, Monthly Balance Sheet, November 2020
[25] Source: European Central Bank
[26] Source: PDMA, Press Releases

billion in December 2020, assisted by the Hellenic Republic's new bond issuances.

Private sector deposits and credit to Non-Financial corporations



Source: Bank of Greece

Bank lending to private sector followed a steady upward path, increasing by 3.5% in December 2020 – the strongest pace in almost 11 years – buoyed by accelerating corporate lending (10.0% y-o-y in December, the strongest pace since May 2009), mainly, towards the storage and transport services (excl. shipping), tourism, real estate activities and shipping sectors (annual increases of 35.1%, 14.8%, 12.4%, and 11.3%, respectively). Private sector deposits increased by an outstanding €20.6 billion cumulatively in 2020, with household and corporate deposits contributing €10.0 billion and €10.6 billion, respectively[27]. The increase in corporate deposits is, mainly, attributed to: i) the cash accumulation of the more competitive and resilient firms, ii) lower outflows, due to the debt moratoria and the tax deferrals, and iii) the extension of credit lines to corporates; whereas the pick-up in household deposits in the same period, mainly, reflects precautionary savings in March-April 2020, state subsidies and lower outflows for debt servicing.

The rollout of vaccinations, supportive financial conditions and the initiation of the EU "Recovery Fund" will be the key drivers of economic recovery

The hit to the economy could be reversed until end-2022 assuming that: a) the pandemic is sufficiently addressed in 2021 through the rollout of vaccinations, with no significant recurrence of the disease due to virus mutations and/or insufficient coverage of the population; and b) the persistent impact of fiscal and monetary easing, in conjunction with liquidity measures, will continue to assist the recovery in most sectors of economic activity, preventing the ongoing demand and liquidity stress on specific entities from turning into a solvency issue for a part of the private sector. Greater flexibility in fiscal and supervisory frameworks facilitate a smooth withdrawal of the support in the medium term without weakening the recovery in 2021 – which is expected to be synchronized across the globe – bolstering exports. The Greek public debt's special characteristics and the ECB's decisive stance provide protection against incidences of market turbulence caused by growing debt levels globally.

The recessionary impact of the containment measures is expected to peak in 1Q.21, and tourism-related activity will increase substantially on an annual basis, albeit remain significantly below 2019 levels. The activation of a frontloaded package of fiscal support measures for 2021, exceeding 6.0% of GDP[28], is expected to ameliorate the near-term economic impact of the pandemic, by supporting employment and labor compensation, as well as demand and liquidity conditions in the corporate sector. Furthermore, increasing inflows of EU resources are expected to reduce the pressure on public finances in 2H.21, while the significant support on growth from the activation of the NGEU – with funding for 2021 estimated up to 3.2% of GDP[29] – could speed up the reversal of activity losses during 2020.

However, the intensity of the shock could possibly lead to a differentiation in the speed of the recovery among sectors, with a spectrum of activities possibly lagging behind. Additionally, uncertainty surrounds the persistence of the observed adjustments in the consumption and production patterns in 2021, and their potential impact on business activity, investment decisions and sectoral rebalancing.

Macroeconomic Environment and the Banking Services Sector in North Macedonia[30]

In North Macedonia, economic activity contracted abruptly in 2020, as COVID-19 pandemic took its toll.

GDP is estimated to have dropped by 5.3% in 2020 against an expansion of 3.6% in 2019, a performance broadly in line with that of its regional peers, though still better than that of the EU-27 (down by an estimated 6.5%). Indeed, weaker sentiment and the impact of the measures implemented to contain the COVID-19 pandemic hit private consumption and -- to a somewhat lesser extent -- gross capital formation in 2020. The sharp drop in domestic demand was partly offset by an improvement in net exports, which, nonetheless, remained a drag on overall growth. GDP contraction would have been more severe, without support from fiscal policy (the budget deficit widened to 8.1% of GDP in 2020 from 2.0% in 2019).

Despite improving net external trade, the current account deficit is estimated to have widened further to a multi-year high of 4.6% of GDP in 2020 from 3.3% in 2019, driven by a sharp drop in workers' remittances. Unsurprisingly, the quality of external financing deteriorated in 2020, with non-debt generating foreign direct investments estimated to be covering just 40.0% of the current account deficit against a coverage ratio of c. 100.0% in 2019.

[27] Source: Bank of Greece, Monetary and Banking Statistics

[28] Sources: Ministry of Finance, Budget 2021 & Government Officials' estimates

[29] Source: Ministry of Finance, Budget 2021

[30] Source: Published data from the Central Bank and the National Statistical Agencies of the country and processed by the NBG.

Despite the adverse operating environment, the performance of the banking sector remained strong in 2020.

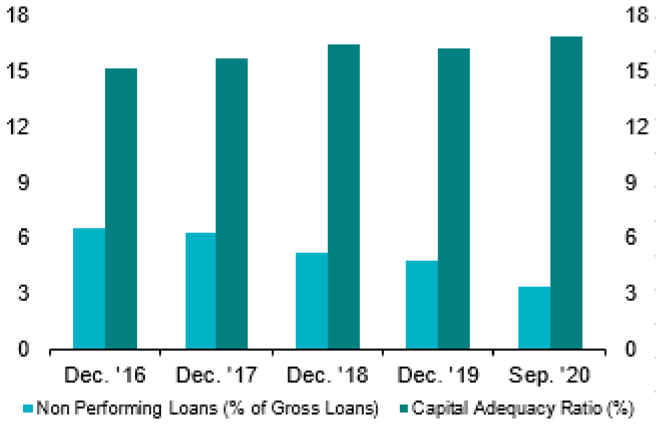
Released figures show that the banking sector's profits stood at €128 million (annualised) in the first three quarters of 2020, broadly unchanged compared with the same period in 2019, with the (annualised) return-on-average-equity ratio moderating to a still robust 12.3% in the first three quarters of 2020 from 13.5% in the same period in 2019. Note, however, that the 2019 figures are biased downwards, since they include the losses recorded by a domestic lender, whose license was revoked in August 2020. Adjusted for the latter, banks' profitability is estimated to have eased in 2020, mainly in line with higher provisioning needs. Indeed, with the economy in recession, household and corporate balance sheets have come under stress, prompting banks to increase provisioning charges, despite the low NPLs to total gross loans ratio (standing at a historical low of 3.4% in September 2020 against 5.0% a year ago, with the bulk of the improvement attributed, however, to the closure of the aforementioned lender). Pre-provision income is also estimated to have weakened in 2020, following, inter alia, the central bank's initiative to allow for a temporary deferral of debt payments by affected entities (effective until March 2021). In this environment, banks continued to expand their business volumes (adjusted for the exclusion of the aforementioned lender, credit to the private sector rose by c. 6.0% y-o-y in December 2020, a pace broadly equal to that observed a year ago). Importantly, the sector remained well-capitalised, with the capital adequacy ratio standing at 16.9% in September 2020, well above the minimum regulatory threshold of 8.0%.

The economy of North Macedonia is expected to recover in 2021, recouping a significant part of its COVID-19-related losses.

Our baseline scenario assumes that some sort of social distancing measures will remain in place until mid-2021, pointing to a slow and uneven economic recovery during that period. Thereafter, we expect economic recovery to gain steam, driven by private consumption and -- to a lesser extent -- gross capital formation. Despite the recovery in the EU, net exports are unlikely to sustain economic growth in 2021, reflecting the large import content of exports as well as stronger domestic demand. Support from fiscal policy would diminish this year, following the partial unwinding of the measures implemented in 2020, with the budget deficit projected to narrow by 3.2 pps to 4.9% of GDP. All said, we see GDP growth rebounding to 4.3% in 2021.

Besides the uncertainty over the extent and duration of the COVID-19 pandemic, there are additional downside risks to this outlook. Indeed, a slower-than-expected revival in the automotive industry in Germany (which absorbs nearly ½ of the country's exports) would undermine domestic recovery. Moreover, a further delay in the opening of EU membership talks could bode ill for investor confidence.

Banking System Fundamentals



Source: National Bank of the Republic of North Macedonia

Financial Results of 2020

FY.20 Adjusted Group profit after tax ("PAT") from continuing operations up 26.0% y-o-y to €591 million, reflecting the following key Income Statement movements:

- **FY.20 Net Interest Income ("NII") down by 1.8% y-o-y to €1,169 million**, driven by a reduction in loan interest income due to NPE deleverage in 4Q.2019 and new lending coming in at lower rates (also due to lower corporate yields from COVID-19 State Guarantee schemes) while on the other hand it was supported by the time deposits repricing and the funding terms under TLTRO III.
- **Trading & other income** benefits from large non-recurring gains from the Greek government bond swap transaction (€766 million) as well as from the Greek and the other sovereign bond portfolio sales (€377 million), (see "*Key Highlights - Exchange of Greek government bonds in January 2020 and in December 2020*").
- **Operating expenses excluding depreciation down by 8.6% y-o-y** (down by 7.5% in personnel expenses and 13.0% in G&A's) on the back of strong cost containment efforts and a reduction of domestic personnel expenses reflecting the impact of the 2019 VES and 2020 VES. Y-o-y operating expenses decrease is offset by higher depreciation charges resulting from the application of IFRS 16 in combination with the deconsolidation of NBG Pangaea REIC (currently "Prodea Investments S.A.") which was not included in 2019 respective figures.
- **Credit provisions for FY.20 at €1,071 million** reflecting mostly to the COVID-19 negative impact amounting to €0.4 billion and to the Project "Frontier" transaction of €0.4 billion.
- **FY.20 Cost: Core Income drops to 57.2%** vs 58.6% a year ago, supported by the reduction in operating expenses.
- **Cost of Risk** excluding COVID-19 (146bps) and Project "Frontier" provisions (151bps) stood at 106bps. Total CoR FY.20 at 403bps.

12M.2020 loss for the period from discontinued operations of €362 million includes mainly the impairment of NIC.

NPE performance

- **NPE balance** at Group level was reported at €4.4 billion, recording a total reduction of €6.5 billion in the FY.20 mainly attributed to inorganic actions (see section "*Key Highlights-NPE reduction plan*").
- **NPE ratio** decreased to 15.0% (or 13.6% pro-forma, including Project "Frontier" senior notes of c. €3 billion), compared to 31.3% in December 2019.
- **NPE coverage ratio** stood at 63.3%, increasing from 53.4% in December 2019.

Group deposits up 11.1% y-o-y

Group deposits increased by €4.8 billion mainly due to increased domestic deposits in savings and sight account balances by €6.2 billion, as a result of COVID-19 quarantine, offset by reduced time deposits by €1.6 billion.

CET1 ratio at 15.7%

- **FY.20 CET1 and total Capital ratio** at 15.7% and 16.7% respectively, well above 2020 & 2021 SREP requirement of 11.5% (post capital relief measures (including also O-SII buffer of 50bps).

€ million	FY.20	FY.19	Y-o-Y
Net interest income	1,169	1,190	-1.8%
Net fee and commission income	256	256	0.0%
Core Income	**1,425**	**1,446**	**-1.5%**
Trading and other income[1]	1,097	230	>100%
Income	**2,522**	**1,676**	**50.5%**
Operating Expenses	(814)	(848)	-4.0%
Core PPI	**611**	**598**	**2.2%**
PPI	**1,708**	**828**	**>100%**
Loan impairments	(1,071)	(367)	>100
Operating Profit	**637**	**461**	**38.2%**
Core Operating Profit[2]	**329**	**231**	**42.4%**
Other impairments	(35)	22	N/A
Adjusted PBT	**602**	**483**	**24.6%**
Taxes	(11)	(14)	-21.4%
Adjusted PAT (continuing operations)	**591**	**469**	**26.0%**
PAT (discontinuing operations)	(362)	(480)	-24.6%
VES & other restructing costs[3]	(152)	(136)	11.8%
LEPETE[4]	(37)	(90)	-58.9%
Non controlling interest	2	18	-88.9%
PAT	**38**	**(255)**	**N/A**

[1] Includes among others the gain of €766 million from the Greek government bond swap arrangement with the Greek State.

[2] Excludes trading & other income and loan impairments related to COVID-19 (€0.4 billion and Frontier (€0.4 billion) in 2020.

[3] Includes VES costs of €126 million (2019: €96 million), restructuring costs of €11 million (2019: €14 million) and other 1-offs of €15 million (2019: €26 million).

[4] Social security contribution for LEPETE to e-EFKA included under personnel expenses (operating expenses) in the Financial Statements.

Profitability	FY20	FY19	Δ
NIM (bps)	226	270	*-44 bps*
Cost of Risk (bps)	403	124	*+279 bps*
Cost of Risk excl. COVID-19 & Frontier (bps)	106	124	*-18 bps*
Cost of Risk Frontier (bps)	151	n/a	
Cost of Risk COVID-19 (bps)	146	n/a	
Risk adjusted NIM[1]	120	146	*-26 bps*
Liquidity	**31.12.20**	**31.12.19**	**Δ**
Loans-to-Deposits ratio	55.3%	66.8%	*-12 ppts*
LCR	232.2%	207.3%	*+25 ppts*
Capital	**31.12.20**	**31.12.19**	
CET1 ratio[2]	15.7%	16.0%	
RWAs (€ billion)	36.6	37.3	

[1] Risk Adjusted NIM=NIM-Cost of Risk.
[2] SREP 2019 / 2020: 12.25% / 8.0%.

Going concern

Going concern conclusion

The Board of Directors concluded that the Bank is a going concern after considering:

a) the current level of ECB funding solely from TLTROs, the current access to the Eurosystem facilities with significant collateral buffer, and the LCR and NSFR ratios well above 100%;

b) the Group's CET1 ratio at 31 December 2020 which exceeded the OCR requirement; and

c) the unprecedented response to COVID-19 from European and Greek authorities to provide both fiscal and monetary support (see section "*Response to COVID-19 crisis*").

Liquidity

As at 31 December 2020, funding from the ECB increased by €8.3 billion through TLTROs III at €10.5 billion (31 December 2019: €2.2 billion, solely TLTROs III). As of 31 December 2020, the Bank's secure interbank transactions with foreign financial institutions amounted to €0.7 billion, while the Bank's liquidity buffer stood at €17.9 billion (cash value), with the LCR and NSFR ratios well above 100%.

Capital adequacy

The Group's CET1 and Total Capital ratios at 31 December 2020 were 15.7% and 16.7% respectively, exceeding the 2020 & 2021 OCR of 11.5% post capital relief measures (see Note 4.7 of the Annual Financial Statements).

Macroeconomic developments

The COVID-19 pandemic continues to inflict high and rising human costs worldwide, leading the European and global economy to a sharp recession, which started in March 2020 and continues until today. As discussed above, in section "*Key developments in the Macroeconomic and Financial environment - Greek Economy*", although the pandemic is still ongoing in early-2021 and restrictions apply to a significant share of economic activities, the speeding up of the vaccination program in Greece bodes well for an effective containment of the pandemic spread in the second quarter and a gradual normalization of most economic activities during the course of 2021.

Against this backdrop, the EU Commission (European Commission 2021, Winter Interim Forecast) projects that Greece's GDP will increase by 4.3% y-o-y, on average, in 2021 - 2022, without taking into account the positive impact of the inflows from the EU Recovery Fund starting in 2021.

However, uncertainty remains high, reflecting, *inter alia*, the risks surrounding the effectiveness of the vaccination process in the presence of COVID-19 mutations and divergences in the pace of pandemic control internationally, in conjunction with variations in vaccine supply. Furthermore, the inability of smaller and less efficient firms to compete effectively with larger firms that take advantage of their more developed digital sales channels implies that the continued contraction in overall turnover in 1Q.21, will widen the gap in business performance depending on the size, efficiency and specific segment in which firms operate. The said divergences are likely to widen in 2021, due to the varying speeds of recovery in demand across the various sectors of the economy. Similarly, the protracted stress is expected to weaken further the financial position of the most vulnerable households. These risks could be partly offset by a new set of fiscal measures announced for 2021, exceeding €11.0 billion.

The activation of the "Recovery Plan for Europe" ("NGEU") could act as an important catalyst for Greece's economic recovery. Greece is among the top beneficiaries of the plan, with the maximum amount of grants under the NGEU reaching €19.4 billion in 2021-2026 (c. 1.5% of GDP, on average, per annum in 2021-2026), while loans could amount up to €12.6 billion (c. 1.0% of GDP, on average, per annum in 2021-2026). For 2021, the Government Budget envisages €5.5 billion inflows from the NGEU.

For a list of measures that have been adopted in 2020 in order to provide support to the European banking system and the Greek economy in dealing with COVID-19 please see section "*Response to COVID-19 crisis*".

Trend information

With the COVID-19 pandemic still affecting the Greek (and global) economy, 2021 is expected to be a year of gradual recovery of the economic activity after an unprecedented historical disruption.

More specifically, the rollout of vaccinations, supportive financial conditions and the initiation of the EU "Recovery Fund" (see section "*Response to COVID-19 crisis*") will be the key drivers of economic recovery and the hit to the economy could be reversed until early-2023, assuming that: a) the pandemic is sufficiently addressed in 2021 through the rollout of vaccinations, with no significant recurrence of the disease due to virus mutations and/or insufficient coverage of the population; and b) the persistent impact of fiscal and monetary easing, in conjunction with liquidity measures, will continue to assist the recovery in most sectors of economic activity, preventing the ongoing demand and liquidity stress on specific entities from turning into a solvency issue for a part of the private sector.

Moreover, the activation of a frontloaded package of fiscal support measures for 2021, exceeding 6.0% of GDP[31], is expected to ameliorate the near-term economic impact of the pandemic, by supporting employment and labor compensation, as well as demand and liquidity conditions in the corporate sector. Furthermore, increasing inflows of EU resources are expected to reduce the pressure on public finances in 2H.21, while the significant support on growth from the activation of the NGEU – with funding for 2021 estimated up to 3.2% of GDP[32] – could speed up the reversal of activity losses during 2020.

In this context, the Bank, and in cooperation with the Greek government, supports and will support those businesses that will need funding in order to surmount the problems created by the impact of the pandemic, under the following three pillars:

The **first pillar of support** comprises the restructuring of existing loans. Support comes mainly through a holiday on instalment payments, during 2020, and in exceptional cases, such as the hotel sector, in 2021.

[31] Sources: Ministry of Finance, Budget 2021 & Government Officials' estimates

[32] Source: Ministry of Finance, Budget 2021

The **second pillar of support** is the TEPIX II, which is aimed more at small businesses.

The **third main pillar of support** is the financing program of the HDB, which enables banks to provide new working capital backed by Greek State guarantees.

Additionally, the Bank will participate in the future support programs that the Greek government will announce, such as the subsidy for instalments on mortgage loans for first homes, the upcoming phases of the Guarantee Fund from HDB and the upcoming "Gefyra 2" State subsidy for COVID-19 to eligible SME's and professionals.

Lastly, the Bank supports our retail and business customers, so that they can successfully manage the current period of severe challenges.

It should be noted that the pandemic calls for a change in priorities in the short term and will radically change the way we operate in the medium and long term. This compels us, even in this difficult time, not only to continue to focus on the core principles and thrust of our Transformation Program (see section "*Transformation Program*") but also to step up our efforts. To this end, the following priorities are distinct:

First, the clean-up of the Bank's balance sheet by reducing NPEs remains one of our key objectives. A healthy balance sheet with a low NPE ratio is a prerequisite for our final return to banking normalcy. In this context, the Bank launched in the fourth quarter of 2020 Project "Frontier" NPE securitization of €6.1 billion and it is expected to be closed in the second quarter of 2021. In addition to other organic and inorganic actions (see section "*Key Highlights-NPE reduction plan*" Group NPE stock as of 31 December 2020 reduced to €4.4 billion from €10.9 billion as of 31 December 2019. Additionally, the new targets will be submitted end of March 2021, as per the regular ECB calendar, aims to further NPE reduction by incorporating the COVID-19 driven formation.

Second, digital banking evolved and will continue to evolve rapidly, as it provides flexibility, speed and security to customers. Simple transactions and sales of simple products will shift to alternative delivery channels. Inevitably, we are being driven to re-examine the operating model of our Branch network, as COVID-19 has accelerated this trend.

Third, a new and more efficient operating model will emerge for all businesses, including banks. Working from home, where possible, will continue to be the preferred mode of employment and with no doubt form the basis for a more flexible operating model in the future.

Lastly, the crisis will bring about structural changes in the economy, which will be leveraged by those who demonstrate the necessary agility and skill. In this context, the progress of NBG's Transformation Program gives us an added competitive edge.

Events after the reporting period

Exchange of Greek government bonds in January 2021

In January 2021, the Hellenic Republic and NBG had agreed on a Greek Government Bond exchange, involving a Greek Government Bond maturing at 20 March 2050, with a series of other Greek Government Bonds with shorter maturities. The terms of the existing and new Greek Government Bonds at the relevant trade dates are as follows:

Existing Greek Government Bond Exchanged

ISIN	Maturity	Interest Rate	Nominal Amount in € million	Settlement Amount in€ million
		13 January 2021		
GR0138016820	20 March 2050	3.25%	1,000	1,448

The exchange was executed at market terms and was settled 20 January 2021 (see below table), and the difference between the settlement amount for the bond exchanged and the bonds received was settled in cash. The Bank realized a gain of €209 million in January 2021.

New Greek Government Bond

ISIN	Maturity	Interest Rate	Nominal Amount in € million	Issue price (HDAT*)
		20 January 2021		
GR0118020685	22 April 2027	2.000%	50	110.35
GR0124035693	12 March 2029	3.875%	340	126.45
GR0124036709	18 June 2030	1.500%	872	107.61
GR0128015725	30 January 2033	3.900%	301	135.01
GR0128016731	4 February 2035	1.875%	558	111.90
GR0133011248	30 January 2037	4.000%	328	142.84
GR0138015814	30 January 2042	4.200%	375	155.90
Total			**2,824**	

* *Electronic Secondary Securities Market (HDAT).*

The transactions enhance Bank's capital position, facilitating the execution of the NPE reduction plan.

New Definition of Default

For the new Definition of Default, see section "*Risk Management – New development within 2020 and 2021 initiatives - New Definition of Default ("DoD")*".

Signing SPA for NIC

For the SPA for NIC, see section "*Key highlights – Divestments – Planned disposals of subsidiaries and Branch under 2019 Revised Restructuring Plan commitments - Sale of a majority equity holding in Ethniki Hellenic General Insurance S.A.*".

Covered Bond terms amendment

On 25 February 2021, the Bank amended the Final Terms by extending the maturity of the €10.0 billion Covered Bond Program I Series 6 (XS1499589833); from 5 April 2021 to 5 April 2023. The interest margin reduced from 50 bps to 30 bps, with effective date 5 April 2021 onwards.

COVID-19 developments

For measures taken by the authorities after the reporting period relating to COVID-19, see section "*Response to COVID-19 crisis - Response to COVID-19 crisis from Greek and European authorities*".

NBG shares and shareholder structure

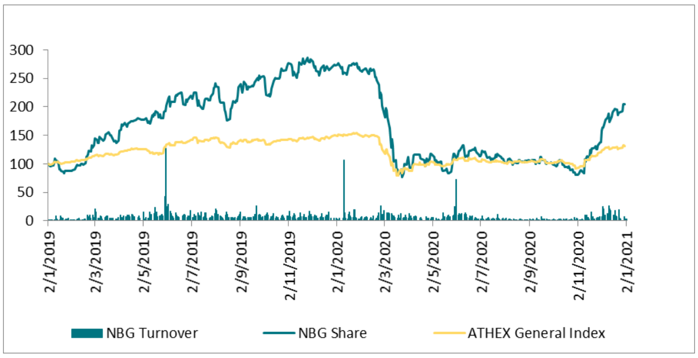
NBG Shares

2020 was characterized by the spread of the coronavirus and the strict restrictive measures taken to contain the COVID-19 pandemic. These measures had a significant impact on economies globally, and consequently the Greek stock market recorded losses. The General Index of the Athens Stock Exchange decreased by 11.7% on an annual basis, with the banking sector leading the decline, recording losses of 41.4% on an annual basis.

Following the downward trajectory of the market, the NBG share price decreased from €3.05 on 22 January 2020 (year high) to €0.85 on 23 March 2020 (year low), closing at €2.26 on 31 December 2020. NBG's market capitalization on 31 December 2020 stood at €2.1 billion from €2.8 billion on 31 December 2019. The annual trading volume of NBG amounted to €1.7 billion in 2020, reduced by 17.9% compared to the previous year.

NBG Stock Market Data	2020	2019
Year-end price (€)	2.3	3.0
Year high (€)	3.0	3.1
Year Low (€)	0.9	0.9
Yearly standard deviation for NBG share price (%)	5.6	3.2
Yearly standard deviation for banking sector (%)	5.3	2.8
NBG market capitalization at year end (€ billions)	2.1	2.7
Annual trading volume (€ billions)	1.7	2.1
NBG to ATHEX trading volume ratio (%)	10.7	11.7

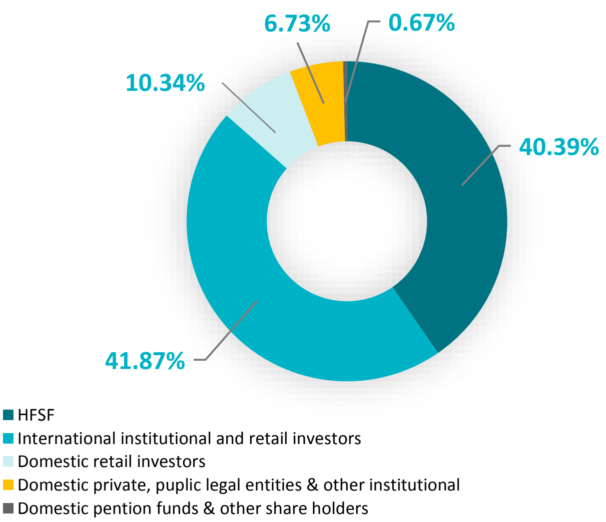
NBG Share Price & Turnover



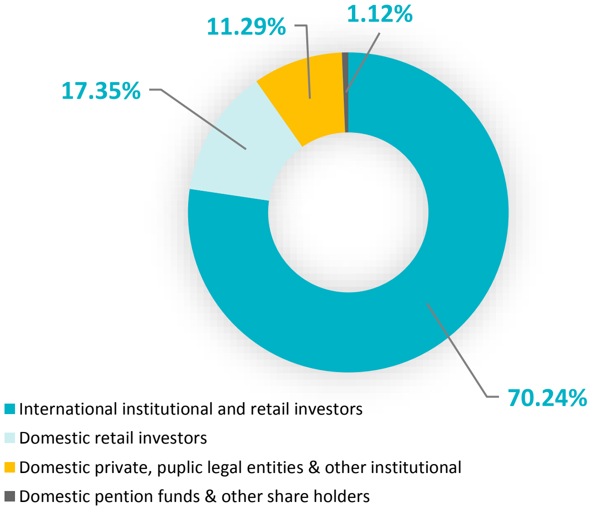
Shareholder Structure

As at 31 December 2020, NBG's share capital was divided into 914,715,153 common shares of a nominal value of €3.00 each. As at 31 December 2020, NBG's free float was broad-based, including c. 108,700 institutional and retail shareholders of which 40.39% is held by the HFSF, while 41.87% was held by international institutional and retail investors, and 10.34% by domestic retail investors. Excluding the HFSF's shareholding, the participation of international institutional and retail investors stood at 70.24% while domestic retail investors stood at 17.35%.

NBG's Shareholders Structure
as of 31 December 2020



NBG's Shareholders Structure (excl. HFSF)
as of 31 December 2020



Business Overview

Group main activities at a glance:

Continuing operations:

In Greece

- Retail banking
- Corporate and investment banking
- NPE management (Troubled Asset Units)
- Other
  - Global Transaction Services
  - Leasing
  - Factoring
  - Brokerage
  - Asset management
  - Real estate

Outside of Greece:

Two banking subsidiaries:
- Stopanska Banka A.D.—Skopje (Stopanska Banka) and
- NBG Bank (Malta) Ltd. (NBG Malta)
- NBG Egypt (Branch)

Discontinuing operations:

In Greece

One subsidiary in the insurance sector
- NIC

Outside of Greece:

Banking activities in:
- Cyprus (NBG Cyprus)

Credit acquiring subsidiary in Cyprus CAC Coral Ltd

The Bank is the principal operating company of the Group, representing 95.1% of the Group's total assets, excluding non-current assets held for sale, as at 31 December 2020. The Bank's liabilities represent 97.4% of the Group's total liabilities, excluding liabilities associated with non-current assets held for sale, as at 31 December 2020.

Activities in Greece

The Bank is one of four systemic banks in Greece and it holds a significant position in Greece's retail banking sector. As at 31 December 2020, the Bank had a total of 365 branches in Greece. Furthermore, the Bank, through 1,493 ATMs (678 onsite and 815 off-site), offered an extensive network covering – even in the most remote areas of the country.

Domestic Banking activities in Greece include the Bank's domestic operations, Ethniki Leasing S.A (Ethniki Leasing), Probank Leasing S.A. (Probank Leasing) and Ethniki Factors S.A. (Ethniki Factors). The Group's domestic operations accounted for 95.3% of its total lending activities as at 31 December 2020 (the Domestic Banking gross loans) and for 96.8% of its deposits (the Domestic Banking deposits).

Retail Banking

2020 Highlights

Maintained strong and low-cost deposit base, managing to preserve leading market share and high liquidity and reduce the overall deposit cost for the Bank to average 18bps in all currencies.

Grew lending in Mortgages and Small Business Lending (new disbursements +12.2% y-o-y and +212.5% y-o-y mainly driven by TEPIX II & Loans Guarantee programs) while Consumer Lending, being severely hit by the consequent lockdowns due to COVID-19 pandemic, showed a decrease of -22.3% y-o-y. Finally, Cards acquiring turnover grew by + 4.4% y-o-y, including debit, credit and prepaid cards, demonstrating shift from cash to plastic and showing resilience to reduction of tourist traffic and sector spending.

Strengthened net fee and commission income (+12.2% y-o-y, driven mainly by cards, consumer and intermediation fees), through new products & services, as well as pricing policy optimization.

Redesigned the Business Banking Target Operating Model, leading to major changes and developments in key pillars regarding Clients Segmentation, New Service Model, Value Proposition.

Continued the branch network optimization in terms of footprint, operating model, performance management, image and service (33 Units merged in 2020, of which 27 are included in the new ongoing restructuring plan, the implementation of which continued in the first quarter of 2021). As of 31 December 2020, the NBG Network totaled 390 Units (365 Branches, 19 Transaction Offices and 6 I-Bank Stores).

In- branch transactions decreased by 55.0% y-o-y contributing to the transaction migration to digital channels effort; in-branch monetary transactions account for 11.0% of the total in-branch transactions.

Continued expanding its AUM base in Private Banking, offering alternative solutions to the near-zero deposit rates challenge and effectively navigating the uncertain and volatile environment due to the COVID-19 pandemic.

Upgraded multi-channel Customer Service strategy, by redesigning the Campaign Management Process and establishing a collaboration with External Contact Centers.

Strengthened digital business increasing customer digital engagement (23.1% and 78.6% y-o-y increase in active users within the last 12 months, on internet and mobile, respectively), while with a notable 63% increase in the Bank's mobile application downloads, stated clearly Bank's capability to lead the trend in digital business towards mobile banking.

Launched a new digital offering for business customers with expanded self-service functionalities.

Launched, first in the market, instant approval loan with real time disbursement through digital channels, both "Express Loan" (personal loan via Internet/Mobile Banking) and white label consumer loans for the purchase of consumer goods via merchant's e-shop.

Establishment of an Independent Segment Risk and Control Sector.

Reduced direct and allocated costs by 7.9%.

Strategic areas

The strategic objective of the Retail Banking Division is to fully realize the Bank's growth potential to deliver sustainable and increasing results in line with the strategic priorities. The key strategic areas towards achieving this objective are:

Exploitation of market opportunities as well as the Bank's untapped existing customer base potential for the promotion of lending and fee-generating products & services, through a revamped customer-centric growth model;

Restructuring, rationalization, mobilization and service excellence of the Bank's extensive, nationwide branch network to drive results;

Delivery of new and innovative products & services, as well as redesigning existing ones, to meet dynamic customer demand; and

Leverage of technology to expand the Bank's digital offering as a means for providing more and better services to customers, enabling migration of transactions to digital channels, and providing an engine for robust future growth.

Activity

2020 was a challenging year for the Retail Banking Division due to unfamiliar territories formed mainly by the pandemic. The Bank had to overcome numerous impediments, demanding instant reaction and effective leadership to this aspiring race. Nonetheless, the Transformation Program continued at its pace, with a broad range of tactical and strategic initiatives being delivered. Hence, in 2020, the Retail Banking Division displayed solid growth, supported by the implementation of the following key initiatives:

Customer-centric service model: The customer-centric service model aiming to strengthen customer's relationship with the Bank through increased product penetration and services usage, by featuring dedicated relationship managers for high-value customer segments, as well as targeted customer propositions based on advanced analytics was completed during 2020. The staffing model is redefined every year according to organizational business needs and decisions. Towards this direction, the "Go4More" program was also significantly upgraded in order to increase customer loyalty and engagement.

Mortgage Lending: The Bank launched new mortgage loan products with a first long-term fixed-rate loan period (Estia 10/ 15/ 20/ 25 or 30 Years Mixed Home Loan). Another mortgage loan product was introduced for the purchase of land without construction of property. Moreover, the Bank took significant steps towards boosting the mortgage lending business in 2020 through partnering with the main market brokers.

Application pre-approval procedure via i-bank Internet Banking for specific mortgage loan products without visiting a branch was implemented. Finally, the redesign and simplification of mortgage lending processes led to improvements in the end-to-end servicing and response times.

Consumer Lending: The Bank has implemented Automated Approval Procedure ("AAP") for applications through all channels for amounts up to €2,000, reducing operational costs and precipitating the decision process. Moreover, it expanded its lending business through new partnerships with market-leading retailers while continuing to grow existing key partnerships. In specific:

a. Through NBG channels: The Bank launched the new "Express" personal loan for instant cash up to €2,000, leveraging the new AAP to complete underwriting in just a few minutes. "Express" is also available via Internet/Mobile Banking to provide an end-to-end digital and user-friendly process (application - approval - disbursement) without visiting a Branch.

b. Through Merchants: The Bank expanded and enhanced the tools provided to its partners and customers to facilitate and make the entire financing experience user-friendly:

- ✓ Faster time-to-yes for applications subject to AAP (within up to 3 minutes), improving the overall experience for both merchants and their customers;
- ✓ Digital loan application for purchase of consumer goods via merchant's e-shop without visiting the physical retail shop;
- ✓ New method of financing instalment payment, via electronic payment codes allowing customers to pay with debit/ credit/ prepaid cards.

Small Business Lending: Fast track evaluation procedure was integrated resulting in reduced response time to the clients financing application. A new financing program “POS financing” was launched, up to €35.000, to cover businesses’ working capital needs, and provide funding in relation to POS transactions. Small Business Lending includes customers with annual turnover up to €2.5 million and total exposure to the Bank up to €1 million, or initially originated from the Small Business Division.

Cards (issuing & acquiring): Cards issuing performance was further enhanced with the launch of two new premium debit products addressing to Premium and Private clientele of the Bank and introduction of a fully digital process to apply for a credit card via Internet & Mobile Banking. On the acquiring side, the Bank reinforced its footprint on the e-Commerce market by introducing a new payment gateway platform and launching Key2pay service which targets to provide electronic payments acceptance solutions to merchants without e-shop.

Deposits, Investments and Bancassurance: The Bank:

a) completed an optimization project for a shorter and comprehensive list of available deposit products. By reducing to circa one third the available products, the Bank achieved to simplify processes for the branch network and assist in an effective management monitoring for management;

b) expanded the capability to open a new savings or current account through Internet & Mobile Banking to existing customers, after the successful launching in 2019 for new customers.

c) increased investment product penetration by enabling open architecture capabilities (third party mutual funds, Undertaking for Collective Investment in Transferable Securities (“UCITS”) for the branch network.

Bancassurance showed strong results across the entire range of products offered (health, life, fire, auto, cards and loans insurance).

Private Banking: Assets under management grew despite the operational difficulties incurred by the lockdowns, driven mainly by increased demand for Private Banking services, as a direct consequence of near zero deposit rates. Cross-selling initiatives with Retail and Corporate were interrupted to a large extend because of the lockdown associated disruptions. In terms of revenue the business managed to comfortably deliver revenue at the same levels with 2019, which was a year with significant market performance.

Premium Banking: The Bank redesigned and launched an enhanced value proposition, including a branded debit card, a distinct loyalty program, new pricing discounts and exclusive privileges.

Mass segment: The Bank:

a) Implemented the Campaign Management Process which streamlined collaboration between segments, products, channels, analytics and marketing into designing and implementing promotional campaigns. It resulted in higher campaign productivity, effectiveness, and efficiency through all available channels (branch, Below the Line, contact centers), and for all products and services.

b) Established a new channel for telemarketing sales in cooperation with third party providers, aiming to boost-sales productivity for credit cards.

c) Designed methodology for end-to-end event triggered communication across the product lifecycle to all individual customers (e.g. new customer welcome, credit card activation, etc.). Detailed flows and scenarios have been scripted, in order to ultimately achieve product lifecycle communication for all products.

Branch network: Optimization of branch network footprint and migration of transaction to ATM/APS continued, with targeted unit mergers, aiming saving resources and rationalization of its operation. Currently, 63 Lobby ATMs and 340 APSs are operating in the branch network. Furthermore, Passbook Printer Units (“PPU”) have been successfully tested to be installed, improving customer experience of the traditional clientele, within the prevailing regulative framework. At the same time, key business processes were re-engineered, in order to improve customer experience and allow staff to devote more time and attention towards customer-servicing activities. The Branch network also contributed significantly to the restructuring of the retail NPE portfolios and provided support in all stages the NPE portfolio sales initiatives, through a dedicated and specialized structure of “NPE Hubs”.

Digital business: The Bank, in 2020, introduced a new Internet Banking service for business customers with advanced self-service functionalities (i.e. online legalization, online disbursements and loan repayments), as well as online capabilities for applying in the COVID-19 customer support measures; more precisely online application for the loan payment holiday and cheque payment suspension were made available.

Furthermore, the Bank strengthened its digital sales offering by providing customers with the ability to acquire through internet and mobile banking credit products (e.g. instant consumer lending- first in the Greek market- and credit card) as well as a bancassurance product, thereby expanding the Bank’s sales channels and amplifying customer digital engagement. The continued focus to migrate simple transactions to digital channels, which was and is expedited by COVID-19 restrictions, in combination with campaigns to promote digital channels usage, led to a significant decrease in relevant Branch Teller transactional volumes.

Finally, the Retail Banking Division managed to further reduce operating expenses, both through strategic initiatives (such as Branch Network unit mergers), as well as an exemplary expense discipline.

Finally, the Retail Banking Division:

- established the independent Segment Risk and Control sector headed by a Segment Risk and Control Officer with the aim to further strengthen the Bank's effort to effectively manage operational risks, design adequate and efficient controls and their operating effectiveness, as well as ensure adherence to the Bank's various internal and external regulatory obligations;
- managed to further reduce operating expenses, both through strategic initiatives (such as Branch Network unit mergers), as well as an exemplary expense discipline.

2021 Priorities

In 2021, the Retail Banking Division will continue its Transformation Program, developing strategic areas in order to increase business volumes, support net fee and commission income, leverage all channels to deliver results, and create value from its robust and loyal customer base. Specifically, there will be efforts to:

Intensify branch network mobilization as the key results delivery channel, with a focus on performance management & service excellence. Moreover, to continue Network rationalization through the implementation of the physical presence restructuring plan and the plan of optimizing and homogenizing the image of the Network, in order to improve the image of the stores. In addition, to reallocate time and effort to customer-servicing activities by migrating transactions to digital and re-engineering processes. Specifically, concerning improving customer experience, new services of flow management outside branches and customer recognition system belong to 2021 priorities, as well as the installation of PPU machines throughout our total branch network.

Maintain a loyal and low-cost deposit base.

Increase investment product penetration and enhance product offering by enabling open architecture capabilities for the branch network.

Re-design the small business value-proposition aiming at;

a) serving clients with high value products and services through a customer- centric approach;
b) building strong, distinct Business Banking Identity and Culture;
c) focusing on expanding NBGs market share in Business Lending;
d) increasing Business Banking Portfolio Profitability and Value.

Continue to grow Private Banking business through the upgraded service model and by capturing market opportunities.

Increase lending through further partnerships and re-engineering of credit processes to speed-up application-to-disbursement times, simplifying and upgrading customer experience; repositioning of photovoltaic power station loans/ promotion (natural gas/ net-metering/ energy upgrading individual financing and other); leveraging technologies to facilitate and excite the customer journey through new B2B platform and business portal web-based.

Launch new tailor existing products to meet emerging demand; amend characteristics in existing products to meet customers' needs.

Introduce remote customer onboarding for new business customers through digital channels, while enriching the list of digital offerings with new/upgraded products and services, reenforcing customer engagement and active users.

Maintain a low cost-base through expense discipline and centralization of selected back-office activities.

Mobile Application waiz

waiz

NBG was the first Greek bank to launch a mobile aggregator, under the new brand name, waiz. The mobile application was launched in October 2019 under the concept of Account Information Services provided in the European Payments Directive PSD2. Waiz allows users to see their balances and transactions from their accounts and cards in multiple Greek and Digital banks. As such, the service is available for anyone that holds accounts in any of the aggregated banks. During 2020, waiz achieved more than 200,000 installations and onboarded more than 60,000 users while ~35% of waiz users are non-NBG customers. Run by a small and agile team, waiz aims to establish a new type of relationship with Greek banking customers by providing users with relevant, personalized and insightful information presented in a fresh, dynamic and playful way. Looking ahead, the goal is to become bigger and better, by increasing usage, enhancing the offering beyond Account Information and leveraging NBG technology. With waiz, the Bank aims to enhance its pioneering digital offering, providing customers with innovative and unconventional services.

Corporate and Investment Banking

2020 Highlights

COVID-19 supporting solutions successfully designed and implemented.

Corporate Transaction Banking established.

Investment Banking business substantially increased.

An Independent Segment Risk and Control Sector was established.

Significant expansion of Structured Finance portfolio.

Enhanced Coverage model.

Strategic areas

2020 has proven to be one of the most challenging years in recent history, with the COVID-19 pandemic being the primary factor for economic development around the world. Within this environment, companies in most sectors proactively approach the banks for supporting and funding.

The main objective of the Corporate and Investment Banking ("CIB") business is to provide its clients with tailor made solutions, acting as their main partner bank to facilitate their growth plans, fully meet their needs in respect of credit and non-credit products and services, while generating value for both sides of the banking partnership, thereby ensuring sustainable revenues and profitability of the Bank.

The Bank offers corporate clients a wide range of products and services, including financial and investment advisory services, deposit accounts, loans denominated in euro and other currencies, foreign exchange services, standby letters of credit and financial guarantees, insurance products, custody arrangements and trade finance services.

Activity

In this context, CIB has for the greater part of the year, strived to support its customers in their hour of need by funneling additional liquidity via the State Guaranteed facilities. In addition, according to the EBA guidelines, it has provided many of its clients with moratoria, postponing repayment of their loan obligations by several months. This has not however stopped CIB from achieving its other goals as well.

The ongoing transformation process has continued with very good results during the latest seasons, focusing on becoming the bank of choice with superior coverage product, client experience and processes. The coverage and service model revamping has been an ongoing process that will offer a unique experience through new digital capabilities and enhance our business intelligence capabilities/ tools, in order to create incremental value for our clients and our shareholders. In 2020, CIB focused on the following areas:

designing and implementing an effective process for prioritizing and monitoring COVID-19 support measures in conjunction with current credit policy, focusing on optimal allocation of funds and sustainable clientele base;

establishing two additional sectors within CIB:
(i) **Corporate Transaction Banking ("CTB") Division in order to increase our x-sell capabilities;**
(ii) Segment Risk and Control sector headed by a Segment Risk and Control Officer with the aim to further strengthen the Bank's effort to effectively manage operational risks, the design of adequate and efficient controls and their operating effectiveness, as well as to ensure adherence to the Bank's various internal and external regulatory obligations;

taking a leading role in major projects and bond issuing deals in various sectors, solidifying our position as a core player in the custom transactions market;

further developing its staff, with a view to fostering best possible performance in every job role, and creating an environment that generates motivation and professional advancement;

effective management of risks through timely initiatives and using the know-how and experience of the staff in the division.

In 2020 the following were achieved:

COVID-19 support measures (e.g. moratoria implementation, State Guarantee funds allocation) were promptly executed, providing our customers with a much-needed respite of their debt obligations, thus strengthening our relationship with them and increasing our chances to have minimal new NPE productions;

manifold increase of Investment Banking cash income and a broadening of NBG's market share in serving the credit and non-credit customer needs covered by the CIB's operations;

strengthened our coverage model with the addition of several Relationship Managers, in order to properly target an increase of market share and a more sustainable growth of income and profitability for 2021;

expanded our digital capabilities with our clients, providing several conveniences and services (e.g. online repayments, digital onboarding).

Corporate banking includes the following divisions:

Large corporate: Large Corporate portfolio is being handled by two separate divisions with distinctly separate structure and clientele. One division deals with large groups and companies from €200 million annual turnover and above (on a consolidated basis). The other division focuses in mid-capitalization companies (with €50 million to €200 million annual turnover) and other specialized categories (such as intragroups, Greek state related entities etc.).

Structured Financing: Following its structural reorganization over the past years, Structured Financing business is now a core growth arm of the CIB. It focuses on originating, managing and executing wholesale, event-driven primarily, financings across four pillars:

Energy Project Finance	**Real Estate Finance**
Concessions Project Finance & Advisory	**Leveraged Acquisition Finance**

Transactions are mostly executed on a non-recourse basis, either in bilateral or syndicated format, mobilizing the team's in-house placement capabilities, as required. Beyond customary support of local sponsors, Structured Financing is particularly focused on facilitating foreign direct investment of international sponsors in Greece across the aforementioned financial sectors.

Through a dedicated team of 18 professionals with international structuring, financing and advisory background, Structured Financing represents a major budget carrier within CIB both from a net credit growth and a profitability perspective. In 2020, Structured Financing marked a net credit growth of approximately 33% y-o-y, supported by both FDI growth and increased domestic sponsors' financing activity.

Medium-Sized Businesses ("SME"): This part of CIB's portfolio (including businesses with annual turnover between €2.5 million and €50 million, or Small Business with total exposure to the Bank exceeding €1 million, or initially originated from the SME Division), was broadly affected by the ongoing pandemic and is in need of proper support. The timely and targeted actions of the Division are expected to assist our customers in weathering this new financial challenge and keep our focus in tapping the potential of the Greek economy.

Despite the deteriorated financial environment, the Bank's long-term strategy to ensure a steady flow of liquidity to businesses that continue to invest in competitiveness and innovation, while promoting extroversy is considered paramount in the Business Plan's agenda. At the same time, the Bank participated in several favorable business financing programs in cooperation with European organizations, such as the EIB and the EIF.

Shipping Finance: Greece is one of the world's largest ship owning nations with a long-standing tradition in shipping. Shipping has been one of the most important sectors of the Greek economy with the Bank being one of the key participants (including local and international Banks) in Greek shipping finance, the activities of which are carried out almost exclusively through its dedicated Piraeus based unit.

The Bank has traditionally provided long-term financing, mainly to shipping companies trading in the dry bulk and wet bulk sectors and, to a lesser extent to liner and ferry businesses, with a consistent view to minimizing risk and enhancing the portfolio's profitability.

During the course of the year, with a focus on asset quality and profitability, the Bank expanded its customer base by attracting new names in the Greek shipping industry, primarily in the markets of dry bulk and tankers. In addition, the Bank further leveraged the potential of its existing, high-quality clientele, expanding already successful partnerships.

Changes in the regulatory framework regarding the operation of vessels and environmental protection are still under way and are expected to impact the shipping markets over time. The Bank monitors closely the expected impact on the shipping industry from the imposed measures on reducing sulphur dioxide emissions as of 1 January 2020. Furthermore, the Bank is following technological developments regarding the gradual replacement of fossil fuels by more environment-friendly ones for ship propulsion.

2021 Priorities

Leveraging the Bank's strong human capital and product structuring capabilities, along with a revised coverage and service model, CIB focuses on:

- further growing the SME segment in strategic sectors with growth potential;
- maintaining a leadership position in large Structured Finance transactions (i.e. Energy with focus in renewable energy, Real Estate, Leveraged Acquisition Financing, Infrastructure);
- maximizing the Bank's share of wallet across products in large groups; and
- promoting a more supportive and "next to the client" business approach; and
- allowing for minimal new NPE generation through efficient moratoria and step-up solution implementation.

To this end, the main targets of CIB are:

- to further develop cross selling by expanding and deepening partnerships across the entire range of products and services offered to our customers, with a particular focus on transactional banking and non-capital intensive revenue streams;
- to further grow the corporate portfolio, increasing the share of banking cooperation on a selective basis (especially in the SME segment) and forging sustainable growth of revenues and profitability, also via the use of various financial instruments such as the Pan-European Guarantee Fund ("EGF") and Recovery Fund;
- to maintain our focus on providing credit to healthy, export-oriented medium-sized businesses. Special emphasis is placed on business sectors such as tourism, logistics, pharmaceutical manufacturing (particularly generics), Agrifood with domestic and export orientation;
- to be the leading player in major development transactions, and generally support sustainable investment projects that generate value for our customers and the economy as a whole;
- to empower our corporate coverage teams, freeing-up time to focus on client support/ advisory and new business development;
- to attract and retain talent while further developing our people;
- to further improve our clients' experience and retain costs by streamlining our credit underwriting and client on-boarding processes;
- to maintain top-class levels of risk management and sound risk culture;
- to enhance digital channels' capabilities and introduce self-service functionalities;
- to further diversify our credit exposure and income generation drivers, especially in Large Groups and Shipping;

to expand our shipping portfolio maintaining the quality of clients and collaterals and at pricing and terms that will allow to enhance our profitability, always taking into account the developments and the long-term prospects of the shipping markets;

to grow our Investment Banking business;

to remain committed in advancing NBG's Transformation Program and the rapid deployment of the actions and strategic targets set out therein;

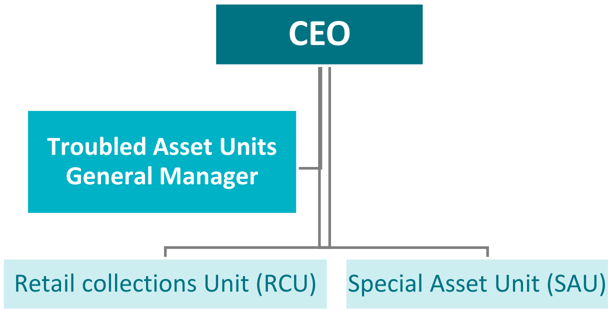
to enhance the financing tools available to businesses, expanding our cooperation with the European Investment Bank, the European Investment Fund and the Hellenic Development Bank;

to focus on the development and marketing of new products and services, targeting at enhancing business access to programs with favorable financing terms, while offering tailor-made solutions that meet businesses' financial needs.

NPE management (Troubled Asset Units)

The Bank has established two dedicated and independent internal units, one responsible for the management of the Bank's retail loans (the Retail Collection Unit ("RCU")) and the other for the Bank's corporate delinquent exposures (the Special Assets Unit ("SAU")). The two units have the end-to-end responsibility for their respective troubled asset exposures. Regarding corporate governance, the units report to the General Manager – Head of Troubled Assets Group, as well as to a dedicated Arrears and non – performing loans ("NPL") Management Committee, which in turn reports to the Board Risk Committee. Furthermore, there are tangible Group initiatives regarding the management of real estate, related to workout actions (auctions, foreclosures and repossessions) with strong involvement of the Group Real Estate Management experts and the monitoring by the Senior Executive Committee. Moreover, Segment Risk and Control Officer was appointed with the aim to further strengthen the Bank's effort to effectively manage operational risks, the design of adequate and efficient controls and their operating effectiveness, as well as to ensure adherence to the Bank's various internal and external regulatory obligations.

The Bank is continuously enhancing its NPL and NPE management strategies whilst augmenting its operational capabilities towards accomplishing the Bank's objective of reducing its NPL and NPE stock.



Total NPE portfolio at Group level amounted to €4.4 billion as at 31 December 2020 compared to €10.9 billion as at 31 December 2019.

The decrease of €6.5 billion has been attributed to both organic and inorganic actions (see "*Key developments- Successful execution of Bank's NPE reduction strategy delivers balance sheet strength - NPE reduction targets*").

Corporate Special Assets management

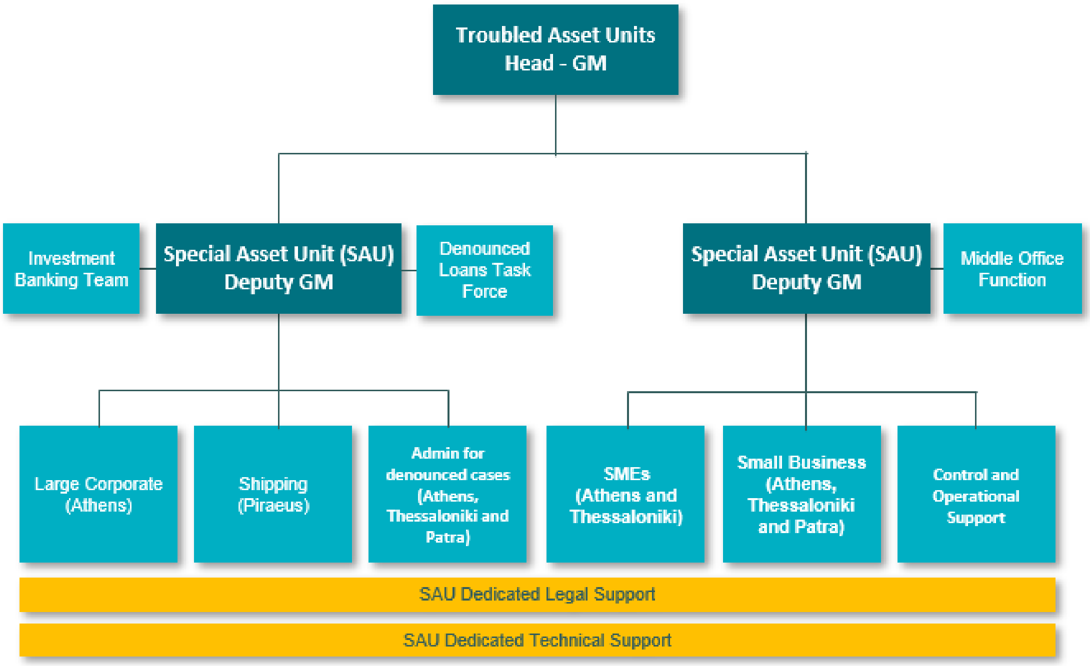
SAU | Organizational Structure

The Special Assets Unit ("SAU"), established in June 2014, is an independent and centralized unit, with end-to-end responsibility for the management of Large Corporate, SME, Shipping and Small Business Loan ("SBL") (mainly legal entities) NPEs.

SAU consists of seven divisions and subdivisions, four of which focus on borrower's management and three are support units. Borrowers are segmented into four categories based on the following criteria:

- **Large Corporates ("LCs"): Group of customers with annual turnover above €50 million, or initially originated from the Large Corporate Division and complex deals.**
- **SMEs: Customers with annual turnover between €2.5 million and €50 million, or Small Business ("SB") with total exposure to the Bank exceeding €1 million, or initially originated from the SME Division.**
- **SBs: Customers with annual turnover up to €2.5 million and total exposure to the Bank up to €1 million, or initially originated from the SB Division.**
- **Shipping: Customers with operations related to shipping sector**

The organisational chart of SAU is set out below:



SAU | Organic Actions for the reduction of NPEs

Significant progress has been made during the last years towards addressing the issue of corporate NPEs in order to support the recovery of distressed, but cooperative and viable borrowers. The main initiatives can be summarized as follows:

- Tailored made restructurings aiming to reduce the debt repayment obligations to sustainable levels;
- Assessment of alternatives to reduce the bank debt, without, however, forgiving a possible future upside, achieved through debt-to-equity transactions, convertible bonds, issuance of preferred shares or through profit participating bonds;
- Debt-to-asset transactions or amicable asset sales aiming to reduce bank debt through the proceeds from the sale of non-core assets, usually as a part of a holistic solution of the obligor with the Banks;
- Further improvement of interbank cooperation supported by the NPL Forum initiative and Project Solar.

SAU uses a number of different forbearance, resolution and foreclosure measures, following international best practices, but tailored to the current economic and legal environment in Greece. Appropriate tools to measure the viability of debtors, fully integrated into the IT environment of the Bank, as well as net present value ("NPV") analysis for the prioritization of alternative modification solutions are also used. An internal Management Information Systems ("MIS") unit supports decision making and monitors performance.

A. Collaboration with the other banks

Regarding corporate exposures SAU collaborates with other banks for borrowers with common exposures in order to provide a holistic proposal, ensuring timely cross-bank alignment and consensus on the appropriate restructuring approach. In complex cases, i.e. in the entrance of a strategic investor, a rehabilitation process may be followed, safeguarding the long-term viability of the company and the debt sustainability after restructuring. On large cases usually a Chief Restructuring Officer is appointed by the credit banks in order to monitor the implementation of the restructuring decision.

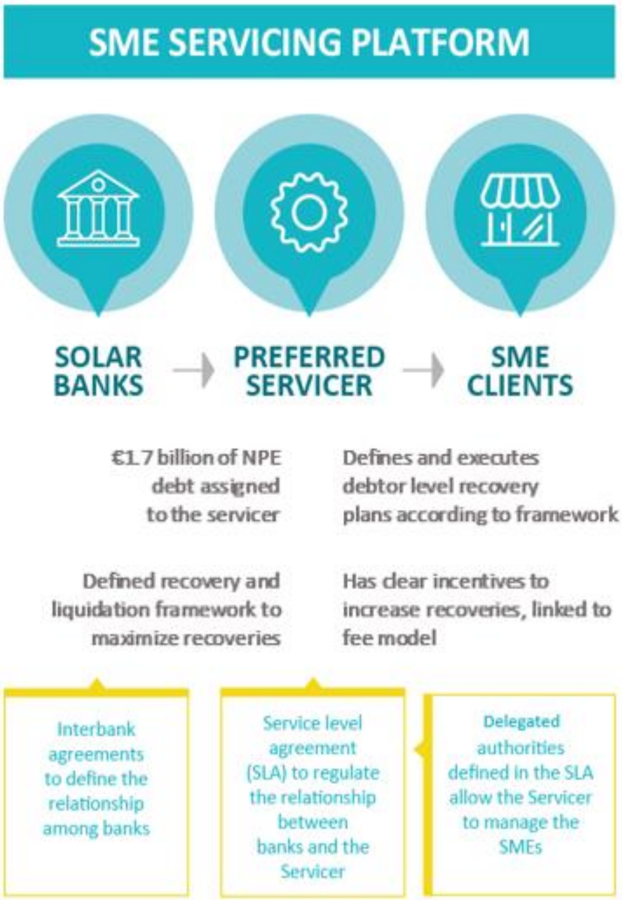
Especially for SME exposures the timely management of corporate NPEs is assisted by the Solar Project.

Solar Project - Common SME Initiative

On 31 July 2018 the four Greek Systemic Banks launched Project Solar, a breakthrough servicing initiative to define a common management framework for SME NPEs. Project Solar aims to enhance the effectiveness and efficiency of SME NPE management across the Greek banking system. A servicer with international experience in projects of similar characteristics was appointed who has the mandate to manage a pool of common non-performing SME exposures of the four systemic Greek banks.

The Servicer (doValue Hellas) has so far submitted recovery plans for all the Solar Borrowers. DoValue Hellas continued in 2020 with its active management of the Portfolio, having addressed issues arisen by the COVID-19 crisis, while the Banks are actively participating and monitoring the respective operations and results.

The SME Servicing Platform is as follows:



B. Denounced Portfolio Management

The Bank denounces a loan contract when a borrower is in default and is non-cooperative and/or non-viable. The denouncement of a contract can also be decided due to the bankruptcy or dissolution of the debtor's company or initiation of legal actions against the borrower by other creditors. Although the primary strategy for the denounced portfolio is the recovery through the liquidation of collateral, settlement solutions are also available, even after the denouncement through amicable and viable arrangements.

In order to accelerate denounced portfolio management the Bank has established a taskforce team, which analyzes the portfolio, determines priorities in deployment of the necessary actions for liquidation of collaterals, coordinates the actions with legal and other involved divisions and monitors their timely implementation. In addition, appropriate internal processes were created and committees were established to assess the possibility of acquiring properties amicably or through public auctions, taking into account the value and marketability of the properties.

In 2020, enforcement activity has been slowed down because of the protective measures introduced due to COVID-19 and following cyclone "IANOS" and earthquake in Samos island. Enforcement and auctions were suspended in the months of March-June and November-December. During 2020, 763 auctions were expedited by SAU with a total opening price of €175 million.

SAU Inorganic Actions for the reduction of NPEs

The NPE Management Strategy includes several projects aiming to an expedited reduction of NPEs through inorganic actions (portfolio sales, as well as bilateral agreements mainly concerning Large Corporate cases). During 2020, the sale of Icon Portfolio has been concluded, while preparatory phase regarding the securitization of a retail and corporate portfolio has been initiated (Project Frontier).

Following the above actions, the total SAU portfolio under management amounted to €1.9 billion on 31 December 2020 compared to €3.0 billion as at 31 December 2019, of which c. 42% corresponds to denounced balances.

Retail collections management

Established at the outbreak of the financial crisis in 2010. RCU is an independent and centralized unit focused on the management of delinquent, non-performing and denounced retail loans.

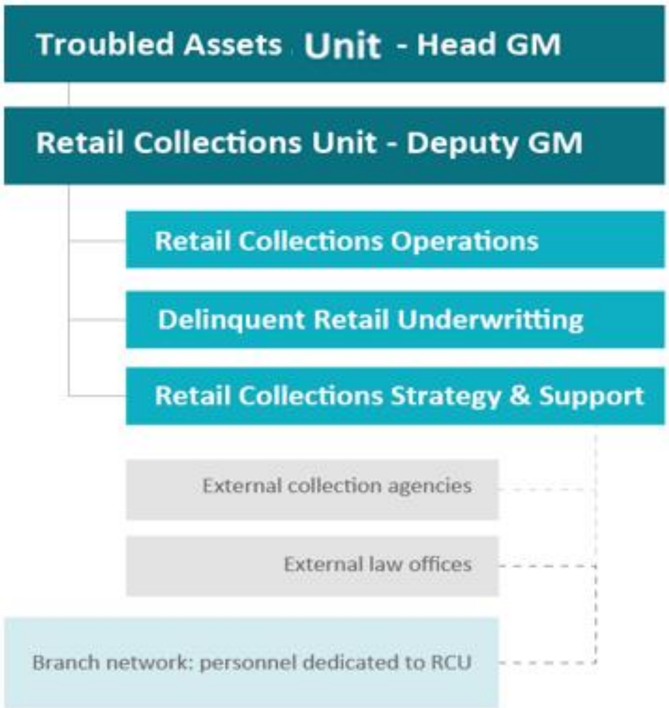
RCU consists of three Divisions, which focus on:

Collections operations, managing all the available client channels.

Delinquent Retail Underwriting, deciding the restructuring solution to be offered to each applicant.

RCU Strategy and Support, setting-up and coordinating the strategic initiatives of RCU and supporting the other Divisions.

The organisational chart of the RCU is set out below:



As at 31 December 2020, RCU had a total of 1,218 dedicated FTEs, including outsourced personnel, managing €7.9 billion of mortgage loans, consumer loans, credit cards and micro business loans (i.e.

small business loans to entities with exposure <€150 thousand) compared to €8.9 billion as at 31 December 2019 that are:

A. 1+ days past due.

B. Current, yet classified as Forborne Non-Performing Exposures ("FNPE").

RCU leverages all possible channels to reach clients in financial difficulty and work with them towards finding viable solutions.

Such channels include:

Call centers
(internal collections center ("ICC") and external debt collection agencies ("DCAs"))

NPL Hubs
(specialized Branches within regular bank Branches)

Bank Branches

Law offices
(external law firms and internal law office)

Mail

Alternative channels
(SMS, website, etc.)

When managing retail delinquent loans, the following four main stages can be identified:

In the beginning of March 2020, Greece, among other countries, was hit by COVID-19. The State imposed varied movement restrictions which affected the ability of borrowers to earn income and make payments or restructure their loans. RC undertook actions to ensure that collection performance was maintained to the best possible level.

Actions to safeguard NBG personnel and Borrowers: The following indicative actions were implemented as a response to COVID-19:

- Loan modification process was enhanced so that the borrower can modify a mortgage loan without visiting the Branch Network.
- Modification application became available directly through the public NBG web portal for either regular restructuring or for specialized COVID-19 offers.
- Access to Internet Banking, APS, ATMs, was provided to Greek Law 3869/2010 customers.

Payment moratorium: NBG targeted its payment moratorium program, launched in April 2020, to retail borrowers who:

- Had been current (<30dpd) before the outbreak of the COVID-19 crisis.
- Experienced income reduction due to COVID-19.

The offer made to borrowers eligible for the payment moratorium had the following features:

- No requirement to make any payments until 30 September 2020 (extended to 31 December 2020 later, only for those borrowers who needed it).
- Arrears capitalization.
- No interest forgiveness.
- No term extension.

By the end of September 2020, €1.6 billion in Retail had been placed under the Payment Moratorium (no further moratoria offered post 30 September 2020).

Two further initiatives are expected to support borrowers to resume payments after the end of the payment moratorium:

1. The "Gefyra" State subsidy program – c. 30% of the borrowers that were under payment moratorium were set to receive subsidy by the end of 2020. The program provides subsidy to loans in order to remain current and incentivizes borrows to remain current even after the end of the subsidy.
2. The "Ethogefyra" NBG program to bring the borrowers back to the full repayment schedule in a **progressive manner** – i.e. 50% of the scheduled payment until December 2021 and back to 100% of the payment schedule from 2022 onwards.

«Gefyra» State subsidy for COVID-19 beneficiaries' primary residence: The State subsidizes loans guaranteed by the primary residence of customers experiencing income reduction due to the COVID-19 crisis.

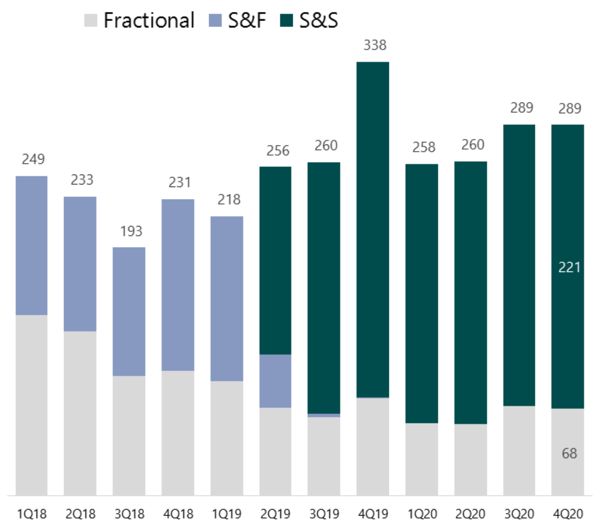
The program offers a state subsidy for eligible borrowers (eligibility criteria included residence tax value, outstanding debt, income). The subsidy is a percentage of the monthly loan installment, for three quarters starting in November 2020, gradually decreasing per quarter. The subsidy can reach up to 90% of the instalment amount for the first quarter. The subsidy per borrower is capped at €300 - €600. In case of redefault the borrower is required to return to the state the amount of the subsidy received. NBG actively promoted Gefyra to eligible borrowers.

"Gefyra" program for State subsidy stopped receiving applications at the end of October 2020. The platform started gradually processing the applications. Most of the applications were assessed by end of 2020, although processing of incomplete applications will continue until March 2021. €1.3 billion loans have already received the subsidy.

Restructurings:

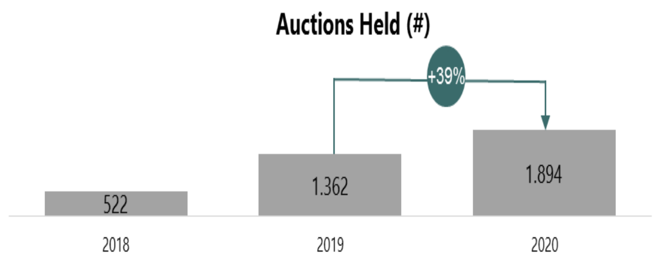
Despite COVID-19 effects (lockdown, restrictions in the Branch network), restructurings reached €1.1 billion, slightly increased compared to 2019.

The mortgage lending quarterly restructuring volume (in € million) is presented in the following graph:

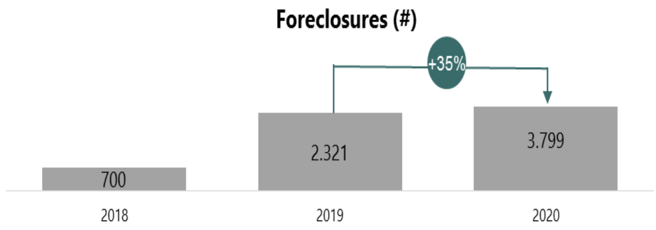


Foreclosures / Auctions:

Despite COVID-19 causing a 5-month court suspension which resulted in a vast number of auction cancellations, the Bank was able to reschedule them for a date within 2020. During 2020, 1,894 auctions were held, of which 1,068 auctions were successful vs 1,362 and 618 respectively for 2019.



Similarly, legal actions before auction (payment order & foreclosure) have been suspended due to COVID-19 in 2020 for approx. 5 months. In 2020, 3.799 foreclosures were issued, an increase of 35% compared with 2019.



Greek Law 3869/2010

In April 2019, the primary property protection based Greek Law 3869/2010 expired. Greek Law 4745/2020, published at 6 November 2020, prescribes that pending Greek Law 3869/2010 applications with court hearing date later than 15 June 2021 should be planned within December 2020 - May 2021. Besides, the court process needs not be oral anymore and court dates cannot be further postponed. Customers that will not resubmit the application timely will lose their primary residence protection. Therefore, the new law is expected to accelerate decision making for pending cases.

RCU has put increased emphasis on the active management of clients pending Greek Law 3869/2010 court decision by consulting clients under Greek Law 3869/2010 protection to find a viable solution customized to their needs. The Bank encourages clients to restructure their debts with the Bank offerings, after they willingly forfeit Greek Law 3869/2010 protection, avoiding the lengthy and uncertain court trial process. During 2020, €226 million restructurings were implemented vs €203 million of restructurings during 2019.

2020 expected legislative changes

A new comprehensive insolvency framework (2nd chance, based on EU Directive 1023/2019), that will cover private debt resolution (via restructuring or liquidation) of both individuals/ households and legal entities/merchants has been introduced by Greek Law 4738/2020. A platform that will be supporting the new debt resolution process is expected to be gradually operational from the end of the second quarter of 2021.

2021 RCU and SAU portfolio sales / securitizations

The securitization of a secured portfolio (Project Frontier) is in progress.

Other

Global Transaction Services

NBG Global Transaction Services Division serves all customer segments covering Large Corporations, SMEs, Small Businesses, Individuals and Financial Institutions, offering these products including all type of Collections and Payments, Letters of Credit, Letters of Guarantee, and Supply & Trade Financing.

During 2020, Global Transaction Services ("GTS") has provided the market with €298 million of liquidity through Trade Financing and maintained a credit instrument portfolio of €2.8 billion.

The Bank maintains a leading market share in Import and Export products by SWIFT Traffic, as well as in local payments.

In the context of the Bank's strategy for improving operational efficiency, in sync with Bank's Transformation Plan and utilizing GTS' expertise, the centralization of domestic letter of guarantees and Document Collections' has been concluded with the centralization of Corporate Customers. GTS has launched the Digital certificate project, with the onboarding of Customers to improve customer experience and offer fast track services while in parallel trying to improve the offered services implementing new functions in the existing platform.

GTS's commitment to invest in the new Trade Finance systems has driven the implementation of a new customer front-end application covering Letters of Guarantee as well, after successful implementation in Collections, Letters of Credit and Trade Financing. After completion of the specific phase, NBG Trade Finance will be fully integrated in a robust platform with both back-end and front-end systems.

We consistently exploit and innovate structured solutions under International Trade Facilitation Programs ("TFPs"), enabling Greek corporates to access alternative financing channels with favorable cost. For this purpose we are currently under discussion for signing the prolongation of TFP program for the third rime and for an additional period of two years.

As a result, NBG GTS continues to gain global recognition from clients and business partners across all industries in and out of Greek boarders GTS as a leading and innovating division is also activated in the Secondary Forfating Market as a buyer, conducting business and collaborating with major Banking Institutions abroad.

NBG GTS has also been named for the 8th times "Best Trade Finance Bank" by the internationally acclaimed "Global Finance" magazine.

Swift Global Payments Innovation ("GPI") implementation for cross-border payments is ongoing, aiming to offer transparency and on-time tracking. GPP upgrade is in a pre-UAT stage as an interim step of Pan European Instant Payments implementation.

GTS Trade Finance hub set up in NBG Malta is under development in cooperation with local management thus giving NBG customers the opportunity to conduct business through an efficient and low-cost route.

Leveraging on NBG's competitive strengths, GTS plan to engage stronger cross-unit partnerships, under the Bank's transformation pillars and initiatives, to achieve increased penetration in existing customers' wallet as well as target new clients improving profitability.

Leasing

The Bank began its leasing activities in 1990 through its subsidiary, Ethniki Leasing. In July 2013, the Group acquired Probank Leasing and the latter has come to recession and gradually stopped new contracts.

Ethniki Leasing leases land and buildings, machinery, energy parks, transport equipment, furniture and appliances, computers and communications equipment.

Furthermore, in 2020 and for a second consecutive year, Ethniki Leasing remains the champion of the new businesses implementing amounting to € 202 million, despite the COVID-19 crisis.

More specifically, the new businesses carried out in 2020 by all Greek leasing companies, amounted to €535 million, the 37.8% covered from Ethniki Leasing.

Factoring

The Bank has been active in the provision of factoring services since 1994. In May 2009, Ethniki Factors was established as a wholly owned factoring subsidiary of the Bank, as part of its strategic decision to expand its factoring operations in Greece. Ethniki Factors offers a comprehensive range of factoring services to provide customers with integrated financial solutions and high quality services tailored to their needs.

Brokerage

National Securities S.A. ("NBG Securities") was established in 1988 and constitutes the brokerage and investment banking arm of the Group. NBG Securities offers a wide spectrum of integrated and innovative investment services to both individual and institutional customers. The NBG Securities aims at providing investment services tailored to the needs of its clients.

2020 was indeed a special year characterized by the effects as well as the subsequent challenges brought about by the pandemic. As that was the case with the entire economy, NBG Securities adapted immediately to the conditions created by COVID-19 and placed its focus on the protection and safety of its employees and customers. Right from the very beginning of the pandemic, NBG Securities showed readiness in terms of remotely managing day to day operations, successfully implementing remote access solutions, thereby enabling its customers to continue to enjoy uninterrupted service even during the most extreme lockdown conditions.

At the same time, NBG Securities continued to explore synergies with NBG and achieving economies of scale. The company's digital transformation program also proceeded at a satisfactory pace focusing on alternative channels / services, such as the new modern applications for both mobile and internet trading.

Asset Management

The Group's domestic fund management business is operated by NBG Asset Management, which is wholly owned by the Group and was the first mutual fund management company to be established in Greece. Set up in 1972, NBG Asset Management manages private and institutional client funds, made available to customers through the Bank's extensive branch network. The Company's objective is to achieve competitive returns in relation to domestic and international competition.

As of 31 December 2020, total assets under management in mutual funds and discretionary asset management amounted to €1.6 billion, with NBG Asset Management maintaining a market share in mutual funds in Greece of 10.2% (Source: Hellenic Fund and Asset Management Association—report of 31 December 2020). The number of clients serviced by NBG Asset Management are in excess of 38,000, including 66 Institutional investors.

€ million	2019	2020
Mutual Funds under management	838	826
Discretionary Funds under management	688	726
Total Funds under management	**1,526**	**1,552**
Market Share	**10.7%**	**10.2%**

The 21 mutual funds of NBG Asset Management, among them four in Luxembourg, cover a wide range of investment categories (Equity, Bond, Balanced and Fund of Funds) in Greece and

International markets. Such a wide spectrum of investment products gives great flexibility to investors who wish to build their personal investment plan according to their investment profile and objectives through mutual fund portfolios with a high degree of diversification.

In addition to mutual fund management, NBG Asset Management offers the following services for institutional and private investors:

- Discretionary Portfolio Management Investment Services;
- Advisory Services;

It also offers a range of financial products and services that cover the needs of:

- Social Security / Pension Funds;
- Insurance companies;
- Corporates.

Real Estate

NBG Group Real Estate is responsible for the comprehensive management of the Group's total portfolio of properties, whether own used, leased, or foreclosed, and for the provision of valuation and technical services on a fully integrated basis.

Since 2018, Group Real Estate has undertaken an important role in the Bank's NPE reduction strategy, beyond its traditional real estate management activities.

In 2020, in line with the Transformation Program's (Healthy Balance Sheet Workstream), Group Real Estate further expanded its activities and accelerated its efforts to contribute effectively to this strategic objective.

In this context, the Bank through its REO assets Division, participated in public auctions and acquired 1,244 properties with value at c. €89 million in 2020, within a limited period of 3.5 months due to the pandemic restrictions. In 2019, the Bank had acquired 1,229 properties valued at c. €130 million during in 11 months period.

For Group Real Estate, 2020 was a record year in terms of property sales. REO targets were exceeded, achieving a historic year of performance, whilst significant Bank properties were successfully commercialized through long-term leases.

Key drivers for this success were the adoption of a new strategy for the comprehensive management of all promotional channels (electronic channels, brokers, branch network), and the transition from a traditional model of physical tenders to a more flexible, integrated model, in order to ensure the efficient exploitation of real estate portfolios with a large geographical spread. More specifically, for the promotion of REOs, as well as other properties of the Group, an Agents' registry with nationwide coverage was created, the web portal www.realestateonline.gr was significantly upgraded, incorporating a platform for electronic tenders, ensuring transparency, greater efficiencies and further enhancing flexibility in real estate transactions.

Despite the restrictions due to the pandemic, total Group real estate sales reached 127 properties with value of €94 million, with significant profits. At the same time, the introduction of electronic tenders from the middle of 2020 onwards allowed for the successful completion of 17 electronic tenders for properties with value at c. €6 million.

Currently, there are c. 1,000 properties with value of c. €118 million uploaded on this website and it is expected that additional 500 properties with value of c. €70 million will be uploaded within the first half of 2021.

Furthermore, the Central Unit for Technical Assessments in 2020 conducted 120,000 property valuations totaling c. €15.0 billion relating to new investments and the revaluation of existing collaterals, tripling its activity volume compared with 2019.

In addition, the Group Property Valuation Policy and the respective Regulation were further updated to remain fully aligned with the Regulatory Frameworks (EU, ECB, EBA) and the International and European Valuation Standards (IVS/EVS) at all times.

During the last two years, the Central Unit for Technical Assessments has further expanded its scope by offering expert advisory services for the assessment and monitoring of new construction projects financed by the Bank (Lender's Technical Advisor - LTA), marketability reports and other specialized services to the Bank and the Group (expert witness, Technical Due Diligence, Data Remediation).

In 2020, the Technical Services Sector's contribution to large Bank Branch projects was significant, whilst projects with respect to the energy upgrade of the Bank's buildings continued. The Bank's IT Facilities Building at Gerakas was certified according to Leadership in Energy and Environmental Design («LEED») at the Gold level, thus holding one of the most globally valid certifications for "Green Buildings", whilst with the completion of the Facility Energy Upgrade, energy savings of c. 34% have been achieved.

Finally, the Property Management Division continued to successfully manage the Bank's own buildings, in the context of overall cost reduction efforts, significantly contributing to the further optimization of the costs of the Bank's Branch Network and its office spaces.

Activities outside Greece

As at 31 December 2020, the Bank's international network comprised of 84 branches (including foreign subsidiaries and Bank branches in the United Kingdom, Egypt and Cyprus), which offer traditional banking services and financial products and services. The Bank has also two commercial banking subsidiaries, in North Macedonia and Malta. The Bank's banking subsidiary in Cyprus is classified as non-current assets held for sale.

The Bank's international operations accounted for €2.2 billion or 3.1% of the Group's total assets excluding non-current assets held for sale as at and for the year ended 31 December 2020. Loans and advances to customers were €1.3 billion at 31 December 2020, whereas deposits "Due to customers" amounted to €1.5 billion at 31 December 2020.

Discontinued operation as of 31 December 2020

Our discontinued operations and non-current assets held for sale as at 31 December 2020, comprise of our subsidiary in the insurance sector NIC, our banking activities in Cyprus, NBG Cyprus and our credit acquiring subsidiary in Cyprus, CAC Coral Ltd.

Related Party Transactions

Based on the existing regulatory framework, the Group must disclose any transaction between the Bank, its subsidiaries and all its related parties as defined in IAS 24 "Related Parties", which took place during the year ended 31 December 2020. Management's total compensation, receivables and payables must be also disclosed separately. The following table presents the transactions between the Bank and its subsidiaries, while there are no significant transactions with its associates. Regarding the transactions with the Bank's main shareholder HFSF, other than the ordinary shares issued by the Bank and held by HFSF, no material transactions or balances exist with HFSF. For further details, see Note 42 of the Annual Financial Statements.

Subsidiaries

(€ million)	Assets	Liabilities	Income	Expenses	Off Balance Sheet (net)
National Securities S.A.	1	77	3	1	28
NBG Asset Management Mutual Funds S.A.	1	27	3	-	-
Ethniki Leasing S.A.	494	11	11	1	191
NBG Property Services S.A.	-	1	-	-	-
Pronomiouhos S.A. Genikon Apothikon Hellados	1	22	-	2	1
NBG Greek Fund Ltd	-	8	-	-	-
National Bank of Greece (Cyprus) Ltd*	6	78	1	3	3
NBG Management Services Ltd	-	-	-	-	-
Stopanska Banka A.D.-Skopje	4	-	2	-	-
NBG International Ltd	-	19	-	-	-
NBG Finance Plc	-	55	-	-	-
NBG Asset Management Luxembourg S.A.	-	-	-	-	-
Ethniki Hellenic General Insurance S.A.(Group)*	52	351	20	6	7
KADMOS S.A.	-	-	-	-	-
DIONYSOS S.A.	-	-	-	-	-
EKTENEPOL Construction Company S.A.	-	-	-	-	-
Mortgage, Touristic PROTYPOS S.A.	-	-	-	-	-
Hellenic Touristic Constructions S.A.	-	-	-	-	-
Ethniki Ktimatikis Ekmetalefsis S.A.	-	-	-	-	-
NBG International Holdings B.V.	-	4	-	-	-
NBG Leasing S.R.L.	5	-	1	-	-
NBG Finance (Dollar) Plc	-	279	-	-	-
NBG Finance (Sterling) Plc	-	115	-	-	-
NBG Bank Malta Ltd	38	120	1	1	34
Ethniki Factors S.A.	339	27	10	-	439
ARC Management One S.R.L. (Special Purpose Entity)	-	-	-	-	-
ARC Management Two EAD (Special Purpose Entity)	-	-	-	-	-
Probank M.F.M.C.**	-	-	-	-	-
I-BANK DIRECT S.A.	-	1	-	-	-
Probank Leasing S.A.	49	10	1	-	-
Probank Insurance Brokers S.A.	-	1	-	-	-
Bankteco EOOD	-	-	-	1	-
CAC Coral Limited*	99	-	2	-	26
Total	**1,089**	**1,206**	**55**	**15**	**729**

**Held for sale subsidiaries.*
***Liquidated on 9 December 2020.*

The External Auditors

The Board of Directors' Audit Committee reviews the independence of the external auditors, as well as their relationship with the Group, including monitoring mandates for non-audit services and the amount of audit and non-audit fees paid to the auditors. In accordance with the requirements set by the Amended Relationship Framework Agreement[33], the Bank has to rotate its auditors every five years. However, according to the article 28 of Greek Law 4701/2020, HFSF and the financial institutions who participated in recapitalization plans, or the beneficiary financial institutions that resulted from fully or partial carve-outs of banking operations in the context of Greek Law 4601/2019 (corporate transformation law), may decide to extend the term of its external auditors for a period not exceeding 10 years in total (according to article 17 EU 537/2014 (L158)) provided that the General Meeting of the financial institution approves reasoned proposal of the Board of Directors, following the recommendation of the Audit Committee.

The appointment of PwC was approved by the 2017 Annual General Meeting of the NBG Shareholders held on 30 June 2017 who elected PwC for the first time as the statutory auditors of the Bank and the Group for the year ended 2017. The Annual General Meeting of the NBG Shareholders held on 30 June 2020 re-appointed PwC as the statutory auditors for the year ended 31 December 2020.

For information regarding the Independent auditor's fees, see Note 45 of the Annual Financial Statements.

[33] As a result of recapitalizations in 2013 and 2015, the HFSF and the Bank entered to a revised Relationship Framework Agreement dated 3 December 2015 (the "Amended Relationship Framework Agreement"), which amended the initial Relationship Framework Agreement dated 10 July 2013 between the Bank and the HFSF (the "Relationship Framework Agreement").

Risk Management

The Group, as an international organization operating in a rapidly growing and changing environment, acknowledges its exposure to risks and the need for these risks to be managed effectively. Risk management and control forms an integral part of the Group's commitment to pursue sound returns to its shareholders.

Risk management and control play a fundamental role in the overall strategy of the Group, aiming to both effectively manage the risks of the organization and to align with the legal and regulatory requirements.

The Group aims at adopting best practices regarding risk governance, taking into account all relevant guidelines and regulatory requirements, as set by the Basel Committee on Banking Supervision, the EBA, the ECB\SSM, the Bank of Greece, the Hellenic Capital Market Commission ("HCMC") legislation, as well as any decisions of the competent authorities supervising the Group's entities.

Group Risk Management Governance Framework

(Audited)

Group Risk Management at NBG has a structured and tiered approach, based on a number of governance bodies, internal policies and procedures, and control framework.

The Board of Directors bears ultimate accountability for NBG's risk position. It signs off on the risk strategy and risk appetite and monitors the effectiveness of risk governance and management advised by its two specialized committees: the Board Risk Committee ("BRC") and the Board Audit Committee. The Bank's Senior Executive Committee and other committees supporting the Senior Executive Committee are in charge of daily management actions and steer of the business. The Group Chief Risk Officer ("CRO") is a member of the Senior Executive Committee. The CRO has direct access to the Board of Directors, has delegated decision-authority for executive matters over risk and leads the Group Risk Management Function. Please see section "*Corporate Governance Statement—Board of Director's Committees – Board Risk Committee*" *and "Management, administrative and supervisory bodies of the Bank-Executive Committees*".

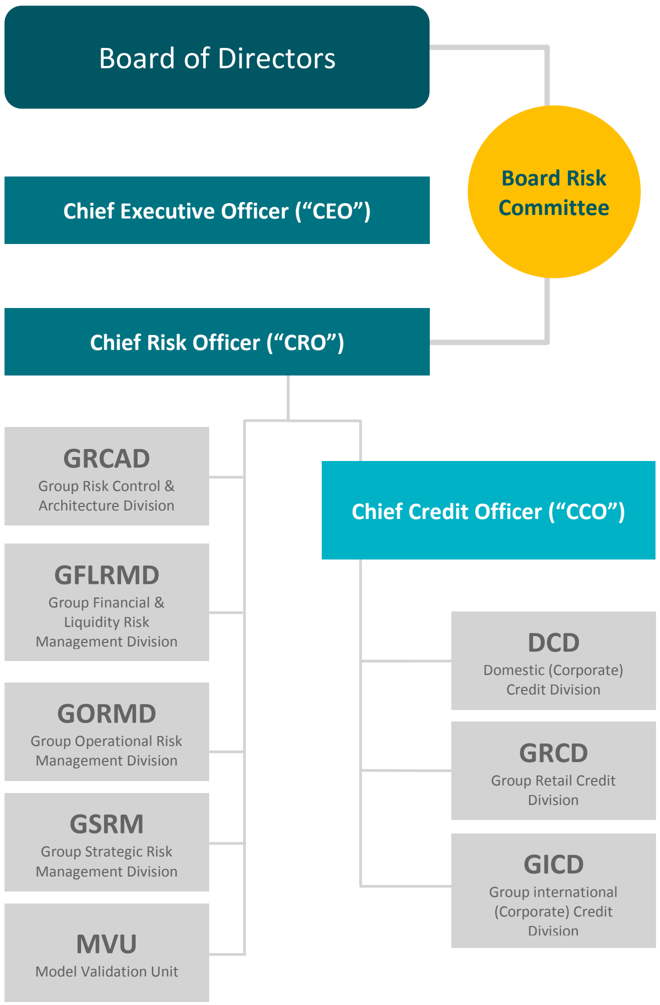
The Group Risk Management Function has specialized teams per risk type. The Group Risk Management Function's teams conduct day-to-day risk management activities according to policies and procedures as approved by the BRC, the Senior Executive Committee and other executive committees. The perimeter is based on the industry standard "Three Lines of Defence" model. The Group Risk Management Function's activities are supported by underlying systems and infrastructure. Finally, risk culture is viewed as a core component of effective risk management, with the tone and example set by the Board of Directors and the

Senior Management. Objective of the Bank is to establish a consistent Risk Culture across all units.

The Group's risk management is spread on three different levels, in order to create **Three Lines of Defence**. The duties and responsibilities of all lines of defense are clearly identified and separated, and the relevant units are sufficiently independent. For the Three Lines of Defence please refer to section "*Corporate Governance Statement - E. Internal Control System and Risk Management*".

The Group Risk Management Function

The organizational chart and reporting lines of Group Risk Management Function are depicted in the figure below:



The CRO reports to the CEO, has direct access to the BRC and is its main rapporteur. The CCO, is operating under the CRO, supervises three Credit Divisions, as above, which are involved in the credit approval process for the Group's corporate banking, retail banking and subsidiaries' portfolios.

Group Risk Management

The Bank acknowledges the need for efficient risk management and has established four specialized Divisions and one Unit: the GRCAD, the GFLRMD, the GORMD, the GSRM, and the MVU, to properly identify, measure, analyze, manage and report the risks entailed in all its business activities. All risk management units of the Group subsidiaries adequately report to the aforementioned Divisions/Unit.

In addition, the three Credit Divisions, which are independent of the credit granting units, are involved in the credit approval process for the Group's corporate banking, retail banking and subsidiaries portfolios. They perform an independent assessment of the credit risk undertaking in respect of each portfolio and have the right of veto.

Based on its charter, the mission and the constitution of each Division/Unit are as follows:

Group Risk Control & Architecture Division ("GRCAD")

The mission of the GRCAD is to:

- specify and implement credit risk policies emphasizing on rating systems, risk assessment models and risk parameters, according to the guidelines set by the Bank's Board of Directors;
- establish guidelines for the development of methodologies for Expected Credit Loss ("ECL") and its components, i.e. Probability of Default ("PD"), Loss Given Default ("LGD") and Exposure at Default ("EAD") for each segment of corporate and retail asset class;
- implement a number of clearly defined and independent credit risk controls on credit risk models, which enable an effective oversight of risks emerging from credit activities at all levels. These controls are appropriately executed, and the results are documented and communicated to the business units on a quarterly basis. GRCAD itself monitors these same controls on a quarterly basis, assuring they are operating effectively and remain altogether sufficient for the purposes they were established;
- provide regular assurance that models continue to perform adequately, thus complementing the periodic validation and usage reviews;
- assess the adequacy of methods and systems that aim to analyze, measure, monitor, control and report credit risk undertaken by the Bank and other financial institutions of the Group; and
- estimate Regulatory Capital required in respect with Credit Risk and Internal Capital required in respect to all banking risks and prepare relevant regulatory and Management Information System ("MIS") reports.

The GRCAD consists of the:

- Credit Risk Control Sector, which in turn consists of the Credit Risk Control Subdivision and Credit Risk Internal Reporting and the NPE Independent Review Subdivision;
- Corporate Credit Risk Model Development Subdivision;
- Retail Credit Risk Model Development Subdivision;
- Credit Risk Regulatory Reporting Subdivision;
- ICAAP, Stress Testing and Risk Management Regulatory Framework Monitoring Subdivision; and
- Risk Management Operations Support Subdivision.

Group Financial & Liquidity Risk Management Division (“GFLRMD”)

The mission of the GFLRMD is to:

- plan, specify, implement and introduce market, counterparty, liquidity and Interest Rate Risk in the Banking Book (“IRRBB”) risk policies, under the guidelines of the Bank’s Board of Directors;
- develop and implement in-house models for pricing and risk measurement purposes;
- run appropriate tests to ensure that the models continue to perform adequately, thus complementing the periodic validation reviews;
- assess the adequacy of methods and systems that aim to analyze, measure, monitor, control and report the aforementioned risks undertaken by the Bank and other financial institutions of the Group;
- independently evaluate financial products, assets and liabilities of the Bank and the Group;
- estimate Regulatory Capital required in respect with market risk and counterparty credit risk, calculate the regulatory metrics for Liquidity Risk and IRRBB and prepare relevant regulatory and MIS reports; and
- provide timely and accurate information to the Bank’s senior competent bodies (the BRC and the Asset Liability Committee (“ALCO”) and the Regulator (SSM), with sufficient explanatory and investigation capabilities on the materiality and trend of the aforementioned risks, as well as handle all issues pertaining to market, counterparty, liquidity and IRRBB risks, under the guidelines and specific decisions of the BRC, the ALCO and the SSM.

The GFLRMD consists of the:

- Market Risk Management & IRRBB Sector which in turn consists of the Market Risk Management Subdivision and the IRRBB Management Subdivision;
- Liquidity Risk Management Subdivision;
- ILAAP Framework Monitoring Subdivision; and
- Counterparty Credit Risk Subdivision.

Group Operational Risk Management Division (“GORMD”)

The mission of the GORMD is to:

- design, propose, support and periodically validate the Operational Risk Management Governance Framework (“ORMGF”), ensuring that it is aligned with the best practices, the regulatory requirements and the directions set by the Board of Directors;
- ensure the development of policies, methods and systems for the identification, measurement and monitoring of operational risks and their periodic assessment and validation;
- design and implement training programs on operational risk, the use and implementation of programs, methods and systems as well as any other action aiming at knowledge sharing and the establishment of operational risk culture Group-wide;
- address all operational risk related issues as per the directions and decisions of the BRC;
- continuously monitor and review the Group operational risk profile and report to the Senior Management and to the Supervisory Authorities.

The GORMD consists of the:

- Operational Risk Framework Implementation Sector, which in turn consists of the Operational Risk Program Implementation and the Operational Risk Internal Events Collection Subdivisions;
- Operational Risk Framework Development Subdivision;
- Operational Risk Reporting Subdivision; and
- Operational Risk Awareness and Training Subdivision.

Group Strategic Risk Management Division (“GSRM”)

The mission of GSRM, is shaped taking into account the wide spectrum of risks that may be correlated to the Group’s Strategy, in alignment with the prevailing business needs. GSRM is responsible for:

- monitoring, analysing & evaluating risks that are evident or related to the Business Strategy of the Group and may negatively impact the profitability and the dynamic structure of the Balance Sheet for both the Bank and/or the Group;
- analyzing the hypothesis and assumptions embedded in the Strategic Planning, Business Planning (business model mapping) and Future Profitability;
- analyzing of risks related to the implementation of the Business Strategy;
- analyzing risks and potential impacts measured via appropriate Key Risk Indicators (“KRIs”) and stemming from deviations in relation to the expressed targets set in the Business Strategy & Business Planning;
- developing scenarios and the execution of Stress Testing

Exercises;

- performing sensitivity analyses related to the risks entailed in the dynamic profitability evolution and of the Asset & Liability Structure;
- monitoring the development, execution, and revising of financial targets related to the Strategy of NPE's;
- selecting and using appropriate performance measures which are adjusted based on risk (risk-adjusted performance metrics) aiming to evaluate the Strategy Risks;
- executing of industry wide Stress Test exercises according to regulatory demands and guidelines (EBA, SSM, etc) in cooperation with the involved units;
- executing modelling and sensitivity analyses under different scenarios;
- monitoring of the evolution of NPEs; and
- monitoring of the dynamic evolution of Assets & Liabilities (Dynamic Asset Liability Management ("ALM")).

The GSRM consists of the:

- Business Strategy Risk Monitoring Sector which in turn consists of the Profitability Risk Monitoring Subdivision, the Risk Adjusted Performance Monitoring Subdivision & the Strategic Risk Evaluation & Action Planning Subdivision;
- Scenario Planning & Analysis Sector which in turn consists of the NPE Monitoring Subdivision, the Stress Testing & Sensitivity Analysis Subdivision & the Strategic Risk Evaluation & Unified platform management Subdivision; and
- Dynamic Modelling & Asset Liability Management Subdivision.

Model Validation Unit ("MVU")

MVU's responsibility is to:

- establish, manage, and enforce the Model Validation Policy;
- develop new and enhance the existing Model Risk Management standards;
- update the Model Validation Policy based on applicable regulatory guidance and requirements;
- communicate and escalate model risk metrics to the Board of Directors, the BRC, the CRO and the Senior Management;
- independently validate and approve new and existing models based on their materiality;
- document material changes in model validation reports;
- annually recertify material models and review results of on-going monitoring.

The MVU consists of the:

- Market Risk Models Validation Subdivision; and
- Credit Risk Models Validation Subdivision.

Domestic (Corporate) Credit Division ("DCD")

The mission of the DCD is to provide an independent assessment of the domestic corporate credits. DCD's key responsibilities are to:

- participate in the credit approving bodies for corporate clients with the right of veto;
- review all Corporate (incl. SAU) credit proposals, submitted for assessment and approval by the competent credit committees;
- review the outcome of the individual assessment for impairment of lending exposures performed by the Credit Granting units;
- participate in the formulation / revision of the Corporate Credit Policy, the Credit Process Manual and other credit regulations;
- draft and circulate guidelines / instructions for the effective implementation of relevant policies and regulations;
- monitor the implementation and the timely management of the Early Warning alerts for each client as well as the outcome of relevant actions.
- monitor, on a quarterly basis, the proper use of existing internal rating models for corporate clients and review the timely renewal of credit ratings.

Group Retail Credit Division ("GRCD")

The mission of the GRCD is to provide an independent assessment of domestic and international retail credit. This is achieved through the following:

- manage the Retail Credit Policy in co-operation with GRCAD;
- form the relevant Retail Banking Regulations;
- participate in the development of Retail products in all stages of the credit cycle (new credit, rescheduling, restructuring) and determine the framework and dynamic controls of the relevant credit criteria;
- set in detail through the frameworks referred in the relevant Regulations the appropriate approval procedure;
- participate in decision-making, in accordance with the approval authority tables, based on the credit proposals of the relevant Credit Granting units, which are solely responsible for the correct presentation of the quantitative and qualitative data contained in those. The GRCD reviews the correct implementation of the Credit Policy and Regulations.

The GRCD consists of the:

- Retail Banking Credit Policy Subdivision (Domestic);
- Applications Assessment Subdivision (Domestic);
- Portfolio Analysis (Domestic) & International Subsidiaries Retail Credit Subdivision; and
- Credit Policy Implementation Review Subdivision.

Group International (Corporate) Credit Division ("GICD")

The mission of the GICD is to provide an independent assessment of corporate credit in the Group's Banking Subsidiaries and Branches outside Greece. This is achieved through the following:

- participation in the Credit Committees with veto power;
- review all Corporate credit proposals, submitted for assessment and approval by the competent credit committees;
- participation in the classification process of Obligors;
- participation in the formulation /revision of Corporate Credit Policies and Credit Procedures Manuals.

Each Division/Unit has distinct responsibilities and covers specific types of risk and all Divisions/Units report ultimately to the CRO.

Risk Profile Assessment / Risk Taxonomy

The ongoing assessment of the Group's risk profile is a key component of the Group risk management process and comprises a series of specific steps. Every type of risk is analyzed and assessed on the basis of its specific characteristics and the qualitative features (policies, procedures, control mechanisms) applied in its management. A common component is the "internal capital" approach, which enables different types of risks to be captured under the same (and, therefore, comparable) terms, and also enables the risk profile of the Group to be expressed in a single measure ("total internal capital").

The ICAAP framework provides a list of the main risk categories and sub-categories covered by the ICAAP, as well as information regarding their definitions, risk management framework and the methodologies and models used for their assessment. Under ICAAP, the Group plans and monitors its capital adequacy by utilizing two quantification/ estimation approaches for capital requirements:

- Regulatory capital, whereby regulatory rules are used to calculate the capital requirement;
- Internal capital, whereby internal methodologies are used to calculate the capital requirement.

Apart from the ICAAP Framework, NBG has also developed an ICAAP methodological manual to describe in detail the methodologies used by NBG Group for each material risk, aiming to measure internal capital requirements where quantification in the near-to-medium term is deemed possible.

Material Risk Types and their treatment in ICAAP

	Capital requirements approaches		
Risk Types	Regulatory Capital	Internal Capital	Qualitative Analysis
Credit Risk	√	√	√
Concentration Risk	-	√	√
Settlement Risk	-	√	√
Residual Risk	-	√	√
Securitization Risk	√	√	√
Market Risk	√	√	√
General Interest Rate Risk	√	√	√
Issuer Risk	√	√	√
Country Risk	-	-	√
Equity Risk	√	√	√
Underwriting Risk	-	-	√
Foreign Exchange Risk	√	√	√
Commodity Risk	√	√	√
Counterparty Risk	√	√	√
Gamma Risk & Vega Risk	√	√	√
IRRBB	-	√	√
Operational Risk	√	√	√
Conduct Risk	-	√	√
Information & Communication Technology ("ICT") Risk	-	√	√
Model Risk	-	√	√
Legal Risk	-	√	√
Environmental Risk (Climate Change)	-	√	√
Money Laundering Risk	-	√	√
Reputational Risk	-	-	√
Strategic Risk	-	-	√
Business Risk	-	√	√
Capital Access Risk	-	-	√
Liquidity Risk	-	-	√
Real Estate Risk	-	√	√
Pension Risk	-	-	√
Country Risk	-	√	√

Internal Capital Adequacy Assessment Process (“ICAAP”) / Internal Liquidity Adequacy Assessment Process (“ILAAP”)

NBG Group has devoted substantial resources to the assessment of its capital adequacy, relating to both risk and capital management. The process is continuously developed and formalized so as to enhance business benefits and support the strategic aspirations of NBG Group.

ICAAP objectives are the:

- proper identification, measurement, control and overall assessment of all material risks;
- development of appropriate systems to measure and manage those risks;
- evaluation of capital required to cover those risks (the “internal capital”).

The term “internal capital” refers to the amount of own funds adequate to cover losses at a specified confidence level within a certain time horizon (both set in accordance with the risk-appetite framework).

The NBG Group has created an analytical framework for the annual implementation of the ICAAP. The framework is formally documented and describes the components of ICAAP at both Group and Bank level in detail. The framework comprises the following:

- Group risk profile assessment;
- Risk measurement and internal capital adequacy assessment;
- Stress testing development, analysis and evaluation;
- ICAAP reporting;
- ICAAP documentation.

Both the Board of Directors and the Bank’s executive committees are actively involved and support the ICAAP. Detailed roles and responsibilities are described in the ICAAP Framework document. The BRC approves the confidence interval for “internal capital”, reviews the proper use of risk parameters and/or scenarios where appropriate, and ensures that all forms of risk are effectively covered, by means of integrated controls, specialized treatment, and proper coordination at Group level. The BRC bears ultimate responsibility for the adequacy and proper execution of the ICAAP.

ICAAP’s design and implementation Framework concerns the entire Group’s material risks. The parameters taken into account are the size of the relevant Business unit/Group’s Subsidiary, the exposure per risk type and the risk methodology and measurement approach for each type of risk.

The identification, evaluation and mapping of risks to each relevant Business unit/Group subsidiary is a core ICAAP procedure. Risks’ materiality assessment is performed on the basis of certain quantitative (e.g. exposure as percentage of the Group RWAs) and qualitative criteria (e.g. established framework of risk management policies, procedures and systems, governance framework and specific roles and responsibilities of relevant units, limits setting and evaluation).

NBG Group has recognized the following risk types as the most significant within the ICAAP framework:

- **Credit**
- **Market**
- **IRRBB**
- **Operational**
  - Conduct Risk
  - ICT Risk
  - Model Risk
  - Legal Risk
  - Environmental Risk (Climate Change)
  - Money Laundering Risk
- **Reputational Risk**
- **Strategic**
- **Business**
- **Capital Access**
- **Liquidity**
- **Concentration (Credit)**
- **Real estate**
- **Pension**
- **Country**

The calculation of NBG Group “Total Internal Capital” consists of two steps: in the first step, internal capital per risk type is calculated on a Group basis. NBG Group has developed methodologies allowing the calculation of the required internal capital for quantifiable risks. These are reassessed on a regular basis and upgraded in accordance with the global best practices. In the second step, internal capital per risk type is summed up to yield the Group’s “Total Internal Capital”.

Capital allocation aims at distributing the “Internal Capital” to the Business units and Subsidiaries so that ICAAP connects business decisions and performance measurement.

For 2020 the Bank implemented the ICAAP by estimating the relevant internal capital for all major risk types at Group level. Calculations were based on methodologies already developed in the ICAAP Framework. Moreover, NBG Group conducted a bank-wide macro Stress Test exercise, relating to the evolution of its CET I Funds under adverse scenarios (so as to ensure relevance and adequacy of the outcome with a realistic and non-catastrophic forward-looking view of downside tail risks).

In addition to the institution-wide bottom-up solvency stress test, a number of Business risk and portfolio stress tests as well as reverse stress tests and sensitivity analysis were also performed, aiming at increasing the Group’s awareness of its vulnerabilities.

It should be noted that the Bank implements, monitors and uses the ICAAP aiming at achieving full compliance with the EBA and

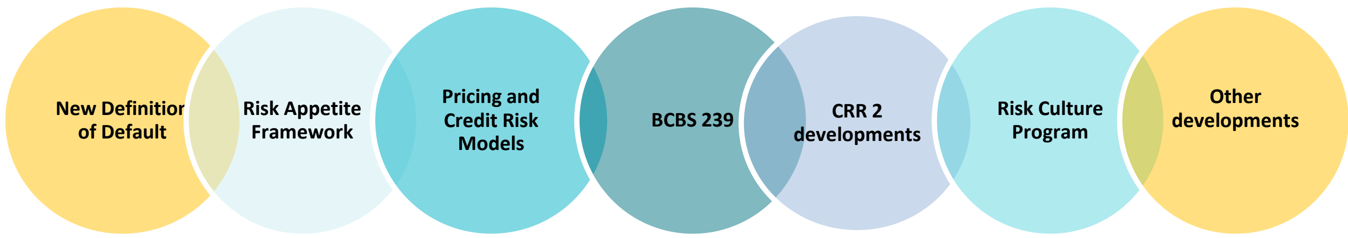
ECB guidelines and standards concerning ICAAP/ILAAP, the SREP and Stress Testing.

ILAAP

The scope of the ILAAP is to assess that the Group has adequate liquidity sources to ensure that its business operations are not disrupted, both in a going concern status, as well as under stressed conditions. Within the ILAAP the Group evaluates its liquidity and funding risk in the context of a management framework of established policies, systems and procedures for their identification, management, measurement and monitoring.

The ILAAP is an integrated process, therefore it is aligned with the Group's risk management framework and takes into account its current operating environment. Moreover, besides describing the Group's current liquidity state, it further serves as a forward-looking assessment, by depicting the prospective liquidity position, upon the execution of the Bank's Funding Plan. Finally, the ILAAP examines the potential impact of the realization of extreme stress scenarios, on the Bank's liquidity position, ensuring that the Group can withstand such severe shocks and continue operating.

New developments within 2020 and 2021 initiatives



New Definition of Default ("DoD")

In September 2016, the EBA published the Final Guidelines for the new definition of default with the intention of harmonizing its application among European Financial institutions and improving consistency in the way these institutions estimate regulatory requirements to their capital positions. The Guidelines which provide detailed clarifications and cover key aspects are effective from January 2021.

The three main pillars for the identification of the new DoD are:

- **New Days Past Due counting**
  The DPD start to count when both relative and absolute materiality thresholds are breached.
- **New Default 90+**
  A delinquency default event shall be deemed to have occurred when both materiality limits are exceeded for more than 90 consecutive days, while the exit criterion is a 3-month probation period for the non-forborne exposures.
- **Unlikeliness to Pay Criteria**
  - Default definition is fully aligned with the NPE criteria,
  - Exposures in non-accrued status are directly transferred to a Default/NPE status,
  - Assessment of the loss of a sale of a credit financial obligation and
  - Avoidance of Restructuring Solutions with low impact in Net Present Value ("NPV").

An Initiative as part of the Transformation Program was established in order to define detailed tasks and milestones and regularly monitor the progress. The initiative is entirely executed in-house with the effective collaboration of Risk, Finance and IT functions as well as participation and data input from all involved Units. NBG also conducted a full-blown gap analysis and extensive data processing for bottom-up impact estimation purposes.

The Bank in 2020 completed all necessary actions and tasks, embedding in its IT infrastructure the new technical specifications along with all unlikeliness to pay ("UTP") triggers and conducted User Acceptance Testing ("UAT") and parallel runs for initiation purposes. NBG is still to review and amend appropriately the NPE & Forbearance Classification Policy, complete estimation of NPV loss via NPV tool enhancement and implement the new DoD for its subsidiaries to avoid major gaps ahead of 1Q.21 reporting.

Moreover, during 2021, the following relevant actions will take place in order to achieve full integration of the New DoD across the Bank:

- communication of new DoD results to Business Units for their proactive/corrective actions;
- enhancements of reporting based on New DoD; and
- re-calibration of IFRS 9 models based on the New DoD.

Risk Appetite Framework

GRCAD has in place a Risk Appetite Framework ("RAF"). The objective of the RAF is to set out the level of risk that the Group is willing to take in pursuit of its strategic objectives, also outlying the key principles and rules that govern the risk appetite setting. The RAF constitutes an integral part of the Group's Risk & Capital Strategy and the overall Group Risk Management Framework. The RAF has been developed in order to be used as a key management tool to better align business strategy, financial targets and risk management, and enable a balance between risk and return. It is perceived as a reference point for all relevant stakeholders within the Bank, as well as the supervisory bodies, for the assessment of whether the undertaken business endeavors are consistent with the respective risk appetite.

An effective RAF is fundamental to a strong risk management and governance framework. The RAF is not just a Key Performance Indicator (KPI) monitoring system; it constitutes an essential mechanism to support the Board of Director's oversight of the strategy execution within the risk boundaries that the Group is willing to operate. Through the RAF, overall aspirations of the Board of Directors are translated to specific statements and risk metrics, enabling planning and execution, while promoting firm-wide thinking. In 2020, the RAF was updated to reflect the latest developments and to get aligned with the new Business Plan of the Group.

NBG has in place an effective RAF that:

1. is formed by both top-down Board of Directors guidance and leadership and bottom-up involvement of the Senior Management and other Stakeholders, and understood and practiced across all levels of the Bank;
2. incorporates quantitative risk metrics and qualitative Risk Appetite statements that are easy to communicate and assimilate;
3. supports Group's business strategy by ensuring that business objectives are pursued in a risk-controlled manner that allows to preserve earnings stability and protect against unforeseen losses;
4. reflects the types and level of risk that the Bank is willing to operate within, based on its overall risk appetite and risk profile, sets the guidelines for new products development, as well as the maximum level of risk that the Group can withstand, through the risk capacity;
5. contributes in promoting a risk culture across the Group;
6. is aligned with other associated key processes of the Bank.

Within this context, the RAF allows:

1. to strengthen the ability to identify, assess, manage and mitigate risks;
2. to facilitate the monitoring and communication of the Bank's risk profile quickly and effectively.

The assessment of the Bank's risk profile against the RAF is an ongoing and iterative process. With regards to the timing that the RAF update takes place (as part of the regular annual update process), the interaction with other key processes of the Bank is taken into consideration. Specific focus is placed to RAF's interplay with the Business Plan, as the two processes feed into each other: in certain cases the risk appetite is expected to act as backstop / constraint to the Business Plan, while for other cases, the Business Plan provides input for setting risk tolerance levels. RAF is also interrelated with other key processes such as ICAAP, ILAAP, Recovery Plan, NPE Plan.

Pricing and Credit Risk Models

The Bank has in place a well-defined risk-adjusted pricing framework that is based on fundamental pricing principles and is governed by relevant policies, robust methodologies and tools.

Following the incorporation of specific IFRS9 elements into the pricing models (i.e. PDs and CCFs) and capturing this way the impact of IFRS 9 framework of provisioning, the Bank during 2020, revised its Corporate & SBL pricing models by incorporating the newly established NBG's Funding Cost Curve (FCC). At the same time, a project to include the new FCC into the retail pricing models has commenced. In addition, the Bank is in the process of further optimizing the pricing methodology and procedure, by:

I. utilizing updated and granular estimates for operating cost, as well as

II. investigating the LGD harmonization between pricing process, IFRS9 provisioning and credit granting process.

Finally, the Bank in a continuous effort to improve its efficiency and the quality of the services provided, is moving to a more advanced credit risk models suite for the retail households' portfolios.

In that context, it was found necessary to upgrade and optimize the existing credit risk models that will allow the Bank to cope with a constantly evolving technological and business environment and better capture the underlying risk. During 2020 the Bank developed new Customer Level Behavior scorecards for the retail households' clientele. In parallel, origination scorecards re-development project was initiated covering applications for all retail products.

Leveraging on the above, the Bank is planning to implement portfolio management strategies and solutions that will allow the customer offers' optimization i.e. balancing profit and loss and offering products to the right clientele and at the right levels to secure credit risk and profitability targets are met. Accordingly, the development of the new restructure model suite will be the basis for the optimization of the restructuring process and the relative solutions offering.

BCBS 239

BCBS 239 is the Basel Committee on Banking Supervision's standard with an overall objective to strengthen the banks' risk data aggregation capabilities and internal risk reporting practices, in turn, enhancing the group risk management and decision making processes at banks.

NBG initiated the BCBS 239 Program in April 2019 to reach the desired target state of compliance with the three main pillars, namely Governance and Infrastructure, Risk Data Aggregation Capabilities and Risk Reporting Practices, which embed all the main principles set by the standard. More specifically, the Bank completed the implementation of a set of mitigating actions, such as:

- Development of 40 Service Level Agreements, standardizing data exchanges between Risk Divisions and Non-Risk Divisions or Subsidiaries of the Bank and providing a clear mapping of the data flow and the dependencies among the involved counterparties.
- Review of the IRRBB framework.
- Establishment of a formal adjustment log within Data Governance Tool (AMM) and monitoring functionality.
- Standardization of Risk documentation and alignment to a common template.
- Assessment of NPE reporting process and establishment of quality metrics for the NPE stock.
- Integration of the BCBS 239 self-assessment function.

The Bank further enhances compliance with all 11 overarching principles for effective risk data aggregation, governance and reporting, through actions such as improvement in automation in data management and reporting process, monitoring and documentation of data quality controls.

Developments on CRR2

In April 2020 the European Parliament and the Council proposed a regulation that included amendments related to (i) the early implementation of the finalized Basel III framework, (ii) the new IFRS 9 transitional arrangements and (iii) the minimum loss coverage for NPEs, to mitigate the economic impact due to COVID-19 pandemic and support recovery. The main thematic areas were:

- **IFRS 9 transitional adjustments:** Extension of the transitional period for mitigating the impact on own funds from the potential sudden increase in ECL provisions.
- **Risk Weighted Assets:** Lower risk weight to certain loans granted by credit institutions to pensioners or employees with a permanent contract (35% instead of 75%) and to infrastructure finance (75% instead of 100%).
- **Revised supporting factor for small and medium-sized enterprises (SME):** Relinquish of the preferential treatment threshold and assignment of a risk weight ranging from 76.19% to 85% to all SME exposures.
- **CRR (Pillar I) prudential NPE treatment:** Temporary extension of the preferential treatment, of NPEs guaranteed by ECAs regarding minimum loss coverage, to NPEs covered by guarantee schemes that were put in place by Member States as a consequence of the COVID-19 pandemic.
- **Capital:** Inclusion of "prudently valued software assets", not materially affected in a gone concern situation (i.e. the resolution, insolvency or liquidation of an institution), in Common Equity Tier 1 capital, to further support the transition towards a more digitalized banking sector.
- **Leverage ratio:** Exclusion ability of certain central bank exposures from the calculation of leverage ratio and deferral of application of leverage ratio buffer requirement for G-SIIs by one year in line with the revised implementation timeline agreed by the BCBS.

The Bank in 2020 proceeded in all the necessary reforms to timely and effectively implement the above amendments.

Risk Culture Program

Risk Culture is defined as an institution's norms, attitudes and behaviors related to risk awareness, risk taking and risk management, and the controls that shape decisions on risk. Risk Culture influences the decisions of management and employees during the day-to-day activities and has an impact on the risks they assume.

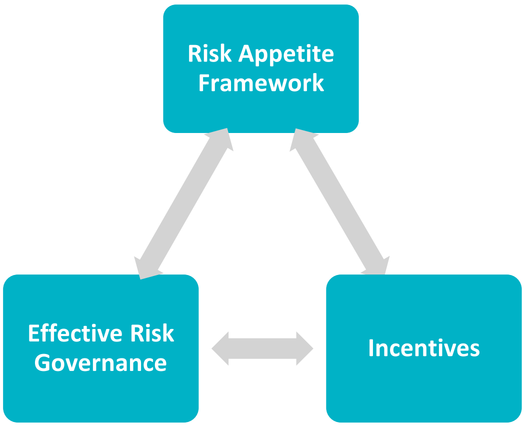
The objective of NBG is to establish a sound and consistent Risk Culture across all Units that is appropriate for the scale, complexity, and nature of the Bank's business, in line with regulatory/supervisory requirements and in accordance with best business practices, based on solid values which are articulated by the Bank's Board of Directors and Group's Senior Management.

Group Risk Management Function, as part of the Risk Culture Program, established the Risk Culture Framework ("RCF"), with the objective to define and document the principles, processes and methodologies that pertain to the identification, measurement, monitoring and reporting of Risk Culture in NBG. The RCF is a key element for the establishment of a sound Risk Culture within the Group. It constitutes an essential tool for the Board of Directors and Senior Management to ensure that the Risk Culture is monitored and measured consistently over time and risk awareness enhancement actions are taken when necessary, while at the same time meets the Supervisory Authorities' expectations on efficient risk governance, based on common perception of risk culture-related issues.

NBG has in place an effective RCF that:

1. Is aligned with the core HR values;
2. Is formed by both top-down Board and Senior Management guidance and leadership and bottom-up involvement of management and other stakeholders, and is understood and applied across all levels of the Bank;
3. Incorporates Risk Culture Principles that are easy to communicate and assimilate;
4. Describes the process for the definition and implementation of personnel's risk awareness and corresponding behaviors' enhancement initiatives;
5. Incorporates a forward-looking view about the Group's Risk Culture profile expectations through setting the corresponding Risk Culture Principles;
6. Establishes the governance arrangements for its update and monitoring;

Risk Culture Framework: Foundational Elements and Assessment Indicators



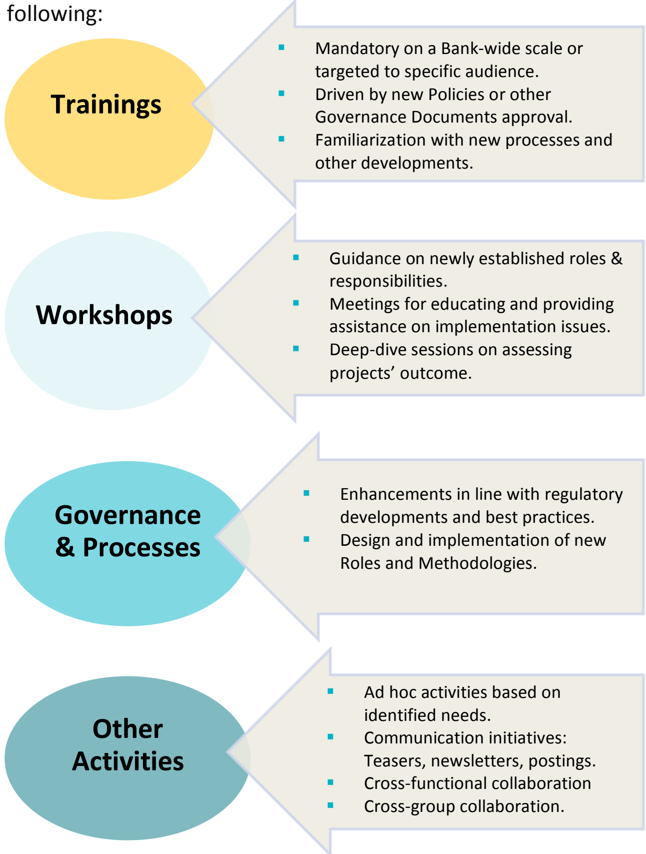
Risk Culture: Assessment Indicators

In 2020, the Risk Culture program:

- Conducted the 1st Bank-wide Risk Culture Survey (based on the RCF assessment indicators) with the objective to:
  - Identify areas of improvement, by tracking positive or negative Risk Culture trends
  - Plan & prioritize Risk awareness enhancement activities for 2021.
- Developed and implemented a communication campaign relating to Risk Culture Principles and concepts across all Personnel.
- Continued the implementation of the initiative to harmonize NBG Group Subsidiaries' approach with regards to setting, measuring, monitoring, reporting and enhancing Risk Culture.
- Identified, in cooperation with Risk Culture Stakeholders, the plan for the Risk Awareness enhancement initiatives for 2021.

2021 Risk Awareness enhancement initiatives overview

Given NBG's objective to promote risk and control awareness, seeking that all employees are fully aware of the risks arising in the course of their work and have adequate skills for their management, including the establishment of adequate and efficient controls, the Risk Culture Stakeholders will proceed with the implementation of several initiatives, consisting of the following:



Other developments

○ Market Risk

In order to enhance the robustness and completeness of the Bank's internal model for the calculation of the Market Risk capital requirements and in line with the relevant obligation set in ECB's Final Decision on Market Risk Targeted Review of Internal Models ("TRIM"), the GFLRMD finalized the implementation for the inclusion of volatility risk (Vega risk) in NBG's Value-at-Risk ("VaR") model, in 3Q.20. All the relevant work and the respective results were reviewed by the Model Validation Unit and approved by the Bank's senior bodies. GFLRMD officially applied to the SSM for the inclusion of Vega risk in its internal model, on 9 October 2020.

Additionally, a major project initiative aimed at aligning NBG's market risk practice to the latest Regulatory Standard on market risk is currently in progress. This is a significant undertaking, which will affect the Bank's market risk infrastructure and procedures. In this context, the GFLRMD completed the implementation of the Standardized Approach under Fundamental Review of the Trading Book ("SA-FRTB") in the current risk platform, supplemented by an aggregation tool purchased from the same provider, in 2020. The respective results were presented to the SSM, as well as to the Bank's BRC. The standardized method serves as a fallback approach and as a benchmark to the internal model outcome, and therefore is compulsory for all banks.

The projects which are in progress and are related to Market Risk are the following:

Implementation of the new Market Risk standard FRTB: Following the completion of the implementation of SA-FRTB, the GFLRMD is currently working on the implementation of the Internal Model Approach (("IMA")-FRTB), which entails numerous challenges in terms of IT infrastructure, data migration and capital allocation strategies.

Implementation of the Standardized Approach for measuring CCR (SA-CCR) under Capital Requirements Regulation II ("CRR II"): SA-CCR is an exhaustive, more risk-sensitive, standardized approach for the calculation of counterparty credit risk capital requirements. The implementation of the revised regulatory framework is in progress and is expected to be complete within 1H.21.

○ Interest Rate Risk in the Banking Book

The Group has recently upgraded its IRRBB measurement capabilities, through the implementation of a new IRRBB calculation engine. This project initiative completely revamped the NBG's IRRBB risk management capabilities, including both changes in its target operating model and significant investment in related IT infrastructure and processes. The new infrastructure is fully operational since March 2019 and has been used to produce Regulatory and Internal IRRBB Reports since June 2019, in line with the introduction in the EU jurisdiction of new IRRBB management Guidelines by the EBA.

Updated IRRBB Policy and Methodology documents were approved by the BRC in September 2020. These documents reflect the methodological and processing overhaul of NBG's IRRBB calculation capabilities through the delivery of the new calculation engine in 2019, as well as current best practices in the area of IRRBB management. The new Policy document includes the definition of IRRBB limits on earnings risk measures (Net Interest Income ("NII") sensitivity), in line with the latest Regulatory Guidelines. The newly established limit structures are scheduled to be introduced in the upcoming update of the Bank's RAF.

A new behavioral model of the maturity and repricing characteristics of deposits without specific maturity (Non-Maturing Deposits ("NMD")) has been developed and rolled out to the new IRRBB calculation engine in 2020. The model was developed internally, utilizes data sourced from the Bank's Data Warehouse, and as such its assumptions and segmentation characteristics are calibrated to reflect NBG's customer base and business model.

A model of the interest rate sensitivity of NPEs has also been rolled out to the newly developed IRRBB calculation engine in 2020, in line with Regulatory Requirements.

Finally, the initial validation of the new IRRBB model framework has been completed in 2020, with the model granted full approval status for risk management purposes by the Bank's Independent Model Validation Unit.

○ Liquidity Risk

To continuously improve its Liquidity Risk Management Framework, the Bank implemented a number of initiatives and proceeded to an exhaustive list of key enhancements which are presented below:

- the Liqudity Risk Management Framework which include the Liquidity Risk Management Policy, Contingency Funding Plan, Asset Encumbrance Policy, ILAAP Framework and ILAAP Report was updated as part of the yearly ILAAP process, to reflect the Bank's current strong liquidity profile;
- the RAF has been revised and a new set of liquidity indicators, namely the LCR, the NSFR and Liquidity Buffer were introduced to align with the Bank's current business environment that incorporates a strong liquidity profile;
- A detailed process intended to identify and assess the key sources of liquidity risk for the Bank has been developed in this year's ILAAP report. The liquidity risk identification process concludes with the set-up of an internal inventory of material liquidity risk drivers. Moreover, it assesses each specific liquidity risk driver identified, in order to classify it as low, medium or high risk, based on its impact on the Bank's internal liquidity position, as well as on the key liquidity regulatory metrics.

Moreover, a number of enhancements and new initiatives are planned to be implemented during 2021. More specifically:

- The current database of the Liquidity Platform will be complemented with a large set of historical data covering the entire period of liquidity crises, since 2010. This initiative will further enhance historical analysis capabilities, which are expected to support liquidity stress testing exercises;

- A new project related to the assessment of liquidity and funding needs in resolution will be implemented during 2021, as per the SRB's expectations. Within this project, the bank is expected to demonstrate capabilities to identify, measure and report its liquidity position in resolution;
- Moreover, the calculation and reporting of the NSFR will be amended, to incorporate the CRR II provisions that will be effective from 2Q.21.

Operational Risk Management

In 2020:

- Segment Risk and Control Officers ("SRCOs")/ Unit Risk & Control Officer ("URCOs") were established and appointed in the role of the First Line of Defence throughout the General Divisions of the Bank (see section "*Corporate Governance Statement - E. Internal Control System and Risk Management*");
- Operational Risk Management Framework was reviewed and its component Policy & Guideline documents (Risk & Controls Self Assessment ("RCSA"), KRIs, Internal Events, Scenario Analysis) were enhanced and issued;
- an evaluation of the Group's main risks (Top Operational Risks) with the participation of the Bank's Executive and Senior Management was conducted for a second consecutive year;
- the RCSA methodology was updated and enhanced, and following three pilot projects, it was launched at a Group level;
- a bank-wide KRI Dashboard consisting of approximately 300 indicators was developed and approved by the Bank's Operational Risk Committee and the CEO;
- the subscription, at a Group level, to an external database that enables real-time access to publicly available Operational Risk related news, articles, publications, surveys and reports was completed. Access was provided to 177 users at a Group level;
- Group Operational Risk delivered several training sessions to all SRCOs/URCOs of the Bank. Areas covered include Operational Risk Overview, RCSA, KRIs and Internal Events Management

For the 2021 Operational Risk the Initiatives are the following:

Deployment of the new Governance, Risk and Compliance ("GRC") Platform

- The implementation of the Operating Risk Management module of the GRC Platform is under development and is expected to be completed by the end of 2021.

Outsourcing Risk Management

- Group Operational Risk, with the participation of other involved Units, will contribute to the enhancement of the Outsourcing Risk Assessment process Group wide;

The Bank has adopted the Standardized Approach for the calculation of operational risk regulatory capital requirements, both on a Bank and a Group level.

Management of Risks

Credit Risk

(Audited)

Credit risk is the risk of financial loss relating to the failure of a borrower to honour its contractual obligations. It arises in lending activities as well as in various other activities where the Group is exposed to the risk of counterparty default, such as its trading, capital markets and settlement activities. Credit risk is the largest single risk the Group faces. The credit risk processes are conducted separately by the Bank and each of its subsidiaries. The credit risk procedures established by the subsidiaries are coordinated by the GRCAD.

The Group's credit granting processes include:

- credit-granting criteria based on the particular target market, the borrower or counterparty, as well as the purpose and structure of the credit and its source of repayment;
- credit limits that aggregate in comparable and meaningful manner different types of exposures, at various levels;
- clearly established procedures for approving new credits as well as the amendment, renewal and re-financing of existing credits.

The Group maintains on-going credit administration, measurement and monitoring processes, including in particular:

- documented credit risk policies;
- internal risk rating systems;
- information systems and analytical techniques that enable measurement of credit risk inherent in all relevant activities.

The Group's controls implemented for the above processes include:

- proper management of the credit-granting functions;
- periodical and timely remedial actions on deteriorating credits;
- independent, periodic audit of the credit risk management processes by the Group Internal Audit Division, covering in particular the credit risk systems/models employed by the Group.

Additionally, the GRCAD measures and monitors credit risk on an on-going basis through documented credit risk policies, internal rating systems, as well as information systems and analytical techniques that enable measurement of credit risk inherent in all relevant activities. Thus, the Group achieves active credit risk management through:

- the application of appropriate limits for exposures to a particular single or group of obligors;
- the use of credit risk mitigation techniques;
- the estimation of risk adjusted pricing for most products and services;
- a formalized validation process, encompassing all risk rating models, conducted by the Bank's independent MVU.

The Credit Policies for the Corporate and the Retail Banking portfolios of the Bank and its subsidiaries set the minimum credit criteria, present the fundamental policies, procedures and guidelines for the identification, measurement, approval, monitoring and managing of credit risk undertaken in Corporate and Retail Banking Portfolios respectively, both at the Bank and Group levels.

The Credit Policy of the Bank is approved by the Board of Directors upon recommendation of the BRC following proposal by the CRO to the Senior Executive Committee and the BRC, and is reviewed on an annual basis and revised whenever deemed necessary and in any case every two years.

Credit Policies of each subsidiary are approved by the competent local boards or committees, following a recommendation by the responsible officers or subsidiaries' bodies, according to the decisions of the Bank and the provisions of the Credit Policies. Each proposal must bear the prior consent of the Group Chief Credit Officer ("CCO"), or the Head of NBG's Group Retail Credit Division or the Head of NBG's Group International Credit Division depending on the portfolio, in cooperation with the Head of NBG's GRCAD for issues falling under their responsibility. The subsidiaries' Credit Policies are reviewed on an annual basis and revised whenever deemed necessary and in any case every two years.

Through the application of the Retail Banking Credit Policy, the evaluation and estimation of credit risk, for new as well as for existing products, are effectively facilitated. NBG's Senior Management is regularly informed on all aspects regarding the Credit Policy. Remedial action plans are set to resolve the issues, whenever necessary, within the risk appetite and strategic orientation of the Bank. The Bank's Retail Banking Credit Policy is approved and can be amended or revised by the Board of Directors following recommendation from the BRC and is subject to periodic revision. Retail Banking Credit Policy is reviewed on an annual basis and revised whenever deemed necessary and in any case every two years. All approved policy changes are incorporated in the Policy Manual.

Concentration Risk

(Audited)

The Bank manages the extension of credit, controls its exposure to credit risk and ensures its regulatory compliance based on an internal limits system. The GRCAD is responsible for limits setting, limits monitoring and regulatory compliance.

The fundamental instruments for controlling Corporate Portfolio concentration are obligor limits, reflecting the maximum permitted level of exposure for a specific obligor, given its Risk Rating and sector limits, that set the maximum allowed level of exposure for any specific industry of the economy; industries are classified in groups on the basis of NACE (General Industrial Classification of Economic Activities within the European Communities) codes. Sector limits constitute part of the Bank's RAF and are revised at least annually. Excesses of the Industry Concentration Limits should be approved by the BRC following a proposal of the General Manager of Group Risk Management CRO. Any risk exposure in excess of the authorized internal obligor limits must be approved by a higher level Credit Approving Body, based on the Credit Approval Authorities as presented in the Corporate Credit Policy. Like Sector Limits, obligor limits are subject to BRC approval on an annual basis.

Credit risk concentration arising from a large exposure to a counterparty or group of connected clients whose probability of default depends on common risk factors is monitored, through the Large Exposures and Large Debtors Reporting Framework.

Finally, within the ICAAP, the Bank has adopted a methodology to measure the risk arising from concentration to economic sectors (sectoral concentration) and to individual companies (name concentration). Additional capital requirements are calculated, if necessary, and Pillar 1 capital adequacy is adjusted to ultimately take into account such concentration risks.

Market Risk

(Audited)

Market Risk is the current or prospective risk to earnings and capital arising from adverse movements in interest rates, equity and commodity prices and exchange rates, and their levels of volatility. The Group engages in moderate trading activities in order to enhance profitability and service its customers. These trading activities create market risk, which the Group seeks to identify, estimate, monitor and manage effectively through a framework of principles, measurement processes and a valid set of limits that apply to all of the Group's transactions. The most significant types of market risk for the Group are interest rate, equity and foreign exchange risk.

Interest Rate Risk is the risk related to the potential loss on the Group's portfolio due to adverse movements in interest rates. A principal source of interest rate risk exposure stems from the interest rate, over-the-counter ("OTC") and exchange traded derivative transactions, as well as from the trading and the HTCS bond portfolios.

The most significant contributor to market risk in the Group is the Bank. More specifically, the Bank maintains a portfolio of interest rate swaps (IRSs) and other IR related OTC transactions, as well positions in exchange traded bond and interest rate futures, mainly as a means of hedging and to a lesser extent for speculative purposes. Additionally, the Bank retains a portfolio of Greek government bonds and T-Bills, as well as positions in other EU sovereign debt and European Financial Stability Fund ("EFSF") issues. Furthermore, NBG holds moderate positions in Greek and international corporate bonds. Overall, NBG has moderate exposure to interest rate risk in the Trading Book, while it enters into vanilla IRS transactions in order to mitigate the interest rate risk of the bonds listed in the Banking Book.

Equity Risk is the risk related to the potential loss due to adverse movements in the prices of stocks and equity indices. The Group holds a limited portfolio of stocks, the majority of which are traded on the Athens Exchange (the "ATHEX") and retains positions in stock and equity index derivatives traded on the ATHEX, as well as, on international exchanges. The cash portfolio comprises of trading (i.e. short-term) and held to collect and sell (i.e. long-term) positions. The portfolio of equity derivatives is mainly used for the hedging of equity risk arising from the Group's cash position and equity-linked products offered to customers and to a lesser extent for proprietary trading.

Foreign Exchange Risk is the risk related to the potential loss due to adverse movements in foreign exchange rates. The Open Currency Position ("OCP") of the Bank primarily arises from foreign exchange spot and forward transactions, as well as from the mark-to-market of NBG's OTC derivatives' trades denominated in foreign currency. The OCP is distinguished between trading and structural. The structural OCP contains all of the Bank's assets and liabilities in foreign currency (for example loans, deposits, etc.), along with the foreign exchange transactions performed by the Treasury Division. Apart from the Bank, the foreign exchange risk undertaken by the rest of the Group's subsidiaries is insignificant. The Group trades in all major currencies, holding mainly short-term positions for trading purposes and for servicing its institutional /corporate, domestic and international customers.

Value at Risk ("VaR"). The Bank uses market risk models and dedicated processes to assess and quantify its portfolio market risk, based on best practice and industry-wide accepted risk metrics. More specifically, the Bank estimates the market risk of its Trading and HTCS portfolios, using Variance-Covariance ("VCV") VaR methodology. The VaR estimates are used both for internal management as well as for regulatory purposes. In order to verify the predictive power of the VaR model, the Bank conducts back-testing on a daily basis. Moreover, since the daily VaR estimations refer to "normal" market conditions, a supplementary analysis is necessary for capturing the potential loss that might arise under extreme and unusual circumstances in the financial markets. Thus, the Bank conducts stress testing on a weekly basis, on both the Trading and HTCS portfolios, based on specific scenarios per risk factor category (interest rates, stock index prices, exchange rates). For more details on the VaR model and the respective results, as well as on the back-testing and stress-testing procedures, please see Note 4.3 of the Annual Financial Statements.

The Bank has also established a framework of VaR limits, in order to control and manage the risks to which it is exposed, in an efficient way. These limits are based on the Bank's Risk Appetite, as outlined in the RAF, the anticipated profitability of the Treasury Division, as well as on the level of the Bank's own funds (capital budgeting), in the context of the Group strategy. The VaR limits refer not only to specific types of market risk, such as interest rate, foreign exchange, equity and commodities but also to the overall market risk of the Bank's Trading and HTCS portfolios, taking into account the respective diversification between portfolios. Moreover, the same set of limits are used to monitor and manage risk levels on the Trading Book, on an overall basis and per risk type, since this is the aggregation level relevant for the calculation of the own funds requirements for Market Risk, under the Internal Model Approach ("IMA").

The principles and practices for sound market risk management at NBG are set forth in the Market Risk Management Policy ("Policy") which is subject to ongoing revision, as changes in business conditions, amendments to existing regulations and other events may affect market risk practices and controls. The Policy is established to evidence the Bank's commitment to develop and adhere to the highest standards for assessing, measuring, monitoring and controlling market risk arising from trading and non-trading activities. Additionally, the VaR model as well as the processes followed by the GFLRMD for the measurement and monitoring of Market Risk are described in the VaR/sVaR Model Methodology document, which is subordinate to the Market Risk Management Policy and is subject to changes, in accordance with amendments to the Policy.

The operation of the Market Risk Management Unit as a whole, including the VaR Calculation Framework, have been thoroughly reviewed and approved by the Bank of Greece. Furthermore, the Group's Internal Audit Division assesses the effectiveness of the relevant controls on a periodic basis. Furthermore, the adequacy of the Market Risk Management Framework, as well as the appropriateness of the VaR model used for the calculation of the Bank's capital requirements, were successfully reassessed by the SSM during the on-site investigation in the context of the TRIM, while no major findings were identified. Based on the TRIM assessment report, ECB concluded in its final Decision that NBG may continue calculating the own funds requirements for general market risk with the internal model approach, which verifies the robustness of NBG's Market Risk management model.

Finally, the GFLRMD is working on the implementation of the revised regulatory framework for market risk under Basel IV and has already finalized the implementation of the new standardized approach in the current risk engine.

Interest Rate Risk in the Banking Book (Audited)

IRRBB refers to the current or prospective risk to the Bank's capital and earnings arising from adverse movements in interest rates that affect the Bank's Banking Book positions. The main sources of IRRBB are the following:

- Re-pricing risk: risk related to the timing mismatch in the maturity and re-pricing of assets and liabilities and off-balance sheet short and long term positions;
- Yield curve risk: risk arising from changes in the slopes and

the shape of the yield curve;

- Basis risk: arises from imperfect correlation in the adjustment of the rates earned on and paid on different instruments with otherwise similar repricing characteristics;
- Optionality risk: arises from embedded options in the Group's assets, liabilities or off-balance sheet portfolios.

Interest rate fluctuations affect the economic value of the Group's assets, liabilities and off-balance sheet items, through corresponding changes in the cash flows' amounts and discount rates and – therefore – their present value. Changes in interest rates also affect the Group's earnings by increasing or decreasing its NII and the level of other interest rate-sensitive income and operating expenses. It is therefore important to examine IRRBB from these two complementary views and quantify the effect of interest rate changes using both value and earnings measures.

The Group's Banking Book consists mainly of loans and advances to customers, cash and balances with central banks, due from banks, securities measured at amortised cost and Fair Value through Other Comprehensive Income ("FVTOCI") (mainly Greek government and other EU sovereign fixed rate bonds), due to customers, due to banks, debt securities in issue and other borrowed funds that are measured at amortised cost. The Group maintains adequate measurement, monitoring, and control functions for IRRBB, including:

- measurement systems of interest rate risk that capture all material sources of interest rate risk and that assess the effect of interest rate changes in ways that are consistent with the scope of the Group's activities;
- measurement of vulnerability to loss under stressful market conditions;
- processes and information systems for measuring, monitoring, controlling, and reporting interest rate risk exposures in the banking book; and
- a documented policy regarding the management of IRRBB.

IRRBB is measured, monitored, and controlled by GFLRMD, based on the Group's established RAF. Specifically, GFLRMD calculates a number of risk metrics for the purpose of monitoring and controlling IRRBB:

- NII sensitivity, a measure of the effect of interest rate changes to the Group's expected interest earnings. NII sensitivity measures changes to interest income under varying interest rate scenarios over a one year horizon and assuming a constant balance sheet over this period. Its main purpose is to measure the vulnerability of the Group's profitability to changing interest rates conditions.
- Economic Value of Equity ("EVE") Sensitivity, a measure of the Bank's Balance sheet value vulnerability to interest rate changes. EVE Sensitivity represents the change in the net present value of all cash flows in the Bank's balance sheet under a set of interest rate stress scenarios, and is calculated on the entire balance sheet under a run-off assumption, i.e. no replenishment of matured transactions.

Both metrics are used in establishing the Group's IRRBB capital requirements. The evaluation and review of IRRBB measurement systems and processes is undertaken annually by the Group's Internal Audit Division in relation to capital requirements calculations performed for the ICAAP exercise.

A set of IRRBB limits are defined in the Group's RAF in relation to the EVE sensitivity measure and in alignment with the limits prescribed in the Supervisory Outlier Test of the latest IRRBB Regulatory Guidelines. In addition, new IRRBB limits of the Bank's NII sensitivity to interest rate fluctuations have been introduced and are monitored since September 2020. Both EVE and NII limits are monitored and reported to the BRC as well as the ALCO on a monthly basis. The Group is exposed to moderate levels of IRRBB, as evidenced by the current levels of the established limit structure utilization, which are comfortably below the Risk Tolerance level defined in the Group's RAF.

Counterparty Credit Risk

(Audited)

Counterparty Credit Risk ("CCR") for the Group stems from OTC derivative and other interbank secured and unsecured funding transactions, as well as commercial transactions, and is due to the potential failure of a counterparty to meet its contractual obligations.

The framework for managing CCR that pertains to Financial Institutions ("FIs") is established and implemented by the GFLRMD. It consists of:

- measuring the exposure to each counterparty, on a daily basis;
- establishing the respective limits per counterparty;
- monitoring the exposure against the defined limits, on a daily basis.

The estimation of the exposure to each counterparty depends on the type of the financial product. In the case of unsecured interbank transactions and commercial transactions, exposure is equal to the nominal amount of the transaction, whereas secured interbank transactions and OTC Derivatives create Pre-Settlement Risk, which is measured through each product's Credit Equivalent Factors ("CEFs"), as described in the Counterparty Credit Risk Management Framework.

For the efficient management of counterparty credit risk, the Bank has established a framework of counterparty limits, which are based on the credit rating of the financial institutions as well as the product type. The credit ratings are provided by internationally recognized rating agencies, in particular by Moody's and Standard & Poor's. According to the Bank's policy, if the agencies diverge on the creditworthiness of a financial institution, the lowest credit rating is considered. Limits exist for each product type and are set at the respective counterparty's Group level, as analyzed in the Counterparty Credit Risk Framework. Sub-limits are then allocated to the subsidiaries of each counterparty Group, in accordance with the business needs of the Bank.

Counterparty limits apply to all financial instruments in which the Treasury is active in the interbank market. The Bank is also active in international trade finance, therefore a limit framework is in place for the efficient management of counterparty credit risk arising from funded commercial transactions. A similar limit structure for the management of counterparty credit risk applies across all of the Group's subsidiaries.

The limit-framework is revised periodically, according to business needs of the Bank and the prevailing conditions in the international and domestic financial markets.

Subsequently, all limits are monitored by GFLRMD on a daily basis.

NBG seeks to further mitigate Counterparty Credit Risk ("CCR') by standardizing the terms of the agreements with counterparties through International Swaps and Derivatives Association ("ISDA") and Global Master Repurchase Agreement ("GMRA") contracts that encompass all necessary netting and margining clauses. Credit Support Annexes ("CSAs") have also been signed with almost all active FIs, so that net current exposures are managed through margin accounts, on a daily basis, by exchanging mainly cash or debt securities as collateral. Moreover, NBG performs OTC transactions with central counterparties ("CCPs"), either directly or through qualified clearing brokers.

Finally, NBG avoids taking positions on derivative contracts where the values of the underlying assets are highly correlated with the credit quality of the counterparty (wrong way risk).

Country Risk

(Audited)

Country Risk is the current or prospective risk to earnings and capital caused by events in a particular country, which are at least to some extent, under the control of the government but not under the control of a private enterprise or individual. The main categories of country risk consist of sovereign, convertibility and transfer risk. Sovereign risk stems from a foreign government's lack of capacity and/or unwillingness to repay its debt or other obligations. Convertibility and transfer risk arise when a borrower is unable to convert funds from local to foreign currency, in order to repay external obligations. Therefore, country risk stems from all cross border transactions, either with a central government, or with a financial institution, a corporate or a retail client.

The on and off-balance sheet items, which potentially entail country risk are the following:

- participation in the equity of the Group's subsidiaries, which operate in other countries;
- interbank secured and unsecured placements and risk that arises from OTC transactions, with financial institutions that operate abroad;
- loans and advances to corporations or financial institutions that operate abroad, positions in corporate bonds of foreign issuers and cross-border project finance loans;
- funded and unfunded commercial transactions with foreign counterparties; and
- holdings of foreign sovereign debt.

In this context, NBG's exposure to country risk arises from the participation in the Group's subsidiaries operating abroad, the Bank's holdings in foreign sovereign bonds and cross border activities in the form of interbank/commercial transactions and corporate lending.

GFLRMD monitors country risk exposure, as defined above, on a daily basis, mainly focusing on the countries where the Group has presence. Country risk has been decreasing during the last years, as the Bank is divesting international subsidiaries in accordance with its Restructuring Plan (see also "*Key Developments - 2019 Revised Restructuring Plan"*).

Liquidity Risk

(Audited)

Liquidity Risk is defined as the current or prospective risk to earnings and capital arising from the institution's inability to meet its liabilities when they come due without incurring unacceptable losses.

It reflects the potential mismatch between incoming and outgoing payments, taking into account unexpected delays in repayments (term Liquidity Risk) or unexpectedly high outflows (withdrawal/call risk). Liquidity Risk involves both the risk of unexpected increases in the cost of funding of the portfolio of assets at appropriate maturities and rates, and the risk of being unable to liquidate a position in a timely manner and on reasonable terms.

The Bank's executive and senior management has the responsibility to implement the Liquidity Risk strategy approved by the BRC and to develop the policies, methodologies and procedures for identifying, measuring, monitoring and controlling Liquidity Risk, consistent with the nature and complexity of the relevant activities. The Bank's executive and senior management is informed about current Liquidity Risk exposures, on a daily basis, ensuring that the Group's Liquidity Risk profile stays within the approved levels.

In this perspective, senior management receives, on a daily basis, a liquidity report which presents a detailed analysis of the Group's funding sources, the liquidity buffer, the cost of funding and other liquidity indicators related to the RAF, the Recovery Plan and the Contingency Funding Plan. Moreover, leveraging on the capabilities of the in-house liquidity platform, Risk Management, has established the daily calculation of the LCR and the subsequent production of the internal LCR reporting, which is also sent to the senior management on a daily basis. Additionally, the ALCO monitors the gap in maturities between assets and liabilities, as well as the Bank's funding requirements based on various assumptions, including conditions that might have an adverse impact on the Bank's ability to liquidate investments and trading positions and its ability to access the capital markets. On a long-term perspective, the Loans-to-Deposits ratio is monitored. This ratio stood at 44.3% and 55.3% as of 31 December 2020, on a domestic (Greece) and on a Group level, respectively.

Since Liquidity Risk management seeks to ensure that the respective risk of the Group is measured properly and is maintained within acceptable levels then, even under adverse conditions, the Group must have access to funds necessary to cover customer needs, maturing liabilities and other capital needs, while simultaneously maintaining the appropriate liquidity buffer to ensure the above. In addition to the Bank's liquidity buffer, the rest of the Group's subsidiaries maintain an adequate liquidity buffer, well above 10% of their total deposits, which ensures their funding self-sufficiency in case of a local crisis.

Current Liquidity Status

During the first half of 2020, NBG's robust liquidity position has been successfully tested and confirmed in real stressed conditions, during the COVID-19 crisis. The stability of its funding sources, combined with the comfortable level of its liquidity buffer and LCR, especially during this period, further underpin the quality, as well as the resilience of the Bank's overall liquidity profile.

In addition to its liquidity position, the COVID-19 crisis has also tested the Bank's operational readiness and effectiveness, especially during the period that the first lockdown was imposed and large part of the Treasury and its Operations, as well as the entire Risk Management was working remotely from home. However, the entire liquidity management and monitoring chain of the Bank worked seamlessly and successfully, even under these unprecedented market and operational conditions, which is a testament to the resilience and robustness of the existing infrastructure.

On 31 December 2020 the Bank's strong liquidity profile is representative of a healthy liability side of the balance sheet. The improved funding structure is marked by the significant inflow of customer deposits that reached the 2011 levels, the increase of stable long-term funding, through the cheaper TLTRO III ECB's refinancing operations and the full access to the secured interbank markets. Moreover, LCR and NSFR, as well as the Bank's liquidity buffer currently stand at the highest historical levels while cost of funding has significantly decreased to a historically low level. The liquidity state of the Bank at year end is further analyzed in the next section.

Funding Sources and Key Liquidity Metrics

The Bank's principal sources of liquidity are its deposit base, Eurosystem funding currently via the TLTROs with ECB, repurchase agreements (repos) with major FIs and wholesale funding through the placement of the new senior unsecured issuance, as well as the Tier II notes. ECB funding and repos with FIs are collateralized mainly by high quality liquid assets, such as, EU sovereign bonds, Greek government bonds and T-Bills, as well as by other assets, such as highly rated corporate loans and covered bonds issued by the Bank.

Following a pivotal year for the Bank's liquidity in 2019, 2020 further strengthened the Bank's strong liquidity profile. On 31 December 2020, the Bank's customer deposit balance stood at €47.5 billion, a significant increase of €4.7 billion compared to 31 December 2019. More importantly, this increase is mainly attributed to the increase of the most stable deposit class, the savings deposits, by €3.4 billion.

Additionally, both the LCR and the NSFR, remained strong even during the first quarter of 2020 where the market volatility increased to unprecedented levels, while they significantly increased throughout the rest of the year, reaching their highest historical level on 31 December 2020. More specifically, the Bank's LCR remained comfortably above the regulatory and internal limits, at all times, while it significantly increased since June, driven by the new Additional Credit Claims ("ACC") framework introduced by the Bank of Greece and ECB, as well as by the significant deposit inflows, reaching the highest level of 219.8%, on 31 December 2020. Moreover, the Bank NSFR slightly decreased during the worst point of the COVID-19 crisis, in March 2020, and significantly improved thereafter, standing at the highest historical level of 119.5% on 31 December 2020 (Group 120.9%).

Moreover, the international secured financing markets continued to be open for NBG, which the Bank tapped for €0.7 billion, on 31 December 2020. More specifically, the Bank successfully tested the accessibility of the repo market, based on Greek sovereign collateral that was not ECB eligible, during the first months of the COVID-19 crisis. Even during the first half of March that the market turmoil reached its peak, the Bank comfortably accessed the repo market, taping the necessary liquidity. After the announcement of ECB's measures the Bank adjusted its liquidity strategy, in order to take advantage of the newly available liquidity tools. As a result, the Bank moved ECB eligible collateral from the repo market to ECB. Finally, after the stabilization of the global markets in April, as well as ECB's temporary collateral easing measures, including the waiver that resulted in accepting Greek sovereign debt instruments as collateral for Eurosystem refinancing operations, the Bank's exposure to the cheaper ECB Funding gradually increased and stood at €10.5 billion on 31 December 2020, consisting exclusively of TLTROs.

The Bank's funding cost stood at the historically low level of 7bps as of 31 December 2020 a significant decrease by 34bps compared to the respective figure as of 31 December 2019, driven by the decrease of the cost of customer deposits by 18bps, as well as the increased exposure in Eurosystem funding, at a cost of -67bps.

Finally, the Bank's liquidity buffer stood at €17.9 billion as at 31 December 2020, of which €6.5 billion was collateral eligible for funding with the ECB, €2.7 billion pertained to the unencumbered tradable collateral that could be used for secured funding with FIs, and the remaining €8.7 billion was either in the form of cash, or deposited with the Bank of Greece, as well as in the form of short term unsecured interbank placements and deposited in Nostro accounts, further showing NBG's strong liquidity position.

Operational Risk

NBG Group defines Operational Risk as the risk of loss resulting from inadequate or failure in internal processes, people and systems or from external events. This definition includes legal risk, excludes strategic and business risk, but takes into consideration the reputational impact of Operational Risk.

The main subcategories of Operational Risk are: Legal risk, Conduct risk, ICT risk, Model risk and Outsourcing Risk.

The Group Operational Risk Management function is responsible for overseeing and monitoring the risks assessment, providing appropriate tools and methodologies, coordination and assistance to the Business Units and proposing appropriate risk mitigation measures.

NBG has established a Group-wide Operational Risk Management Framework ("ORMF") that provides the foundations, principles and governance arrangements for designing, implementing, monitoring, reviewing and continually strengthening operational risk management throughout the Group.

In particular, under this ORMF, NBG aims to:

1) establish a consistent Group-wide approach to operational

risk management leading to a proactive approach in avoiding unexpected events and minimizing of operational risk losses;

2) support the Group's business strategy by ensuring that business objectives are pursued in a risk-controlled manner;

3) improve the quality of operational risk information leading to more informed risk decision-making and capital allocation;

4) ensure consistency with best practices and compliance with regulatory (quantitative and qualitative) requirements;

5) promote a Group-wide operational risk awareness and culture further contributing to process efficiency and control effectiveness.

GORMD reports to the Operational Risk Management Committee ("ORCO"), a sub-committee of the Senior Executive Committee. ORCO, that has the overview of the ORMF implementation, meets regularly on a quarterly basis, providing a semi-annual report to the Senior Executive Committee.

The overall responsibility for the management of Operational Risk relies within the First Line of Defence Business Units, that are responsible and accountable for directly identifying, assessing, controlling and mitigating operational risk within their business activities in compliance with the Bank's standards and policies.

Operational Risk Management is integrated into the day-to-day business, adding value to the organization by applying a proactive approach. A series of techniques and tools have been defined by the Group in order to identify, measure and assess Operational Risk. The most important operational risk mechanisms used by the Group are the following:

- **The RCSA** process: it is a recurring, forward looking process performed on an annual basis aiming at the identification and assessment of the operational risks faced by the Group. The scope of RCSA extends to all business lines, thereby to all business, support or specialized Units;

- **The Internal Events Management** process: NBG requires accurate and timely knowledge of operational risk related internal events and has therefore established an appropriate event management process that covers the event life cycle, comprising the event identification, categorization, analysis, on-going management, remediation actions and reporting;

- **The Key Risk Indicators definition and monitoring** process: NBG defines as Key Risk Indicator any simple or combined data variable, which allows the assessment of a situation exposing the Bank to operational risk, as well as its trend, by monitoring/comparing its values over time. Therefore, KRIs are metrics providing early warning signs, preventing and detecting potential risks and vulnerabilities in the activities of the Bank;

- **The Scenario Analysis process**: NBG defines Risk Scenario as the creation of a potential event or consequence of events that expose the organization to significant operational risks and can lead to severe operational losses. Scenario Analysis is the process that reveals all the long-term exposures to major and unusual operational risks which can have substantial negative impacts on the organization's profitability and reputation;

- **The Training Initiatives and Risk Culture awareness** actions: Group Operational Risk Management Division designs and implements training programs on operational risk and the ORMF, the use and implementation of programs, methods and systems as well as other actions aiming at knowledge sharing and the establishment of Operational Risk culture Group-wide.

Model Risk

Model Risk is the potential loss the Group may incur, as a consequence of decisions that could be principally based on the output of the models deployed, due to errors in the development, implementation or use of these models.

Model risk occurs primarily for two reasons:

- a model may produce inaccurate outputs due to errors in its design, methodology, data inputs or implementation;

- a model may be used incorrectly or inappropriately, without taking the proper considerations regarding its limitations and assumptions.

Model Risk is measured, monitored, and controlled by the MVU. Specifically, the MVU has elaborated a set of policies, guidelines, methodologies and controls that comprise the Model Risk Management ("MRM") Framework. The proper application of MRM framework covering a model's lifecycle, empowers the MVU to perform and to be engaged in various control activities as part of the model validation process. In case that certain deficiencies are identified after following the completion of a model validation exercise, the MVU issues Required Action Items ("RAIs") which are acted upon, after their appropriate approval process, that may effect material changes to the models and the multitude of processes related to them.

Since 2018, the MVU has organized its tasks towards the following directions, aiming to thoroughly implement the above mentioned framework:

- *Key Policy and Governance Elements*: The MVU regularly updates the Bank's Model Validation Policy and also develops and introduces in a phased approach, subordinate to the Policy documents and guidelines to enhance the applied MRM Framework. Based on these, relevant controls have been designed and an issue and action plan management workflow has been inaugurated. The MVU has compiled a set of business processes in the form of workflows, that serve in managing the models' lifecycle and has also developed a model risk quantification methodology. The latter has been competently approved in April 2020 by the BRC and is utilized for ICAAP reporting purposes.

- *Model Risk Management Tools and Platform:* The MVU has put in effect automation tools and has developed in-house processes and libraries, following best practices and engineering standards, which are used by internal and external personnel so as to effectively perform validation exercises. The MVU is also participating in the new GRC platform implementation team. All necessary actions regarding the GRC Platform's MRM module that will mainly assist the Unit's day-to-day business, such as providing input for the finalization of the relevant Statement of Work ("SoW") document, the review and fine tuning of the Solution Design Document ("SDD"), the IT configuration of the platform and the UAT that have contributed to its release to production in December 2020, have been completed. The module has been meticulously customized in order to comply with the existing framework thus facilitating the integration of the framework into the Bank's daily processes.

During 2021, the MVU aims to undertake further initiatives towards the above two directions. Firstly, a GRC Platform/MRM Module User Workbook, which will provide input in the form of explanatory material covering their various functionalities and serving at the same time the training needs of the platform's delegated users. Furthermore, MVU plans to formulate processes related to existing communication needs through the issuance of specific directives concerning MRM module's use and the function of the comprising model lifecycle workflows, the training of the appropriate personnel and finally, will be working in embedding the reporting stream produced by various control Units into the GRC Platform, integrating all reports being pertinent to the model risk management process as encoded in the MVU's recorded controls, related Policy documents and their Annexes.

The Key aspects of the model risk management framework are:

- *Policies and Processes:* In order to ensure the timely and effective model risk quantification and manage it in its entirety, a comprehensive set of guidelines regarding the utilized models' lifecycle as well as policy and methodology documents relevant to model governance, management and validation have been introduced. The set consists of clear and streamlined workflows and methodology documents resulting from the MVU's "deep dive" analysis concerning the Banks' existing business processes and the relevant regulatory framework.

- *Model Tiering and Model Risk Assessment:* As required by the regulator, the scrutiny under which each model is validated, monitored and managed is proportional to the model's materiality. The MVU has introduced a model tiering procedure with the explicit intent to ascertain the level of a model's importance or significance. Furthermore, the aforementioned classification and the models' validation outcome are appropriately combined in an internally developed methodology, with the aim to quantify Model Risk in terms of internal capital.

- *Issues and Action Plans:* The MVU follows a specific business process, implemented in the Bank's issue tracking system, for the purpose of communicating model issues to the model owners, tracking their statuses, approving action plans while following their accomplishment and finally reporting issue completion to the BRC. This process ensures that validation exercises are contributing effectively to maintain the models sound functionality keeping them fit for purpose also assisting active model risk management and are not being solely performed simply for reporting purposes.

- *Model Inventory and Model Risk Module ("MRM") Platform:* The Group's Risk and Control Units have worked extensively towards the adoption of a workflow management system which aims, among other purposes, to automate the majority of the procedures related to the models' lifecycle. The MRM Platform will also incorporate self-contained model inventory comprising a thorough and concise in terms of model attributes, model registry. The attributes will provide the proper support to the above mentioned issues workflow management system. Furthermore, they will be utilized – in their entirety or partly – as a pool of inputs for Model Risk estimation purposes. The inventory is intended to become the Bank's comprehensive model repository and to play an essential role in the centralized and holistic approach of Model Risk assessment.

The structure of the model risk management process followed by the MVU, is built around a set of distinct phases.

Initially, when a new model is decided to be developed, it has to be registered in the Model Inventory by its owner. Effective Model Risk Management requires a complete and exhaustive inventory of the entirety of the models employed by the Bank, so as to prioritize validation exercises, tier and monitor model risk. During the model's development phase, the MVU is kept informed on the process's progress status. Upon model development completion, the Model Inventory is updated by the model owner with pertinent material to enable model tiering, model risk assessment and model review and finally the completion of validation processes if needed.

After a model is developed, if it is assessed to have material model risk, it is defined that an Initial Validation is required. This process is also a key component of efficient model risk management, as it allows for an accurate Model Risk estimation. During an Initial Validation exercise, the model is examined through a series of controls that cover a multitude of qualitative and quantitative aspects, which are designed to mitigate specific areas of model risk sources, such as input and data issues, model design deficiencies, non-adherence to internal or/and external requirements, improper model use, erroneous implementation and inadequate model performance. These checks are performed utilizing a set of inputs made available by the model owner through the GRC platform such as data quality reports, the model development report, model use reports etc. The outcome of the model validation exercise is an assessment regarding the level of the model's risk rating, its type of approval and an ensuring list of RAIs, if any issues/deficiencies are observed and need to be remediated.

Following the model's approval by the competent management level or committee, the model is implemented in the system/platform via which it will be used. The implementation phase consists an additional source of model risk. The MVU conducts an implementation review to assess the implementation process and all available reports covering the IT and UAT performed tests are examined, so as to determine if the deployed model is fit for purpose and functions as expected. Deployed models and their correct use are regularly monitored by their respective owners, while they are also re-visited by the MVU through ongoing validation exercises (yearly in case of models that present material model risk, or less frequently for the rest of the models), focused mainly on model's stability and performance. Any validation exercise could potentially lead to the production of RAIs and possibly initiate the creation of a new model version in case of material model changes. This process consequently kicks-off a new cycle of model maintenance effort through the regular review, evaluation, model risk estimation and model change classification process as described above.

Other Risk Factors

Cyber security

The Group's information systems and networks have been, and will continue to be, exposed and vulnerable to an increasing risk of continually evolving cyber security or other technological risks which could result in the unavailability of IT services or in the disclosure of confidential client or customer information, damage to its reputation, additional costs to it, regulatory penalties and financial losses.

A significant portion of the Group's operations rely heavily on the secure processing, storage and transmission of confidential and other information as well as the monitoring of a large number of complex transactions on a minute by minute basis. The Group stores an extensive amount of personal and client specific information for its retail, corporate and governmental customers and clients and must accurately record and reflect their extensive account transactions. These activities have been, and will continue to be, subject to an increasing risk of cyber-attacks, the nature of which is continually evolving.

The Group endeavours to safeguard its systems and processes and strives to continuously monitor and develop them to protect its technology infrastructure and data from misappropriation. However, its computer systems, software and networks have been and will continue to be exposed and possibly vulnerable to unauthorized access, loss or destruction of data (including confidential client information), account takeovers, unavailability of service, computer viruses or other malicious code, cyber-attacks and other external attacks or events, as well as internal breaches. These threats may derive from human error, fraud or malice on the part of employees or third parties or may result from accidental technological failure. If one or more of these events occurs, it could result in the disclosure of confidential client information, damage to the Group's reputation with its clients and the market, additional costs (such as repairing systems or adding new personnel or protection technologies), regulatory penalties and financial losses to both the Group and its clients. Such events could also cause interruptions or malfunctions in the Group's operations (such as the lack of availability of its online banking systems) or otherwise hinder its operational effectiveness, as well as the operations of its clients, customers or other third parties. Given the volume of its transactions, certain errors or actions may be repeated or compounded before they are discovered and rectified, which would further increase these costs and consequences.

In addition, third parties with which the Group does business may also be sources of cyber security or other technological risks. The Group outsources a limited number of supporting functions, such as printing of customer credit card statements, which results in the storage and processing of customer information. Although the Group adopts a range of actions to eliminate the exposure resulting from outsourcing, such as not allowing third party access to the production systems and operating a highly controlled IT environment, unauthorized access, loss or destruction of data or other cyber incidents could occur, resulting in similar costs and consequences to the Group as those discussed above.

The EU General Data Protection Regulation was directly applicable in Greece as of 25 May 2018 and the penalties in case of personal data leakage could impact the Bank and the Group.

While the Group maintains insurance coverage that may, subject to policy terms and conditions, cover certain aspects of cyber risks such as fraud and financial crime, such insurance coverage may be insufficient to cover all losses.

Potential increase of cyber risk due to new conditions introduced by the COVID-19 pandemic

COVID-19 affected and will continue to affect the global cybersecurity landscape. Advanced social engineering attacks and targeted phishing attacks are used by attackers for credentials stealing as well as advanced techniques for malware concealment are some of the most common malicious activities during the reporting period. The Bank has successfully identified and addressed the cybersecurity risk since the beginning of the pandemic.

Our cyber security systems continued to be improved by strengthening detection, response and protection mechanisms, in order to ensure adequate customer service and correct performance of our services and business operations.

Deferred tax assets as regulatory capital or as an asset

Risk related to the recognition of the main part of deferred tax assets as regulatory capital or as an asset

The Group currently includes deferred tax assets ("DTAs") in calculating the Group's capital and capital adequacy ratios. As at 31 December 2020, the Group's DTAs, excluding the amount of the DTA that was classified as non-current assets held for sale, amounted to €4.9 billion (31 December 2019: €4.9 billion).

The Bank reviews the carrying amount of its DTAs at each reporting date, and such review may lead to a reduction in the value of the DTAs on the Bank's Statement of Financial position, and therefore reduce the value of the DTAs as included in the Group's regulatory capital.

EU Regulation 575/2013 provides that DTAs recognized for IFRS purposes that rely on future profitability and arise from temporary differences of a credit institution and exceed certain thresholds must be deducted from its CET1 capital.

The deduction would have a significant impact on Greek credit institutions, including the Bank. However, as a measure to mitigate the effects of the deduction, article 27A of Greek Law 4172/2013, ("DTC Law"), as currently in force, allows credit institutions, under certain conditions, and from 2017 onwards to convert DTAs arising from (a) private sector initiative ("PSI") losses, (b) accumulated provisions for credit losses recognized as at 30 June 2015, (c) losses from final write off or the disposal of loans and (d) accounting write offs, which will ultimately lead to final write offs and losses from disposals, to a receivable ("Tax Credit") from the Greek State. Items (c) and (d) above were added with Greek Law 4465/2017 enacted on 29 March 2017. The same Greek Law 4465/2017 provided that the total tax relating to cases (b) to (d) above cannot exceed the tax corresponding to accumulated provisions recorded up to 30 June 2015 less (a) any definitive and cleared Tax Credit, which arose in the case of accounting loss for a year according to the provisions of par.2 of article 27A, which relate to the above accumulated provisions, (b) the amount of tax corresponding to any subsequent specific tax provisions, which relate to the above accumulated provisions and (c) the amount of the tax corresponding to the annual amortization of the debit difference that corresponds to the above provisions and other losses in general arising due to credit risk.

Furthermore, Greek Law 4465/2017 amended article 27 "Carry forward losses" by introducing an amortization period of 20 years for losses due to loan write offs as part of a settlement or restructuring and losses that crystallize as a result of a disposal of loans.

As at 31 December 2020, the Group's eligible DTAs amounted to €4.3 billion (31 December 2019: €4.5 billion). The main condition for the conversion of DTAs to a Tax Credit is the existence of an accounting loss at Bank level of a respective year, starting from accounting year 2016 and onwards. The Tax Credits will be calculated as a ratio of IFRS accounting losses to net equity (excluding the year's losses) on a solo basis and such ratio will be applied to the remaining Eligible DTAs in a given year to calculate the Tax Credit that will be converted in that year, in respect of the prior tax year. The Tax Credit may be offset against income taxes payable. The non-offset part of the Tax Credit is immediately recognized as a receivable from the Greek State. The Bank is obliged to issue conversion rights to the Greek State for an amount of 100% of the Tax Credit in favour of the Greek State and will create a specific reserve for an equal amount. Common shareholders have pre-emption rights on these conversion rights. The reserve will be capitalized with the issuance of common shares in favour of the Greek State. This legislation allows credit institutions to treat such DTAs as not "relying on future profitability" according to Capital Requirement Directive ("CRD") IV, and as a result such DTAs are not deducted from CET1, hence improving a credit institution's capital position.

On 7 November 2014, the Bank convened an extraordinary General Shareholders Meeting which resolved to include the Bank in the DTC Law. An exit by the Bank from the provisions of the DTC Law requires regulatory approval and a General Shareholders meeting resolution.

If the regulations governing the use of Deferred Tax Credit ("DTCs") as part of the Group's regulatory capital change, this may affect the Group's capital base and consequently its capital ratios. As at 31 December 2020, 75.1% of the Group's CET1 capital was comprised of DTA eligible for DTC. Additionally, there can be no assurance that any final interpretation of the amendments described above will not change or that the European Commission will not rule the treatment of the DTCs under Greek law illegal and as a result Greek credit institutions will ultimately not be allowed to maintain certain DTCs as regulatory capital. If any of these risks materialize, this could have a material adverse effect on the Group's ability to maintain sufficient regulatory capital, which may in turn require the Group to issue additional instruments qualifying as regulatory capital, to liquidate assets, to curtail business or to take any other actions, any of which may have a material adverse effect on the Group's operating results and financial condition and prospects.

Risk related to COVID-19 outbreak

See section "*Response to COVID-19 crisis*".

Non-Financial Statement

Sustainability | Highlights 2020

Awards & Distinctions

In recognition of its ongoing endeavour to serve the needs of its stakeholders, and to provide full and transparent information on its sustainability actions, NBG received a number of important awards and distinctions in 2020, including:

The Bank successfully completed a certification process for two international standards and more specifically the:

- **Certification for Quality Management (ISO 9001:2015)**
- **Certification and Anti-bribery (ISO 37001:2016)**.

These were achieved in January and February 2020, respectively.

The aforementioned standards provide guidance for establishing, developing, implementing, evaluating, maintaining and improving an effective and responsive compliance management system within NBG and are based on the principles of good governance, proportionality, transparency and sustainability.

"Digital Banking Awards 2020"

NBG was awarded with two prizes in the context of World Finance magazine's international awards "Digital Banking Awards 2020":

Best mobile banking app in Greece
for **NBG Mobile Banking** application

Best Consumer Digital Bank in Greece
for its whole **digital strategy.**

"International Banker Awards 2020"

In the context of the annual award institution of International Banker magazine, NBG won the award "**Best Innovation in Retail Banking Greece**". This international distinction comes to seal the successful digital strategy of NBG and its leading position in the digital revolution that is taking place in the Greek banking sector.

"Mobile Excellence Awards 2020"

Organized by Boussias Communications with the support of Electronic Business Lab (ELTRUN) of the Athens University of Economics and Business. NBG Mobile Banking won the following two awards:

Gold award in the category
"Mobile Applications in Services and Governance: Banking services"

Silver award in the category
"Mobile Digital Transformation: Business Process Re-engineering through Mobile"
for the service "**Digital customer onboarding: registration of new customers in NBG via mobile phone**"

"Business IT Excellence Awards 2020"

Organized by Netweek Magazine and the Electronic Business Lab (ELTRUN) of the Athens University of Economics and Business, where NBG's Mobile Banking won three awards:

Gold award in the category
"Digital Transformation: Customers' experience Digital Transformation"

Gold award in the category
"Digital Transformation: Innovation and competitive advantage through ICT"
for the service **"Digital customer onboarding: registration of new customers in NBG via mobile phone**"

Silver award in the category
"Specialized Sector Applications: Banks / Insurance Companies / Fintech"
for the service **"Digital customer onboarding: registration of new customers in NBG via mobile phone**".

"Loyalty Awards 2020"

In the context of Loyalty Awards 2020, the NBG's go4more Reward Program was awarded with five high awards. Specifically:

Gold award Best New Product / Service Loyalty Initiative
• Best New Product for the new **go4more app**
• Service Loyalty Initiative for the **Consistent Borrower Rewards Program**

Gold award Best Use of Digital Technology in the category
"Best Use of Gamification"
for the new **go4more app – best game VALENTINE by HEART**, in collaboration with the provider Warply

Silver award Best in Loyalty & Engagement in the category
"Financial Services, Banking"

Silver award Best Use of Digital Technology in the category
"Best Use of CRM"
for actions based on the utilization of the infrastructure segmentation and personalization of its members

Silver award Best Use of Marketing & Communication in the category
"Best Promo Campaign/Contest"
for the VALENTINE by HEART Contest through the **go4more app**, in collaboration with the provider Warply.

Memberships / Participations

UN Global Compact:

From June 2018, NBG has joined the voluntary initiative of the United Nations, UN Global Compact as a Participant.

UNEP FI

In September 2020, NBG recognizing the significance of responsible practices for ensuring the sustainability of its long-term operation, as well as the creation of value for its shareholders, customers, employees and the community at large, endorsed the UNEP FI Principles for Responsible Banking, aiming at further enhancing its commitment to its long-term strategic planning for contributing to a sustainable future for all.

Global Compact Network HELLAS

NBG is a member of the local network of UN Global Compact, Global Compact Network Hellas (GCNH). Its role is to support UNGC Greek members to implement the 10 principles of the UN Global Compact and to create opportunities for cooperation and common actions with stakeholders.

The Hellenic Network for Corporate Social Responsibility:

NBG has been a core member of the Hellenic Network for Corporate Social Responsibility ("CSR") since December 2008.

Hellenic Bank Association ("HBA"):

NBG takes part in the regulatory process and the decision making process regarding the drafting of relevant legislation. With regard to actions related to sustainable development, the HBA has set up an interbank Committee of which NBG is an active member.

Indexes / Ratings

Bloomberg Gender Equality Index 2021:

NBG was included for the fourth time running in the group of 380 international companies in 44 countries whose business covers various sectors that make up the Bloomberg Gender Equality Index 2021.

FTSE4Good Emerging Index:

NBG has been positively assessed for its social and environmental performance by independent analysts and as a result it has been included in the FTSE4Good Emerging Index.

2020 MSCI Research:

In 2020 MSCI research maintained NBG to level "BBB", regarding the evaluation criteria used ("ESG Ratings").

Carbon Disclosure Project:

NBG has published since 2007 through the independent non-profit Organization Carbon Disclosure Project, information about its strategy regarding the greenhouse effect and data on its water consumption and CO_2 emissions. During 2020, NBG was assessed and was classified with the Level C «Awareness». Level C includes businesses that have proven recognition of the impact of climate change on their operation, as well as their own operation's impact on the environment.

ISS Corporate Solutions:

NBG was rated in 2020 by ISS Corporate Solutions regarding the pillars of "Environment", "Society" and "Governance". The Bank was ranked in the higher Category 2 for the "Environment", "Society" and "Governance" pillar.

Certifications

Attestation of the implementation of ISO 26000:2010 on Corporate Social Responsibility

In the context of the Bank's Compliance with best international practices and Corporate Social Responsibility Standards, the Group Corporate Governance and Compliance General Division, after being successfully audited by the independent audit organization TÜV AUSTRIA Hellas, received on 26 September 2019 an Attestation for the implementation, monitoring and coordination of the corporate social responsibility principles for the Bank and the Group as defined in the international Guidelines of ISO 26000:2010. Following a demanding and highly successful certification process, the General Division of the Bank fully complied with the guidelines of ISO 26000:2010 for Corporate Social Responsibility integrating them in its values and practices.

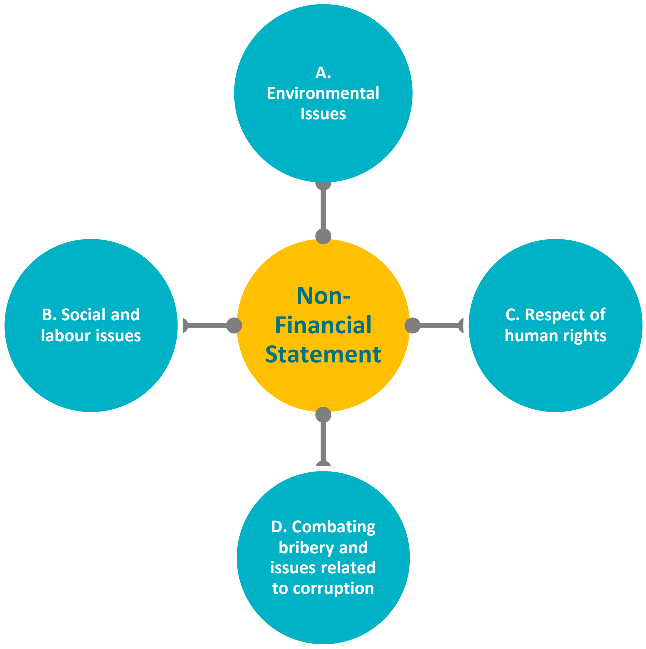
The Bank has also certification for two international standards and more specifically the:

- **Compliance Management, as set out in ISO 19600: 2014 International Guide,**
- **Corporate Governance (EBA's Guidelines on Internal Governance | EBA-GL-2017-11)**

Sustainability report external assurance

From 2010 onwards the Sustainability Report of the Bank is annually receiving external assurance by an independent Assurance Body and includes performance indicators (KPIs) for Sustainable Development and Corporate Responsibility.

In accordance with the Articles 151 and 154 of Greek Law 4548/2018 as in force, the Bank has included in its Board of Directors Report a non-financial statement aiming at the understanding of the development, performance, level and impact of the activities of the Bank and the Group. In the context of the aforementioned provisions, the non-financial statement includes the following sections:



Within the scope of the requirement for the disclosure of non-financial information, the Bank took into account international practices and standards such as the Organisation for Economic Co-operation and Development ("OECD") Guidelines for Multinational Enterprises (2011).

References required regarding NBG's business model are available in section "*Economic financial review – Business Overview*". Additionally, regarding disclosure requirements on climate related, environmental and social risks, the Bank is currently reassessing its processes for identifying and assessing these risks, and will proceed with relevant disclosures starting from 2021, in the context of regulatory and voluntary disclosure requirements.

A. Environmental Issues

The Bank, as one of the four systemically significant banks in Greece and one of the largest financial institutions in Greece, considering that sustainability issues are critical, both for the development of its activities and the decision making processes has already been voluntarily adjusting to internationally best practices. In particular, it has established and implements the Corporate Social Responsibility Policy of the Bank and the Group, the Environmental Policy, the Code of Ethics, the Code of Ethics for Financial Professionals and the Corporate Governance Code, while it has developed since 2004 an Environmental Management System which is in conformity with the requirements of the international standard ISO 14001.

Environmental Management Policy and Corporate Social Responsibility Policy of the Bank and the Group

In the context of the Environmental Management System, the Bank's environmental impact was analysed and led to the formation of the following five key principles of NBG's Action Program:

1. **Conservation of natural resources and energy.**
2. **Rationalization of work-related travel and commuting.**
3. **Effective management of paper and solid waste.**
4. **Deployment of environmental standards in procurements.**
5. **Deployment of an environmental risk assessment policy in investment and credit processes.**

Aiming at the continuous promotion of the concept of sustainable development and corporate social responsibility, the Bank took over important initiatives and completed projects with positive environmental impact.

Specifically:

- NBG has endorsed the **UN Principles for Responsible Banking in September 2020**. The Principles for Responsible Banking constitute a single framework for a sustainable banking industry developed through an innovative partnership between banks worldwide and United Nations Environment's Finance Initiative. More than 200 banks from around the world which represent more than a third of the global banking industry participate in this initiative. The Principles for Responsible Banking set out the banking industry's role and responsibility in shaping a sustainable future and in aligning the banking sector with the objectives of the UN Sustainable Development Goals and the 2015 Paris Climate Agreement. They set the global benchmark for what it means to be a responsible bank, and provide actionable guidance for how to achieve this. The Principles will help banks seize the opportunities of the changing economy and society of the 21st century by creating value for both society and shareholders, and help banks build trust with investors, customers, employees and society.
- **Establishment of the Green Bond Framework and issuing Green Bond.**

NBG demonstrates its commitment to supporting the green economy and its strategic direction as the bank for energy. It completed successfully the placement of the first green senior bond in the Greek market, totalling €500 million. The transaction also marks the first issue of a senior bond by a Greek bank since 2015.

According to International Capital Market Association (ICMA) principles for green bonds, based on which the transaction was issued, NBG is contractually committed to channeling all the funds raised from the sale of the bond to financing projects related to the green economy. It should be noted that NBG already maintains a high share (40%) in the Renewable Energy Market– a level that is expected to strengthen further.

The financing of projects in the energy sector, and above all in renewable energy, is a strategic goal of the bank, which targets financing of €3 billion over the next 3 years. Climate-related Green Bond Ratio: 51.9%.

- **Completion of LEED certification at Gerakas Building**.

  LEED (Leadership in Energy and Environmental Design) is an internationally recognized green building certification system, providing third-party verification that a building or community was designed and built using strategies aimed at improving performance across all the metrics that matter most: energy savings, water efficiency, CO_2 emissions reduction, improved indoor environmental quality, and stewardship of resources and sensitivity to their impacts.

- The Bank, as part of its commitments and with a sense of responsibility for an environmentally responsible operation, **proceeded to the certification of Corinth Branch as climate neutral.** Elements such as its history, morphology and architecture were taken into account for the selection of the building. The aim of the project was to calculate and offset the greenhouse gas emissions from the operation of the building during 2019. The project was carried out in accordance with the internationally recognized standards ISO 14044 and Greenhouse Gas Protocol. The emissions calculations certification was verified by the German organization First Climate. The said organization also performed the carbon offsetting that was carried out through projects in developing countries.

B. Social and labour issues

A stakeholder focused approach

The Bank publishes its CSR Report, which provides information and is being evaluated by third parties and various Rating Services regarding the corporate social responsibility actions carried out. What shall be further noted is that the Bank in order to include the stakeholders (authorities, State, NGOs, media, employees, business people, suppliers, shareholders, investors, etc.) in the process of identifying, understanding and responding to CSR issues, applies the AA1000 Accountability Principles Standard (APS) 2008. The AA1000 APS and the Guidelines of GRI Standards, are the basis for the Bank's CSR Report.

Subsequently, the Bank proceeds in concrete actions aimed at meeting the needs and expectations of stakeholders in order to enhance cooperation with each group of stakeholders and address their key issues and expectations.

Policy on Donations, Sponsorships, Charity Contributions and other Actions of the Group

The NBG Group has developed and implemented, since May 2016, Policy on Donations, Sponsorships, Charity Contributions and other Actions of the Group. This Policy aims, among others, at setting specific principles and rules concerning actions related to donations, sponsorships, charitable contributions, scholarships and other related activities in the context of this Policy, at ensuring high level of ethics on donations, complying with the applicable legal and regulatory framework regarding actions that fall into the scope of this policy (e.g. transparency) as well as adopting procedures that promote transparency in NBG Group's donations. According to the Policy, the NBG Group shall not undertake and / or participate in actions to support political organizations, parties or movements.

Furthermore, in accordance with international best practices related to donations, sponsorships and other related actions and in compliance with the provisions of Article 6 of Greek Law 4374/2016 regarding transparency in the relationships between banks and media companies and sponsored persons, the Bank discloses information on all payments made within the relevant fiscal year, to media companies and sponsored persons.

Code of Ethics

As defined within the Code of Ethics of the Bank and the Group, the Bank constantly aims at ensuring equal treatment of all staff members. The Bank:

- Develops a meritocratic system for the assessment of performance, promotions and remuneration of the staff.
- Designs and implements actions, development and incentive systems aiming at the recruitment, selection and further leverage of human resources.
- Supports the constant improvement of the staff's skills by holding significant training and educational programs for their professional development.

The Bank's and the Group companies' philosophy is founded on respect for each employee's personality. In this context, the Bank and Group companies express their commitment to observing and promoting values such as integrity, accountability, honesty, transparency, trust, equality and high ethical standards in all operations. To this end, the Group:

- Without restricting the independence of employees, fosters equality, diversity, respect and team spirit in a positive and fulfilling working environment.
- Does not tolerate any kind of discrimination or offensive behavior against one's personality (for example, moral, sexual or other kind of harassment, intimidation, persecution and other), or social exclusion or unfair treatment due to nationality, race, colour, ethnic or social origin, membership of a national minority, property, birth, disability, age, sexual orientation, gender, genetic features, family status, religious or political views or physical disabilities, veteran status, citizenship status, marital status, or pregnancy.
- Highly values the ideas and perspectives of employees from different backgrounds and who possess diverse

talents and characteristics, which contribute to business growth and ensures that equal opportunities are provided to employees.

- Aims at implementing measures that ensure equal opportunities for all genders, including with regard to career perspectives and improving the representation of the underrepresented gender in management positions.

The Code of Ethics is posted on the Bank's website www.nbg.gr (section: The Group / Corporate Governance / Regulations and Principles). In 2020, the Code of Ethics was reviewed, integrating new principles, updating and enriching the context of the respective Code, as well as redesigning the format of the Code, so as to facilitate a better understanding of the rules of conduct and obligations arising from the regulatory framework. It is noted that the Bank ensures that its staff is trained through a special e-learning program, regarding the content of the Code of Ethics.

Responsible Procurement

Standing by its longstanding commitment to responsible operations, NBG has adopted policies, regulations and processes which are given formal substance in relevant Codes of Conduct ensuring transparency and impartiality as well as avoidance of conflicts of interest in its supplies and implementation of technical projects. NBG uses a Suppliers Relationship Management System (SRM-SAP), which facilitates cooperation with its suppliers representing most of the business sectors. Pursuant to the institutional framework, all parties involved in procurement and technical projects must be aware of and conform with the Bank's and the Group's Code of Ethics, which also applies to purchasing and technical projects.

The Bank reviews and evaluates its suppliers (in terms of quality, certifications, respect for human/employee rights, etc.) on an ongoing basis.

People

- **Learning and Development**
- **Selection, Recruitment and Placement**
- **Employee Engagement**
- **Health and Safety**
- **Gender Equality**
- **Number of Employees per Geographical Area**
- **Human Resources Priorities in 2021**

Learning and Development

Despite COVID-19 outbreak, the Bank has maintained its Learning and Development ("L&D") momentum in 2020. Specifically, we have re-emphasized our commitment to identifying and developing internal talent, as a response to the pressing need of further accelerating – and deepening – our Transformation efforts. Our extended developmental activities include internal and external programs with a focus on both technical and leadership skills. Digital transformation remains at the center of our efforts, with a number of remote learning sessions and workshops taking place throughout the year. In parallel, a fully revamped conduct, values and risk-related curriculum (including enhanced cybersecurity courses) put in place during the second half of 2020 significantly strengthened our related risk mitigation efforts.

Learning Type	Number of Learning events	Learning Participations	Learning Hours
Internal	296	5,593	30,905
External	239	1,772	20,962
E-learning	75*	44,007	113,879
Total	**610**	**51,372**	**165,746**

* webinars (asynchronous E- Learning seminars are counted by Participations).

Selection, Recruitment and Placements

Complementing L&D, Selection, Recruitment and Placement (mobility) efforts spearhead our response to the Bank's need for adequate and appropriate talent and skillsets. Our efforts in 2020 concentrated in the identification and attraction of specialized external talent to lead or complement the existing teams of key functional areas, as well as in promoting internal mobility to continuously align our human resources deployment profile with competitive demands. In parallel, developing well-rounded, capable future leaders ("bench strength") throughout the organization remains another top priority as we expand our transformation efforts. To that end, the Bank's dedicated Selection and Recruitment Subdivision maintained its participation in career and University events while emphasizing its advisory and mentorship activities through individualized feedback and coaching sessions.

Employee engagement

Acknowledging that people are the foundation of our success, NBG launched in 2020 its 1st Employee Engagement Survey, aiming at the identification of areas of strength but also of opportunities for improvement through the eyes of our people. With a very significant participation rate of c. 60% the (anonymous) Survey revealed strong employee commitment and engagement levels, but also identified numerous opportunities for improvement in terms of employee experience, communications and additional cross-functional collaboration opportunities, which have now become part of a Bank and Unit-level action roadmap designed in view of making NBG a more engaging and more efficient place to work.

Health and Safety

Health and safety in the workplace remain a priority both for the Bank and the Group companies in order to ensure a safe working environment, enhance the quality of employees' professional life, and prevent any associated risks (see section "*Response to COVID-19 crisis - Key Focus on Employee, Customer Support and, Other Stakeholders and Society in response to the COVID-19 crisis*").

Within this context, the Bank carries out regular controls to ensure the adequacy and appropriateness of existing health and safety standards in the workplace, providing for relevant staff training and consulting with employees on related issues, while it has also developed plans for handling emergencies, aiming both at the prevention of occupational risk and the support of employees in cases of violent incidents (robberies and verbal / physical abuse**.**

The Bank, in implementation of Greek Law 3850/2010, put into effect the Regulation for the Protection of the Health and Safety of NBG employees, which covers all its staff, while for health and safety issues the Bank has set up the Staff Health and Safety Committee of NBG Employees attended by elected employees' representatives. In seeking to address health and safety issues as effectively as possible, NBG holds seminars on related issues, such as fire safety (including legislation), crisis management etc.

In 2020, the Incidence Rate ("IR") ratio was 0.08 (IR = (Total number of injuries) / (Total working hours) x 200,000).

Gender Equality

We are promoting multiple initiatives in order to achieve effective equality between men and women at all positions.

Equal opportunities between men and women is a priority for the Bank.

	Number of employees	%
Women	3,937	52.3%
Men	3,587	47.7%
18-29 years	248	3.3%
30-44 years	3,708	49.3%
45-59 years	3,466	46.1%
60+-years	102	1.3%

Number of Employees per Geographical Area

Number of employees per geographical area from continuing operations is as follows:

Country	*Personnel number as at* **31 December 2020**
Greece	7,738
Bulgaria	35
North Macedonia	1,008
Romania	18
Cyprus	4
United Kingdom	24
Malta	33
Luxembourg	4
Egypt	243
Total*	**9,107**

*The table above exclude the 1,148 employees as at 31 December 2020 for our subsidiaries (NIC and NBG Cyprus) that are classified as assets held for sale and discontinued operations.

Human Resources priorities in 2021

Human Resources priorities in 2021 are:

- continuous effective management of the COVID-19 impact in relation to the Bank's people;
- implementation of the new Performance Management System;
- introduction of performance-driven, variable remuneration schemes;
- reskilling, upskilling and talent development; and
- strengthening the new Human Resource Function and respective processes to promote efficiency and effectiveness**.**

C. Respect of human rights

The Code of Ethics sets out clearly the ethical moral principles and values, as well as the rules of conduct upheld by the Bank and Group. To this end, the Bank, is aware of its responsibility to respect human rights, meaning avoiding infringing on the human rights of others and addressing such impacts where they occur.

For the fourth consecutive year the Bank's participation in the international index Bloomberg Gender Equality Index (GEI), proves the constant dedication to Corporate Social Responsibility and Sustainable Development, as well as its commitment to continue and strengthen gender equality initiatives and eliminate all forms of discrimination.

The Bloomberg Gender Equality Index (GEI) is an internationally recognized gender equality index that is constantly expanding to a wide range of companies, now reaching 380 companies from 44 countries.

The Bank's policies on gender equality, non-discrimination (such as pay, education and development, benefits, etc.) and its corporate culture for labour equal opportunities were assessed for Bank's inclusion in the Gender Equality Index.

No incidents of discrimination have been recorded or reported across the entire NBG staff and no complaints have been filed by employees or third parties on discrimination incidents.

D. Combating bribery and issues related to corruption

In Greece, bribery (either active or passive) is considered a criminal act and is punished according to the provisions of the Penal Code. Furthermore, bribery is one of the main offenses of Greek Law 4557/2018, as in force, regarding the prevention of money laundering and the combat of terrorism. Moreover, Greece has ratified/adopted the following Conventions:

- The Convention of the Organization for Economic Cooperation and Development (OECD) on Combating Bribery of Foreign Public Officials in International Business Transactions (through Greek Law 2656/1998); and
- The Convention on Combating Bribery of Foreign Public Officials of the E.U. Member States (1997), (through Greek Law 2802/2000).

The Group's fundamental values and principles governing its business activities strongly emphasize the importance of ensuring ethical conduct at all times, while the Group shows zero tolerance on corruption and bribery and it is of its high priorities to prevent and combat them. The Bank's activities entail exposure to corruption and bribery phenomena, which if not appropriately and timely managed, they may present a significant risk for the Bank, and could adversely affect its financial results, with a serious impact on the Bank and its subsidiaries' reputation, as well as on the further development of its activities, while they could cause adverse effects on the interests of its clients, shareholders and employees.

In this context, preventive control mechanisms are applied so as to safeguard against any potential risk of bribery and corruption to which the Bank may be exposed in the course of its business/operations. To that end, the Bank's anti-bribery program consists of various essential components, such as anti-bribery and anti-corruption risk assessments, policies and procedures, tone from the top, financial and non-financial controls, raising concerns, management information and periodic reporting, and records' keeping.

This approach is reflected in the Codes and Policies that the Bank has adopted, on the controls embedded within the procedures followed in the Bank's day-to-day operations and on the monitoring and audit processes applied.

The Bank has in place procedures and internal controls which serve to mitigate potential risk and ensure that the Bank is compliant with laws and regulations, which in the event of non-compliance could have a material effect on the financial statements. The effective operation of these procedures and internal controls are independently monitored by the various control functions and audited by the Group Internal Audit Function, while the Audit Committee of the Bank's Board of Directors and the Board of Directors are duly informed through reporting on internal controls by the various control functions.

Additionally, in accordance with particular requirements which the applicable regulatory framework (Bank of Greece Governor's Act 2577/2006) imposes in this respect, external auditors review and assess the effectiveness of the Bank's Internal Control System on a three-year basis.

A set of Codes and Policies which the Board of Directors has approved include several measures against the risk of bribery and corruption. Indicatively, such measures are incorporated in the NBG Group Code of Ethics, the Code of Ethics for Financial Professionals, the Anti-Fraud Policy, the Conflict of Interest Policy and the Anti-Bribery Policy.

Furthermore, process level controls are in place for the timely prevention or detection of fraud risks. Such control types include clearly defined approval / authorization levels, verifications, physical controls, reconciliation controls, controls over information used in the control and controls with a review element. The controls in place are a mix automated, semi-automated or manual.

At a further level, the Whistleblowing Policy in force, provides for the existence of appropriate communication channels enabling the submission of whistle-blowers' reports, both in case these may come from within the Bank as well as in case such are being submitted by third-parties.

The Board of Directors is committed to prevent bribery and corruption and promotes the establishment of a culture against them, according to which any form of bribery and corruption is non-acceptable, while it is responsible for approving the relevant Policies, as well as overseeing its implementation and periodic assessment. Additionally, updates and evaluations of the System of Internal Control in general, as well as any material incidents identified are reported to the Bank's Audit Committee and the Board of Directors.

Further, mandatory learning programs on the NBG Group's applicable Code of Ethics, which, focuses, among others, on bribery and corruption issues, are provided to all employees of the Bank, and all personnel has access to the internal e-communication network of the Bank (intranet), through which they are able to get prompt and full information on all key matters regarding NBG Group's developments and operations, including internal communication announcements, internal circulars, policies that the Bank has in place etc.

In this context, with the Bank laying great emphasis on ensuring that the highest standards on ethics and integrity are applied throughout all of its activities in accordance with international best practices, the Bank has established the Ethics and Culture Committee of the Board of Directors.

Information on the Committee's responsibilities and workings in 2020 is presented below in the Corporate Governance Statement, under *"section D. Board of Directors and other management, administrative and supervisory Bodies"*.

Additionally, detailed information on the responsibilities, composition and modus operandi of the Ethics and Culture Committee is included in the Charter of the Committee posted on the Bank's website, at www.nbg.gr (section: The Group / Corporate Governance / Board of Directors / Committees).

Lastly, the Group Compliance and Corporate Governance Functions were certified with the international standard ISO 37001:2016 (Anti-bribery management systems) for the anti-bribery management systems in line with the above standard.

With a view to the Bank's full compliance with the current legal and regulatory framework, as well as international best practices and guidelines regarding the combating of corruption and bribery, and considering that these phenomena are very common in international business transactions and undermine the effective corporate governance of the companies, the Bank has in place the following arrangements, Policies and Codes:

Code of Ethics for Financial Professionals

The Code of Ethics for Financial Professionals sets out the key ethical obligations and standards of conduct applying to persons who are involved in the procedures for the preparation, compilation and submission of financial statements and other financial disclosures of the Bank and the Group companies.

Its main purpose is to promote ethical conduct, including the prevention of situations where there is actual or potential conflict of interest, to promote transparency and ethical conduct during the performance of Financial Professionals' duties as well as to ensure compliance with the applicable regulatory framework, complete and accurate preparation of financial statements and any other financial disclosures, timely submission of internal reports in the event of the Code's breach and binding of Financial Professionals to comply with the provisions of the Code and the ethical rules underlying the regulatory framework applying to the Bank and/or the Group companies.

The Code of Ethics for Financial Professionals is available on the Bank's website www.nbg.gr (*section: the Group / Corporate Governance / Regulations and Principles*).

Bank and Group Anti-bribery Policy

The Bank and Group Anti-Bribery Policy has been set according to the requirements of the legal framework for combating bribery as well as the international best practices and guidelines of international organizations and bodies for preventing and combating financial crime (OECD, FATF, Wolfsberg Group, etc.).

The Anti-bribery Policy applies to all members of the Board of Directors, senior executives, the employees of the Bank and the Group, and generally to any person working for the Group whether under a contract of employment or otherwise, and:

- Binds third parties who perform services for or on behalf of the Group.
- Establishes specific principles and rules governing the Group's activities for the prevention and combat of bribery.
- Adopts procedures which discourage bribery and corruption practices, such as procedures on bribery risk assessment, handling of gifts and business hospitality, donations to political parties and charitable institutions, evaluation of third parties etc.
- Encourages confidential reporting of suspicions, through the appropriate communication channels, which ensures the protection of individuals and the appropriate investigation of the reported event.

Whistleblowing Policy for the Bank and the Group

The Bank has adopted the Whistleblowing Policy for the Bank and the Group through which procedures are established for the submission of confidential reports or comments by any party, either anonymously or not, regarding behaviour of the Bank and the Group's executives, which indicate the existence of an irregular activity or misconduct or omission relating to breaches in regards to internal Policies and Procedures. The Policy complies with the provisions of Greek Law 4261 / 2014 regarding the internal procedures for violation complaints.

The Compliance, Ethics and Culture Committee of the Bank's Board of Directors is responsible for the establishment and the continuous monitoring of the implementation of these procedures, which ensure confidentiality and secrecy of the reports or comments received.

Contact details for the submission of confidential reports are available on the Bank's website www.nbg.gr (*section: The Group / Corporate Governance / Contact Information*).

Anti-Fraud Policy

The Bank, as all credit institutions, is exposed to the risk of fraud and illegal activities of any type, which, if not addressed in a timely and effective manner, they could have negative effects on its business activities, financial condition, results of its activities and its prospects for success.

Management, has among its highest priorities the prevention and combating of fraud as well as of any other irregular activity, and accounting and auditing practice inconsistent with international practices and applicable provisions, activities which are contrary to the fundamental Values and Principles governing the Bank and the Group's business activities.

Through the Anti-Fraud Policy, and taking into account the obligations stemming from the institutional, legal and regulatory framework, at a national and international level, the Bank aims at:

- defining specific principles and rules for the prevention and combating of fraud and developing a single business conduct for its handling,
- raising awareness and vigilance of Group employees for the detection and avoidance of actions related to fraud,
- encouraging the submission of confidential reports on suspicions of fraud, through appropriate communication channels that ensure the protection of the persons and the proper investigation of the reported incident,
- developing systems, procedures and control mechanisms that help to promote prevention and combating of fraud.

Prevention of conflicts of interest

The Bank and the Group Companies place emphasis and take the appropriate measures to handle cases that may cause or lead to conflict of interest within the context of the services they provide. With the purpose of preventing real or potential cases of conflict of interest, the Bank and the Group has adopted the following Policies:

- Policy for avoiding Conflicts of Interest for Board Members, Senior Executives and other Related Parties of NBG, to control and manage real or potential conflicts of interests between the Bank and its Board Members, Senior Executives and other Related Parties.
- Conflict of Interest Policy that sets out the framework for the prevention, detection and management of conflict of interest between the Bank, the Group and its customers, as well as among the customers themselves during the provision of investment and ancillary services.
- Policy for Connected Borrowers of the Bank and the Group in Greece, established with the purpose of ensuring that Connected Borrowers are not treated preferentially in comparison to non-Connected Borrowers, i.e. the same criteria as those stipulated by the relevant Credit Policies of the Bank shall apply for Connected Borrowers. The Policy establishes the basic rules applying in extending credits and in the treatment of forbearance and restructuring requests concerning loans of Connected Borrowers, while it facilitates the monitoring of appropriate implementation of the Policy through special functionality that has been developed in the Bank's system.

Policies for combating money laundering and terrorist financing issues

The Bank and the Group consider of primary importance the prevention and combating of money laundering and terrorist financing phenomena (Anti-Money Laundering / Counter-Terrorist Financing ("AML/CFT")), through the use of their products and services. These actions are contrary to the fundamental values and principles governing the conduct of the business activities of the Group and lead or could lead to undesirable consequences, with a significant impact on the Bank and the Group companies' reputation as well as on the interests of its customers, shareholders and staff, exposing the Group to an unacceptable level of associated risks.

For this reason, and in compliance with applicable regulatory requirements for the prevention and combatting of AML/CFT issues, the Group has adopted the following Policies:

- AML/CFT Policy, which incorporates New Customers Acceptance Policy.
- AML/CFT Policy on Cross-border correspondent banking relationships.

At this point, it is mentioned that the Group AML/CFT Policy and Customer Acceptance Policy has been recently reviewed and updated, in order to effectively incorporate the current developments in the legislative and regulatory framework both at national and at EU level, as well as to include procedures already adopted by the Bank, especially regarding the use of digital channels for the establishment of new business relationships and all the important international trends regarding the assessment of ML/TF risks.

The updated Policy has been corresponded to all subsidiaries in Greece and abroad so that to be relatively adopted by them.

The adoption of the above mentioned Policies ensures compliance with the applicable regulatory requirements of the Supervisory Authorities on combatting ML/TF, averts the imposition of criminal and/or administrative sanctions against the Bank and the Group companies on the basis of direct or indirect involvement in ML/TF issues and protects the Group's good reputation by taking timely and appropriate measures that will prevent the use of its services for ML/TF purposes. The Policies are accompanied by the necessary procedures and guidelines and are supported by appropriate IT systems for the continuous monitoring and identification of suspicious or unusual transactions or activities, aiming at the mitigation of ML/TF risks that are emerging in the Bank.

It is noted that, according to the local legal framework, bribery (active and passive) and specific cases of tax evasion have been included in Crime activities. It should also be noted that specific enhanced due diligence procedures are applied to customers who fall into the category of "politically exposed persons".

Our performance

In line with the Bank's framework of operations as outlined above, the sustainable development initiatives that NBG undertook and developed in 2020, responding to the challenges and expectations of all stakeholders are presented below.

NBG fully recognizes its role in generating sustainable growth for its stakeholders, and has been applying increasingly systematic management techniques in its approach, aiming to promote economic development, support actions designed to foster environmentally friendly growth, further enhance the quality of its workforce, offer more efficient services to its customers, and contribute, in general, to the community.

Supporting SMEs and professionals:

The Bank continued to launch initiatives within the context of supporting SMEs and professionals (with turnover up to €2.5 million) in light of the adverse economic environment, with a view to enhancing their growth and supporting their viability. In 2020, when business was affected by the COVID-19, the Bank continued to take relevant initiatives.
In particular:

- The Bank continued in 2020 provided financing through schemes in collaboration with the HDB, including the new schemes related to COVID-19. In particular, the following were implemented:

  (a) Through the scheme "Entrepreneurship Fund II ("TEPIX II") is provided to SMEs:

    i. support by financing investment and business plans, with a particularly favorable interest rate and low costs.

    ii. further support, due to the conditions created by COVID-19, providing financing through One-Time Capital with Subsidized Interest Rate for the first two years and a particularly favorable interest rate and low costs.

  The cumulative amount of disbursements for 2020 amounted to €223 million.

- The State Guarantee working capital program with the participation of HDB, which aims to meet the increased liquidity needs of businesses arising from the COVID-19, providing access to financing on favorable terms due to the guarantee provided by the Guarantee program. The amount of disbursements until 31 December 2020 amounted to €74 million.

- The Bank continued in 2020 the provision of micro-credits up to €25,000 via the EaSI Guarantee Instrument program as part of the EU initiative for employment and social innovation, with a view to enhancing employment and fostering the healthy development of micro-enterprises. The EIF under the auspices of the EU will provide NBG with guarantee instruments, enabling micro-financing at reduced interest rates backed by the guarantees provided. In addition, NBG offers by means of its specialized advisors customized training programs and mentoring services on issues such as preparing a business plan, liquidity management, sales promotion and so on. Accordingly, the Bank contributes to the strengthening and development of micro-enterprises and ensuring business viability. At the same time, in the context of dealing with the negative consequences of COVID-19, the terms of the program were modified by the EIF so that credits up to the amount of €50,000 are provided with an increased guarantee rate. The amount of disbursements in 2020 amounted to €20 million.

- In 2020, NBG continued to grant financing via the COSME Loan Guarantee Program in cooperation with the EIF. The loans provided via this program are 50% guaranteed by the EIF, and accordingly there are substantially reduced requirements for provision of collateral by the businesses seeking financing. In the context of dealing with the negative consequences of COVID-19, the EIF approved an additional portfolio of €125 million in order to provide working capital financing that is guaranteed at a rate of 80% up to the amount of €150,000 for the entire COVID-19 period. The cumulative amount of disbursements until 31 December 2020 amounted to €100 million.
- Through the Existing Loan Interest Grant Program for the period 1 April 2020 – 31 August 2020, 5,268 applications were evaluated, of which 4,408 applications were approved for inclusion in the respective program.
- Through the Instalment Suspension Program carried out for the period 1 April 2020 – 31 December 2020, further support is provided to the Companies, whose activity has been affected by the COVID-19, thus enabling them to meet their obligations in the current situation.
- Through the "Gefyra" Program of the Special Secretariat for Private Debt Management, in the context of Greek Law 4714/2020, public contribution was made for the repayment of loans for the main residence with collateral for borrowers who have been affected by the adverse effects of COVID-19. This program subsidizes a percentage of the installment of the above loans for a period of nine months. Based on the current ones, the start of the nine-month grant period can start no later than 1 April 2021.
- In addition, recognizing the dynamic and growth potential of the agricultural sector as a key pillar of the primary sector of the Greek economy, the Bank in recent years has applied an expanded action plan for the sector's support and growth, using funding tools and solutions across the entire range of banking operations. In this context, NBG has been participating since 2017 in the initiative of the Ministry of Rural Development & Food promoting the distribution of the "Farmer's Card" to farmers/livestock breeders. The said product offers to those entitled to financial support for agricultural activity a boost in liquidity at favorable terms, so as to be able to cover their operational needs. In addition, NBG continued in 2020 its Contract Farming financing program by which it finances farmers and livestock breeders who cooperate with selected agricultural product trading and processing companies for the production of products that are bought by the latter on the basis of sales agreements between both parties. As a result, the production and trading cycle of the buyers and farmers is upgraded, and both sides enjoy significant benefits (reduction of production cost, better planning of inventories). In the production period of 2020 more than 1,100 farmers enjoyed the benefits of the program.
- **"NBG Loan for Climate Action & Female Empowerment Program"**

  Within the context of enhancing financial support for investments contributing to the delivery of climate action objectives, as well as for healthy businesses which support female entrepreneurship and seek to strengthen the presence of women in key business positions, National Bank of Greece has entered into an agreement with the EIB to take out a loan of €50 million in the context of the NBG Loan for Climate Action & Female Empowerment Program, part of which (i.e. €35 million) will be used to finance Greek SME and MidCap investment plans contributing to the delivery of climate action objectives, while the remaining amount will be used to finance investment and business plans by Greek SMEs and MidCaps that support female professional empowerment.

  The program's objectives are:

  i) to enhance access by SMEs and MidCaps to bank financing on very favorable terms for the implementation of investment plans and, specifically, generation of energy from renewable energy sources ("RES"), such as solar energy, biomass, biogas, hydroelectric energy, wind energy or other forms of RES, and

  ii) to enhance access by SMEs and MidCaps to bank financing on very favorable terms, thus helping to reduce the high cost of financing faced by Greek companies, enabling them to enhance their competitiveness, and supporting businesses that promote female entrepreneurship and the foregrounding of women in key business positions.

In addition, the Bank launched in 2020 the following green banking products, which contribute to environmental protection:

- Loans for participation in the "Energy-Saving at Home II" program co-funded by HDB (ex. ETEAN S.A.), on favorable terms for energy improvements in homes. In 2020, 1,380 of such loan applications were approved of amount €10 million, while 2,070 loans were disbursed corresponding to a total of €13 million.
- "Green Loan": a loan granted under favourable terms and conditions for financing the purchase and installation of energy-saving equipment and new hybrid technology cars.
- "Estia Green Home" loan for the purchase, repair or construction of energy upgraded homes.
- For consecutive year the Bank contributed to the country's efforts to improve its environmental footprint by financing RES projects worth €510 million.

- **Restructuring of retail banking loans (individuals & SMEs)**

In the context of the Bank's strategy, the competent Units for the management of the Retail loan portfolio (loans of individuals & SMEs), take care of the quality improvement and the Bank's social responsibility and offer facilitated programs for updated loans, as well as specialized programs for restructuring and rescheduling on overdue loans. In this way they provide customer-centric debt settlement capabilities and sustainable solutions calculated to the capabilities of each customer. The total portfolio of consumer and housing credit facilities of the Bank on 31 December 2020 amounted to €573 million. The total portfolio of restructuring consumer and housing credit amounted to €164 million. The total portfolio of settlement consumer and housing credit amounted to €5,443 million. The total portfolio of restructuring and rescheduling SME's credit amounted to €253 million.

With a view to optimizing the handling of loan and advances to customers that require special management and providing real support to Greek businesses and the economy in general, The Bank has established two dedicated and independent internal units, one responsible for the management of the Bank's retail loans (the Retail Collection Unit ("RCU")) and the other for the Bank's corporate delinquent exposures (the Special Assets Unit ("SAU")).

The respective units seek to provide tailormade restructuring aiming to reduce the debt repayment obligations to sustainable levels. Please refer to section "*Economic and financial review – Business Overview - NPE Management (Troubled Asset Units)*".

Staff training

Please refer to section "*People- Learning and development*".

Environmental footprint

In the context of the implementation of its Environmental Policy and Environmental Management Program, the Bank also carried out the following actions in 2020:

- The development of processes/transactions with a view to reducing operating costs, rationalizing printing and saving natural resources (paper) was continued in 2020.
- NBG achieved for 2019 a reduction in total energy consumption by 9.7% compared to 2018, which is mainly due to a series of energy saving actions.

  The corresponding reduction for 2018 compared to 2017 was 12.7%. In addition, NBG achieved in 2019 a reduction of it's related to energy consumption CO_2 emissions (Scope 1 + Scope 2) by 6.5% compared to 2018. The corresponding reduction for 2018 compared to 2017 was 20.4%.
- Recycling programs were implemented with the participation of employees. Indicatively, 51 tonnes of paper, 2,457 kg of small and large batteries, and approximately 212 tonnes of electronic and electrical equipment were recycled. In addition, 762 kg of low voltage lamps and lighting equipment were recycled through the expansion of recycling across the Bank's branch network. All these recycling programs were implemented in cooperation with licensed contractors.
- As regards prevention of consumption of natural resources, note that in the course of the Bank's normal business activity the bulk of solid waste is paper. Since 2011, the Bank's correspondence (internal and to third parties) is fully managed by the Internal Electronic Document Management System, resulting in a significant reduction in printing and paper consumption. In 2020, 562,500 documents were exchanged through the Internal Electronic Document Management System, thus saving almost 1,406,250 page prints. Furthermore, the use of the e-signature application also contributed towards limiting paper consumption (c. 10 million print-outs during 2020).
- As regards toner management, the Bank has arranged since 2014 the outsourcing of Managed Print Services ("MPS") printing needs of Central NBG Services hosted in central buildings and its Branch Network. The Administration Units are housed in nearly 50 buildings and the Branch Network includes 365 locations, distributed geographically throughout Greece. Environmentally friendly management of waste originating from the device consumables, is also part of this outsourcing arrangement. This program leads to the reduction of printouts and, as a consequence, the reduction of paper and toner consumption. The project establishes centralized management of printing needs. The number of the system's current users amounts to circa 7,700 individuals. In 2020, the toners supplied through the MPS system totalled 5,860 items, while 3,571 items were recycled through the 3,332 MPS units. It is anticipated that the future benefit for the Bank will be a 25% - 35% reduction in printing costs.
- Aiming at environmental protection, the Bank launched its statements service whereby its customers receive electronic statements regarding their credit cards and mortgage or consumer loans and credit accounts, at the same time stop receiving printed statements. More than 1.3 million statements have already been converted from printed to electronic format. Moreover, NBG's i-bank delivery channels are being enriched on an ongoing basis with new services and more transactions enabling customers to carry out transactions on 24hours, 7days per week basis from home or with their mobile phone. Note that more than 620,000 new users were registered in 2020 for NBG's Internet/Mobile Banking services.

NBG's social contribution

In 2020, in spite of the particularly adverse economic climate and the urgent global health conditions, NBG - standing by its commitment to social support- continued its sponsorship program, with funds amounting to c. €6 million (net amount, "MIET" included). In this amount is included the annual contribution to "MIET" (€2 million). The three key pillars of the "RESPONSIBILITY" CSR program are: Community - Culture - Environment. Specifically:

Community

Society

- Strengthening of actions to upgrade health services, with emphasis on the prevention and treatment of COVID-19.
- Development of social solidarity programs.
- Supporting the work of bodies and organizations with distinguished track records in the alleviation of social problems.
- Supporting vulnerable social groups and individuals.

Science / Research / Training

- Sponsorship for scholarship programs for bachelor and master's degrees in Greece and abroad.
- Contribution to the enhancement of the education provided and support for educational programs.
- Contribution to the enhancement of the building infrastructure of educational institutions.
- Sponsorships for research programs, awards, and support for innovative ideas.
- Support for scientific work and promotion of research, predominately in the form of sponsoring scientific meetings (conferences, summer schools, seminars, workshops) covering the entire spectrum of sciences.
- Sponsorship for the publication of books and special editions.

Sports

- Continuation of sponsorship support to sports organizations and distinguished individual athletes preparing for participating in international sporting events.

Cultural Heritage

Culture / History /Art

- Sponsoring the preservation and showcasing of the historical and cultural heritage.
- Sponsorship support for initiatives involving publications of cultural and historical interest.
- Supporting actions and events that involve music and the performing arts.

Other

- Supporting for publications, conferences and other events dealing with investment and financial issues.

Environment

- Supporting for programs and conferences that highlight the benefits of sustainable development and environmentally friendly technologies.
- Supporting for the work of bodies that are involved in environmental preservation and sustainable development actions.

Corporate Governance Statement

Introduction

In accordance with Article 152 of Greek Law 4548/2018 on Sociétés Anonymes, the Bank is obliged to include the Corporate Governance Statement, as a specific part of the Annual Board of Directors' Report. As per the said article, the Bank's Corporate Governance Statement includes the following sections:

A. NBG's Corporate Governance Code

B. NBG's Corporate Governance Key Policies and Practices

C. General Meeting of Shareholders and Shareholders' rights

D. Board of Directors and other management, administrative and supervisory Bodies

E. Internal Control System and Risk Management

It is noted that additional information in relation to public offers for acquisitions, as mandated by Article 10 of the European Directive 2004/25/EC, required pursuant to par. 1 d) of Article 152 of Greek Law 4548/2018, is included in a separate section of the Board of Directors' Report, namely, the Supplementary Report to the Annual General Meeting of Shareholders.

A. NBG's Corporate Governance Code

The Bank's corporate governance framework is aligned with the requirements of Greek and European legislation and the rules of the HCMC as incorporated in the Bank's Articles of Association, the Corporate Governance Code and other internal regulations/charters. Additionally, the stipulations of the Amended Relationship Framework Agreement between the Bank and the HFSF, and the obligations of the Bank towards the Monitoring Trustee (in accordance with particular procedures foreseen as long as these are in force) are applied.

In February 2006, the Bank's Board of Directors adopted a directional framework that describes the Bank's corporate governance structure and policy. This framework was based on international best practices and fosters continuity, consistency and efficiency in the modus operandi of the Board of Directors and also the governance of the Bank and the Group. In March 2011, in compliance with the provisions of the corporate governance framework, the Board of Directors adopted the Corporate Governance Code of the Bank, which was thereinafter amended in November 2013, with a view to bringing it into line with the Relationship Framework Agreement between the Bank and the HFSF as well as with the Bank's obligations towards the

Monitoring Trustee and in December 2014 in order to incorporate the changes in the regulatory framework (especially Greek Law 4261/2014, which transposed CRD IV into Greek law), to further adopt international best practices, as well as to better reflect the Bank's organizational structure. The Bank's Corporate Governance Code has been further amended in September 2015 and March 2017, as deemed appropriate in compliance with the new provisions of Greek Law 3864/2010 and the Amended Relationship Framework Agreement between the Bank and the HFSF, as well as the draft Joint European Securities and Markets Authority ("ESMA") and EBA Guidelines on the assessment of the suitability of members of the management body and key function holders under Directive 2013/36/EU and Directive 2014/65/EU. Additionally, the Corporate Governance Code was amended in July 2019 including provisions on the role of Senior Independent Director and changes made in accordance with Greek Law 4548/2018 on Sociétés Anonymes. Finally, the Corporate Governance Code was lastly amended in January 2021, further enhancing provisions on the role of the Senior Independent Director. The Bank monitors developments in the applicable framework and relevant guidelines and best practices and proceeds to actions deemed appropriate in order to ensure that the Code is in alignment with the each time applicable legal and regulatory framework, as well as relevant guidelines.

The Bank is in compliance with the Corporate Governance Code and provides explanations for any exceptions identified in accordance with Greek Law 4548/2018. Within the context of its Corporate Governance Code, and in accordance with its Articles of Association and the applicable legislation, the authorities and responsibilities of the Bank's management bodies are determined and the Board of Directors has delegated authorities to Bank's executives in line with the applicable framework.

In the context of the current Corporate Governance Code, the Board of Directors has in place a self-assessment system for its operation, as well as the operation of its Committees based on a methodology, which has been formed and approved by the Corporate Governance and Nominations Committee, while additionally the HFSF monitors and evaluates the performance of the Board of Directors and its Committees in accordance with the criteria stipulated in the legal and regulatory framework and the Relationship Framework Agreement entered into between the Bank and the HFSF. Every three years, the assessment of the performance of the Board and its Committees, is carried out by an external advisor, the selection and monitoring of whom falls within the responsibilities of the aforementioned Board Committee. The assessment is carried out with the use of a methodology based on the best practices and includes interviews with the members of the Board of Directors and the use of detailed questionnaires, covering all the activities of the Board of Directors and its Committees. Further details on the evaluation of the Board of Directors and its Committees is presented below.

The Corporate Governance Code can be viewed on the Bank's website: www.nbg.gr (*section: The Group / Corporate Governance / Regulations and Principles*).

B. NBG's Corporate Governance Key Policies and Practices

The Bank monitors developments in the applicable framework and relevant guidelines and best practices and proceeds to the actions deemed appropriate in order to ensure that the policies followed are in alignment with the prevailing applicable regulatory framework and relevant guidelines:

Group Governance Policy*	Includes the main corporate governance principles at NBG Group level and provisions concerning Group companies' governance bodies, cooperation with NBG, Internal Control System and regulatory requirements, establishing a unified corporate governance framework for the Group.
Group Remuneration Policy**	Sets out the general framework for remuneration throughout the Group and defines the basic principles on which the NBG Group approaches issues regarding the remuneration of executives and employees.
NBG Directors' & Senior Managers' Remuneration Policy***	Sets out the general framework for the remuneration of the members of the Board of Directors and Senior Managers, in accordance with the applicable legal and regulatory provisions, and in alignment with the principles set out in the NBG Group Remuneration Policy, and covers the total remuneration awarded to all Board Directors (Executive and Non-Executive), i.e. fixed and variable remuneration, including benefits, participation in Committees fees and other potential compensation, as well as the total remuneration awarded to all members of Senior Management (i.e. General Managers and Assistant General Managers).
Policy for the Annual Training of members of the Board of Directors and its Committees	Establishes procedures with the purpose of supporting the Board of Directors in enhancing its performance and expanding the relevant skill base and competencies. More detailed information on this Policy is included in Section "*D. Board of Directors and other management, administrative and supervisory Bodies/ Induction, Continuous Education and Training of Directors*".

Board Self-Assessment Policy	Sets out the procedures for the evaluation of the Board of Directors and Board Committees collective performance and the evaluation of Directors on an individual basis with the view of ensuring the effective workings of the Board of Directors. More detailed information on this Policy is included in Section "*D. Board of Directors and other management, administrative and supervisory Bodies/ Evaluation of the Chief Executive Officer, the Board of Directors and the Board Committees*".
Board Members' Nominations Policy	Sets the framework and the criteria for the nomination of candidates to the NBG Board, it describes the process for their nomination and selection, while it includes the target Board profile in accordance with the eligibility criteria determined based on Greek Law 3864/2010, as in force. More detailed information on this Policy is included in Section *"D. Board of Directors and other management, administrative and supervisory Bodies/ Directors' Nomination & Suitability Assessment".*
Board Suitability Assessment Policy and Procedure****	Sets out the criteria to be used in the suitability assessment of the Board members (initial and ongoing), including the suitability criteria provided on the applicable regulatory framework and explains in greater detail the policies, practices and processes applied by the Bank when assessing the suitability of members of the Board.
Policy for the nomination and suitability assessment of Senior Management*****	Sets out the principles and process for the nomination and suitability assessment of members of Senior Management with the highest professional and personal skills and moral caliber, while conforming to the applicable regulatory framework, internal bank regulations and international best practices.
Insurance Cover for members of the Board of Directors and Executives of the Group companies******	Covers the civil liability of the Directors and Executives of all the Group entities, with respect to the civil liability for claims against the Bank and its subsidiaries arising from negligence, error or oversight by Directors, Executives and employees, and damages arising from fraud, including electronic fraud, as well as cyber security breaches.

* Group Governance Policy:

With a view to further enhancing the unified corporate governance framework of NBG Group and further optimizing the cooperation between the NBG and its Group companies, in April 2020 the Board of Directors revised the NBG Group Governance Policy, as this was initially adopted in January 2018. One of the main novelties brought forward is the introduction of the Tiered Subsidiary Governance Model, in accordance with which the level of implementation of the group governance framework shall be determined based on the classification of group entities, thus establishing the appropriate governance/reporting structures and practices for each subsidiary.

Within the context of the Group Governance Policy, the Bank as the parent company aims to appropriately balance the degree of control that needs to be exercised by the parent company over the group subsidiaries and the degree of independence that needs to be provided to the subsidiaries. At the same time, it should be ensured that the Group places systems and processes which will assure the Bank's Board of Directors that the "downstream governance" of the subsidiaries reflects effectively the same values, ethics, controls and processes as at the parent level.

** Group Remuneration Policy:

The Bank's and the Group's Remuneration Policy and remuneration practices are consistent with the framework provided by Greek Law 4261/2014 (which partly transposed European Directive 2013/36/EU CRD IV), Greek Law 3864/2010 ("the HFSF Law"), the Bank of Greece Governor's Act 2577/2006, as amended by the Bank of Greece Executive Committee's Act 158/10.5.2019, and the Amended Relationship Framework Agreement between the Bank and the HFSF.

The Bank monitors developments in the applicable framework, including the developments on the upcoming transposition of Directive 878/2019/EU (CRD V), as well as the second revision of the EBA Guidelines on sound remuneration policies which is under development.

Information on the Bank and Group Remuneration Policy and general remuneration practices is available on the Bank's website at www.nbg.gr (*section: The Group / Investor Relations / Annual Reports and Offering Circulars*).

*** Directors' & Senior Managers' Remuneration Policy:

In accordance with Directive (EU) 2017/828, as this has been (partly) transposed into the Greek legal framework with Greek Law 4548/2018 on Sociétés Anonymes, listed companies are required, among others, to establish a remuneration policy as regards directors and shareholders have the right to vote on the remuneration policy at the General Meeting. Additionally, in accordance with article 110 para. 1 of Greek Law 4548/2018, by statutory provision the Policy may also include in its scope the key management personnel, as defined in International Accounting Standard (IAS) 24 para. 9.

Within this context and with the aim at further enhancing transparency in the remuneration framework of the Bank's management structure especially by extending the scope of the Policy so as to include not only Board members but also Senior

Managers, the Bank's Annual General Meeting of Shareholders, held on 31 July 2020, following proposal of the Board of Directors, as assisted by the Corporate Governance and Nominations Committee and the Human Resources and Remuneration Committee, approved the revised NBG Directors' & Senior Managers' Remuneration Policy. With this revision, the Board aims to offer shareholders and the market the highest level of transparency and clarity in the remuneration scheme applicable to Senior Manager, further strengthening the investment profile of the Bank so as to ensure external competitiveness.

The NBG Directors' & Senior Managers' Remuneration Policy shall be applicable for a period of four years, unless revised earlier or in cases of temporary derogations, in alignment with the relevant applicable provisions.

The NBG Directors' & Senior Managers' Remuneration Policy is available on the Bank's website, at www.nbg.gr (*section: The Group / Investor Relations/ General Assemblies*).

**** Board Suitability Assessment Policy and Procedure:

Within the context of the Bank's obligations in relation to the (initial and ongoing) assessment of the suitability of Board members and the collective suitability of the Board, in September 2020 the Board of Directors, following proposal of the Corporate Governance and Nominations Committee, approved the Board Suitability Assessment Policy and Procedure. The Policy aims to strengthen the internal fit and proper process and has incorporated the relevant obligations in alignment with the applicable framework (especially the ECB/SSM Guide to Fit and Proper Assessments, the joint EBA-ESMA Guidelines on the assessment of suitability of members of the management body and key function holders (EBA/GL/2017/12), the Bank of Greece Executive Committee Act 142/11.6.2018), so as to ensure prudent and effective management of the Bank.

More detailed information on this Policy is included in Section *"D. Board of Directors and other management, administrative and supervisory Bodies/ Directors' Nomination & Suitability Assessment"*.

***** Policy for the nomination and suitability assessment of Senior Management:

Within the context of enhancing the overall process for the nomination of the Bank's Senior Management, considering also the Bank's obligations in relation to the suitability assessment of key function holders, in January 2021 the Board of Directors, following proposal of the Corporate Governance and Nominations Committee, approved the Policy for the nomination and suitability assessment of Senior Management. The Policy lays out the applying Principles and the Nomination processes followed in the case of Senior Managers' positions falling within its scope, in alignment with regulatory provisions and taking also into account international best practices. Among the key objectives of the Policy are to establish a transparent, effective and time-efficient nomination and suitability assessment process; ensure that the structure of the Bank's Senior Management meets the highest suitability requirements in terms of ethical standards and skills, and is fully aligned with the current regulatory framework governing the Bank; and ensure the effective and prudent management of the Bank and the effectiveness and soundness of the Bank's governance arrangements, so as to protect the interests and the reputation of the Bank and its Group.

****** Insurance Cover for members of the Board of Directors and Executives of the Group companies:

In compliance with the provisions of the Corporate Governance Code, the Bank has entered into a multi insurance contract in order to cover the civil liability of the Directors and Executives of all the Group entities, with respect to the civil liability for claims against the Bank and its subsidiaries arising from negligence, error or oversight by Directors, Executives and employees, and damages arising from fraud, including electronic fraud, as well as cyber security breaches. During 2017, the Bank entered into a new insurance contract including increased coverage limits and improved contract wording and terms. These contracts were renewed in 2018 and 2019 with enhanced policy texts, as well as in accordance with the applicable legal and regulatory framework. In 2020, the above policy texts were renewed.

It is noted that:

- The Bank has also in place, among others, the following policies and practices, which are described in detail in the section "*Non-Financial Statement - Corporate Responsibility*":
  - NBG Group Code of Ethics
  - Code of Ethics for Financial Professionals
  - Bank and Group Anti-bribery Policy
  - Whistleblowing Policy for the Bank and the Group
  - Anti-Fraud Policy
  - Policy for avoiding Conflicts of Interest for Board Members, Senior Executives and other Related Parties of NBG
  - Policy for Connected Borrowers of the Bank and the Group in Greece.
  - Policy on Donations, Sponsorships, Charity Contributions and other Actions of the Group.
- In November 2020, the Charters of the Ethics & Culture Committee and the Audit Committee were revised, following the Board's decision to adopt a holistic approach on compliance and culture oversight at Board level and the rename of the Ethics & Culture Committee to Compliance, Ethics & Culture Committee, aiming to further strengthen the holistic compliance supervision at Board level.

Diversity policy concerning Bank's management, administrative and supervisory bodies

In accordance with Greek Law 4261/2014, as in force, which incorporated Directive 2013/36/EU into Greek legislation, institutions should engage a broad set of qualities and competencies when recruiting members to the Board of Directors and for that purpose shall put in place a policy promoting diversity on the Board of Directors.

Within this context, the Bank follows practices and policies that promote diversity both at the level of the Board of Directors, as well as at executive level, aiming at promoting a diverse pool of members of its supervisory and management bodies. In particular, the Bank aims at engaging a broad set of qualities and competencies when recruiting members of the Board of Directors and of its executive management, with a view to achieving a variety of views and experiences and to facilitating sound decision making. Collectively, there is a set of skills and expertise in place so as to contribute to the efficient operation of the Bank's supervisory and management bodies, aiming at collective suitability of the said, while the Board of Directors shall collectively have the skills to present its views and influence the decision making process within the executive management body.

In particular, the Bank gives great emphasis on ensuring diversity including in terms of gender representation, age, nationality and variety of educational background, experience and expertise. At the same time, as regards in particular the composition of the Board of Directors, the Bank follows the provisions of Greek Law 3864/2010, as in force, with regard to the eligibility criteria foreseen by the said law.

As far as gender representation is concerned, currently representation of women on the Board of Directors is at 31.0%, one Executive Member, one Non-Executive and two Independent Non-Executive Members of the Board of Directors are women.

Further, at executive level, important senior executive positions are held by female executives, like the positions of General Manager - Special Assets, General Manager of Group Marketing, General Manager of Human Resources, Assistant General Manager - Chief Control Officer, Assistant General Manager of Group Real Estate, Assistant General Manager - Corporate Special Assets and Assistant General Manager - Head of Network, while there are women in a number of important positions like Heads of Group Corporate Governance and Corporate Social Responsibility Division, Group Regulatory Supervision of Banking Activities Division, Finance Division, Group Human Resources Operations Division, Strategic Risk Management Division, Group Operational Risk Division, Group Marketing Division and so on.

In terms of age, the age of Board members varies and is in the range of 50 to 70, except for one Director being over 70, and one Director being under 50, while the age of Senior Executives is mainly in the range of 40 to 60.

The Board of Directors of the Bank has a multinational composition, including seven different nationalities, with Greek, Cypriot, Dutch, French, British, Belgian and Romanian Board members having international experience among others by previously being Board members or Senior Executives in a number of different countries, including the United Kingdom, U.S., France, China, the Netherlands and Poland.

The Bank's Directors and Senior Executives have a variety of educational backgrounds and work experience, including indicatively educational background in Economics, Business Administration, certifications and prior experience in Accounting, Audit and Risk, extensive Banking and Financial Services experience, corporate governance and legal background, strategy development, transformation and commercial prior experience as well as in human resources, culture and in digital banking, IT and operations. In any case, the purpose is for the Bank to ensure that areas of knowledge and experience required in accordance with the Bank's business activities are covered, while at the same time also being aligned with the provisions of the applicable legal and regulatory framework that applies, like for example as aforementioned in terms of specific eligibility criteria applying to Board members in accordance with Greek Law 3864/2010 as in force.

The competent Committee of the Bank's Board of Directors responsible for establishing and monitoring the implementation of the Policies and procedures that the Bank has in place with regard to diversity, succession planning, selection, nomination, suitability and evaluation of Board members is the Corporate Governance and Nominations Committee.

C. General Meeting of Shareholders and Shareholders' rights

The Bank's Articles of Association (Articles 7-16 and 30-35) describe the modus operandi of the General Meeting of Shareholders, its key responsibilities and authorities as well as the Shareholders' rights, taking into consideration especially the provisions of Greek Law 4548/2018, Greek Law 3864/2010 and the Relationship Framework Agreement between the Bank and the HFSF.

The Bank's Articles of Association are available on the Bank's website www.nbg.gr (*section: The Group / Corporate Governance / Regulations and Principles*).

1. Responsibilities of the General Meeting

The General Meeting is the Bank's supreme, collective body. Its lawful resolutions are binding to all Shareholders, even to those absent or dissenting. All of the Bank's Shareholders are entitled to participate in the General Meeting. Shareholders may be represented at the General Meeting by other, duly authorised persons, in line with the applicable provisions of law. Each share entitles the holder to one vote as stipulated by law, with the reservation of the rights of 13,481,859 dematerialized ordinary shares held by HFSF, falling under the restrictions of Article 7a par. 2 of Greek Law 3864/2010, as described in detail in Section E (*"Restrictions to voting rights"*) of the Supplementary Report of the Board of Directors. The Bank ensures the equal treatment of Shareholders who hold the same position.

The General Meeting is the sole corporate body vested with authority to decide on:

- amendments to the Bank's Articles of Association; such amendments shall be deemed to include share capital increases (ordinary or extraordinary) or decreases;
- election of the members of the Board of Directors and the auditors;
- approval of the overall management in line with Article 108 of Greek Law 4548/2018 and discharge of the auditors;
- approval of the Group and the Bank's Annual Financial Report as well as the interim financial statements;
- appropriation of the annual profits;

- approval of remuneration or advance payment of remuneration in line with Article 109 of Greek Law 4548/2018;
- approval of the remuneration policy under Article 110, which may also apply to senior managers upon relevant resolution of the General meeting approving the policy, and of the remuneration report under Article 112 of Greek Law 4548/2018;
- merger, split-off, transformation, revival, extension of duration or dissolution of the Bank;
- appointment of liquidators; and
- any other matter provided for by law.

The provisions of the previous paragraph do not apply to the issues provided under Article 117 par. 2 of Greek Law 4548/2018, as also to other issues provided for in the law and the current Articles of Association.

2. Operation of the General Meeting

2.1. Convening of General Meeting

a) Ordinarily

The General Meeting decides on all Board of Directors proposals included in the agenda. It is convened by the Board of Directors, or as otherwise provided for by law and held on a mandatory basis at the Bank's registered office or in the area of another municipality within the region where the Bank's registered office is located, at least once a year, at the latest until the tenth (10th) calendar day of the ninth month following the end of each financial year, in order to approve the annual financial statements and the election of auditors (ordinary general meeting). The ordinary General Meeting may decide on any other matter within its remit.

b) Extraordinarily

- Subject to Article 121, par. 2 of Greek Law 4548/2018, the Annual General Meeting may also be convened extraordinarily whenever deemed expedient, at the discretion of the Board of Directors.
- At the auditors' request, the Board of Directors is obliged to convene a General Meeting within ten days as of the date such request was submitted to the Chair of the Board of Directors, determining the agenda thereof as per the auditors' request.
- The representative of the HFSF to the Board of Directors has the right to convene the General Meeting. In line with para. 4 of Article 7 of Greek Law 3864/2010, as amended by Greek Law 4340/2015 and Greek Law 4346/2015, the minimum time limits for the calling of the General Assembly is seven (7) days and the deadline for the convocation of the General Meeting that will decide the share capital increase for the issuance of common shares, convertible bonds or other financial instruments, is ten (10) calendar days. The deadline for the convocation of every repeat or adjourned is reduced to the one third (1/3) of the deadlines stipulated in Greek Law 4548/2018, as in force. The previous subparagraph is applied in every General Meeting convened in the context of Greek Law 3864/2010 or related thereto.

2.2 Invitation to the General Meetings and relevant disclosures

a) Invitation

With the exception of repeated General Meetings and General Meetings deemed similar thereto, the invitation to the General Meeting shall be published at least 20 full days before the date set for it. The said 20-day period shall be exclusive of the date the invitation is published and the date the General Meeting is held.

The invitation to the General Meeting, shall include the information provided for by law from time to time, including inter alia the place where the General Meeting is to be held, i.e. the premises along with the exact address, the date and time thereof, the items on the agenda, clearly specified, and the shareholders entitled to participate therein, along with precise instructions as to the method of participation and exercise of the rights thereof in person or by legally authorized proxy or even by distance participation.

The invitation shall be published within the above 20-day deadline, and registered with the General Commercial Register ("GEMI") in line with the provisions of law, posted on the Bank's website and published within the same deadline in a manner that ensures fast and non-discriminatory access thereto, by whatever means the Board of Directors, at its discretion, considers reliable for effective communication of information to investors, such as, in particular, through printed and electronic media on a national and European basis.

In the event of repeat General Meetings, the specific provisions of the current legal and regulatory framework apply.

b) Annual Financial Report

The Annual General Meeting reviews and approves the Annual Financial Report. The Annual General Meeting elects at least one certified auditor or audit firm, as specifically provided for under par. 1 of Article 32 of the Articles of Association.

The Annual Financial Report is available to Shareholders at least ten days prior to the Annual General Meeting, and in accordance with the applicable regulatory framework shall incorporate: a) the Certifications of the Board of Directors, b) Board of Directors' Report, c) Supplementary Report, d) Independent Auditor's Report, e) the Annual Financial Statements including the separate and consolidated financial statements and the notes thereto, f), Summary of Financial Data, g) the Annual Report for the distribution of capital of the financial year it concerns, provided that the distribution has not been finalized or that it was finalized during the second semester, and was drawn from a share capital increase in the form of cash or upon issuance of a bond loan, following the references made in the relevant Prospectus of the issuance and h) reference to the website where the Annual Financial Reports (at www.nbg.gr*, section: The Group / investor relations / financial-information*) and the Annual Financial Statements of the consolidated non-listed companies (at www.nbg.gr, *section: The Group / group-companies*) that represent cumulatively an amount higher that 5% of the consolidated turnover or the consolidated assets or the consolidated results after the deduction of the corresponding part concerning minority shareholders are published.

2.3. Right to participate and vote

a) General provisions

Persons entitled to participate in and vote at the General Meeting (initial and repeat), whether in person or by legally authorized proxy, are those who have shareholder's status according to the provisions of Article 124 par. 6 of Greek Law 4548/2018 in the files of the organization holding the securities of the company.

Shareholder status is evidenced by any means provided by law and, in any case, by means of the information obtained by the Bank from the central securities depository, if providing registry services, or, in any other case, through the registered intermediaries who are members of the central securities depository.

In accordance with the provisions of Article 127 of Greek Law 4548/2018, the members of the Board, as well as the auditors are entitled to be present at the General Meeting. Additionally, the Chair of the General Meeting may, under their responsibility, allow the presence of other persons, who do not have shareholder status or are not shareholders' representatives, insofar as this is not against the company interest. These persons are not considered to participate in the Meeting just for having received the floor on behalf of a present shareholder or at the invitation of the Chair. The participation of the aforementioned persons in the General Meeting can also be done by electronic means, if the invitation of the General Meeting so provides.

In case of a General Meeting that decides the share capital increase for the issuance of common shares, convertible bonds or other financial instruments as well as every General Meeting convened in the context of Greek Law 3864/2010 or related thereto, Article 7 of Greek Law 3864/2010 shall apply.

The HFSF exercises its voting right in the General Meeting as stipulated in Article 7a of Greek Law 3864/2010 and the Relationship Framework Agreement between the Bank and the HFSF.

The procedure and deadline for submitting the legalization documents of proxies and representatives of the Shareholders are set out in par. 3 to 5 of Article 128 of Greek Law 4548/2018. Disclosure of the appointment and revocation of appointment or replacement of the proxies can be effected in writing or via e-mail at the address stated in the General Meetings Invitation. Shareholders that have not adhered to the above provisions, may participate in the General Meeting, unless the General Meeting refuses their participation on serious grounds.

Upon relevant decision of the Board of Directors, the shareholders may participate in the General Meeting by electronic means without attending the Meeting in person at the place where it is held.

In addition, following relevant decision of the Board of Directors, the shareholders may vote at the General Meeting by distance voting, either by exercising their voting rights by electronic means or by mail, prior to the meeting, as per the applicable provisions of law. In that case, the shareholders shall be specifically notified on the procedure via the relevant General Meeting Invitation.

In accordance with the provisions of Articles 120 and 125 of Greek Law 4548/2018, the Board may decide, on serious grounds, that the General Meeting shall be held remotely in its entirety, and the shareholders shall participate by electronic means provided for in the law. The General Meeting may also be held as above, if all shareholders are in agreement. In any case, any shareholder may request that the General Meeting takes place remotely via teleconference, as far as they are concerned, if they reside in a country other than the one where the Meeting takes place or if there are other serious grounds, particularly illness, disability or an epidemic.

b) Approval of overall management/Discharge of auditors from liability

Following approval of the Annual Financial Statements, the Annual General Meeting, by virtue of a decision taken by open vote and as per the Articles of Association, may approve the overall management carried out during the relevant financial year, as well as the discharge of the auditors from any liability.

The members of the Board of Directors that are shareholders of the Bank may take part in the said voting, only on the basis of the number of shares they hold or as proxies of other shareholders provided they have obtained relevant authorization with express and specific voting instructions. The same apply to the Bank's employees.

The Bank may waive claims against members of the Board of Directors or other individuals or proceed with a settlement with them, only if the conditions of Article 102 par.7 of Greek Law 4548/2018 are met.

2.4. Chairing of the General Meeting

The Chair of the Board provisionally chairs the General Meeting. Should s/he be unable to attend the General Meeting, s/he will be replaced by her/his substitute as per par. 3 of Article 20 of the Articles of Association or by the CEO. Should such substitute be also unable to attend, the General Meeting will be provisionally chaired by the Shareholder that owns the largest number of shares, or by the proxy thereof. The Chair, or his substitute, shall appoint individuals to serve as provisional Secretaries of the General Meeting. Subsequently, the General Meeting promptly elects the Chair and two secretaries, the latter also acting as vote counters.

2.5. Quorum and Majority required to passing resolutions

The General Meeting forms a quorum and validly deliberates on the items on the agenda when Shareholders owning at least 1/5 of the paid-up capital are present or represented thereat.

Should there be no such quorum, the General Meeting must reconvene within twenty (20) days as of the date of the meeting that was cancelled, by at least ten (10) full days' prior invitation to this effect; at such repeat meeting, the General Meeting forms a quorum and validly deliberates on the original agenda irrespective of the portion of the paid up share capital represented.

In the event that no quorum is formed, if the place and time of the repeat meetings prescribed by law are specified in the original invitation, no further invitation is required, provided the repeat General Meeting takes place at least five days after the cancelled General Meeting.

Exceptionally, with respect to resolutions concerning:

- a change in corporate nationality;
- a change in corporate activities;
- an increase in Shareholder liability;
- an ordinary share capital increase, unless imposed by law or implemented through capitalization of reserves;
- a decrease in share capital, unless carried out in accordance with Article 21 par. 5 or Article 49 par. 6 of Greek Law 4548/2018;
- a change in the profit appropriation method;
- a corporate merger, split-off, transformation, revival, extension of duration or dissolution of the Bank;
- delegation or renewal of powers to the Board of Directors to decide for the share capital increase as per para. 1 of Article 24 of Greek Law 4548/2018;
- a Bond issue in the form of convertible bonds, as per Article 71 par. 1a of Greek Law 4548/2018;
- an issue of Warrants as per Article 56 par. 1 of Greek Law 4548/2018; and
- in any other case provided for by law.

The General Meeting forms quorum and validly deliberates on the agenda when Shareholders representing 1/2 of the paid-up share capital are present or represented thereat. Should no quorum be formed at the first meeting, as described in the preceding paragraph, a repeat meeting must convene within twenty (20) days as of the first meeting, with at least ten (10) full days' prior invitation, and forms quorum and validly deliberates on the original agenda when at least 1/5 of the paid up share capital is represented thereat. If the place and time of the repeat meetings prescribed by law in the event that no quorum is formed are specified in the original invitation, no further invitation is required, provided each repeat General Meeting takes place at least five (5) days after the cancelled General Meeting.

Resolutions are adopted by absolute majority of the votes represented at the General Meeting. Exceptionally, resolutions on items that require increased quorum are adopted by a majority of 2/3 of the votes represented at the General Meeting. The voting results shall be subject to the applicable legislation.

Specifically, for the resolutions for the share capital increase mentioned in para. 2 of Article 7 of Greek Law 3864/2010, including the resolutions for the issuance contingently convertible bonds or other convertible financial instruments, are taken by the General Meeting, representing at least 1/5 of the paid-up share capital and with absolute majority of the votes represented in the General Meeting. If this is not the case, para. 2 of Article 130 of Greek Law 4548/2018 is applied.

2.6. Rules governing amendments to the Articles of Association

The General Meeting is the sole corporate body vested with authority to decide on amendments to the Bank's Articles of Association, in accordance with Article 117 of Greek Law 4548/2018 and Article 9 of the Bank's Articles of Association. The General Meeting convened for the purpose of introducing amendments to the Articles of Association or for the adoption of resolutions requiring enhanced quorum and majority (statutory General Meeting) may be ordinary or extraordinary.

3. Minority Shareholder's Rights

The shareholders' rights of minority are in accordance with the applicable provisions of Greek Law 4548/2018 as in force and also with the relevant Articles of Association. In particular:

a) Rights regarding the General Meeting

- At the request of Shareholders representing 1/20 of the paid-up share capital, the Board of Directors is obliged to convene an extraordinary General Meeting setting the date thereof not later than forty-five (45) days as of the date on which the request was submitted to the Chair of the Board of Directors. The request indicates the items on the agenda.
- At the request of Shareholders representing 1/20 of the paid-up share capital, the Board of Directors shall add to the agenda of the General Meeting that has been convoked additional items, provided the respective request is submitted to the Board of Directors at least fifteen (15) days prior to the said General Meeting and meets the requirements of Article 30 par.2 of the Articles of Association.
- Shareholders representing 1/20 of the paid-up share capital may submit, pursuant to Article 123 par.3 of Greek Law 4548/2018, draft resolutions on the items included in the initial or the revised agenda, provided the respective request has been submitted to the Board of Directors at least seven (7) days prior to the date of the General Meeting and the draft resolutions be made available to the shareholders, pursuant to par. 3 Article 123 of Greek Law 4548/2018, at least six (6) days prior to the date of the General Meeting. The Board of Directors is under no obligation to take any of these steps if the content of the respective request by shareholders clearly infringes the law and decent conduct.

Specifically, for the General Meetings convened in accordance with Article 7 of Greek Law 3864/2010, the above deadlines are reduced to three (3) and four (4) days respectively.

- At the request of Shareholder(s) representing 1/20 of the paid up share capital, pursuant to Article 123 par.3 of Greek Law 4548/2018, the Chair of the General Meeting shall postpone, only once, decision-making by the

General Meeting, whether it is annual or extraordinary, for all or certain items in the Agenda, for a new General Meeting to be held on the continuation date indicated in the Shareholders' request, but not later than twenty (20) days as of the said postponement.

Specifically, for the General Meetings convened in accordance with Article 7 of Greek Law 3864/2010, the above deadline is reduced to three (3) days.

- The General Meeting held following such postponement, being a continuation of the previous General Meeting, is not subject to publication requirements as regards the invitation to Shareholders, and new Shareholders may also participate therein, duly complying with the formalities regarding participation.

- At the request of Shareholders representing 1/20 of the paid-up share capital, decision-taking on the General Meeting agenda shall be by open vote.

- At the request of any Shareholder filed to the Bank at least five (5) full days before the date of the General Meeting, the Board of Directors provides the General Meeting with any such specific information on the Bank's business as may be requested, insofar as they are relevant to the items in the Agenda.

Specifically for the General Meetings convened in accordance with Article 7 of Greek Law 3864/2010, the above deadline is reduced to three (3) days.

The Board of Directors may provide a single answer to shareholders' requests that are of similar content. No such obligation to provide information applies in the event that the said information is already available on the company's website, particularly in the form of questions and answers. Moreover, at the request of Shareholders representing 1/20 of the paid up share capital, the Board of Directors informs the General Meeting, provided it is an annual one, of the amounts paid by the Bank to each Director or the Managers of the Bank over the last two years, and of any benefits received by such persons from the Bank for whatever reason or under any agreement with the Bank. In all of these cases the Board of Directors is entitled to decline the provision of the information requested, for good reasons, which are recorded in the minutes. Depending on the circumstances, one such good reason may be the requesting Shareholders' representation on the Board of Directors as per Articles 79 or 80 of Greek Law 4548/2018.

- At the request of Shareholders representing 1/10 of the paid-up share capital, filed with the Bank at least five (5) full days before the General Meeting, the Board of Directors shall provide the General Meeting with information on the current status of corporate affairs and assets of the Bank.

For the General Meetings convened in accordance with Article 7 of Greek Law 3864/2010 the above deadline is reduced to three (3) days.

The Board of Directors may decline to supply the information requested for good reasons, which are recorded in the minutes. Such good reason may be, depending on the circumstances, the requesting shareholders' representation on the Board of Directors, pursuant to Articles 79 or 80 of Greek Law 4548/2018, provided that the respective directors have received the relevant information in an adequate manner.

In the cases of paragraphs 6 and 7 of Article 30 of the Bank's Articles of Association, any dispute as to the validity of the reason for declining to provide the Shareholders with the information requested shall be settled by a judgment rendered by the competent court of the place of the Bank's registered office. By virtue of the said judgment, the Bank may be required to provide the information it had declined. The said judgment shall not be challenged before Courts.

Under all circumstances, when requesting shareholders exercise their rights as above, they are required to produce proof of their shareholder capacity and number of shares, with the exception of first subparagraph of par. 6 of Article 30 of the Bank's Articles of Association. Shareholder status is evidenced by any means provided by law and, in any case, by means of the information obtained by the Bank from the central securities depository, if providing registry services, or, in any other case, through the registered intermediaries who are members of the central securities depository.

b) Rights regarding extraordinary audit

- Shareholders representing at least 1/20 of the paid-up share capital are entitled to file with the competent court a petition for an extraordinary audit of the Bank in accordance with the procedure provided for by law. The said audit is ordered if the acts alleged by the petitioners are deemed likely to contravene provisions of the law, or of Articles of Association, or of General Meeting resolutions. Under all circumstances, audit requests as above must be filed within three (3) years of approval of the Annual Financial Statements for the year in which such acts allegedly occurred.

- Shareholders representing 1/5 of the paid-up share capital may file with the competent court a petition for an extraordinary audit of the Bank if the overall corporate performance suggests that the management of corporate affairs has not been based on sound or prudent practices.

Shareholders requesting an audit as above shall provide the court with proof of ownership of the shares entitling them to the audit request.

4. Other Shareholder Rights

Additional information on the Shareholder rights and their exercise is included in the Supplementary Report for the Annual General Meeting, as required by Article 4 of Greek Law 3556/2007, as in force, which is part of the Bank's Annual Board of Directors' Report.

D. Board of Directors and other management, administrative and supervisory Bodies

Board of Directors of the Bank

The Bank is managed by the Board of Directors, which is responsible for ensuring strategic direction, management supervision and adequate control of the Bank, with the ultimate goal of increasing the long-term value of the Bank and protecting the corporate interest at large, in compliance with the current legal and regulatory framework, including the provisions of the Amended Relationship Framework Agreement between the Bank and the HFSF and the obligations of the Bank towards the Monitoring Trustee.

NBG's Board of Directors composition is as follows:

Costas Michaelides
Non-Executive Chairman of the Board of Directors

Number of shares*
Nil

Mr. Costas Michaelides (born 1949) possesses excellent experience of over 30 years in international banking, having served in a number of prominent managerial positions in international credit and financial organisations.

He was appointed as Non-Executive Chairman of the Bank's Board of Directors in December 2017.

During the period 2013-2015 he served as Global Head of Strategic Change at UBS A.G., while from 2005 to 2013 he was Regional Chief Operating Officer at Credit Suisse A.G. Prior to that, he served as Chief Operating Officer and Managing Director ad Head of European Finance, Administration and Operations, Managing Director at Credit Suisse First Boston (2000-2005), Chief Operating Officer and Managing Director at Donaldson, Lufkin & Jenrette U.K. (1999-2000) and Chief Financial Officer (1988-1994) and Chief Administrative Officer (1994-1999) at Merrill Lynch U.K. He has also been Treasurer at Salomon Brothers U.K. (1986-1988) and has served in various positions at ExxonMobil, including as Treasurer and as Financial Analyst.

Mr. Michaelides holds an MBA in Finance from Columbia Business School, a Doctorate in Economics and International Affairs from the University of Denver, and a BA in Economics and Political Science from Ripon College.

Pavlos Mylonas
Executive Board Member.
Chief Executive Officer

Number of shares*
3,341

Chair of the Senior Executive Committee, the Senior Credit Committee, the ALCO and the Provisions and Write-Offs Committee

Mr. Pavlos Mylonas (born 1958) was appointed Chief Executive Officer of National Bank of Greece in July 2018. He joined NBG in 2000 and served, inter alia, as Deputy CEO, CRO and Head of Strategy.

He worked as a Senior Economist on the staff of the Organisation for Economic Co-operation and Development ("OECD") from 1995 to 2000 as well as at the International Monetary Fund from 1987 to 1995. In the years 1985-1987 he was visiting Assistant Professor at the Department of Economics in Boston University.

He holds a Bachelor of Science in Applied Mathematics-Economics (Magna cum Laude and Phi Beta Kappa) from Brown University, as well as a Master of Arts and a Ph.D. in Economics from Princeton University

Christina Theofilidi
Executive Board Member
General Manager of Retail Banking

Number of shares*
Nil

Member of the Senior Executive Committee, Member of the Senior Credit Committee and the ALCO

Mrs. Christina Theofilidi (born 1967) was elected Executive Board Member in July 2019.

She was appointed as General Manager of Retail Banking and Member of the Executive Committee of NBG in December 2018. Currently, she also serves as a Non-Executive Member at the Board of Directors of Ethniki Hellenic General Insurance S.A. and National Bank of Greece Cultural Foundation ("MIET"). She is also a member of the Executive Committee of the Hellenic Banking Association.

Mrs. Theofilidi started her career in the banking sector in 1988 working initially for Societe Generale and Citibank, holding positions in Marketing and Branch Network. In 1997, she joined Eurobank where she held various senior positions in Retail Banking for over 20 years. Major milestones in her career include managing the Commercial Division, International Activities, and Risk Function of Eurobank Household Lending S.A. In 2013, she became the Managing Director of the Eurobank subsidiary and in 2014, she joined the newly founded Troubled Assets Group and held the position of Retail Remedial General Manager. Her latter position in the bank was Retail Products General Manager.

Mrs. Theofilidi holds an MBA Degree from INSEAD (European Institute of Business Management) and a Bachelor Degree with a double major in Economics and Psychology from Swarthmore College of Pennsylvania, USA.

Gikas Hardouvelis
Senior Independent Director

Number of shares*
3,300

Vice-Chair of the Board Risk Committee and the Audit Committee

Member of the Corporate Governance and Nominations Committee and the Strategy and Transformation Committee

Professor Gikas Hardouvelis (born 1955) was appointed as Independent Non-Executive Director – Senior Independent Director of the Board of Directors in July 2019.

Professor Hardouvelis holds vast experience in Banking and Financial Management, he has a long-standing career in economic research, while he additionally possesses experience in senior government positions and has continuously interacted with the investor universe, both Greek and international.

In the past prof. Hardouvelis has served, among others, as a member of the Board of Directors of National Securities S.A., Athens Derivatives Exchange, Foundation for Economic & Industrial Research and as a member of the Scientific Council of the Hellenic Bank Association, as well as a member of the European and Monetary Affairs Committee of the European Banking Federation.

Currently, Professor Hardouvelis is First Vice President of the Board of Directors and member of the Executive Committee of the Foundation of Economic and Industrial Research (IOBE), member of the Board of Trustees of Anatolia College, the Board of Directors of Multinational Finance Society, the Academic Council of Cyprus International Institute of Management, while he is a Professor at the Department of Banking and Financial Management at the University of Piraeus and a Research Fellow at the Centre for Economic Policy Research, London.

He holds a B.A. (Magna cum Laude) and a M.Sc. in Applied Mathematics from Harvard University, as well as a Ph.D. in Economics from the University of California, Berkeley.

Claude Piret
Independent
Non-Executive Member

Number of shares*
Nil

Chair of the Board Risk Committee, Vice-Chair of the Audit Committee,

Member of the Corporate Governance and Nominations Committee, the Human Resources and Remuneration Committee and the Strategy and Transformation Committee

Mr. Claude Piret (born 1951) has been member of the Board of Directors of National Bank of Greece since November 2016.

He possesses extensive experience in the international financial sector, having a career of over 35 years in international banking institutions. He has served in high-ranking positions for a number of years at Dexia Group and has extensive experience in audit and in the areas of risk management and management of non-performing loans, while currently he is a member of the Board of Directors of Saint Pierre Hospital.

Mr. Piret holds a Diploma in Civil Engineering from The Université catholique de Louvain (Belgium) and a post-graduate degree in Management (Finance) from The Université Libre de Bruxelles (ULB) - Solvay Institute.

Wietze Reehoorn
Independent
Non-Executive Member

Number of shares*
Nil

Chair of the Corporate Governance and Nominations Committee and the Strategy and Transformation Committee

Member of the Board Risk Committee and the Audit Committee

Mr. Wietze Reehoorn (born 1962) was appointed as Independent Non-Executive Director of the Board of Directors in July 2019.

Mr. Reehoorn is an experienced senior banking executive, having held a number of senior managerial positions in a market leading international bank.

Currently, Mr. Reehoorn serves as Chairman of the Supervisory Board of MUFG Bank (Europe) N.V. (MBE) and as member of the Supervisory Board of Anthos Private Wealth Management B.V. Additionally, he holds the positions of the member of the Supervisory Council and Chair of the Audit Committee of Rijksuniversiteit Groningen, Chairman of the Supervisory Council of Stichting Topsport Community, member of the Supervisory Council of Frans Hals Museum, member of the Board of Directors of ABE Bonnema Stichting and member/Director of Koninklijke Hollandsche Maatschappij der Wetencchappen.

Previously, Mr. Reehoorn held, among others, the position of Chairman of the Supervisory Board of IFN Group. Mr. Reehoorn was a member of ABN Amro for over 30 years where he held various positions some of which include Chief Strategy Officer and Chief Risk Officer and he also led the integration of ABN Amro with Fortis. His diverse experience offers skills relating to risk, strategy and corporate governance.

Mr. Reehoorn holds a Master's Degree in Law from Rijksuniversiteit Groningen.

Anne Marion-Bouchacourt
Independent
Non-Executive Member

Number of shares*
Nil

Chair of the Human Resources and Remuneration Committee

Member of the Strategy and Transformation Committee and the Compliance, Ethics and Culture Committee

Mrs. Anne Marion-Bouchacourt (born 1958) was appointed as Independent Non-Executive Member of the Board of Directors of the National Bank of Greece in April 2020.

During her long career, she has served in various positions, gaining extensive expertise in the fields of human resources and culture, accounting and financial auditing, and having considerable experience in strategy, organization and business transformation.

Mrs. Anne Marion-Bouchacourt possesses significant experience in the banking sector and has served in high-ranking positions in international financial organisations and firms. Among others, she has served as senior executive at Societe Generale Group for over 15 years, in particular, as Group Chief Country Officer for China (2012 – 2018), as Senior Executive Vice President, Corporate Human Resources (2006 – 2012), and she has also worked as an auditor (1981 – 1986) and as a consultant (1986 – 1999) with PricewaterhouseCoopers (PwC), having been appointed Director in PwC's Financial Services sector, while she had additionally been a consultant in strategy and organization at Solving International (2002 – 2004) and at Gemini Consulting (1999 – 2002).

She currently serves as Chair of Societe Generale Private Banking Switzerland and she also acts as Societe Generale Group Country Head for Switzerland and CEO of Societe Generale Zurich, as Non-Executive Member at Credit du Nord, as well as an Independent Non-Executive Member at Ipsos. Additionally, she serves as President of 'Conseillers du Commerce extérieur de la France (Suisse)' and as Member of the Board of the 'Association des banques étrangères en Suisse'.

Mrs. Marion-Bouchacourt graduated from the École Supérieure de Commerce de Paris (ESCP), she holds a post-graduate diploma in Finance from the Paris Dauphine University and is a Chartered Accountant.

Matthieu Kiss
Independent
Non-Executive Member

Number of shares*
Nil

Chair of the Audit Committee

Member of the Board Risk Committee and the Compliance, Ethics and Culture Committee

Mr. Matthieu Kiss (born 1956) was appointed as Independent Non-Executive Member of the Board of Directors of the National Bank of Greece in December 2020.

Mr. Kiss possesses extensive experience in the banking sector, having served in prominent financial organizations, and expertise in the area of audit. Among others, Mr. Kiss has been a Member of the Board at HSBC Asset Management France since 2009. Since 2009 he has also been serving as a Member of the Board and the Audit Committee at HSBC Insurance France where he has been Chair of the Audit Committee since 2015. In the past he had served as Global CFO, Retail Banking & Wealth Management at HSBC Group, as well as CFO of HSBC France & Continental Europe.

In addition, he has served as member of Boards and Audit Committees at various financial organisations, including at CCF-Charterhouse and Elysées-bourse (the brokerage subsidiary of CCF), Aurel-Leven and Charterhouse bank.

He holds a BA in Law from the University of Paris II, an MBA Degree from Institut d'études Politique de Paris and a diploma in Public Administration from L' École Nationale d' Administration (ENA).

Elena Ana Cernat
Independent
Non-Executive Member

Number of shares*
Nil

Vice Chair of the Human Resources and Remuneration Committee

Member of the Board Risk Committee and the Strategy and Transformation Committee

Mrs. Elena Ana Cernat (born 1974) was appointed as Independent Non-Executive Director of the Board of Directors in July 2019.

Mrs. Cernat is a highly experienced banker, having held several senior executive and non - executive positions during her career, with emphasis in business development and innovation. She possesses substantial experience in retail banking, developing new business, digital and multichannel strategies.

In the recent past, Mrs. Cernat held the position of member of the Board of Directors of Euroline Retail Services (member of Eurobank Group) and currently holds the position of an executive member of the Board of Directors of Alior Bank Warsaw – Bucharest branch, while she is also a Board member at Yoga Vidya Romania. In addition, Mrs. Cernat is authorized by the Central Bank of Romania (BNR) in Credit, Risk and Capital Management.

She holds a B.A. in Philology, Applied Modern Languages from Babes - Bolyai University, Romania, an MBA, Romanian - Canadian MBA Program Certificate from Bucharest School of Management, as well as several certifications including among others Certification in Banking Marketing.

Avraam Gounaris
Independent
Non-Executive Member

Number of shares*
Nil

Chair of the Compliance, Ethics and Culture Committee

Member of the Audit Committee and the Strategy and Transformation Committee

Mr. Avraam Gounaris (born 1969) was appointed as Independent Non-Executive Director of the Board of Directors in July 2019.

Mr. Gounaris has held several senior positions in both the public and private sectors and has diverse managerial experience with an emphasis on restructuring and transition management and is considered an expert in multiple stakeholder management.

In the past, Mr. Gounaris has served, among others, as non-executive member of the Board of Directors of Euroconsultants, executive member of the Board of Directors of ECUSA and Chairman of the Board of Directors of Investment Bank of Greece.

He holds a Bachelor of Science in Business Administration (Finance) and a Master in Business Administration from the University of Nevada, Reno.

Aikaterini Beritsi
Non-Executive Member

Number of shares*
Nil

Vice-Chair of the Corporate Governance and Nominations Committee and of the Strategy and Transformation Committee

Member of the Human Resources and Remuneration Committee and the Compliance, Ethics and Culture Committee

Mrs. Aikaterini Beritsi (born 1955) was appointed as Non-Executive Director of National Bank of Greece in July 2019.

Mrs. Beritsi brings along her substantial experience in the Greek Banking sector gained in senior positions at major systemic banks. In addition, Mrs. Beritsi is an expert in corporate governance, following her directorships in four other Greek Banks (three of them systemic), where she had a leading role in introducing best practice and addressing significant internal control issues.

In the recent past Mrs. Beritsi had served as member of the Board of Directors and all statutory committees of Piraeus Bank and Eurobank, Chairperson of the Board of Directors of New Proton Bank and of Proton Bank SA, as well as member of the Board of Directors of Credit Agricole Group/Emporiki Bank. Mrs. Beritsi currently also serves as an independent non-executive member of the Board of Directors and as the Chairperson of the Audit Committee of E.Y.D.A.P., the largest Greek water supply and sewage company, listed on the Athens Stock Exchange.

Mrs. Beritsi is a graduate of the Department of Economics of the National and Kapodistrian University of Athens. She has completed the program Modern Governance in Banking at INSEAD, while she has participated in multiple financial seminars and managerial training programs.

JP Rangaswami
Non-Executive Member
Number of shares*
Nil

Member of the Compliance, Ethics and Culture Committee and the Strategy and Transformation Committee

Mr. JP Rangaswami (born 1957) was appointed as Non-Executive Member of the Board of Directors of the National Bank of Greece in October 2020.

Mr. JP Rangaswami possesses extended experience of over 35 years in the IT sector and has served in senior positions in multinational organizations, including financial institutions. Among others, he has served as Chief Data Officer and Group Head of Innovation at Deutsche Bank, as well as Global Chief Information Officer at Dresdner Kleinwort Wasserstein.

Currently, Mr. JP Rangaswami holds the position of an independent non-executive member of Admiral Group Plc, Allfunds Bank SA, the Daily Mail and General Trust (DMGT) plc and EMIS Group plc, he is Member of the Trust Board at Hammersmith Academy Trust, Webscience Trust and Cumberland Lodge, while he is also an Adjunct Professor in Electronics and Computer Science at the University of Southampton.

He holds a BA in Economics from the University of Calcutta while he has extended his education having participated in high level educational programs.

Periklis Drougkas
Representative of the HFSF
Non-Executive Member

Number of shares*
Nil

Member of Board of Directors and Board Committees

Mr. Periklis Drougkas (born 1953) was appointed as Representative of the Hellenic Financial Stability Fund at NBG Board of Directors in July 2018.

He has an extensive professional experience in senior-level executive positions in leading regional and multinational banking and financial services organizations.

At his early career he held a series of executive roles with Citibank. From 1994 to 2004 Periklis Drougkas served as Assistant General Manager, Head of Retail Banking of ING BANK NV, as General Manager of Egnatia Bank S.A., Head of Retail Banking, while he was also appointed Chairman of the Board and Managing Director of Egnatia Fin S.A. and General Manager of Egnatia Insurance Broker Co. Ltd. In 2004 he joined EFG Eurobank Group as General Manager in Open24 S.A, while his career in Alpha Bank started in 2008 when he was appointed in Alpha Bank Serbia AD as Deputy President of Executive Board, Head of Retail Banking Business Unit. In 2012 he was appointed Chief Executive Officer and Chairman of Management Board of Alpha Bank Albania SHA.

During his career he has held a series of advisory positions and served as Chairman of the Albanian Association of Banks and President of the Hellenic Business Association in Albania. Currently, he also serves as independent non-executive director of Board of Directors and Audit Committee in a regional bank.

He has graduated from the Athens University of Economics and Business while he has extended his education in advanced management programs.

Panos Dasmanoglou
Board of Directors and
Board Committees Secretary

General Manager - Group
Compliance
and Corporate Governance

Number of shares*
80

Member of the Senior Executive Committee with no voting rights

Mr. Panos Dasmanoglou (born 1963) has been an executive at the National Bank of Greece since 1990. In July 2018 he was elected Executive Member of the Board of Directors, position in which he remained for one year. He has been serving as Group Chief Compliance and Corporate Governance Officer at National Bank of Greece since December 2016. He is a Member of the Executive Committee (with no voting rights). In June 2015 he was appointed Assistant General Manager of Group Compliance and Corporate Governance, while previously, since September 2013 he served as Assistant General Manager of Group Compliance. In parallel, in January 2014 he was elected Secretary of the Bank's Board of Directors and of its Committees.

Since July 2009 he served as Director of the National Bank of Greece Group Compliance Division, where he was responsible for the Group's compliance with the legislative and regulatory framework. As part of the various executive-level positions he has assumed throughout his career as a lawyer at the National Bank of Greece Legal Services Division, he has handled significant matters relating to the integration of European banking legislation in the Bank's activities, domestic and international credit operations and M&A activity, thereby gaining substantial experience across a broad spectrum of banking operations.

For a number of years, he has been an active participant in the workings of the Hellenic Bank Association and the European Banking Federation, specifically in the committees on international banking issues, compliance, consumer issues, anti-money laundering, derivatives and repos. Further, he serves as member on the Board of the Hellenic Ombudsman for Banking-Investment Services.

Mr. Panos Dasmanoglou serves many years on the Board of Directors of several NBG Group companies, namely as Chairman of the Board of Directors of NBG Securities S.A. and Vice-Chairman of the Board of Directors of National (Ethniki) General Insurance.

He holds a law degree (LL.B) from the University of Athens Law School and a Master’s degree in European Law from the University of Brussels, while he has also studied banking management at INSEAD Graduate Business School. Additionally, he has received international certifications in the field of international financial law and Compliance in banking.

**Number of shares as at 31 December 2020.*

The Board of Director's tasks, key responsibilities and authorities are set out in Greek Law 4548/2018, Greek Law 4261/2014, EU Regulation 468/2014, Greek Law 3016/2002, Greek Law 3864/2010, as in force, and the Relationship Framework Agreement between the Bank and the HFSF and in the Bank's Articles of Association and in the Corporate Governance Code which are available on the Bank's website, at www.nbg.gr (*section: The Group / Corporate Governance / Regulations and Principles*). It is noted that, on 17 July 2020, Greek Law 4706/2020 was published on Greek Government Gazette including, among others, corporate governance provisions which, upon their entry into force, will repeal and replace those of Greek Law 3016/2002. The new corporate governance provisions will enter into force 12 months after the aforementioned publication.

Appointment of Directors and Operation of the Board

The members of the Board of Directors are elected by the Bank's General Meeting of the Shareholders for a term that cannot exceed three (3) years and ends at the ordinary General Meeting of the Shareholders of the year in which such provisioned term expires. Uneven terms of office may be provisioned for each Director, insofar as this is prescribed by the current legal and regulatory framework. All members can be re-elected, subject to the fulfillment of requirements set by each time applicable legal and regulatory framework. The General Meeting of Shareholders determines each time the exact number of the members of the Board of Directors (the Board of Directors may consist of a minimum of seven (7) up to a maximum of fifteen (15) members and must always be an odd number) and its independent members.

HFSF Representative

A HFSF Representative also participates in the Bank's Board of Directors, in line with Greek Law 3864/2010, as in force. In accordance with the Amended Relationship Framework Agreement between the Bank and the HFSF, signed in December 2015, the HFSF is also entitled to the appointment of an observer (HFSF Observer-without voting right) to the Board of Directors of the Bank. Currently, Mr. Christoforos Koufalias is the HFSF's Observer to the Bank's Board of Directors and Board Committees.

Board Members' Removal and Replacement

The Board of Directors' members can be removed at any time by the General Meeting. In the event that a member ceases to participate in the Board of Directors, due to resignation, disease or having forfeited their office for whatever reason, and in case its replacement by deputy members, that have potentially been elected by the General Meeting is impossible, the rest of the members may either provisionally elect another member to cover the unoccupied seat for the period of time that remains until the replaced member's term of office ends, or may continue to manage and represent the Bank without replacing the missing Director(s), provided that the number of the remaining Directors shall remain within the range prescribed by the Bank's Articles of Association (currently at least seven), which is in accordance with the applicable framework.

In the event that a new Director is provisionally elected, the election shall be valid for the remaining term of office of the Director replaced and is announced by the Board of Directors at the immediately following General Meeting, which may replace the Directors even if no relevant item is included on the agenda. Under all circumstances, the remaining Directors, irrespective of number, may call a General Meeting solely for electing a new Board.

Election of Chair and CEO

The Board of Directors elects, by absolute majority from its members, the Chair and the CEO who manages the affairs of the Bank and decides on the appointment of executive and non-executive members of the Board. Moreover, the Board of Directors may also elect from among its members one or more Vice Chair. Furthermore, the Board of Directors decides on the appointment and duties of the Deputy Chief Executive Officer(s).

The Bank constantly monitors developments internationally in the field of corporate governance and aims to adopt best practices and continuously updates its corporate governance framework, in which context, as well as in accordance with the current regulatory framework, and best practices in corporate governance, the Bank distinguishes the role of the Chair from that of the Chief Executive Officer.

Operation of the Board of Directors

i) Constitution into a Body

The Board of Directors is constituted into a body at its first meeting following each election of Directors by the General Meeting, as well as under any circumstances when the Chair's or the Chief Executive Officer's post is vacated for whatever reason. Until the Board of Directors elects a new Chair or Chief Executive Officer, the relevant duties are exercised by the substitute thereof. Furthermore, the Board of Directors may be constituted into a body anytime, following relevant decision by majority, determining anew its executive and non-executive members.

ii) Convocation

The Board of Directors convenes as prescribed by Greek legislation, the Bank's Articles of Association and the Corporate Governance Code, as well as according to the provisions of the Amended Relationship Framework Agreement between the Bank and the HFSF and the obligations of the Bank towards the Monitoring Trustee. The Board of Directors is convened by the Chair:

- upon invitation sent by the Board of Directors Secretary to the Board of Directors members at least three (3) business days before the meeting. The invitation must clearly specify the items on the agenda, otherwise decisions cannot be reached unless all members of the Board of Directors' are present or represented at the meeting and no member objects to decision-making or
- at the request of at least two (2) directors, within seven (7) days from the submission of the written request, which should clearly specify the agenda of the Board of Directors meeting requested or
- upon request of the HFSF representative within seven (7) days from the submission of the request to

the Chair.

In case the Board of Directors Chair does not proceed with convocation of the Board of Directors upon request of at least two (2) directors or the HFSF representative within the above deadline or does not include in the invitation all proposed items on the agenda, then said directors or the HFSF representative respectively are able to convene the Board of Directors within five (5) days from expiry of the above deadline of seven (7) days. The invitation shall be notified to all Board of Directors members and to the HFSF observer.

iii) Inclusion of Items on the Agenda

- Any member may request the Chair to include one or more items on the agenda of the next Board of Directors' meeting.
- Two (2) or more members may require the Chair to include one or more items on the agenda of the next Board of Directors meeting.
- The HFSF representative also has the right to include items on the agenda and, to that end, must send to the Chair of the Board of Directors in writing, the proposed/additional items at least two (2) business days prior to the date of the Board of Directors meeting. The Chair of the Board of Directors must include those items on the agenda of the scheduled Board of Directors' meeting.

iv) Decision making

The Board of Directors forms a quorum and validly deliberates when one half plus one of the Board of Directors are present or represented, but under no circumstances may the number of Directors present be less than five (5). The Articles of Association describe in detail the requirements of Directors' representations for valid resolutions adoption.

v) Board Secretariat System

Since 2016, and in the context of further enhancing the efficient operation of the Board of Directors, the Bank has implemented special Board Secretariat system to further support operation of the Board of Directors, thus providing Board of Directors members with appropriate information and notifications, accessing remotely the Board of Directors and Board Committees' material and facilitating exchange of opinions and commenting on issues placed under consideration of the Board of Directors and Board Committees, signing of meeting minutes and better monitoring of issues discussed by the Board of Directors and its Committees.

Responsibilities of the Board of Directors

Among other matters, the Board of Directors is responsible for:

- reviewing and approving the strategic direction of the Bank and the Group, including the business plan, the annual budget and the key strategic decisions as well as providing guidance to the Bank's and the Group's Management;
- reviewing the Group's corporate structure, monitoring its embedded risks and ensuring the cohesiveness and effectiveness of the Group's corporate governance system;
- acquiring shareholdings in other banks in Greece or abroad, or divestment thereof;
- establishing Branches, Agencies, and Representation Offices in Greece and abroad;
- establishing associations and foundations under Article 108 and participating in companies falling under Article 784 of the Greek Civil Code;
- approving the Bank's internal labour regulations;
- nominating General Managers and other executives of the Bank, as appropriate in line with the applicable framework and accordingly following proposals by the Bank's responsible bodies;
- reviewing and approving the Group and the Bank's annual and interim financial report;
- issuing Bonds of any type, with the exception of those for which the Bank's General Meeting is exclusively responsible in accordance with the Greek law;
- approving and reviewing a Code of Ethics for the employees of the Bank and the Group and the Code of Ethics for financial professionals;
- approving the Bank's and the Group's CSR Policy; and
- approving and reviewing the Group Remuneration Policy upon decision of its non-executive members, following recommendation by the Human Resources and Remuneration Committee of the Board of Directors.

Moreover, pursuant to Article 10 of Greek Law 3864/2010 (the "HFSF Law"), as in force, as well as according to the Amended Relationship Framework Agreement entered into with the HFSF, the representative of the HFSF may, *inter alia*, veto the decision making process of the Board of Directors in relation to dividend allocation and remuneration of the Chair of the Board of Directors, the Chief Executive Officer and Board members, as well as the General Managers and their substitutes.

Directors Nomination & Suitability Assessment

According to para. 1(b) of Article 9 of the Bank's Articles of Association, the General Meeting of the Shareholders is the sole corporate body vested with the authority to elect of the members of the Board of Directors and their substitutes, as well as to determine the independent non-executive members, while a representative of the Hellenic Financial Stability Fund participates in the Bank's Board, pursuant to Law 3864/2010, as in force. Exceptionally, according to the provisions of para. 3 of Article 17 of the Bank's Articles of Association and Article 82 of Law 4548/2018, in the event that as a result of resignation, death or forfeiture for whatever reason a Director ceases to be on the Board of Directors and his replacement by substitute Directors elected by the General Meeting is not feasible, the remaining

Directors may either provisionally elect another Director to fill the vacancy for the remaining term of office of the Director replaced, or continue to manage and represent the Bank without replacing the missing Director(s), provided that the number of the remaining Directors shall be within the range prescribed by the Bank's Articles of Association (currently at least seven), which is in accordance with the applicable framework.

In any case, the election of members of the Board of Directors is subject to constant review and approval by the SSM.

In particular, according to the Bank's Corporate Governance Code, the Board of Directors, assisted by the Corporate Governance and Nominations Committee, proposes to the General Meeting candidate Directors on the basis of the Nominations Policy and in alignment with the Board Suitability Assessment Policy and Procedure and the relevant regulatory framework which requires them to meet the "fit and proper" criteria and not have any systematic conflict of interest with the Bank.

The nomination of the Bank's Board of Directors is performed in accordance with the Bank's detailed Directors' Nomination Policy, the Board Suitability Assessment Policy and Procedure, the provisions of the Bank's Articles of Association, the Corporate Governance Code and the Corporate Governance and Nominations Committee Charter, the provisions of the relevant regulatory framework especially, Greek Laws 4548/2018 and 4261/2014, which transposed into Greek law Directive 2013/36/EU (CRD IV), Greek law 3864/2010 (the "HFSF Law"), and the Bank of Greece Executive Committee's Act No. 142/11.6.2018, as in force, as well as relevant guidelines of the European Banking Authority and the HFSF, while taking into account international best practices. Each nominee fulfils such criteria that ensure the appropriate governance and guidance of the Bank's strategy in respect of economic, business and policy issues, so as to ensure the required approval of the supervisory authorities in national and European level.

Following each election of Directors by the General Meeting of the Shareholders, as well as under any circumstances when the Chair's or the Chief Executive Officer's post is vacated for whatever reason, the Board of Directors constitutes into a body at its first meeting thereof and elects its Chair and the CEO who manages the affairs of the Bank, by absolute majority from among its members. According to the Bank's Corporate Governance Code, the Bank distinguishes the role of the Chair of the Board of Directors and the role of the Chief Executive Officer. Moreover, the Board of Directors has the authority to elect Vice Chair(s) and to decide on the appointment and duties of Deputy Chief Executive Officer(s).

In selecting and proposing to the General Meeting of the Shareholders potential members of the Board of Directors, or in appointing new members in replacement of members who for whatever reason cease to be on the Board of Directors, the Board of Directors shall seek to propose candidates whose nomination ensures that the Board of Directors as a collective body presents above all the following profile:

- has a thorough knowledge of the financial industry, counting among its members individuals who are serving or have served in the past in leadership positions in financial institutions. More specifically, Board membership shall have the appropriate mix and experience in financial services or commercial banking and adequate time to provide effective oversight of a Group that offers a diverse range of financial services and operates on an international scale. Some of its members have significant long-time experience in financial management, accounting, and risk and capital management and control. Board members are also aware of the legal and regulatory requirements of the banking industry;
- has substantial business and professional experience, counting among its members individuals who are serving or have served in the past as Chair, Chief Executive Officers or senior managers of large organizations that are active in the areas of banking, audit, risk management or distressed asset management and have built a reputation that demonstrates the ability to make the kind of important and sensitive business decisions that the Board of Directors is called upon to make;
- has a full understanding of the structure and dynamics of NBG's customer universe, and of the principal markets in which the Group is currently active;
- has substantial international experience and can contribute to NBG's aspirations in the specific geographical region in which NBG is active;
- ensures, as far as possible, adequate representation of both genders;
- reflects the business model and the financial condition of the Bank
- includes at least three (3) experts as independent non-executive members with adequate knowledge and international experience of at least fifteen (15) years in relevant banking institutions of which at least three (3) years' experience on a board of an international banking group not operating on the Greek market. These experts should have no relationship over the previous ten (10) years with credit institutions operating in Greece;
- at least one board member shall have relevant expertise and international experience of at least five (5) years in the risk management or management of NPLs. This board member will focus on management of non-performing loans at board level and chair the board committee of that deals with Non-Performing Loans;
- the principle of diversity is respected in the selection of Directors for the Board. Diversity is one factor that can enhance the functioning of the Board of Directors, as it addresses the phenomenon of "group think" and facilitates independent opinions and constructive challenging in the process of decision making.

The Bank's Corporate Governance Code, as well as the Board Suitability Assessment Policy and Procedure and the Directors' Nomination Policy describe specific suitability criteria that shall be met by candidates as regards their initial and ongoing suitability, professional competencies that are incompatible with the position of Board member at the Bank, criteria concerning independence of non-executive members, participation of candidates on other boards, as well as other cases that are incompatible with the position of Board member. The Bank aims to ensure that, in any case and at all times, all members of its Board of Directors are individually suitable for their respective roles and the Board. All the above aim to ensure the best composition for the Board of Directors. The Bank monitors developments in the applicable framework and relevant guidelines and best practices and proceeds to the actions deemed appropriate in order to ensure that the policies followed are in alignment with each time applicable regulatory framework and relevant guidelines.

Evaluation of the Chief Executive Officer, the Board of Directors and the Board Committees

According to the Bank's Corporate Governance Code and the Policy and Procedures for the annual evaluation of the Board of Directors, the Board, assisted by the Corporate Governance and Nominations Committee, conducts an annual Board effectiveness review to evaluate its own performance as a collective body and its members' contribution in line with the Board of Directors evaluation procedure formulated by the Corporate Governance and Nominations Committee, taking also into consideration the applicable legal and regulatory framework. The evaluation is carried out every three (3) years by an external consultant whose oversight is the responsibility of the Corporate Governance and Nominations Committee. The HFSF is entitled to monitor/review this evaluation.

The Corporate Governance and Nominations Committee shall determine the exact timing for the initiation of the annual evaluation of the Board and its Committees and the assessment of the Board members on an individual basis, as well as the evaluation timetable and the methodology that shall be applied and shall oversee the evaluation process.

In addition, the HFSF is also entitled to carry out with the assistance of an independent consultant of international reputation and established experience and expertise an annual assessment of the efficiency of the Board of Directors and the Committees, which will extend also to the individual members of the Board of Directors and its Committees. The evaluation will be carried out based on the criteria set out by Greek Law 3864/2010, the Relationship Framework Agreement entered into between the Bank and the HFSF, as well as on criteria that the HFSF establishes with the assistance of an independent consultant and will be updated at least once every two years and more often if there is material change in the financial position of the Bank. The HFSF will inform the Board of Directors on the results of the evaluation being entitled to develop specific recommendations for improvements and changes in the corporate governance, taking also all measures provided for in Article 10 of Greek Law 3864/2010 to this end. The results of HFSF evaluation of the Board of Directors are being reviewed and discussed at the level of the Board of Directors by the competent Board Committee, being the Corporate Governance and Nominations Committee of the Board and if necessary the Bank proceeds and closely monitors any corrective action as per case.

Within the above context, during 2020 the Board, with the assistance of the Corporate Governance and Nominations Committee and the facilitation of an external consultant, conducted the annual collective evaluation of the Board and its Committees, the overall result of which was positive, indicating that there is an effective Board in place discharging its duties fully and with the Committees being in general effective and supporting the Board well, while particularly considering circumstances in 2020, the evaluation indicated that the COVID-19 pandemic has been well managed. Respective initiatives following the aforementioned evaluation have already been followed up on and incorporated in each competent Board Committee activities.

Additionally, the Board conducted the CEO Evaluation for the year 2019, while a revised framework for the evaluation of the CEO for the year 2020 onwards was designed, in collaboration with an external consultant.

Directors Remuneration

Board Directors' remuneration is determined by the Bank's Annual General Meeting of Shareholders, upon recommendation of the Board of Directors (non-executive members), following proposal by the Corporate Governance and Nominations Committee. The Executive members do not attend or take part in the Committee meetings at which their remuneration is discussed and decided. Prior to its submission to the Annual General Meeting, the remuneration proposal is subject to consultation with the competent bodies according to Greek Law 3864/2010, as in force. The proposal is formulated in line with the legal and regulatory framework to which the Bank is subject, as well as the Bank's internal framework (esp. the Directors' & Senior Managers' Remuneration Policy and the Charter of the Corporate Governance and Nominations Committee of the Board), and takes into consideration, among others, the general employment and payment conditions applying to the total of NBG staff, looking to ensure consistency, the differences in responsibilities and impact ability of each directorship position and industry best practices, in a way that adequately reflects the time and effort the members are expected to contribute to the work of the Board of Directors, while at the same time promoting effectiveness of the Board of Directors' operations.

According to Article 10 of Greek Law 3864/2010, as in force, the representative of the HFSF can, inter alia, exercise his/her veto right in the Board decision making process with regards to the distribution of dividends and the remuneration policy for Board members. As long as the Bank is subject to the provisions of Greek Law 3864/2010 (Article 10 para 3, as currently and as long as it is in force), Directors' remuneration shall in no case exceed compensation of the Governor of the Bank of Greece. In accordance with the provisions of Greek Law 3864/2010 (Article 10 para 3), as currently in force and as long as this is applicable, no bonus is paid to Executive and Non-Executive Directors, and in this context during 2020 no variable remuneration was granted to Board members. With regards to executive members of the Board of Directors, their remuneration is determined in accordance with best market practices and aiming to provide a competitive level of remuneration that reflects skills, experience and time commitment, while it is noted that Executive Directors do not receive any additional remuneration for their participation as Board members.

On 30 June 2020, following the proposal by the Board of Directors after relevant recommendation of the Board's Corporate Governance and Nominations Committee, the Annual General Meeting of the Shareholders approved the remuneration of the members of the Board of Directors of the Bank for the financial year 2019 (pursuant to Article 109 of Greek Law 4548/2018), and determined the remuneration of the Chair of the Board of Directors and executive and non-executive members of the Board of Directors through to the Annual General Meeting of 2021. Additionally, the Annual General Meeting approved for the financial year 2019, the remuneration of the Bank's Directors in their capacity as members of the Bank's Audit, Corporate Governance & Nominations, Human Resources & Remuneration, Risk, Strategy & Transformation and Ethics & Culture Committees, and determined their remuneration until the Annual General Meeting of 2021, as per the relevant regulatory framework.

Moreover, in accordance with Article 9b of Directive (EU) 2017/828 of the European Parliament and of the Council of 17 May 2017 amending Directive 2007/36/EC as regards the encouragement of long-term shareholder engagement, as this has been transposed into the Greek legal framework by means of Article 112 of Greek Law 4548/2018 on Sociétés Anonymes, listed companies are required, among others, to draw up a Remuneration Report, providing a comprehensive overview of the remuneration of individual directors, including to newly recruited and to former directors, during the most recent financial year, in accordance with the remuneration policy as per Article 110 of Greek Law 4548/2018. Within this context, the Bank's Annual General Meeting of Shareholders, held on 30 June 2020, following proposal by the Board of Directors, as assisted by the Corporate Governance and Nominations Committee, casted a positive vote on the fiscal year 2019 NBG Directors' Remuneration Report, in alignment with the relevant applicable provisions.

Further information and the NBG Directors' Remuneration Report are available on the Bank's website, at www.nbg.gr (*section: The Group / Investor Relations/ General Assemblies*).

Induction, Continuous Education and Training of Directors

The Bank offers new Board members an introductory informative program, which includes a one-day induction program, covering among others, issues concerning the Bank's corporate governance and organizational arrangements and including meetings with key executives of Bank. As part of the one-day induction program, new Directors are informed about governance, compliance, key developments at Group level, matters concerning internal audit, finance and accounting. Upon their appointment, new Board members are also provided with detailed material that includes a manual prescribing basic rights and obligations of Board members in accordance with applicable legislation, the Bank's key policies, as well as all other relevant regulatory provisions or documents concerning for example obligations of the Bank deriving from the Amended Relationship Framework Agreement with the HFSF. Additionally, induction and thematic sessions per Board Committee take place, focused on the particular issues falling within the competence of each Board Committee.

Further, the Board of Directors has adopted a Policy for the Annual Training of members of the Board of Directors and its Committees, with the objective of assisting the Board of Directors in enhancing its performance by expanding its existing Directors' relevant skill base and competencies. The Policy establishes the procedures for the formulation of the Annual Training Plan for members of the Bank's Board of Directors and Board Committees which is developed taking into consideration the Board of Directors and its Committees' educational needs, the Bank's priorities and requirements and any existing learning and development programs, in accordance with current developments in the legal and regulatory framework as well as best practices in corporate governance. In this context, briefings of the Board by Bank's competent executives may be arranged on matters with which Directors should familiarise themselves, for example concerning developments in the applicable corporate governance framework, on risk related issues, on issues concerning non-performing exposures, while also external trainings can take place as may be deemed appropriate. During 2020, focused trainings of the Board of Directors members were conducted on Corporate Governance, on Global outlook and COVID-19 Crisis, on Directors' Suitability Policy Practical Aspects, as well as deep-dive sessions on Purpose & Values, Corporate and Retail Banking.

Board of Directors – Structure

HFSF Representative

Pursuant to Greek Law 3864/2010 and the Amended Relationship Framework Agreement between the Bank and the HFSF, the HFSF participates in the Board of Directors through the appointment of a representative. As notified to the Bank by HFSF's Letter dated 23 July 2018, the duties of the HFSF's Representative, in the context of Greek Law 3864/2010, are exercised by Mr. Periklis Drougkas. The HFSF representative is entitled to participate in the Board Committees and committees which do not solely comprise of executive members and has the rights and authorities prescribed by Greek Law 3864/2010 as in force and the Relationship Framework Agreement between the NBG and the HFSF. Moreover, the Relationship Framework Agreement also provides for the appointment of an HFSF Observer (with no voting rights) at the Board of Directors and all Board Committees.

Monitoring Trustee

In the context of overseeing the implementation of the restructuring plan of the banking sector and specifically, the implementation of any other commitments undertaken by the Greek Government relating to the Bank's operations, Grant Thornton has been appointed as "Monitoring Trustee" with a view to ensuring compliance of the Bank with the aforesaid commitments. The Monitoring Trustee is entitled to participate as an observer in meetings of the Board of Directors and certain Board/Executive Committees and has full access to any of the Bank's records including board minutes.

Employees' Representative

Moreover, in June 2017, an Employees' representative was appointed as Observer in the Board of Directors with all rights of a board member except voting rights. The Observer Employee Representative has consultation rights on the Human Resources and Remuneration Committee agenda, monthly access to the Chair of the Human Resources and Remuneration Committee to discuss proposals or matters of concern and the right to address the Human Resources and Remuneration Committee on request.

Senior Independent Director

Furthermore, in July 2019, the Bank's Board of Directors appointed, from among its independent non-executive members, a Senior Independent Director. The Senior Independent Director's duties are (indicatively) to: act as a sounding board for the Chair and serve as an intermediary for the other Directors; be a key point of contact for shareholders, regulators and other stakeholders along with the Chair of the Board; coordinate the non-executive Board members, and discuss with other Directors issues on which the Chair might have a conflict of interest and act as intermediary between Directors and the Chair, as necessary; act as a facilitator, to facilitate and improve relations with shareholders and to assist in the resolution of conflict in case of crisis or in case of dispute, as for instance: i) there is a dispute between the Chair and CEO; ii) shareholders or non-executive directors have expressed concerns that are not being addressed by the Chair or the Chief Executive Officer; iii) the relationship between the Chair and CEO is particularly close; and lead the annual evaluation of the Chair according to the Bank's Board Evaluation Policy.

The Annual General Meeting of Shareholders elected a new Board of Directors on 26 July 2018, with a term of three years, i.e. through to the Annual General Meeting of 2021. On the same date the Board of Directors convened and decided on its constitution into a body. On 31 July 2019, the Annual General Meeting of Shareholders resolved upon the increase of the number of Board members by two, so that the total number of Board members to be 13, and elected six new Members, four of which were appointed by the Annual General Meeting as Independent Non–Executive Board members, through to the Annual General Meeting of 2021. On the same date the Board of Directors convened and decided on its constitution into a body.

During 2020, the following changes took place as regards composition of the Board of Directors:

- On 30 January 2020, at the Board of Directors meeting, the resignation of Mr. Dimitrios Kapotopoulos from his position as executive member of the Board of Directors was announced.
- On 1 April 2020, at the Board of Directors meeting, Mrs. Anne Marion-Bouchacourt was appointed Independent Non-Executive Board Member.
- On 16 April 2020, at the Board of Directors meeting, it was decided to functionally abolish the position of Vice Chair of the Board of Directors, held by Mrs. Aikaterini Beritsi, who continues serving as a Non-Executive Member of the Board.
- On 2 September 2020, at the Board of Directors meeting, the resignation of Mr. Andrew McIntyre from the position of Independent Non-Executive Board Member was announced.
- On 22 October 2020, at the Board of Directors meeting, Mr. Jayaprakasa (JP) Rangaswami was appointed Non-Executive Board Member.
- On 18 December 2020, at the Board of Directors meeting, Mr. Matthieu Kiss was appointed Independent Non-Executive Expert Member.

The following table sets forth the current composition of National Bank of Greece Board of Directors:

Position in Board | Name	Start of Term*	End of Term	Profession | Main Expertise, Experience
Costas Michaelides Chair (Non-Executive)	26 July 2018	2021	
Executive members			
Pavlos Mylonas (CEO)	26 July 2018	2021	
Christina Theofilidi	31 July 2019	2021	
Independent non-executive members			
Gikas Hardouvelis (Senior Independent Director)	31 July 2019	2021	Professor/ Economist/Risk, Strategy and Corporate Governance Experience
Anne Marion-Bouchacourt	1 April 2020	2021	Independent Non-Executive Expert Member as prescribed by Art.10 of Greek Law 3864/2010 as in force/Human Resources and Culture Experience
Claude Piret	26 July 2018	2021	Independent Non-Executive Expert Member as prescribed by Art.10 of Greek Law 3864/2010 as in force/ Risk experience/ Financial Services
Wietze Reehoorn	31 July 2019	2021	Independent Non-Executive Expert Member as prescribed by Art. 10 of Greek Law 3864/2010 as in force/ Risk, Strategy and Corporate Governance Experience
Matthieu Kiss	18 December 2020	2021	Independent Non-Executive Expert Member as prescribed by Art.10 of Greek Law 3864/2010 as in force/Audit experience
Elena Ana Cernat	31 July 2019	2021	Banking/Digital Banking Experience
Avraam Gounaris	31 July 2019	2021	Economist / Financial Services
Non-Executive Members			
Aikaterini Beritsi	31 July 2019	2021	Corporate Governance Experience
JP Rangaswami	22 October 2020	2021	IT/Digital Transformation Experience
Representative of the HFSF (Greek Law 3864/2010)			
Periklis Drougkas	26 July 2018	2021	Economist
Board and Board Committees' Secretary			
Panos Dasmanoglou	26 July 2018	2021	General Manager of Group Compliance and Corporate Governance

* Date of election of the Members of the Board of Directors by the Annual General Meeting of Shareholders of 2018 and 2019 respectively or by the Board of Directors.

- During 2020 the Board of Directors convened 33 times in total.
- During 2020 the Bank's Board Committees convened 97 times in total.
- 31.0% (4 out of 13) of the Board of Directors Members are women.
- A budget exists for the Board of Directors.
- During 2020, the Board was assisted by an international advisory firm on corporate governance projects.

Board of Director's Committees

Six Committees operate at Board level:

- **Audit Committee**
- **Board Risk Committee**
- **Corporate Governance and Nominations Committee**
- **Human Resources and Remuneration Committee**
- **Strategy and Transformation Committee**
- **Compliance, Ethics and Culture Committee**[34]

The Bank is subject to the eligibility criteria of Article 10 of Greek Law 3864/2010, as well as to the provisions on Board Committees' composition of the Relationship Framework Agreement entered into between the Bank and the HFSF.

The Charters of the Committees are posted on the Bank's website, at www.nbg.gr (*section: The Group / Corporate Governance / Board of Directors / Committees*). The members are remunerated annually for their participation in each Committee.

Audit Committee

The Audit Committee was established in 1999 and operates in accordance with the provisions of the Bank of Greece Governor's Act No. 2577/2006 and Greek Law 4449/2017 (Article 44), as in force.

During 2020 the Audit Committee convened twenty times.

The members of the Committee are appointed by the Board or by the General Meeting of Shareholders upon recommendation of the Corporate Governance and Nominations Committee. In any case, in accordance with Greek Law 4449/2017, as in force, the structure of the Audit Committee, and the number and capacity of the Committee members shall be decided by the General Meeting of Shareholders. The Chair and the Vice Chair of the Committee should be appointed by its members. The Committee is composed of at least three (3) Board members. One member is the HFSF representative at the Board of Directors. Furthermore, in accordance with the provisions of the revised Relationship Framework Agreement between the Bank and the Hellenic Financial Stability Fund ("HFSF"), the members of the Committee shall not exceed 40% (rounded to the nearest whole number) of total Board members (excluding the HFSF Representative on the Board) and cannot be fewer than three. All members of the Committee shall be non-executive members of the Board, while 75% (rounded to the nearest whole number) of the members (excluding the HFSF Representative on the Board) are independent non-executive members of the Board. At least one member of the Committee, which is an independent non-executive member, should have adequate knowledge and experience in auditing or accounting.

The Committee is currently composed of six non-executive Directors, who are independent and one of whom is the HFSF Representative at the Board of Directors. The mandates of the Committee members shall automatically expire if they cease to be members of the NBG Board, while in accordance with Greek Law 4449/2017, as in force, the term of appointment shall be decided by the General Meeting of Shareholders. The Committee employs a specialized consultant who reports directly to the Chair of the Committee. The Committee convenes regularly at least six times per annum or extraordinarily, whenever deemed necessary, keeps minutes of its meetings and reports to the Board of Directors every three months or more frequently if deemed necessary.

The Committee is comprised of the following members:

Audit Committee	
Chair	**Matthieu Kiss**
Vice-Chair	**Claude Piret**
Vice-Chair	**Gikas Hardouvelis**
Members	**Wietze Reehoorn**
	Avraam Gounaris
	Periklis Drougkas (HFSF representative)

Detailed information on the responsibilities, composition and modus operandi of the Committee are included in the Committee's charter (which was last revised by the Board on 26 November 2020) posted on the Bank's website, at www.nbg.gr (*section: The Group / Corporate Governance / Board of Directors / Committees*).

Main responsibilities

- Review of annual and interim Financial Statements and disclosures.
- Recommendations for appointment & remuneration of audit firm that conducts the statutory audit.
- Monitoring & assessment of internal control and regulatory and compliance environment.
- Review of Internal Audit Function effectiveness.
- Review of developments in legal and regulatory framework.

2020 Key workings of the Committee include among others

- Approval of annual and interim Financial Statements & review of procedure for their preparation.
- Reviewed and challenged the significant accounting judgements and estimates incorporated into the annual accounts
- Monthly reports regarding the operating results of the

[34] *In November 2020, the Committee was renamed from Ethics & Culture Committee to Compliance, Ethics & Culture Committee.*

Bank and the Group.

- Regular updates on the activity of Group Internal Audit Function, approval of its annual work plan and assurance that the Group Internal Audit was appropriately staffed and had the necessary resources.
- Oversight of the programme established to reduce to an absolute minimum the number of cases where responses to internal audit findings were overdue.
- Successful completion of triennial assessment of the Internal Control System of NBG Group by external auditors with no significant findings.
- Oversight of initiatives on Internal Control Coordination Committee and synergies among the various control functions of the Internal Control System.
- Oversight of compliance and regulatory developments, review of Compliance Function annual report and plan.
- Approval of the reappointment of the Statutory Auditors for the 2020 audit.
- Approval of any additional services, other than the statutory audit, offered by the Statutory Auditors to the Bank & its subsidiaries to ensure that these services & their related fees were permitted by existing EU and Greek legislation & did not impinge on the independence of the Statutory Auditors.
- Regular meetings with the Statutory Auditors throughout the year, in compliance with the new EU and Greek legislation.
- Approval of revised Procurement & Demand Management Policy and revised Policy for Impairment of Financial Instruments under IFRS 9.
- Regular briefings on legal cases.

The Audit Committee has received and reviewed the Report on the Assessment of the effectiveness and efficiency of NBG and its Group System of Internal Control for 2019 prepared, in accordance with the provisions of the Bank of Greece Governor's Act 2577/2006, by the Group Internal Audit Function and which is submitted to the Bank of Greece through the Audit Committee.

Board Risk Committee

The Board Risk Committee ("BRC") was established by Board decision (meeting no. 1308/20.07.2006) in accordance with the requirements of Bank of Greece Governor's Act No. 2577/9.3.2006. The Committee has two roles, namely it operates: a) as the Board Risk Management Committee and b) as the Board Committee Responsible for Non-Performing Loans/Exposures (NPLs/NPEs) as prescribed by Art. 10 par. 8 of Greek Law 3864/2010, as in force.

During 2020 the Board Risk Committee convened nineteen times.

The Committee is composed exclusively of non-executive Board members, at least three in number, one third of which (excluding the HFSF representative and rounded to the nearest whole number) are independent non-executive members of the Board, in accordance with the definition of independence specified in the Bank's Corporate Governance Code and one member is the HFSF Representative at the Board of Directors. The members of the Committee (including the Chair and Vice-Chair) are appointed by the Board of the Bank, following recommendation by the Board's Corporate Governance and Nominations Committee. The Committee members shall be appointed for a term of one year, which shall be automatically renewed for successive one-year renewal terms, unless otherwise decided. In any case, the mandates of the Committee members shall automatically expire if they cease to be members of the NBG Board of Directors.

The BRC convenes regularly at least on a monthly basis, as well as extraordinarily, whenever deemed necessary by its Chair.

The Committee is comprised of the following members:

Board Risk Committee	
Chair	**Claude Piret**
Vice-Chair	**Gikas Hardouvelis**
Members	**Matthieu Kiss**
	Wietze Reehoorn
	Elena Ana Cernat
	Periklis Drougkas (HFSF representative)

Detailed information on the responsibilities, composition and modus operandi of the BRC are included in the Committee's charter of the BRC (which was last approved by the Board on 29 July 2019) posted on the Bank's website at www.nbg.gr (*section: The Group / Corporate Governance / Board of Directors / Committees*).

Main responsibilities

- Ensuring clear definition of Group's risk appetite & strategy and establishment of risk culture.
- Oversight of risk governance and risk management effectiveness.
- Approval of risk strategies, frameworks and policies.
- Oversight of capital and liquidity management.
- Oversight of risk management function.
- Dual role of the BRC operating also as the Board Committee Responsible for Non-Performing Loans/Exposures (NPLs/NPEs) as prescribed by Art. 10 par. 8 of Greek Law 3864/2010, as in force.

2020 Key workings of the Committee include among others

- Redesign of the Operational Risk Management Framework and its components and development of KRI dashboard.
- Review of Risk Appetite Framework and ongoing monitoring of compliance.
- Enhancements in risk reporting.
- Update and implementation of the RCSA methodology at Group Level.

- Launch of Risk Culture Initiative, included within the Bank's Transformation Program initiatives.
- Update of ICAAP/ILAAP frameworks, Corporate Credit Policy, IRRBB Policy, Stress Test Framework and Liquidity Risk Framework.
- Development of Significant Risk Transfer Policy.
- Interim revision of NPE Targets submitted to the Single Supervisory Mechanism.
- Review of Models used and respective Model Validation Unit assessments.

Corporate Governance and Nominations Committee

The Corporate Governance and Nominations Committee was established by Board decision (meeting no. 1259 on 5 May 2005).

During 2020 the Corporate Governance and Nominations Committee convened nineteen times.

The Committee is composed of at least three Board members. One member is the HFSF representative at the Board of Directors. The members of the Committee (including the Chair and Vice-Chair) are appointed by the Board of the Bank, pursuant to proposal of the Chair of the Board. All members of the Committee are non-executive Board members, in their majority (including the Chair, excluding the HFSF representative) independent non-executive members of the Board, in accordance with the definition of independence specified in the Bank's Corporate Governance Code. They are appointed for a one-year term of office, which shall be automatically renewed for successive one-year renewal terms, unless otherwise decided. In any case, the mandates of the Committee members shall automatically expire if they cease to be members of the NBG Board. The Committee convenes at least three times per annum and keeps minutes of its meetings.

The Committee is comprised of the following members:

Corporate Governance and Nominations Committee	
Chair	**Wietze Reehoorn**
Vice-Chair	**Aikaterini Beritsi**
Members	**Gikas Hardouvelis**
	Claude Piret
	Periklis Drougkas (HFSF representative)

Detailed information on the responsibilities, composition and modus operandi of the Corporate Governance and Nominations Committee are included in the Committee's Charter (which was last approved by the Board on 29 July 2019) posted on the Bank's website, at www.nbg.gr (*section: The Group / Corporate Governance / Board of Directors / Committees*).

Main responsibilities

- Review of Board of Directors composition and organization.
- Oversight of development and implementation of a sound group corporate governance framework.
- Development and review of NBG's Corporate Governance Code, policies in relation to the nomination and suitability assessment of the Board and Senior Management, Board evaluation, succession planning and remuneration, and other corporate governance policies.
- Review of Bank's organizational chart and delegation of authorities.
- Proposals on Board's induction and ongoing training.
- Suitability Assessment of individual Board members' knowledge, skills, experience and independence and the Board collectively, as well as of Senior Management.
- Board of Director's Members and Senior Executives nominations, as well as suitability assessment of candidates in subsidiary Boards.

2020 Key workings of the Committee include among others

- Board of Directors and Board Committees structure: Director Nominations; Board Committees reconstitution; Evolution of the Ethics and Culture Committee to Compliance, Ethics and Culture Committee through the assignment of oversight responsibilities of Compliance, with a view to further enhancing holistic oversight of the important area of Compliance.
- Board Governance: Determination of duties of Executives Accountable per Board Committee, following the adoption of the Board Risk Governance Model; elaboration on the Role of Senior Independent Director; establishment of an IT & Innovation Advisory Council to support the workings of the Board and its Committees on IT/innovation related areas. The IT & Innovation Advisory Council is composed by two Board members having expertise in the area of IT/ Digital and by Senior Executives of the Bank.
- Annual General Meeting: Revision and approval (where appropriate) of Annual General Meeting Material, including the Annual General Meeting Invitation Agenda, and the Directors' Remuneration Report submitted for the first time to the Annual General Meeting. The Annual General Meeting 2020 was successfully held remotely through videoconference for the first time, due to the COVID-19 pandemic.
- Governance projects/issues: Coordination of the collective Annual Self-Evaluation of the Board and Board Committees; Development of revised CEO Evaluation Framework; Review of Succession Planning Framework; Ongoing monitoring of regulatory developments and best practices.
- Corporate Governance Framework – Policies: Revision of Articles of Association in alignment with regulatory framework, revision of Board Committee Charters, following the adoption of a holistic compliance approach, revision of Directors' Remuneration Policy, so as to include Senior Management in its scope

approved by the Annual General Meeting 2020; development of new governance policies (Board Suitability Policy and Procedure and Policy for the nomination and suitability assessment of Senior Management.

- Group governance framework: Revision of the NBG Group Governance Policy and approval of implementation measures; governance arrangements of group subsidiaries; suitability assessments of candidates for subsidiary Boards.

Human Resources and Remuneration Committee

The Human Resources and Remuneration Committee ("HRRC") was established by Board decision (meeting no. 1259/ 5.5.2005).

During 2020 the Human Resources and Remuneration Committee convened fifteen-times.

The Committee solely consists of non-executive members of the Board, which are at least three in number, in their majority (including the Chair, excluding the HFSF representative) are independent non-executive Board members, in accordance with the definition of independence specified in the Bank's Corporate Governance Code and one member is the HFSF Representative at the Board of Directors. The Committee composition includes members possessing experience in the financial sector, while at least one member possesses adequate expertise and professional experience in risk management and audit activities, mainly in alignment of remuneration policy with the risk and capital profile of the Bank.

The members of the Committee (including the Chair and Vice-Chair) are appointed by the Board of the Bank, following recommendation by the Board's Corporate Governance and Nominations Committee. The Committee members shall be selected on the basis of their competence and experience. The Committee members shall be appointed for a term of one year, which shall be automatically renewed for successive one-year renewal terms, unless otherwise decided. In any case, the mandates of the Committee members shall automatically expire if they cease to be members of the NBG Board. The Committee convenes at least four times a year and keeps minutes of its meetings.

The Committee is comprised of the following members:

Human Resources and Remuneration Committee	
Chair	**Anne Marion-Bouchacourt**
Vice-Chair	**Elena Ana Cernat**
	Aikaterini Beritsi
Members	**Claude Piret**
	Periklis Drougkas (HFSF representative)

Detailed information on the responsibilities, composition and modus operandi of the HRRC are included in the Committee's charter of the HRRC (which was last approved by the Board on 29 July 2019) posted on the Bank's website, at www.nbg.gr (*section: The Group / Corporate Governance / Board of Directors / Committees*).

Main responsibilities

- Review and monitoring of Group Human Resources policies and practices.
- Oversight of Group's Remuneration Policy.
- Formulation of an evaluation & performance rewarding framework.
- Proposals on executive contract terms and remuneration.

2020 Key workings of the Committee include among others

- Review of Performance Management System.
- Review of the results of the Employee Engagement Survey, concluded for the first time at the Bank.
- Oversight of a number of important Transformation Initiatives related to Human Resources issues, concerning the Bank's Human Resources management model (NBG Academy, Redesign of Human Resource Unit, Talent Management/Succession Planning, Career Framework etc.).
- Oversight of Voluntary Exit Scheme.
- Proposals on contract terms of Bank's Senior Management.

Strategy and Transformation Committee

The Strategy Committee was established by Board decision (meeting no. 1387/ 29.9.2009), while it was renamed to Strategy and Transformation Committee by Board Decision (meeting no. 1622/26.07.2018).

During 2020 the Strategy and Transformation Committee convened thirteen times.

The Committee is composed of at least five members, of which three are independent non-executive Board members and one member is the HFSF Representative at the Board of Directors.

The Committee members are appointed by the Board of Directors upon recommendation of the Corporate Governance and Nominations Committee. The Committee members shall be selected on the basis of their competence and experience and appointed for a one-year term of office, which can be automatically renewed for successive one-year renewal terms, unless otherwise decided. In any case, the mandates of the Committee members shall automatically expire if they cease to be members of the NBG Board of Directors. The Committee shall meet at least three times per year, keep minutes of its proceedings, and report regularly to the Board of Directors.

The Committee is comprised of the following members:

Strategy and Transformation Committee	
Chair	**Wietze Reehoorn**
Vice-Chair	**Aikaterini Beritsi**
Members	**Gikas Hardouvelis**
	Claude Piret
	Avraam Gounaris
	Elena Ana Cernat
	Anne Marion-Bouchacourt
	JP Rangaswami
	Periklis Drougkas (HFSF representative)

Detailed information on the responsibilities, composition and modus operandi of the Committee are included in the Committee's charter (which was last approved by the Board on 29 July 2019) posted on the Bank's website, at www.nbg.gr (*section: The Group / Corporate Governance / Board of Directors / Committees*).

Main responsibilities

- Approval and review of Bank's and Group's strategic direction.
- Review of all significant actions concerning corporate and Group structure.
- Oversight of Strategic and Corporate Transformation Projects implementation.
- Proposals on Bank and Group Business Plan and review of its implementation.
- Review and monitoring of the Bank and the Group Annual Budget.

2020 Key workings of the Committee include among others

- Hosting of Strategy Day and detailed sessions covering Group Strategy, NBG 2025 and Strategy discussion, analysis of the macroeconomic conditions and scenarios, aspirations for different areas of the Bank e.g. Corporate, Retail, SAU, Technology and Processes.
- Monthly review/monitoring of the implementation of the Bank's Transformation Program Initiatives.
- Review of 2021 - 2023 Bank and Group Business Plan and monitoring of its implementation.
- Review of the 2020 Annual Budget of the Bank and the Group.
- Review of various areas in relevant deep-dives as part of Committee Sessions, e.g. Corporate Banking, Retail Banking, new VBM project, Balance Sheet Strategy, Cost Strategy.
- Review of the impact of COVID-19 to the Bank's Initiatives and the European banking sector.
- Oversight of the Bank's IT and Digital Strategy.
- Review of Proposals on Bank's Strategic Transactions.

Compliance, Ethics and Culture Committee

The Ethics and Culture Committee was established by Board decision (meeting no. 1622/26.07.2018). In November 2020 the Committee was renamed to Compliance, Ethics and Culture Committee and its Charter was revised, aiming to strengthen the holistic compliance supervision at Board level.

During 2020, the Compliance, Ethics and Culture Committee convened eight times.

The Committee is composed of at least three Board members. One member is the HFSF representative at the Board of Directors. All members of the Committee shall be non-executive Board members, in their majority (including the Chair, excluding the HFSF representative) independent non-executive members of the Board. The Compliance, Ethics and Culture Committee Chair shall be an Independent Non-Executive Director with deep knowledge in Ethics and Compliance and good understanding of Social and Environmental issues. At least one of the members of the Bank's Audit Committee shall also be a member of the Compliance, Ethics and Culture Committee, so as to support coordination among the two Committees. The members of the Committee (including the Chair and Vice – Chair) shall be appointed by the Board of Directors on the recommendation of the Corporate Governance & Nominations Committee. The Committee members shall be appointed for a term of one year, which shall be automatically renewed for successive one-year renewal terms, unless otherwise decided. In any case, the mandates of the Committee members shall automatically expire if they cease to be members of the NBG Board. The Committee convenes regularly and keeps minutes of its proceedings.

The Committee is comprised of the following members:

Compliance, Ethics and Culture Committee	
Chair	**Avraam Gounaris**
Members	**Aikaterini Beritsi**
	Anne Marion-Bouchacourt
	JP Rangaswami
	Matthieu Kiss
	Periklis Drougkas (HFSF representative)

Detailed information on the responsibilities, composition and modus operandi of the Committee are included in the Committee's charter (which was last revised by the Board on 26 November 2020) posted on the Bank's website, at www.nbg.gr (*section: The Group / Corporate Governance / Board of Directors / Committees*).

Main responsibilities

- Monitor and assess the regulatory and compliance environment.
- Oversee compliance issues and the compliance function.
- Promote the highest standards of ethics and integrity in accordance with international best practices.
- Oversee senior management's initiatives on ethics and culture.
- Review the Codes of Ethics.

- Review the Policy on Politically Exposed Persons.
- Have authority over cases of misconduct and any other ethical issue.
- Review the Bank's Corporate Social Responsibility policies.

2020 Key workings of the Committee include among others

- Adoption of a holistic approach on Compliance supervision at Board level, extending the Committee's oversight responsibilities.
- Review of compliance reports (such as the Annual Compliance Report and Plan), and briefings on compliance issues, AML/CFT, related parties' transactions.
- Oversight of ethics and culture initiatives within the Bank.
- Discussion on initiatives of the Bank related to Environmental Social Governance ("ESG").
- Policy reviews: Review of the Code of Ethics and the NBG Group AML/CFT and Customer Acceptance Policy.

Attendance of each member of the Board of Directors and the Board Committees' meetings (times) in 2020 and respective compensation

The table below sets out the attendance of each member of the Board of Directors and the Board Committees' meetings in 2020, the respective compensation, as well as the gross annual remuneration for dependent employment for year 2020. As a result of the relationship with the Bank, in 2020, the Chair, the Executive members and the Non-executive members of the Board of Directors, received compensation, as follows:

Name	Board	Audit Committee	Board Risk Committee	Human Resources and Remuneration Committee	Corporate Governance and Nomination Committee	Strategy & Transformation Committee	Compliance, Ethics & Culture Committee	Compensation for participation to the Board of Directors and Committees (in €)	Gross Annual Remuneration for Dependent Employment for year (in €)
Chair (Non-Executive member)									
Costas Michaelides	33	-	-	-	-	-	-	-	228,309.42
Executive members									
Paul Mylonas	33	-	-	-	-	-	-	-	336,495.41
Christina Theofilidi	33	-	-	-	-	-	-	-	281,249.80
Dimitrios Kapotopoulos(1)	1	-	-	-	-	-	-	-	20,000.00
Non-Executive members									
Aikaterini Beritsi(2)	32	4	-	15	18	5	6	108,124.99	-
JP Rangaswami(3)	3	-	-	-	-	2	2	10,500.01*	-
Independent Non-Executive members									
Gikas Hardouvelis(4)	33	8	19	-	19	13	-	160,752.78	-
Andrew McIntyre(5)	23	11	9	-	-	-	5	73,944.46	-
Claude Piret	29	20	19	13	17	13	-	142,999.92	-
Avraam Gounaris (6)	33	20	-	-	-	13	5	83,975.00	-
Wietze Reehoorn	33	16	17	-	19	13	-	105,999.96	-
Elena Ana Cernat(7)	33	-	19	15	-	13	-	90,875.00	-
Anne Marion Bouchacourt(8)	21	-	-	10	-	5	8	59,880.61	-
Matthieu Kiss(9)	-	1	-	-	-	-	-	2,916.66*	-
HFSF Representative									
Periklis Drougkas	33	20	19	15	19	13	11	121,999.92	-

Notes:

(1) During the Board of Directors session held on 30 January 2020, the resignation of Mr. Dimitrios Kapotopoulos from the position of Executive Board Member was announced. Remuneration shown above concerns the period in which Mr. Kapotopoulos has been member of the Board of Directors, in his capacity as such.

(2) Vice Chair of the Board of Directors until 16 April 2020, Non-Executive Member since 16 April 2020. Vice Chair of the Strategy and Transformation Committee and member of the Ethics and Culture Committee since 02 September 2020.

(3) During the Board of Directors session held on 22 October 2020, Mr. JP Rangaswami was appointed Non-Executive Board Member. Member of the Strategy and Transformation Committee and of the Compliance, Ethics and Culture Committee since 26 November 2020.

(4) Acting Chair – Vice Chair of the Audit Committee from 2 September 2020 until 18 December 2020. Vice – Chair of the Audit Committee since 18 December 2020.

(5) During the Board of Directors session held on 2 September 2020, the resignation of Mr. Andrew McIntyre from the position of Independent Non-Executive Board Member was announced.

(6) Chair of the Compliance, Ethics and Culture Committee since 2 September 2020.

(7) Acting Chair – Vice Chair of the Human Resources and Remuneration Committee until 16 April 2020 and Vice Chair of the Human Resources and Remuneration Committee since 16 April 2020.

(8) During the Board of Directors session held on 1 April 2020, Mrs. Anne Marion Bouchacourt was appointed Independent Non-Executive Board Member. Chair of the Human Resources and Remuneration Committee and members of the Compliance Ethics and Culture Committee since 16 April 2020 and member of the Strategy and Transformation Committee since 02 September 2020.

(9) During the Board of Directors session held on 18 December 2020, Mr. Matthieu Kiss was appointed Independent Non-Executive Board Member. Chair of the Audit Committee since 18 December 2020 and member of the Risk Committee and the Compliance, Ethics and Culture Committee since 28 January 2021.
*Amounts paid during 2021, related to respective remuneration as Board/Board Committee members in 2020.

In 2020, the above individuals did not receive any additional compensation (bonus).

Management team

The table below presents the profiles of the Bank's executive management (other than the Executive Members of the Board of Directors and the Board of Directors and Board Committees Secretary - General Manager of Group Compliance and Corporate Governance, described in Section D. Board of Directors and other management, administrative and supervisory Bodies above) that participate in the Bank's Senior Executive Committee and the Bank's key Executive Committees as described below under section "Management, administrative and supervisory bodies of the Bank-Executive Committees":

Christos Christodoulou
General Manager
Group Chief Financial Officer

Member of the Senior Executive Committee, the Senior Credit Committee, the ALCO and the Provisions and Write-Offs Committee

Christos Christodoulou (born 1976) was appointed Group Chief Financial Officer and a Member of the Executive Committee of National Bank of Greece in July 2019.

Before rejoining NBG he was Chief Executive Officer and Executive member of the Board of Directors of National Bank of Greece (Cyprus) as well as CFO of United Bulgaria Bank (UBB), a former NBG Group subsidiary.

He holds a BSc Honors degree in Economics from the University College London and is a Fellow Chartered Accountant (FCA) with the Institute of Chartered Accountants of England and Wales (ICAEW).

Ioannis Vagionitis
General Manager
Group Risk Management
(Chief Risk Officer)

Member of the Senior Executive Committee, the Senior Credit Committee, the ALCO and the Provisions and Write-Offs Committee

Ioannis Vagionitis (born 1960) was appointed General Manager of Group Risk Management (Chief Risk Officer) in September 2017. Since April 2017 he was General Manager - Chief Credit Officer, and previously, in July 2015, he was appointed Assistant General Manager - Chief Credit Officer.

He has served as a Board Member of Finansbank from January 2014 up to June 2016 and he was member of the Risk Management Committee, the Audit Committee and the Credit Committee of Finansbank.

From October 2010 up to November 2013 he was Head of Corporate Banking - Large Corporate Division of NBG.

From May 2008 up to October 2010 he was Head of Credit Division and International Credit Division of NBG Group, while from October 2006 up to May 2008 he was Head of Credit Division of National Bank of Greece. Mr. Vagionitis joined National Bank of Greece in 2004 under the Group Risk Management Division.

He worked for HSBC for over ten years (1992-2003). He also held executive level positions in the field of corporate banking at the Bank of Cyprus (2003-2004).

Mr. Vagionitis holds a BSc and an MSc in Mechanical Engineering from the University of Manchester Institute of Science & Technology (UMIST) and an MBA from Manchester Business School.

Vassilis Karamouzis
General Manager
Corporate and Investment Banking

Member of the Senior Executive Committee, the Senior Credit Committee and the ALCO

Vassilis Karamouzis (born 1977) was appointed General Manager of Corporate and Investment Banking and Member of the Senior Executive Committee of National Bank of Greece in February 2020. He joined NBG in September 2017, as Assistant General Manager of Corporate and Investment Banking.

He worked for 8 years (2009-2017) at HSBC in various managerial positions: he started at HSBC in Greece as Head of Global Market Sales and Debt Capital Markets for Greece and Cyprus. Later on he moved to HSBC in London, where he worked as Head of Structured Finance Origination for Southern Europe and Capital Financing for Greece and Cyprus, and, finally, as Managing Director, Member of EMEA Financing Management and Head of Investment Banking Greece and Cyprus.

He started his professional career in 2001 at Deutsche Bank in London, where he stayed until mid-2009. Initially he worked in Hedge Fund Sales, while in the period 2006-2009 he held the position of Head of FX and Commodities Sales for Greece and Middle East.

Vassilis Karamouzis holds an MSc in Finance from Birkbeck College, University of London and a bachelor degree of Economics from the University of Piraeus.

Ernestos Panayiotou
General Manager
Transformation, Strategy & International Activities

Member of the Senior Executive Committee

Ernestos Panayiotou (born 1977) joined NBG in May 2019 and was appointed General Manager of Transformation and Business Strategy, having already served the NBG Group as strategy advisor, during the period of 2006-2011. In September 2020, he also assumed responsibility for the international activities of the Group.

Before rejoining NBG, he was Partner at McKinsey & Company, where he worked for a total of 12 years during the periods 2001-2005 and 2012-2019. At McKinsey, he focused on serving financial institutions in Greece, Cyprus, the USA and the Middle East on strategy, transformation and risk topics.

He holds a Bachelor of Arts in Philosophy, Politics & Economics (First Class Honours) from the University of Oxford and a Master in Public Administration & International Development from the Kennedy School of Government, Harvard University.

Fotini Ioannou
General Manager
Troubled Assets Unit

Member of the Senior Executive Committee and participant in the Senior Credit Committee in discussions on corporate special assets

Fotini Ioannou (born 1977) was appointed General Manager of the Troubled Assets Unit in May 2019, having already served NBG in various positions primarily within Strategy and Corporate Banking during the period 2006-2017. She is member of the Board of Directors of NBG Factors and NBG Cyprus.

Before rejoining NBG, she was General Manager of Corporate & Investment Banking of Piraeus Bank and member of the Executive Committee, Chair of the Board of Directors of Piraeus Factoring and Vice Chair of the Board of Directors of Piraeus Leasing.

She holds a BA in Economics from the University of Cambridge and an MSc in Management Science & Operational Research from the University of Warwick.

Ms. Ioannou is a chartered accountant and a member of the Institute of Chartered Accountants of England and Wales.

Vasileios Kavalos
General Manager
Group Treasury and Financial Markets

Member of the Senior Executive Committee and the ALCO

Vasileios Kavalos (born 1958) joined NBG in 1981 and was appointed General Manager - Group Treasury and Financial Markets in July 2019. In June 2015 he was appointed Assistant General Manager - Group Treasurer and Financial Markets.

From 2011 up to 2015 he was the Corporate Treasurer with the main task of securing liquidity and allocating it within the Group.

He holds a BSc in Business Administration from Deree College of American College of Greece and is a certified Portfolio Manager by the Bank of Greece.

Stratos Molyviatis
General Manager
Group Chief Operating Officer

Member of the Senior Executive Committee

Stratos Molyviatis (born 1970) was appointed Assistant General Manager Group CIO of National Bank of Greece in August 2018. In October 2020, he has been appointed General Manager Group Chief Operating Officer (Group COO), managing both IT and Operations.

He started his professional career working for Andersen Consulting in 1998, and continued in its successor Accenture, where he worked for 15 years. He was engaged in large core banking implementations, strategic initiatives, system integration projects and M&As, in Greece, Europe and Middle East. In 2011 he became the Financial Services lead for Accenture's Greek Office.

He joined the global payments leader First Data in late 2012 as the CIO for its local office. In 2013 he undertook Poland and the Baltic countries, whereas in 2015 he was promoted to VP Technology for First Data Europe. In 2017 he became First Data CIO for Central, Eastern and South Eastern Europe.

He holds a BSc in Mathematics from the National University of Athens and an MSc in Informatics and Cybernetics from the University of Reading in U.K.

Georgios Triantafillakis
General Manager
Group Legal Services

Member of the Senior Executive Committee (with no voting rights)

Georgios Triantafillakis (born 1957) joined NBG in 1998 and was appointed General Manager of Legal Services in April 2017. He was appointed Assistant General Manager of Legal Services in June 2015, responsible for the supervision and coordination of the activities of the Legal Services Division and external lawyers providing services to the Bank.

Since 2017 he is President of the Legal Council of the Hellenic Bank Association. Since 1992 he is Attorney-at-law authorised to practice before the Supreme Court.

Georgios Triantafillakis is Professor of Law at the Democritus University of Thrace ("DUTH") and Professor at the National School of Judges. He was member of the Competition Commission for 10 years, and member of legislative committees and legal science societies. He is a graduate of the University of Athens Law School (with honors) and holds a doctoral degree in commercial law from the German University of Tübingen Law School.

Ioannis Kyriakopoulos
General Manager
Group Real Estate

Member of the Extended Senior Executive Committee

Ioannis Kyriakopoulos (born 1959) joined NBG in 1977 and was appointed General Manager of Group Real Estate in July 2019. During the period September 2015 to July 2019 he held the position as Group Chief Financial Officer.

During the period January 2012 to June 2015 he was the Chief Financial and Operating Officer of Hellenic Financial Stability Fund. Through the course of his career in NBG from 1977 to 2012 he served as Deputy General Manager of International Activities from April 2011 to January 2012 and as Deputy Chief Financial Officer from April 2009 until April 2011 while from August 2002 to April 2009, he was the Director of the Financial and Management Accounting Division.

He holds a BSc in Mathematics and a BSc in Economics from the University of Athens and an MSc in Statistics and Operational Research from Loughborough University in the United Kingdom.

Member of the Extended Senior Executive Committee

Evi Hatzionannou (born 1978) joined NBG in February 2019 and was General Manager, Group Human Resources Strategy & Development. In March 2020 she was appointed General Manager – Group Human Resources Officer.

Before joining the Bank she worked from 2008 to 2019 for the Barilla Group holding various senior positions in Human Resources Department: Human Resources Manager Greece, Human Resources Senior Manager Eastern Europe, Human Resources Director Europe and Group Organization Director.

Evi Hatzioannou
General Manager
Group Human Resources

During the period 2003 to 2008 she worked at Elais Unilever Hellas S.A., where from 2005 she assumed the position of Human Resources Manager.

She is a graduate in Mechanical Engineering from the Aristotle University of Thessaloniki and holds a MSc in Human Resources Management & Industrial Relations from the University of Manchester.

Chara Dalekou
General Manager
Group Marketing

Member of the Extended Senior Executive Committee

Chara Dalekou (born 1970) joined NBG in March 2019 and was appointed General Manager of Group Marketing.

Ms Dalekou has 24 years of experience in commercial roles in Multinational and Greek companies. Her career started when she joined the Fast-Moving Consumer Goods (FMCG) industry at Unilever in 1996 where she worked initially in sales and then in marketing. In 2004 she was appointed Commercial Manager of Hellenic Entertainment Parks and in 2008 she joined Sony Ericsson, where she was a head of Marketing initially for Greece and the Balkans and then for the wider Southeast Mediterranean region. Her career continued at AEGEAN where she was responsible for the Company’s Marketing Management for 8 years. During these years she also worked systematically for the development of the Tourism as a member of the Board of Director’s of Marketing Greece and This is Athens and Partners.

She is a member of the Women's Business Committee of the Hellenic American Chamber of Commerce.

Chara Dalekou holds a Bachelor’s degree in Business Administration from the Athens University of Economics and Business and a Master’s degree in Marketing from the University of Stirling, Scotland. She also holds a Certificate in French Business and Economic Studies from the Commercial and Industrial Chamber of Paris.

Beate Randulf
Assistant General Manager
Group Chief Control Officer

Member of the Extended Senior Executive Committee

Beate Randulf (born 1966) joined NBG Group in April 2019 and was appointed Assistant General Manager - Group Chief Control Officer having already served the NBG Group as the NBG Group external auditor, during the period from 2007-2014.

Before joining the NBG Group, she was the Senior Director of the CFO Office of Piraeus Bank (November 2017 to March 2019). She has 26 years of public audit practice with Deloitte Greece during the period 1991-2017 and was an Equity Partner since 2006.

She is a Fellow Certified Charted Accountant (FCCA) (1994), a member of the Association of Chartered Certified Accountants (ACCA) as well as a Greek CPA (2010), she is also a Certified Internal Control Auditor (CICA) and a member of the Institute of Internal Controls. Beate is Norwegian and holds a Bachelor's Degree in Business Administration with a major in Accounting and Finance from Deree College of the American College of Greece (1991).

Kostas Adamopoulos
Assistant General Manager
Strategic Transactions

Member of the Extended Senior Executive Committee

Kostas Adamopoulos (born 1974) joined NBG in April 2019 and was appointed Assistant General Manager of Strategic Transactions.

He started his professional career at NBG in 2000 and held various positions in Finance and Strategy until 2013. He was then appointed as Assistant General Manager of Corporate Strategy & Business Planning at Piraeus Bank until 2016 and CFO of Credicom CF in 2017. Up to 2019 he was active in the Greek NPL space advising NPL servicers and capital providers on NPE transactions. He has served as a member of Executive Committees, ALCO and Credit Committees.

He holds an MSc in Finance from Queen Mary & Westfield (University of London), a BSc in Economics from University of Athens.

He is a CFA charterholder since 2004.

Constantinos Vossikas
General Manager
Chief Credit Officer

Member of the Senior Credit Committee

Constantinos Vossikas (born 1968) was appointed General Manager - Chief Credit Officer in May 2019. He was appointed General Manager of Corporate Special Assets in April 2017. In July 2015 he was appointed Assistant General Manager of Corporate Special Assets. He joined NBG in 2005 as a Credit Risk Manager for Group Risk Management and subsequently as a Senior Credit Officer for Credit Division. Since 2010, he served as Director of NBG Group International Credit and in 2013 he was appointed Assistant General Manager and Chief Credit Risk Officer. He has been a member of Supervisory Boards of NBG Group International Subsidiaries and NBG Group Senior Credit Committees.

Before joining NBG, during the period from 1994 to 2005, he worked in the Corporate Banking Departments of Midland Bank as a Credit Officer and Egnatia Bank, where he held the position of Head of Corporate and Investment Banking. During the period from 1990 to 1994 he worked in the audit departments of Moore Stephens and Arthur Andersen, participating in external and internal audits for companies operating in various sectors of the Greek economy, valuations, feasibility studies etc.

Mr. Vossikas is a Certified Public Accountant, member of the Institute of Certified Public Accountants in Ireland, holds a degree (B.Sc.) in Accounting and Finance from Deree College and has participated in many seminars held in Greece and abroad.

Management, administrative and supervisory bodies of the Bank- Executive Committees

According to the Bank's Management, the following executive committees are included in the supervisory, management and administrative bodies of the Bank, being the key executive committees which have, apart from strategic and executive duties, approval authority as well: 1) the Senior Executive Committee and Extended Senior Executive Committee, 2) the ALCO, 3) the Senior Credit Committee, 4) the Provisions and Write-Offs Committee. The committees are composed of executive Board members, General Managers and Assistant General Managers of the Bank.

Senior Executive Committee

The Senior Executive Committee was established in 2004 and operates via a specific Charter. It is the supreme executive body that supports the Chief Executive Officer of the Bank in his duties. The Senior Executive Committee has strategic and executive powers in regard to the more efficient operation of the Group and the monitoring of the execution of the Bank's business plan, as well as approval authority that cannot be delegated to other members of the Bank's management or to other collective bodies of the Bank, while it exercises supervisory powers on risk management in accordance with the decisions taken by the Board of Directors and the Board Risk Committee.

The Senior Executive Committee has the authority to decide on matters falling within the authority of the Compliance and Reputational Risk Committee, whenever deemed necessary by the Chair or Deputy Chair of the Compliance and Reputational Risk Committee.

The Senior Executive Committee is comprised of the following members:

Chair	Pavlos Mylonas	CEO
Members	Christina Theofilidi	Executive Board Member & General Manager – Retail Banking
	Vassilis Karamouzis	General Manager – Corporate and Investment Banking
	Vasileios Kavalos	General Manager – Group Treasury and Financial Markets
	Fotini Ioannou	General Manager – Troubled Asset Unit
	Ioannis Vagionitis	General Manager – Group Risk Management, Chief Risk Officer ("CRO")
	Christos Christodoulou	General Manager – Group Chief Financial Officer ("CFO")
	Stratos Molyviatis	General Manager – Chief Operations Officer ("COO")
	Ernestos Panayiotou	General Manager –Transformation, Strategy & International Activities
Members without voting rights	Panos Dasmanoglou	General Manager – Group Compliance and Corporate Governance
	Georgios Triantafillakis	General Manager – Legal Services

The Committee is convened by its Chair and meets regularly at least two times every calendar month and extraordinarily, whenever deemed necessary by its Chair.

At the invitation of its Chair, it is possible for (Assistant) General Managers as well as other Bank executives to attend the meetings of the Senior Executive Committee, the presence of which is deemed necessary.

An Extended Senior Executive Committee also operates which, additionally to the above members, is comprised of the following members:

Members	Ioannis Kyriakopoulos	General Manager – Group Real Estate
	Evi Hatzioannou	General Manager – Group Human Resources
	Chara Dalekou	General Manager – Group Marketing
	Beate Randulf	Assistant General Manager – Group Chief Control Officer
	Kostas Adamopoulos	Assistant General Manager – Strategic Transactions

The Committee is convened by its Chair and meets regularly at least once every calendar month and extraordinarily, whenever deemed necessary by its Chair.

The Committee members do not receive any remuneration for their participation in the Committee.

Asset and Liability Committee (ALCO)

ALCO was established in 1993. The Committee's key purpose is to establish the Bank's and its Group financial sector entities' strategy and policy as to matters relating to the structuring and management of assets and liabilities taking into account the current regulatory framework and market conditions, as well as the risk limits set by the Bank.

The ALCO Committee is comprised of the following members:

Chair	Pavlos Mylonas	CEO
Deputy Chair and Member	Ioannis Vagionitis	General Manager – Group Risk Management, Chief Risk Officer ("CRO")
Members	Christina Theofilidi	Executive Board Member & General Manager – Retail Banking
	Christos Christodoulou	General Manager – Group Chief Financial Officer ("CFO")
	Vassilis Karamouzis	General Manager – Corporate and Investment Banking
	Vasileios Kavalos	General Manager – Group Treasury and Financial Markets

The Committee convenes regularly once a month or extraordinarily, at the invitation of its Chair.

At the invitation of its Chair, it is possible for other executives of the Bank and the Group to attend its meetings.
The Committee members do not receive any remuneration for their participation in the Committee.

Senior Credit Committee

The Senior Credit Committee was established in 2008 and its purpose is the optimization and the sound operation of the risk taking limits.

The Senior Credit Committee is comprised of the following members:

Chair	Pavlos Mylonas	CEO
Members	Vassilis Karamouzis	General Manager – Corporate and Investment Banking
	Ioannis Vagionitis	General Manager – Group Risk Management, Chief Risk Officer ("CRO")
	Constantinos Vossikas	General Manager – Chief Credit Officer

* In the case of meetings where issues regarding corporate special assets are discussed, Mrs Fotini Ioannou, General Manager - Troubled Asset Unit, participates in the Committee.

The Committee convenes regularly at least twice every calendar month and extraordinarily, whenever deemed necessary by its Chair.

The General Manager of Group Legal Services is invited and attends the meetings of the Committee.
The Chair can invite other executives of the Bank and Group to attend, if necessary.
The Committee members do not receive any remuneration for their participation in the Committee.

Provisions and Write Offs Committee

The Committee was established in 2010. Its purpose is the decision making process on the provisions and write offs of NBG Group claims of any nature, which are considered by the Committee to be liable of a loss in value in accordance with the relevant "Provisions and Write Offs Policy" of NBG Group.

The Provisions and Write Offs Committee is comprised of the following members:

Chair	Pavlos Mylonas	CEO
Members	Christos Christodoulou	General Manager - Group Chief Financial Officer ("CFO")
	Ioannis Vagionitis	General Manager - Group Risk Management, Chief Risk Officer ("CRO")

The Committee is convened at the invitation of its Chair.
The Chair can invite other executives of the Bank and Group to attend, if necessary.
The Committee members do not receive any remuneration for their participation in the Committee.

E. Internal Control System and Risk Management

Objectives of the Internal Control System

Aiming to safeguard the reputation and credibility of the Bank and the Group towards its shareholders, customers, investors and the supervisory and other independent authorities, the Board of Directors provides for the continuous enhancement, at Group level, of its **Internal Control System ("ICS")**.

The ICS is designed to ensure effective and efficient operations, adequate identification, measurement and mitigation of risks through adequately and efficiently designed internal controls, prudent conduct of business, sound administrative and accounting procedures, reliability of financial and non – financial information reported or disclosed (both internally and externally) and compliance with laws, regulations, supervisory requirements and the NBG Group Internal Policies, Procedures and Regulations.

"Internal controls" is a process effected by the Board of Directors, Senior Management, Risk Management and other Control Functions, as well as by the staff within the Organisation to provide reasonable assurance regarding the achievement of objectives relating to operations, reporting and compliance. The Bank uses as a reference the COSO 2013 Internal Control Integrated Framework and the ICS is based on the five main per COSO components of internal control: **Control Environment, Risk Assessment, Control Activities, Information and Communication as well as Monitoring Activities**. The internal control process aims to create the necessary fundamentals for the entire Group to contribute to the effectiveness and high quality of internal control through, for instance, clear definitions, assignments of roles and responsibilities and methodologies, tools and procedures.

The ICS aims to achieve, among others, the following key objectives:

- Consistent implementation of the Group's business strategy through the efficient use of available resources;
- Pursuit of a risk- based decision making
- Identification of the Group's process universe;
- Identification and management of all undertaken risks, including operational risks;
- Compliance with the local, European and international legal and regulatory frameworks that governs the operations of the Bank and the Group, including internal regulations, IT systems and Code of Ethics;
- Adequate and efficient design of controls as well as their operating effectiveness.
- Completeness, accuracy and reliability of data and information that are necessary for the accurate, timely preparation and true and fair view of the Bank and the Group's published financial information and financial performance;
- Adoption of international Corporate Governance best practices; and
- Prevention and detection and correction of any errors and irregularities that may put at risk the reputation and the credibility of the Bank and the Group towards its, shareholders, customers, investors and the supervisory and other independent authorities.

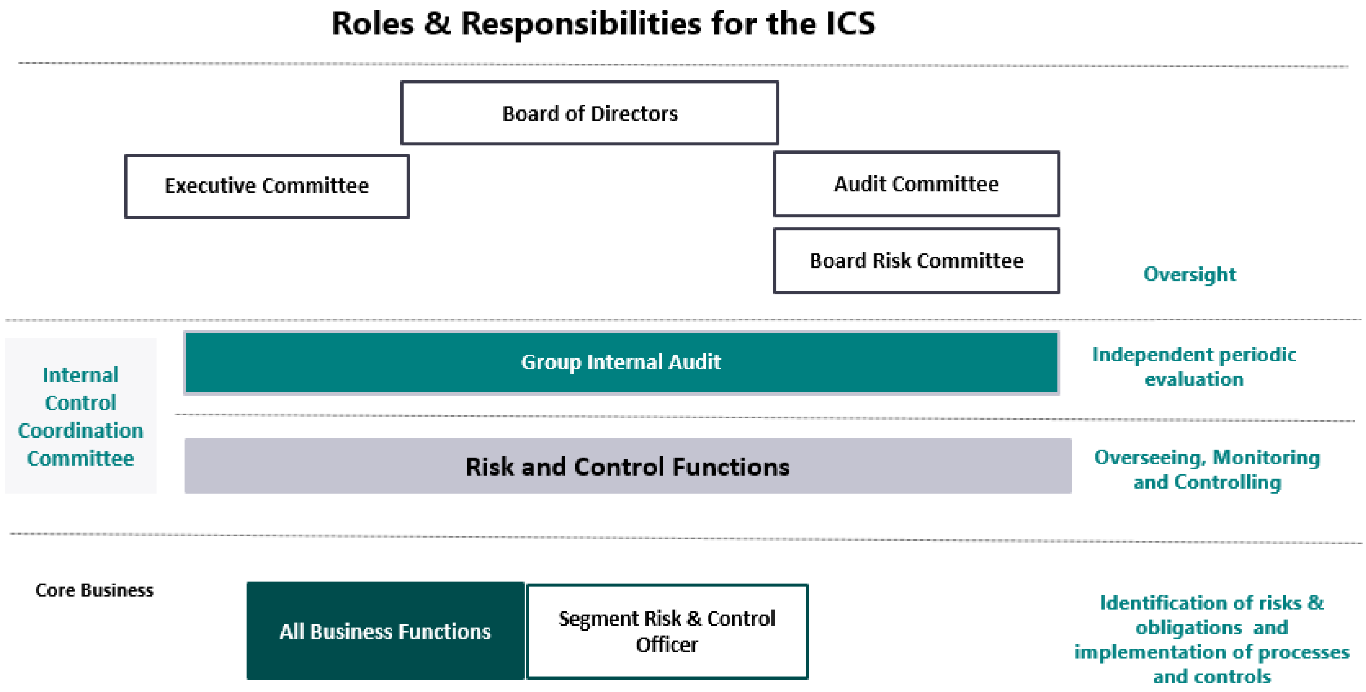
In the context of developing the business strategy and identifying the main business risks, the **Board of Directors**, with the support of its Committees, adopts appropriate policies, procedures and regulations aiming to ensure an adequate and an effective ICS for the Bank and the Group.

Management is responsible for:

- the effective design and implementation of adequate and efficient controls arising from adequate and efficient procedures, relevant to the range, risks and nature of the activities undertaken by the Bank and the Group,
- identifying and assessing any ICS's deficiencies and
- undertaking the necessary corrective actions through the establishment of the appropriate and timely action plans.

Specifically, the ICS and Risk Management related activities are performed on by the First and Second Line of Defence. The roles and responsibilities with respect to Risk Management are divided into Three Lines of Defence, as follows:

- **First Line of Defence ("1LoD")**, includes the Business and Support Functions which are responsible for identifying, assessing and managing the risks and compliance obligations they undertake by designing and implementing adequate and efficient controls as well as by monitoring their operating effectiveness on a continuous basis.
- **Second Line of Defence ("2LoD")**, includes the various Risk and Control Functions that monitor the effectiveness of risk management, the compliance obligations and the adequate and efficient design of controls as well as their operating effectiveness.
- **Third Line of Defence ("3LoD")**, includes the Group Internal Audit Divisions ("GIAD's") which perform periodic assessment, in order to evaluate the adequacy and effectiveness of the Bank's and the Group's governance, risk management and internal control processes, as these are designed by the Board of Directors and Management. The Group Chief Audit Executive reports periodically on the GIAD's activities to the Bank's Board of Directors, through the Audit Committee.



The Board of Directors and the Senior Management aims at the continuous enhancement of the ICS in order to mitigate risks through the establishment of adequate and efficient controls and ensure effective operations. In this context, in 2019, in addition to the establishment of the Group Operational Risk Management Division and the Group Strategic Risk Management Division under the Group CRO, as discussed in section "*Risk Management*", the Internal Control Coordination Committee ("ICCC") and the Group Internal Control Function were established.

Internal Control Coordination Committee

The ICCC whose aim is to foster collaboration among the various Risk and Control Functions has as key objectives:

- the enhancement of synergies across the Three Lines of Defence;
- the adoption of a common methodology framework;
- the monitoring and reporting of emerging risks;
- the monitoring and reporting of the effectiveness of the Internal Control System.

The ICCC is coordinated by the Group Chief Audit Executive and its members are the Group Chief Risk Officer, the Chief Compliance and Corporate Governance Officer, the General Manger – Legal Services, the Group Chief Operating Officer, the Group Chief Control Officer, the Assistant General Manager - Head of Operations, Head of Operational Risk, the Chief Information Security Officer and the Director - Head of Regulatory Affairs and HFSF Relations.

The ICCC convened seven times during 2020 and established multiple working groups to support its key initiatives to deal with the following matters:

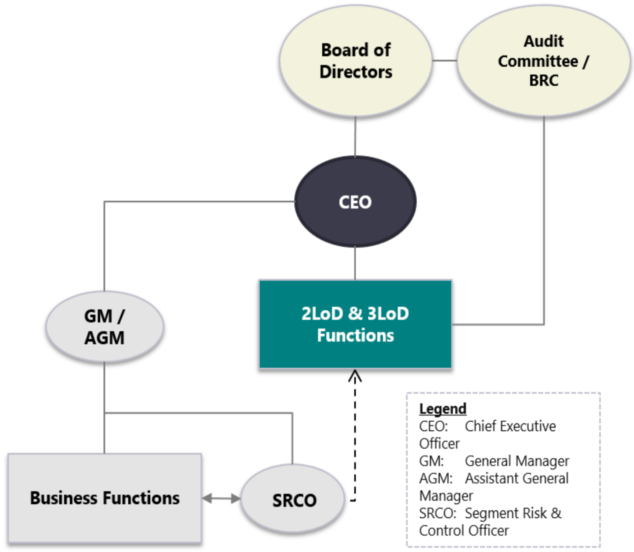
- Operationalisation of the newly established roles of the SRCO and URCO.
- Development of a Common NBG Group Control Taxonomy.
- Handling and Monitoring of the third parties audit findings.
- Design and implementation of the common GRC Platform for the Bank and the Group and establishment of the "Common Rules" for its usage.
- The Common Process Framework was developed and approved and are in the process of being adopted by all Bank Units.

Segment Risk and Control Officer and Unit Risk and Control Officers

The Senior Management in its effort to further strengthen the ICS established the role of the SRCO and the URCO in January 2020.

- The SRCO reports to the respective business line General Manager/Assistant General Manager, is independent from the respective Business Units and liaises with 2LoD and 3LoD units with main responsibility to coordinate efforts in order to ensure that operational risks are appropriately identified and assessed, the internal controls are appropriately designed and operate effectively as well as to assist in further enhancing the risk, compliance and control awareness and culture.

- The URCOs report to the Head of the Division or Independent Sector to which they belong and cooperate on the responsibilities set out above with the respective SRCO of the respective business line.



Common Governance, Risk and Compliance (GRC) Platform

As part of the Board of Directors and Senior Management's efforts to further enhance the efficiency and the effectiveness in operational risk management, compliance and internal control activities, the Bank has selected an integrated GRC platform to be used by the various Risk and Control Functions (Operational Risk Management, Internal Control, Compliance, Information Security, Model Validation, Regulatory Affairs and HFSF Relations and Internal Audit). Following the common GRC Platform implementation, the Bank will be able to further enhance the management of its operational risks, will increase Board's and Management's oversight and will be able to use a homogenized integrated reporting tool contributing to the holistic view of the ICS of the Bank and the Group. The GRC Platform's implementation is planned to be performed in phases due to its complexity and the number of the involved functions. Each phase is supported and closely monitored by a Steering Committee combining experts from all the above functions. The Steering Committee has established a Project Management Office to ensure the successful implementation. Phase 1 was successfully executed in 2020 and the Model Validation Module went successfully live in December 2020. Phase 2 is currently in progress and includes the design and implementation of the Operational Risk Management module.

Group Internal Control Function

The Group ICF is mainly responsible for:

a) Contributing to the establishment and enhancement of a robust control culture and promoting control awareness within the Bank and the Group.

b) Developing the NBG Group Methodology for the Control Identification & Assessment by the Group Internal Control Function (NBG Group ICF Methodology) based on the mutually agreed by the members of the Internal Control Coordination Committee ("ICCC"), "Common Principles of Operational Risk and Control Assessment" for the Bank and the Group regarding roles, responsibilities, policies, procedures, flows of information and systems required for the appropriate design and the operating effectiveness of controls.

c) Ongoing monitoring of the adequate and efficient design of controls as well as their operating effectiveness.

d) Providing training and support to the Bank's Units and the Segment Risk and Control Officers/Segment Risk and Control Officer Team/Unit Risk and Control Officers/Unit Risk and Control Officer Team in the application of the approved NBG Group ICF Methodology as well as providing specialized knowledge with respect to the controls.

e) Collaborating with the Group Companies and supporting their work, in the application of the NBG Group ICF Methodology.

The Group Internal Control Function consists of:

- loans and Branch Network Internal Control Sector;
- IT Systems Internal Control Sector;
- Business and Back Office Operations Internal Control Sector; and
- Quality Assurance and Project Management Subdivision.

During 2020, the Group Internal Control Function achieved the following:

- **Approval of the Group Internal Control Function (Group ICF) Charter:** Further to the establishment of the Group ICF in 2019 with the purpose to ensure and enhance the adequacy and efficiency of the design and the operating effectiveness of controls the Group ICF Charter was approved.
- **Approval of the NBG Group ICF Methodology**: In September 2020, the "NBG Group Methodology for the Control Identification & Assessment" by the Group Internal Control Function was approved by the Senior Executive Committee and the Board Audit Committee.
- **Provided guidance and training to ensure the efficient operationalization of the newly established role of the SRCOs and URCOs and improved the control culture across the Bank through**:
  - Training sessions on the NBG Group ICF Methodology in matters related to the control identification and design assessment.
  - On the job training on the implementation of the NBG Group ICF Methodology in very high and high priority processes as identified by the General Managers/Assistant General Managers in close collaboration with the SRCOs and URCOs.

For 2021 the NBG Group Internal Control Function will focus on the following:

Group ICF Annual Activity Plan 2021

- The Group ICF Annual Activity Plan 2021 has been approved and will focus on the control documentation based on the Group ICF Methodology for Very High Priority Processes for 2021, as identified by the GM/AGMs in close collaboration with the SRCOs.

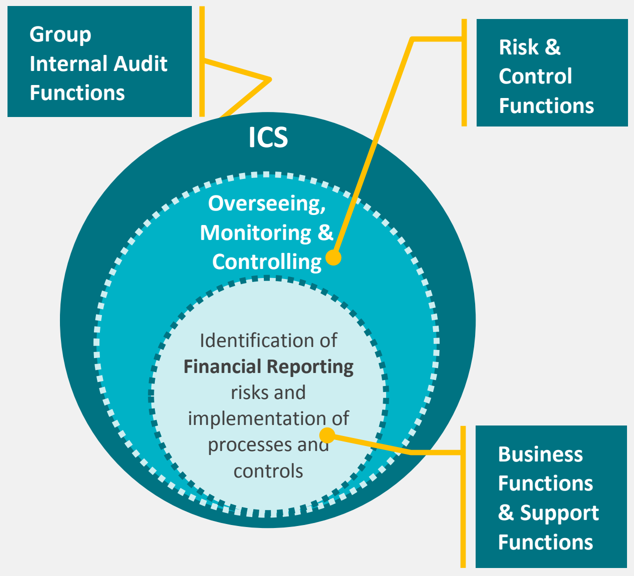
Development of the NBG Group Control Taxonomy

- The development of the NBG Group Control Taxonomy will serve as one of the mutually agreed complementary documents to the "Common Principles of Operational Risk and Control Assessment", allowing for the effective classification of controls.

Management of risks relating to the Internal Controls over Financial Reporting process

The **Audit Committee**, in accordance with the Greek Law 4449/2017, Article 44 para. 3b, is responsible for the oversight of the Internal Controls over Financial Reporting and reports any improvements to ensure its integrity to the Board of Directors. Furthermore, the Audit Committee monitors the progress of the corrective actions undertaken in the context of ICS including ICFR.

Management is responsible for the preparation and fair presentation of the Bank and Group financial statements in accordance with the International Financial Reporting Standards ("IFRS") and for **such Internal Controls over Financial Reporting ("ICFR")** as Management determines are necessary to enable the preparation of these financial statements to be free from material misstatement, whether due to fraud or error.



Roles and responsibilities are clearly defined in NBG Operating Model, where the identification of Financial Reporting risks along with the implementation of processes and controls to mitigate these risks lie with the **Business Functions and Support Functions** while the **Risk & Control Functions** oversee, monitor and control the Financial Reporting risks and the Internal Controls over Financial Reporting process.

Group Internal Audit

The Group Internal Audit Function is an independent NBG Group wide function, which ensures that business operations reflect the Bank's values and corporate culture and deliver its socially responsible strategy. Serving as the third line role, the Group Internal Audit Function provides the Board of Directors and the Audit Committee with independent assurance regarding the quality, adequacy and effectiveness of the systems and related frameworks of corporate governance, risk management and internal control. The Group Chief Audit Executive ("CAE") reports, functionally, to the Audit Committee and, administratively, to the CEO of NBG and has unrestricted access to both.

The Group Internal Audit Function, through a risk-based approach and with unrestricted access to all data and staff of the organization, covers all entities and activities of NBG Group. It evaluates the risk exposures relating to the achievement of the Group's strategic objectives, the compliance with applicable regulatory framework and supervisory requirements, the reliability of financial and operating information, the implementation of information systems and projects, the conduct of operational activities, and the safeguarding of assets. Special focus and priority are placed on areas of higher risk. Executive management is responsible for ensuring that issues raised by the Internal Audit function are addressed within an appropriate and agreed timeframe.

Group Internal Audit Function and the subsidiaries Internal Audit Units use:

- a common audit methodology, which is in compliance with the Committee of Sponsoring Organizations of the Treadway Commission ("COSO 2013") principles and the International Internal Auditing Standards of the Institute of Internal Auditors ("IIA");
- an information systems audit methodology that is based on the Control Objectives for Information and Related Technologies ("COBIT") framework of the Information Systems Audit and Control Association (ISACA);
- a common web-based software platform, which allows for the effective management of the audit activities and provides: (i) real time monitoring of the audit function across all subsidiaries, (ii) information sharing among the Group's internal auditors and (iii) standardisation of the audit methodology. Moreover, audit efficiency and effectiveness is ensured through established key performance indicators and internal quality reviews.

As of 31 December 2020, the Group Internal Audit Function of the Bank employed 85 internal auditors with in-depth knowledge and experience in banking and audit, independent to the audited activities and with no involvement in the design, selection, implementation or operation of the Group's internal controls.

Each year, the Group Internal Audit Function prepares an annual audit plan, at Group level, ensuring synergies and improved coverage of audit areas. The 2020 Audit Plan covered risks related to, among others, NPE management, ICAAP & ILAAP processes and internal risk models, retail and corporate credit, corporate governance, AML/KYC, IT and cybersecurity, e-banking platform, cloud outsourcing, HR management, compliance with new regulations (PSD II) and internal policies, anti-fraud and continuous auditing as well as areas impacted by the COVID-19 pandemic. For 2021, the Audit Plan will focus, among others, on the following areas:

- **Business Model Sustainability**
- **NPE management**
- **ICAAP & ILAAP processes and internal risk models**
- **COVID-19 post moratoria strategy**
- **Private Banking**
- **Cybersecurity**
- **Anti-fraud and continuous auditing.**

As required by IIA standards, the Group Internal Audit Function is periodically assessed by an external evaluator. The conclusion of the last quality review was that Group Internal Audit "Generally Conforms" (highest possible IIA rating) to the international standards for the professional practice of internal auditing and was benchmarked among peer organizations as a very mature audit unit with a score of 4.44/5.

Enhanced use of technology is a strategic objective for NBG's Internal Audit Function. During 2020, Group Internal Audit continued to enhance its Continuous Audit and Fraud Detection software platform, incorporating additional multiple audit scenarios run on a daily basis. The software features artificial intelligence and fuzzy-logic techniques and its coverage is planned to be expanded on additional business areas in the following years.

During 2020, Group Internal Audit experts, as members of a project team consisting of other Bank's risk and control functions experts, participated in the implementation phase of the common Governance, Risk and Compliance (GRC) Planform which started within the year. The platform's implementation will continue in 2021 under the close co-ordination and monitoring of the respective project team.

During 2020, Group Internal Audit met its strategic goals, including expansion of the use of new technology (new and improved anti-fraud and continuous auditing scenarios) and alignment of the audit methodology, initiation of staff up-skilling (adaptation to new technology and best practices) and further staff empowerment (through training, certification and career development). Additionally, in 2020 Group Internal Audit effectively adapted to the Bank's changed operating model as a result of the COVID-19 pandemic and managed to meet its objectives for the year.

In 2020, Group Internal Control Coordination Committee (established in 2019), convened seven times under the coordination of the Group CAE and continued to support the key objectives (see above "*Internal Control Coordination Committee*") through the establishment of multiple work groups.

Risk Management Governance Framework

See section "*Risk Management*".

Regulatory Compliance and Corporate Governance

Within the context of appropriately incorporating the applicable Greek and EU legal and regulatory framework and best practices into the Group's operation, Compliance and Corporate Governance Function, oversee all compliance matters, in line with the applicable Greek and EU regulatory framework and supervisory authorities' decisions, as well as all Corporate Governance and Shareholder activities. In particular, the Compliance and Corporate Governance Functions include distinct Divisions, having competence over Corporate Governance, Corporate Social Responsibility Compliance, AML/CFT. The Compliance and Corporate Governance Functions continuously monitor developments in the applicable framework and best practices, each in their field of responsibility, and provide guidelines and support to the Bank Units and the Group Entities, while they monitor implementation of the applicable provisions. In that context, Compliance and Corporate Governance Function in 2020 continued to focus on the establishment of an adequate and effective compliance environment, in order to safeguard the reputation and credibility of the Bank and the Group against all stakeholders, including shareholders, customers, Supervisory and other Authorities.

In order to comply with the regulatory framework in force, the Bank has set up policies and procedures. The monitored areas include among others Corporate Governance, AML/CFT, Tax and other Public Authorities requests, Consumer Protection, Banking secrecy, Personal Data Protection etc.

Given the particular emphasis which the Group places in ensuring constant enhancement of corporate governance arrangements and practices applied, during 2020, the Group Corporate Governance and CSR Division focused on reviewing corporate governance policies, arrangements and practices (for further details see section "*A. NBG's Corporate Governance Code*" and section "*B. NBG's Corporate Governance Key Policies and Practices*" above), providing continuous support to the Board of Directors and Board Committees.

Moreover, in the context of further enhancement of the Director's Induction and ongoing training and development, Group Corporate Governance and CSR Division, updated the introductory informative program for the new Board members, covering among others issues concerning the Bank's Corporate Governance and organizational arrangements.

The Group Corporate Governance and CSR Division also proceeded with informing the Board Corporate Governance and Nominations Committee on developments in the legal and regulatory framework (e.g. on changes introduced by Greek Law 4706/2020, the corporate governance provisions of which will, as of July 2021, repeal and replace those of Greek Law 3016/2002) and latest trends and practices in corporate governance, while it also briefed the Audit Committee on related parties' transactions.

Additionally, the Compliance and Corporate Governance Functions also provided support, advice and guidance to the Bank's Units in the context of ensuring the alignment and compliance of the Bank to the new regulatory framework and proceeded to actions regarding changes in policies and procedures, as well as, compliance with EU and national legislation. Furthermore, the Compliance and the Corporate Governance Functions handled a number of projects, such as GDPR, MiFiD II, IDD, NPLs/NPEs management PSD II, as well as Customer on -Boarding.

Finally, the Compliance and Corporate Governance Functions continued to systematically follow and monitor developments and compliance in accordance with the applicable framework, while in parallel also being involved in the submission of a series of regular and ad hoc reports to supervisory Authorities and constituting the point of contact and liaison between the Authorities and the Bank.

Information provided pursuant to Directive 2004/25/EU of the European Parliament and Council

The information of Directive 2004/25/EU of the European Parliament and Council, required pursuant Article 152 of Greek Law 4548/2018 on Sociétés Anonymes are included to the Supplementary Report to the Annual General Meeting of Shareholders, which is a separate section of the Group and Bank Annual Financial Report.

Athens, 24 March 2021

THE CHAIRMAN OF THE BOARD OF DIRECTORS	THE CHIEF EXECUTIVE OFFICER
COSTAS P. MICHAELIDES	PAVLOS K. MYLONAS

Appendix for alternative performance measures

The definitions of NBG's Group selected figures (ratios/measures) are presented in the table below:

Balance Sheet	Statement of Financial Position.
Common Equity Tier 1 ("CET1") ratio	CET1 capital as defined by Regulation No 575/2013, with the application of the regulatory transitional arrangements for IFRS 9 impact over RWAs.
CET1 ratio fully loaded	CET1 capital as defined by Regulation No 575/2013, without the application of the regulatory transitional arrangements for IFRS 9 impact over RWAs.
Core Income	Net Interest Income ("NII") + Net fee and commission income.
Core Operating Profit	Core Income less operating expenses and loan impairments and excluding COVID-19 provisions of €0.4 billion and Frontier provisions of €0.4 billion in FY.20.
Core Pre-Provision Income ("Core PPI")	Core Income less operating expenses.
Cost of Risk ("CoR")	Loan impairments of the year (or of the period annualized) over average net loans.
Cost-to-Core Income ratio	Operating expenses over Core Income.
Cost-to-Income ratio	Operating expenses over total income.
Deposits	Due to customers.
Depreciation	Depreciation and amortisation on investment property, property & equipment including right of use assets and software & other intangible assets.
Domestic banking activities	Refers to banking business in Greece and includes retail, corporate and investment banking. Group's domestic operations includes Ethniki Leasing S.A (Ethniki Leasing), Probank Leasing S.A. (Probank Leasing) and Ethniki Factors S.A. (Ethniki Factors).
Net Fees & Commissions / Fees / Net Fees	Net fee and commission income.
Funding cost/ Cost of funding	The weighted average cost of deposits, ECB refinancing, repo transactions, covered bonds and securitization transactions.
Gross loans	Loans and advances to customers at amortised cost before Expected Credit Loss ("ECL") allowance for impairment on loans and advances to customers at amortised cost and mandatorily measured at FVTPL.
Held for Sale ("HFS")	Non-current assets held for sale.
Interest earning assets	Interest earning assets include all assets with interest earning potentials and includes cash and balances with central banks, due from banks, financial assets at fair value through profit or loss (excluding Equity securities and mutual funds units), loans and advances to customers and investment securities (excluding equity securities and mutual funds units).
Liquidity Coverage Ratio ("LCR")	The LCR refers to the liquidity buffer of High Quality Liquid Assets ("HQLAs") that a Financial Institution holds, in order to withstand net liquidity outflows over a 30

	calendar-day stressed period as per Regulation (EU) 2015/61.
Loan Impairments	Impairment charge for ECL.
Loans-to-Deposits Ratio	Loans and advances to customers over due to customers, at year end.
Net Interest Margin ("NIM")	Net interest income over average interest earning assets. Net Interest Margin equals net interest income divided by the average of interest earning assets (the average of interest earning assets at the end of the current year and the end of the previous year and all quarter ends in between (5 periods) for the year end).
Net loans	Loans and advances to customers after ECL allowance for impairment on loans and advances to customers at amortized cost and mandatorily at FVTPL.
Net Stable Funding Ratio ("NSFR")	The NSFR refers to the portion of liabilities and capital expected to be sustainable over the time horizon considered by the NSFR over the amount of stable funding that must be allocated to the various assets, based on their liquidity characteristics and residual maturities.
Non-Performing Exposures ("NPEs")	Non-Performing Exposures are defined according to EBA ITS technical standards on Forbearance and Non-Performing Exposures as exposures that satisfy either or both of the following criteria: a. Material exposures which are more than 90 days past due. b. The debtor is assessed as unlikely to pay its credit obligations in full without realization of collateral, regardless of the existence of any past due amount or of the number of days past due.
NPE Coverage Ratio	ECL allowance for impairment for loans and advances to customers divided by NPE, excluding loans and advances to customers mandatorily classified as FVTPL, at year/period end.
NPE formation	Net increase / (decrease) of NPEs, before write-offs.
NPE Organic Formation	NPE balance change at year/period end, excluding sales and write-offs.
NPE ratio	NPEs divided by total loans and advances to customers before ECL allowance for impairment at the end of the year/period.
Non-Performing Loans ("NPLs")	Loans and advances to customers at amortised cost in arrears for 90 days or more.
Operating Expenses	Personnel expenses + General, administrative and other operating expenses ("G&As") + Depreciation and amortisation on investment property, property & equipment and software and other intangible assets, excluding the additional social security contributions for LEPETE to e-EFKA, restructuring cost and other one-off costs. More specifically, for 2020, operating expenses exclude personnel expenses of €37 million related to defined contributions for LEPETE to e-EFKA and other one off costs €15 million. For 2019, operating expenses exclude personnel expenses of €90 million related to additional social security contributions for LEPETE to e-EFKA for 2018 – 2019 and other one off costs €18 million.
Operating Profit / (Loss)	Total income less operating expenses and loan impairments.
Other impairments	Impairment charge for securities and Other provisions and impairment charges.
Adjusted profit after Tax ("PAT")	Refers to the adjusted profit for the year/period ended from continuing operations.
Adjusted Profit before Tax ("PBT")	Refers to the adjusted profit for the year/period ended from continuing operations before tax.
Adjusted profit for the period ("PAT") from continuing operations	Profit for the period from continuing operations, excluding the additional social security contributions for LEPETE to e-EFKA, restructuring cost and other one-off costs. More specifically, for 2020, operating expenses exclude personnel expenses of

	€37 million related to defined contributions for LEPETE to e-EFKA, VES cost of €126 million, restructuring cost of €11 million and other one-off costs €15 million. For 2019, operating expenses exclude personnel expenses of €90 million related to additional social security contributions for LEPETE to e-EFKA for 2018 - 2019, VES cost of €96 million, restructuring cost of €22 million and other one-off costs €18 million.
Pre-Provision Income ("PPI")	Total income less operating expenses, before loan impairments.
Risk Adjusted NIM	NIM minus CoR.
Risk Weighted Assets ("RWAs")	Assets and off-balance-sheet exposures, weighted according to risk factors based on Regulation (EU) No 575/2013.
Staff Costs	Personnel expenses.
Tangible Equity / Book Value	Common equity less goodwill, software and other intangible assets.
Total Capital Ratio	Total capital as defined by Regulation No 575/2013, with the application of the regulatory transitional arrangements for IFRS 9 impact over RWAs.
Trading and Other Income / Non-Core Income	Net trading income / (loss) and results from investment securities ("trading income/(loss)") + Gains / (losses) arising from the derecognition of financial assets measured at amortised cost + Net other income / (expense) ("other income / (expense)").

The Board of Directors' report contains financial information and measures as derived from the Group and the Bank's financial statements for the year ended 31 December 2020 and 2019, which have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as endorsed by the EU. Additionally, it contains financial data which is compiled as a normal part of our financial reporting and management information systems. For instance, financial items are categorized as foreign or domestic on the basis of the jurisdiction of organization of the individual Group entity whose separate financial statements record such items.

Moreover, it contains references to certain measures which are not defined under IFRS, including "pre-provision income" ("PPI"), "net interest margin" and others, as defined above. These measures are non-IFRS financial measures. A non-IFRS financial measure is a measure that measures historical or future financial performance, financial position or cash flows but which excludes or includes amounts that would not be so adjusted in the most comparable IFRS measure. The Group believes that the non-IFRS financial measures it presents allow a more meaningful analysis of the Group's financial condition and results of operations. However, the non-IFRS financial measures presented are not a substitute for IFRS measures.

Supplementary Report

for the year ended 31 December 2020

Supplementary Report of the Board of Directors

To the Annual General Meeting of Shareholders of National Bank of Greece Pursuant to article 4 of Greek Law 3556/2007

A) Share capital structure

Pursuant to article 4 of Greek Law 3556/2007, listed companies must submit a supplementary report to the Annual General Meeting of Shareholders providing detailed information on specific issues. This Board of Directors' supplementary report to the Annual General Meeting of Shareholders contains the required additional information.

By resolution of the Bank's Annual General Meeting of 26 July 2018, it was decided to simultaneously (i) increase the share capital by €0.90, due to capitalization of an equal part of the Bank's special reserve of Article 4.4a of Codified Law 2190/1920[35], and (ii) increase the nominal value of each common registered voting share of the Bank from €0.30 to €3.00 and reduce the aggregate number of the Bank's old common registered shares from 9,147,151,527 to 914,715,153 new common registered shares with voting rights by means of a reverse split at a rate of ten old common shares of the Bank to one new common share of the Bank.

Further to the above, the Bank's share capital on 31 December 2020 amounted to €2,744,145,459 and is divided into 914,715,153 common shares of a nominal value of €3.00 each.

The Bank's shares are listed for trading on the Athens Exchange ("ATHEX").

The rights of the shareholders of the Bank, arising from each share, are at first proportional to the percentage of the share capital to which they correspond. Each share carries the rights stipulated by law and the Articles of Association, with the reservation of the rights of 13,481,859 dematerialized ordinary shares held by HFSF, falling under the restrictions of article 7a par. 2 of Greek Law 3864/2010. In particular:

1. The following rights arise out of the 901,233,294 ordinary shares (corresponding to an amount of €2,703,699,882 or 98.53% of the Bank's total share capital) of which 355,986,916 owned by HFSF (corresponding to an amount of €1,067,960,748 or 38.92% of the Bank's total share capital):
   - The right to participate in and vote at the General Meeting of Shareholders.
   - The right to a dividend from the Bank's profit for the year ended, which amounts to 35% of the distributable profits, following deduction of the amounts specified in the applicable legal framework. This is annually distributed to shareholders as a statutory dividend, whereas the distribution of a supplementary dividend is subject to General Meeting resolution. Shareholders entitled to a dividend are those whose names appear in the Register of the Bank's Shareholders on the date the dividend beneficiaries are determined, and a dividend on each share owned by them is paid within two (2) months of the date of the General Meeting of Shareholders that approved the Bank's annual financial statements. The dividend payment method and place are announced as prescribed by the applicable framework. After the lapse of five years from the end of the year in which the General Meeting approved the dividend, the right to collect the dividend expires and the corresponding amount is forfeited in favour of the Greek state.
   - The pre-emptive right to each share capital increase in cash and issue of new shares.
   - The right to access the Bank's financial statements and the Board and the auditors' reports via the Bank's website ten (10) days before the AGM.
   - The General Meeting of Shareholders maintains all of its rights during liquidation proceedings (pursuant to Article 37 of the Bank's Articles of Association).
2. The 13,481,859 common shares held by HFSF (corresponding to an amount of €40,445,577 or 1.47% of the Bank's total share capital) according to the Article 7a par. 2 of the Greek Law 3864/2010, give the right to HFSF to exercise its voting rights in the General Meeting of Shareholders with the restrictions described in detail in Section E below (*"Restrictions to voting rights"*).

Moreover, the common shares held by HFSF provide also, as the common shares held by other private investors, dividend rights, pre-emptive right in case of share capital increase and the right to access the financial statements and Board and auditors' reports, as mentioned above.

Furthermore, these common shares provide the HFSF representative to the Bank's Board of Directors, the following rights under the Greek Law 3864/2010, as in force:

- The right to request convening of the General Meeting of the Shareholders.
- Veto power over any decision taken by the Board of Directors:

  i. Regarding the distribution of dividends and the remuneration policy concerning the Chair, the CEO as well

[35] As of 1 January 2019, Greek Law 4548/2018 has replaced Codified Law 2190/1920

as other members of the Board of Directors, the General Managers and their deputies; or

ii. If the decision in question could seriously jeopardize the interests of depositors or seriously affect the Bank's liquidity or solvency or its overall sound and smooth operation (such as business strategy, management of assets and liabilities, etc.)

iii. Related to corporate actions of paragraph 3 of article 7A of Law 3864/2010, meaning decisions regarding amendments to the Articles of Association, including capital increase or reduction or providing authorisation to the Board of Directors to that effect, merger, division, conversion, revival, extension of duration or dissolution of the company, material asset transfers, including sales of subsidiaries, or any other matters that requires an increased majority as provided in Greek Law 4548/2018, which might substantially influence the Fund's participation at the share capital of the credit institution.

- The right to request an adjournment of any meeting of the Bank's Board of Directors for three (business) days, in order to receive instructions from the HFSF Executive Board. This right may be exercised until the end of the Board of Directors' meeting.
- The right to request convocation of the Board of Directors.
- The right to approve the appointment of the Chief Financial Officer.

While exercising the aforementioned rights to the Bank's Board of Directors, the HFSF Representative shall respect the Bank's business autonomy. Furthermore, for the purposes of Greek Law 3864/2010, as in force, the HFSF has free access to the Bank's books and records with employees or with consultants of its choice. As per Greek Law 3864/2010, as in force, the HFSF has also the right of preferential satisfaction from the liquidation proceeds with priority over all other shareholders, in the event of liquidation of the Bank.

Finally, the International Finance Corporation ("IFC") and the European Bank for Reconstruction and Development ("EBRD") participated in the Bank's share capital increase, which was completed in December 2015 with 66,666,667 shares and 166,666,666 shares respectively, by representing 0.73% and 1.82% over the Bank's total share capital, respectively. At that time, the Bank signed an agreement with each organization that remains in force as far as Bank's shares are held by the two organizations. From July 2017, IFC ceased to hold shares of the Bank. Further, from November 2020 EBRD also ceased to hold shares of the Bank. therefore, the respective agreement with EBRD as a shareholder is no longer in force as well.

B) Restrictions on transfers of the Bank's shares

The Bank's Articles of Association do not impose restrictions on the transfer of the common shares of the Bank. The disposal of shares of the Bank held by the HFSF is made pursuant to the provisions of the HFSF Law, article 8, as amended and in force. It is noted that, on 26 October 2020 Ministerial Decision No 121476 EX 2020 was issued, which provides for an extension to the deadline for the disposal of shares held by the HFSF, in accordance with article 8 par. 1 of Greek Law 3864/2010, for two further years, until 1 November 2022.

C) Significant direct and indirect holdings as per Greek Law 3556/2007

As of 31 December 2020, there are no significant direct or indirect holdings as per Greek Law 3556/2007, i.e. of a direct or indirect participation percentage higher than 5% of the aggregate number of the Bank's ordinary shares, except for the 369,468,775 ordinary dematerialised registered shares with voting rights held by HFSF following the Bank's recapitalization in 2013 and 2015, of which 13,481,859 falling under the restrictions of article 7a par. 2 of Greek Law 3864/2010.

D) Shares with special control rights

There are no shares with special control rights with the following exceptions.

According to the stipulations of article 10 par. 2 of Greek Law 3864/2010, as amended and in force, HFSF has since 11 June 2012 a representative to the Bank's Board of Directors, with the abovementioned rights of Greek Law 3864/2010.

In particular, the objective of the HFSF according to Greek Law 3864/2010, as amended and in force, is to contribute to the maintenance of the stability of the Greek banking system, for the sake of public interest.

In pursuing its objective, the HFSF should, among others, (i) monitor and assess how credit institutions, to which capital support is provided by the HFSF, comply with their restructuring plans, (ii) exercise its shareholding rights in compliance with the rules of prudent management of its assets and in compliance with State aid and Competition rules of the European Union, (iii) ensure that the Bank operates on market terms, and (iv) that in due time the Bank returns to private ownership in an open and transparent manner.

For the purpose of accomplishing the aforementioned, the Bank and HFSF entered into a Relationship Framework Agreement dated 10 July 2013 (the initial Relationship Framework Agreement). Furthermore, in view of the capital injected to the Bank, as a result of the recapitalization, which was completed in December 2015, and in order for the HFSF to fulfill its objectives under Greek Law 3864/2010, as in force, exercise its rights and obligations and comply with the commitments undertaken through the Financial Assistance Facility Agreement[36] ("FFA") and the Memorandum of Understanding[37] ("MoU"), the HFSF and the Bank entered into the revised Relationship Framework Agreement dated 3 December 2015, which amended the initial Relationship Framework Agreement.

[36] The agreement signed on 19 August 2015 by and between the European Stability Mechanism ("ESM"), the Hellenic Republic, the Bank of Greece and the HFSF.

[37] Means the memorandum signed on 19 August 2015 between the ESM, on behalf of the European Commission, the Hellenic Republic and the Bank of Greece.

The Relationship Framework Agreement determines the relationship between the Bank and the HFSF and the matters related with, amongst others, (a) the corporate governance of the Bank, (b) the Restructuring Plan and its monitoring, (c) the monitoring of the implementation of the Bank's Non-Performing Loans ("NPLs") management framework and of the Bank's performance on NPL resolution. In addition to that, the Relationship Framework Agreement deals with (d) the Material Obligations and the switch to full voting rights, (e) the monitoring of Bank's actual risk profile against the approved Risk and Capital Strategy (f) the HFSF's consent for Material Matters, (g) Material Litigation and Proceedings concerning the Bank, and (h) the duties, rights and obligations of HFSF's Representative in the Board of Directors.

Moreover, the Relationship Framework Agreement mentions that subject to its provisions, the applicable Law and the Charter Documents, the Bank's decision making bodies will continue to determine independently, amongst others, the Bank's commercial strategy and policy in compliance with the Restructuring Plan and the decisions on the day-to-day operation of the Bank will continue to rest with the Bank's competent bodies and officers, as the case may be, in accordance with their statutory, legal and fiduciary responsibilities.

Furthermore, under the Relationship Framework Agreement, the Bank shall provide HFSF with all information and data concerning the Group and related matters that the HFSF reasonably deems necessary in order to safeguard its assets, monitor the Bank's implementation of the Restructuring Plan and to exercise its statutory rights and obligations, as well as the Contractual Obligations. In the context of efficient implementation of the Relationship Framework Agreement, the Bank and the HFSF shall cooperate effectively. Bank's and the HFSF's officers shall meet periodically and work collaboratively as part of the monitoring process of the Bank's Restructuring Plan in accordance with Clause 2.3 of the Relationship Framework Agreement. The HFSF's Executive Board of Directors and the Bank's Executive Committee members shall meet at least once per quarter while the Bank's management (including the Chief Financial Officer, the Chief Risk Officer, Head of Strategy, depending on the items of the agenda) and the HFSF's Directors and Portfolio Manager shall meet at least once per month.

In addition to the above, the HFSF Representative to the Bank's Board of Directors is appointed as a member in all Board Committees, while the Relationship Framework Agreement also provides for the appointment of an HFSF Observer (with no voting rights) at the Board of Directors and all Board Committees.

Further, the amended Relationship Framework Agreement foresees among others that:

- The Bank shall at each time adopt and apply a corporate governance structure that ensures the implementation of the Relationship Framework Agreement, compliant at any time with the requirements of the Law, the Contractual Obligations and the Restructuring Plan.
- Provide to the HFSF the documents, as required, in order to ensure the effective monitoring of the implementation of the Restructuring Plan and the NPL management framework, to effectively allow the HFSF to perform its statutory role.
- If the Bank has engaged, prior to the signing of the Relationship Framework Agreement, an external audit firm for more than five years, the Bank should replace the audit firm. The new engagement contracts should not exceed five years.

  The Bank's initial five-year period expired following the 2016 financial year. In this context, the Board of Directors approved at the meeting held on 18 January 2017 PwC as the most appropriate audit firm for the audit of the Group for the year ending 31 December 2017, following the recommendation of the Audit Committee. The appointment of PwC was approved by the 2017 Annual General Meeting of the NBG Shareholders held on 30 June 2017. The Annual General Meeting of the NBG shareholders held on 26 July 2018 appointed PwC to undertake the audit of the Group for the year ended 31 December 2018, following relevant proposal of the Audit Committee. The Annual General Meeting of the NBG shareholders held on 31 July 2019 appointed PwC to undertake the audit of the Group for the year ended 31 December 2019, following relevant proposal of the Audit Committee. The Annual General Meeting of the Bank's shareholders held on 30 June 2020 appointed PwC to undertake the audit of the Group for the year ending 31 December 2020, following relevant proposal of the Audit Committee.

  However, according to the article 28 of Greek Law 4701/2020, HFSF and the financial institutions who participated in recapitalization plans, or the beneficiary financial institutions that resulted from fully or partial carve-outs of banking operations in the context of Greek law 4601/2019 (corporate transformation law), may decide to extend the term of its auditors for a period not exceeding the 10 years in total (according to article 17 EU 537/2014 (L158)) provided that the General Meeting of the financial institution approves reasoned proposal of the Board of Directors, following the recommendation of the Audit Committee.
- In case of any actual or reasonably foreseeable adverse deviations in the Group's performance and risk profile, relative to the base scenario of the Restructuring Plan, or relative to the budget, or with respect to the Risk and Capital Strategy if adverse deviations have already been approved by the HFSF through the approval of the budget, the Board of Directors should promptly submit its recommended corrective strategic actions to the HFSF for its review and consent.
- Performance against the Restructuring Plan as well as progress on key initiatives undertaken by the Bank (e.g. Divestments, Integrations, etc.) will be performed as follows:
  i. Regular meetings between the Bank's management and the HFSF.
  ii. A formal monitoring review of performance against the Restructuring Plan or relative to the budget, if adverse deviations have already been approved by the HFSF through the approval of the budget, will be conducted on a quarterly basis, in line with the Bank's results reporting cycle. For the purpose of the monitoring reviews, the Bank will provide the HFSF with a report on its financial and business performance against the Restructuring Plan or relative to the budget, if adverse deviations have already been approved by the HFSF through the approval of the budget quarterly targets, clearly highlighting performance to date vs. restructuring plan targets as well as vs. budget, key initiatives and expected impact for the next four quarters rolling and identifying any adverse deviations from the targets and associated corrective measures /initiatives, which must be approved by the HFSF.

- The HFSF will monitor and evaluate the performance of the Bank's Board of Directors and its Committees.
- The Bank must receive the HFSF's prior written consent for a number of "Material Matters", as prescribed in the Relationship Framework Agreement.
- The Bank will inform in writing the HFSF as soon as it executes a non-binding agreement /MOU for the sale of (or receives any proposal from third parties for the acquisition of) a subsidiary of the Bank, or part of its business.
- The Board of Directors should conduct a self-assessment exercise on an annual basis not only as a whole, as per current legislation but also for each of its Committees. The results of this evaluation should be disclosed in the Annual Report on Corporate Governance.
- The Board of Directors should approve the following policies and amendments thereof: the Bank's Group Strategy, Policy and Governance regarding the management of its Arrears and NPLs, conflict of Interest policy, related party transactions policy, provisioning & write off policy, sponsorship/donation policy, outsourcing policy, Board / Committees self-assessment policy.

According to the provisions of the Relationship Framework Agreement, the HFSF Representative in the Board of Directors has the following rights:

- To request the Board of Directors to convoke the General Assembly of Shareholders or to include items on the agenda to be discussed at a General Assembly to be convoked by the Board of Directors. The request regarding the convocation of the General Assembly shall be addressed to the Chair of the Board of Directors in writing and shall include the proposed items on the agenda. The Board of Directors shall have the obligation to convoke the General Meeting upon respective request of the HFSF Representative. Furthermore, the Board of Directors shall have the obligation to include the proposed items in the respective invitation for the convocation of the General Meeting.
- To request that the Board of Directors is convened within the next seven calendar days from the HFSF's Representative written request to the Chair of the Board of Directors. The relevant request shall be addressed to the Chair of the Board of Directors in writing and include the proposed items on the agenda. If the Chair of the Board of Directors does not proceed to the convocation of the Board of Directors within the above deadline or does not include all the proposed items in the invitation, then the HFSF Representative shall be entitled to convoke the Board of Directors within five days as of the expiry of the above seven days period. Such invitation shall be notified to all the members of the Board of Directors.
- To include items in the agenda of a scheduled Board of Directors meeting, including any item which may be related to any entity of the Group. For this purpose, HFSF Representative will submit in writing to the Chair of the Board of Directors the desired additional items on the agenda at least two (2) business days prior to the date of the Board of Directors meeting. The Chair of the Board of Directors must include these items in the agenda of the scheduled Board of Directors meeting.
- To request an adjournment of any meeting of the Board of Directors or the discussion of any item up to three business days, if they find that the material, data or information and the supporting documents submitted to the HFSF pursuant to the items of the agenda of the forthcoming Board of Directors meeting are not sufficient.
- To approve the appointment of the Bank's Chief Financial Officer.

The HFSF has the right to perform/order field reviews and ad hoc audits with the participation of experts and or external auditors appointed by the HFSF, in order to fulfill its contractual obligations under the Relationship Framework Agreement. The HFSF shall have free access to the Bank's books and records for the purposes of Greek Law 3864/2010 as in force, with employees and/or consultants of HFSF's choice in order to ensure the effective exercise of the HFSF rights under the said Law, including monitoring of the implementation of the Restructuring Plan.

E) Restrictions to voting rights

There are no restrictions to voting rights attached to the Bank's ordinary shares, except for the restrictions on ordinary shares held by HFSF which are subject to the provisions of article 7a par. 2 of Greek Law 3864/2010, as abovementioned.

More specifically, said shares give the right to HFSF to exercise its voting rights in the General Meeting of Shareholders only for decisions regarding amendments to the Articles of Association, including increase or reduction of capital or provision of authorisation to the Board of Directors to that effect, merger, division, conversion, revival, extension of duration or dissolution of the company, transfer of assets, including the sale of subsidiaries or any other issue requiring an increased majority as provided by Greek Law 4548/2018. Specifically, in order to calculate quorum and majority at the General Meeting, these shares of HFSF are not taken into account regarding decisions on matters other than those mentioned above. According to Article 7a of Greek Law 3864/2010, HFSF exercises its full voting rights without the aforementioned limitations in case it is concluded, by decision of the HFSF General Council, that there is a breach of material obligations which are included in the restructuring plan or which promote its implementation or which are described in the Relationship Framework Agreement between the Bank and the HFSF.

F) NBG Shareholders' agreements

The Bank is not aware of any agreements between its shareholders resulting to restrictions in share transfers or in the exercise of voting rights. The only restrictions in share transfers or in the exercise of voting rights concern shares held by the HFSF, as outlined in Sections B and E above ("Restrictions on transfers of the Bank's shares" and "Restrictions to voting rights").

G) Rules regarding the appointment and replacement of Board of Directors members and amendments to Articles of Association

The provisions of the Bank's Articles of Association regarding the appointment and replacement of members of the Board of Directors, as well as for amendments to the Articles of Association are in alignment with the corresponding provisions of

Greek Law 4548/2018, as in force. Relevant provisions regarding the appointment and replacement of Board of Directors members are included in the Corporate Governance Code and the Charter of the Corporate Governance and Nominations Committee, to which more detailed reference is made in Sections "A. NBG'S Corporate Governance Code" and "B. NBG's Corporate Governance Key Policies and Practices" of the Corporate Governance Statement.

In the context of the recapitalization of the Greek banks and specifically pursuant to the provisions of Greek Law 3864/2010, as currently in force, and Cabinet Acts 15/2012 and 38/2012, and following the contribution on 28 May 2012 to the Bank by HFSF of EFSF bonds as an advance for the participation in the Bank's future share capital increase, HFSF, pursuant to the Presubscription Agreement dated 28 May 2012 and executed by the Bank, HFSF and EFSF, as amended and restated on 21 December 2012, has a Representative to the Bank's Board of Directors, who has the rights provided by Greek Law 3864/2010 and the terms of the Relationship Framework Agreement, as in force.

H) Board of Directors' authority for the issue of new shares or the purchase of own shares

Issue of new shares

Pursuant to the provisions of Greek Law 4548/2018 Article 24 par. 1, by General Meeting resolution, subject to the publication requirements provided for under Greek Law 4548/2018 Articles 12 and 13, the Board of Directors can increase the Bank's share capital through the issue of new shares by resolution adopted on a two-third-majority basis. In that case, pursuant to Article 5 of the Bank's Articles of Association, the Bank's share capital may increase up to three times the level of the capital in existence as at the date the said powers are delegated to the Board of Directors (extraordinary increase). The said authorization may be renewed from the General Meeting, each time for a period of up to 5 years.

On 19 June 2015, the Annual General Meeting of shareholders approved authorization for the Board of Directors to increase the Bank's share capital, as per Article 13 of Codified Law 2190/1920 and/or arrange the issue of convertible bond loans, as per Article 3a of Codified Law 2190/1920 and Article 5 of the Bank's Articles of Association, up to the total paid-up share capital of the Bank as at the time of the General Meeting as regards the share capital increase, i.e. €2,413,736,838.60, and up to 50% of the total paid-up share capital of the Bank as at the time of the General Meeting as regards convertible bond loans, i.e. 1,206,868,419.30. The Meeting authorized the Board of Directors to decide at its discretion the detailed terms of such increase and/or issue of bond loans, subject to the provisions of law.

Stock options

In accordance with Greek Law 4548/2018 Article 113, pursuant to a General Meeting resolution a Stock Options Program may be launched for the management and staff in the form of options to acquire shares of the Bank as per the terms of the resolution. The General Meeting resolution determines the maximum number of shares to be issued if the beneficiaries' stock options are exercised, whose total nominal value by law cannot exceed 1/10 of the Bank's existing shares, as well as the purchase price and the terms of allocation of the shares to the beneficiaries.

Currently, there are no active Stock Options Programs.

Purchase of own shares

Articles 49 and 50 of Greek Law 4548/2018 prescribe provisions for the acquisition of own shares, pursuant to a General Meeting resolution. However, pursuant to the restrictions imposed by article 16C of Greek Law 3864/2010 during the period of HFSF participation in the capital of the Bank, it is prohibited for the Bank to purchase own shares without HFSF approval.

During 2020, National Securities S.A. (the Bank's subsidiary which conducts treasury shares transactions for its brokerage business) acquired 12,259,613 and disposed of 12,223,918 of the Bank's shares at the amount of €17 million and €17 million respectively. On 31 December 2020, the Bank did not hold any own shares, while NBG Securities S.A., held 335,818 own shares corresponding to 0.0367% of the Bank's total share capital.

I) Significant agreements that come into effect, are modified or terminated in the event of a change in control following a public offering

There are no significant agreements that shall come into effect, be modified or terminated in the event of a change in control of the Bank following a public offering.

J) Agreements with Board of Directors members or officers of the Bank

In the case of the Chair and executive members of the Board of Directors and Senior Managers (General Managers and Assistant General Managers) the Bank reserves the right for groundless termination of their employment contracts by paying specific levels of compensation, as specified in the contract. Especially as to Executive directors and Senior Managers (General Managers and Assistant General Managers), the compensation is determined in accordance with the NBG Directors' and Senior Managers' Remuneration Policy, as approved by the Annual General Meeting of Shareholders of 2020.

Athens, 24 March 2021

THE CHAIRMAN OF THE BOARD OF DIRECTORS	THE CHIEF EXECUTIVE OFFICER
COSTAS P. MICHAELIDES	PAVLOS K. MYLONAS

Translation from the original text in Greek

Independent Auditor's Report

To the Shareholders of "National Bank of Greece S.A."

Report on the audit of the Group and Bank annual financial statements

Our opinion

We have audited the accompanying financial statements of "National Bank of Greece S.A." (Bank and Group) which comprise the statement of financial position as of 31 December 2020, the statements of income, comprehensive income, changes in equity and cash flow statements for the year then ended, and notes[1] to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects the financial position of the Bank and the Group as at 31 December 2020, their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by the European Union and comply with the statutory requirements of Law 4548/2018.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs), as they have been transposed into Greek Law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

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

Independence

During our audit we remained independent of the Bank and the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) that has been transposed into Greek Law, and the ethical requirements of Law 4449/2017 and of Regulation (EU) No 537/2014, that are relevant to the audit of the financial statements in Greece. We have fulfilled our other ethical responsibilities in accordance with Law 4449/2017, Regulation (EU) No 537/2014 and the requirements of the IESBA Code.

We declare that the non-audit services that we have provided to the Bank and its subsidiaries are in accordance with the aforementioned provisions of the applicable law and regulation and that we have not provided non-audit services that are prohibited under Article 5(1) of Regulation (EU) No 537/2014.

The non-audit services that we have provided to the Bank and its subsidiaries, for the year ended 31 December 2020, are disclosed in the note 45 to the financial statements.

Key audit matters

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

[1] *Certain required disclosures have been presented elsewhere in the Board of Directors Report, rather than in the notes to the financial statements. These disclosures are cross-referenced from the financial statements and are identified as audited.*

Key audit matter	How our audit addressed the key audit matter
Expected credit loss allowances for loans and advances to customers under IFRS 9	
Due to the magnitude of the loans and advances balances and the extent of management judgement inherent in the impairment calculations, allowance for impairment of loans and advances to customers has been identified as an area of most significance in the current year audit of the Bank's and Group's financial statements. Determining expected credit losses ('ECL') involves management judgement and assumptions and is subject to a high degree of estimation uncertainty, both of which have significantly increased as a result of the COVID-19 pandemic. The significant assumptions that we focused on in our audit included those with the higher management judgement and most significant impact on ECL. These included: o The development by the Group's Economic Analysis Division of a number of future macroeconomic scenarios and their relative probabilities of occurrence, which are incorporated into the Stage allocation process and the calculation of expected credit loss allowances; o For lending exposures with signs of credit impairment, that are assessed on an individual basis, the significant judgements made for determining whether these loans are impaired and the estimation of their ECL, based on the expected future cash flows and collateral liquidations and the timing of their recovery; o For the collectively assessed lending exposures, for which ECL allowances are estimated on a portfolio basis, the modelling methodologies used for the determination of the probability of default (PD), the exposure at default (EAD) and loss given default (LGD) and the validation of their performance; o Management's applied overlays where they believe that the estimated loss amounts are not appropriate, either due to model limitations, or when the emerging risks or the current conditions and environment derived from the COVID-19 crisis are not captured; o Management's estimates around the measurement of loans classified as held for sale either due to direct portfolio sales or loans securitizations. Please refer to notes 3.6, 4.2 and 21 of the annual financial statements for more details on critical judgements and estimates on how the Bank and Group manage and measure credit risk, and for the	Our work included understanding of management's process and assessment of the design of governance and controls over the determination of the allowance for impairment on loans and advances to customers. We understood the impairment estimation process due to credit risk and assessed the design, implementation and operation of key internal controls around: (i) the determination of the economic scenarios used and the probability weightings applied to them, (ii) the model monitoring and validation, and (iii) the flow of critical data from source systems to ECL models. With the support of our internal specialists, when needed, we performed the following procedures: o For the generation, selection and weighting applied to economic scenarios, we: (i) assessed the identification and use of appropriate external economic data, (ii) assessed the methodology for determining the economic scenarios used and the probability weightings applied to them, and (iii) assessed the risk of bias in the forecasts, as well as the existence of contrary evidence. o Where impairment provisions were calculated on a collective basis, we: (i) tested the completeness and accuracy of data used in the impairment models by agreeing details to the source systems, (ii) assessed the design and implementation of the models, including significant assumptions and the quality of the observable data used to derive model parameters, and (iii) assessed the reasonableness of the impairment model methodology applied by management and key modelling judgements to determine the credit risk parameters for the expected credit loss calculation. In addition, our procedures included, among others, the following test of details: o For a sample of individually impaired loans, we re-performed the impairment calculation and tested key inputs including the expected cash flows to be collected, expected timing of the collection, discount rates used and the valuation of any collateral held that was included in the expected cash flows; o For the aforementioned sample we inspected legal agreements and supporting documentation to confirm the existence and legal right to the collateral. We assessed the collateral valuation techniques applied against Bank and Group policy and valuation standards; o Assessed the appropriateness of management's overlays in light of recent economic events and

allowance for impairment on loans and advances to customers.	circumstances, including COVID-19 crisis impact; ○ For the loans held for sale, both through outright sales transactions and through securitisations, we inspected the respective offers and/or agreements and assessed management's calculations for determining their fair value. Based on the evidence obtained, we found that the methodologies, impairment model assumptions, management judgements and data used within the allowance assessment were appropriate and in line with the requirements of IFRS 9.
Recoverability of Deferred Tax Assets ('DTA')	
The Bank and Group recognised DTA of €4.9bn in relation to tax deductible temporary differences. Assessing its recoverability requires significant judgement and the use of estimates. The Bank and the Group have recognised DTA for deductible temporary differences to the extent it considers this to be recoverable. These differences relate to: ○ The losses resulted from Group's participation in the Greek debt voluntary restructuring ("PSI+") and subsequent debt buyback program of 2012, which are subject to a 30 year tax amortization, starting from year 2012; and ○ the loan impairment losses that can offset future taxable gains according to current tax legislation. The recoverability of the recognised DTA is dependent on the Bank's and the Group's ability to generate future taxable profits sufficient to cover the deductible temporary differences when such differences crystallise for tax purposes. Management's assessment regarding the ability of the Bank and the Group to generate future taxable profits requires the use of significant judgement and estimates as indicated below: ○ The assumptions that underpin the business plan of the Group; ○ the projections required to cover the time horizon up to the legal expiration of the period within which the DTA can be recovered; and ○ the adjustments required to derive the estimated tax profits from the projected accounting profits to infer the amount of DTA that will be recoverable in future periods. Business plans may be impacted by the risks and uncertainties stemming from the macroeconomic environment in Greece. Please refer to notes 3.2 and 27 of the annual financial statements for more details on critical accounting	We have assessed the reasonableness of the assumptions used in drafting the business plan, that was approved by the Bank's and Group's Board of Directors taking into account the execution risks and uncertainties stemming from the macroeconomic environment in Greece. Specifically, we: ○ Compared these to our own expectations derived from our knowledge of the industry and our understanding obtained during our audit and; ○ Performed a sensitivity analysis to determine the effect of changes in the assumptions and how estimation uncertainty may affect the Bank's and the Group's projected profitability. For the purpose of our recoverability assessment we have evaluated the appropriateness of the adjustments applied to convert accounting profits into taxable ones and have assessed management's projections beyond the business plan horizon. Furthermore, our procedures also included assessing management's interpretations of current tax legislation with respect to the accounting write-offs and the gradual amortisation of the crystallised tax loss arising from non performing loans' disposals, and debt forgiveness arrangements. We evaluated the adequacy of the financial statements' disclosures, including disclosures of key assumptions and judgements. Based on the evidence obtained we found management's assessment with respect to the recoverability of the DTA to be reasonable.

judgements and estimates and note of deferred tax asset.	
IT systems	
The Bank's and Group's financial statements are highly reliant on information generated, processed and reported by the Bank's and Group's Information Technology (IT) systems and automated processes and controls implemented in these systems. The Bank and the Group have implemented a framework of governance and IT controls to address risks related to user access management, program development and changes as well as IT operations to ensure the continued integrity of the IT systems that are relevant to financial reporting. We considered this a significant area of focus for our audit, due to the complexity, the high volume of transactions and pervasiveness of IT systems on the Bank's and Group's operations and financial reporting processes.	Our procedures included evaluating and testing the design and operating effectiveness of certain controls over the continued integrity of the IT systems that are relevant to financial reporting. We tested on a sample basis access, change and program development and IT operations processes and controls for key layers of underlying infrastructure (i.e. application, operating system, database) in relation to the IT systems in scope of the audit. We also performed testing, on a sample basis, of supporting IT application controls and IT dependencies in manual controls that were key to our audit in order to assess the accuracy of certain system calculations, the generation of certain reports and the effective operation of certain automated controls and where applicable, further supplemented by other substantive audit procedures.

Other Information

The members of the Board of Directors are responsible for the Other Information. The Other Information, which is included in the Annual Report in accordance with Law 3556/2007, is the Certification of the Board of Directors, the Board of Directors' Report, the Supplementary Report of the Board of Directors, Disclosures of Law 4261/2014 Art.81, Disclosures of Law 4261/2014 Art. 82 and Disclosures of article 6 of Law 4374/2016 (but does not include the financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report.

Our opinion on the financial statements does not cover the Other Information and except to the extent otherwise explicitly stated in this section of our Report, we do not express an audit opinion or other form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the Other Information identified above and, in doing so, consider whether the Other Information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We considered whether the Board of Directors Report includes the disclosures required by Law 4548/2018 and the Corporate Governance Statement required by article 152 of Law 4548/2018 has been prepared.

Based on the work undertaken in the course of our audit, in our opinion:

- The information given in the Board of Directors' Report for the year ended at 31 December 2020 is consistent with the financial statements,
- The Board of Directors' Report has been prepared in accordance with the legal requirements of articles 150,151,153 and 154 of Law 4548/2018,
- The Corporate Governance Statement provides the information referred to items c and d of paragraph 1 of article 152 of Law 4548/2018.

In addition, in light of the knowledge and understanding of the Bank and Group and their environment obtained in the course of the audit, we are required to report if we have identified material misstatements in the Board of Directors' Report and Other Information that we obtained prior to the date of this auditor's report. We have nothing to report in this respect.

Responsibilities of Board of Directors and those charged with governance for the financial statements

The Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, as adopted by the European Union and comply with the requirements of Law 4548/2018, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Bank's and Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Bank and Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Bank's and Group's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 ISAs, as they have been transposed into Greek Law, 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 financial statements.

As part of an audit in accordance with ISAs that have been transposed into Greek Law, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, 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 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 Bank's and Group'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 Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's and Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements 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 auditor's report. However, future events or conditions may cause the Bank and Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Bank and Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among 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 those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our Auditor’s Report.

Report on other legal and regulatory requirements

1. Additional Report to the Audit Committee

Our opinion on the accompanying financial statements is consistent with our Additional Report to the Audit Committee of the Bank.

2. Appointment

We were first appointed as auditors of the Company by the decision of the annual general meeting of shareholders on 30 June 2017. Our appointment has been renewed annually by the decision of the annual general meeting of shareholders for a total uninterrupted period of appointment of 4 years.

pwc

PricewaterhouseCoopers S.A.
268 Kifissias Avenue, Halandri 152 32
SOEL Reg. No. 113

Athens, 31 March 2021
The Certified Auditor

Marios Psaltis
SOEL Reg. No. 38081

Group and Bank
Annual Financial Statements

2020

As at and for the period ended 31 December 2020

Statement of Financial Position
as at 31 December 2020

€ million	Note	Group 31.12.2020	Group 31.12.2019	Bank 31.12.2020	Bank 31.12.2019
ASSETS					
Cash and balances with central banks	17	9,175	3,519	9,006	3,318
Due from banks	18	3,440	3,008	3,378	2,948
Financial assets at fair value through profit or loss	19	541	518	523	494
Derivative financial instruments	20	5,585	4,833	5,585	4,833
Loans and advances to customers	21	26,807	29,222	25,444	27,952
Investment securities	22	15,055	8,890	14,721	8,588
Investment property	23	125	152	6	6
Investments in subsidiaries		-	-	1,136	1,139
Equity method investments	24	22	8	20	6
Goodwill, software and other intangible assets	25	282	202	278	199
Property and equipment	26	1,663	1,722	1,214	1,264
Deferred tax assets	27	4,911	4,911	4,906	4,906
Current income tax advance		338	366	330	358
Other assets	28	2,282	2,444	2,187	2,351
Non-current assets held for sale	29	7,259	4,453	3,276	999
Total assets		**77,485**	**64,248**	**72,010**	**59,361**
LIABILITIES					
Due to banks	30	12,724	4,449	13,021	4,780
Derivative financial instruments	20	3,321	2,870	3,321	2,870
Due to customers	31	48,504	43,748	47,510	42,761
Debt securities in issue	32	910	1,365	910	1,365
Other borrowed funds	33	60	5	-	-
Deferred tax liabilities	27	14	11	-	-
Retirement benefit obligations	11	300	267	297	264
Current income tax liabilities		2	1	-	-
Other liabilities	34	2,632	2,773	2,340	2,388
Liabilities associated with non-current assets held for sale	29	3,939	3,482	-	-
Total liabilities		**72,406**	**58,971**	**67,399**	**54,428**
SHAREHOLDERS' EQUITY					
Share capital	36	2,744	2,744	2,744	2,744
Share premium account	36	13,866	13,866	13,863	13,863
Less: treasury shares		(1)	(1)	-	-
Reserves and retained earnings		(11,876)	(11,581)	(11,996)	(11,674)
Amounts recognised directly in equity relating to non-current assets held for sale		326	231	-	-
Equity attributable to NBG shareholders		**5,059**	**5,259**	**4,611**	**4,933**
Non-controlling interests	39	20	18	-	-
Total equity		**5,079**	**5,277**	**4,611**	**4,933**
Total equity and liabilities		**77,485**	**64,248**	**72,010**	**59,361**

Athens, 24 March 2021

THE CHAIRMAN OF THE BOARD OF DIRECTORS	THE CHIEF EXECUTIVE OFFICER	THE CHIEF FINANCIAL OFFICER
COSTAS P. MICHAELIDES	PAVLOS K. MYLONAS	CHRISTOS D. CHRISTODOULOU

The notes on pages 157 to 278 form an integral part of these Annual Financial Statements

Income Statement
for the year ended 31 December 2020

€ million	Note	Group 12-month period ended 31.12.2020	Group 12-month period ended 31.12.2019	Bank 12-month period ended 31.12.2020	Bank 12-month period ended 31.12.2019
Continuing Operations					
Interest and similar income		1,375	1,446	1,276	1,348
Interest expense and similar charges		(206)	(256)	(216)	(274)
Net interest income	6	**1,169**	**1,190**	**1,060**	**1,074**
Fee and commission income		364	356	324	314
Fee and commission expense		(108)	(100)	(96)	(88)
Net fee and commission income	7	**256**	**256**	**228**	**226**
Net trading income and results from investment securities	8	386	171	383	172
Gains arising from the derecognition of financial assets measured at amortised cost	22	770	100	773	100
Net other income / (expense)	9	(59)	(41)	(81)	(60)
Total income		**2,522**	**1,676**	**2,363**	**1,512**
Personnel expenses	10	(517)	(605)	(489)	(575)
General, administrative and other operating expenses	12	(195)	(225)	(170)	(195)
Depreciation and amortisation on investment property, property & equipment and software & other intangible assets	23,25,26	(154)	(126)	(136)	(132)
Credit provisions and other impairment charges	13	(1,106)	(345)	(1,155)	(359)
Restructuring costs	14	(137)	(118)	(135)	(116)
Profit before tax		**413**	**257**	**278**	**135**
Tax benefit / (expense)	15	(11)	(14)	-	-
Profit for the period from continuing operations		**402**	**243**	**278**	**135**
Discontinued Operations					
Loss for the period from discontinued operations	29	**(362)**	**(480)**	**(275)**	**(129)**
Profit / (loss) for the period		**40**	**(237)**	**3**	**6**
Attributable to:					
Non-controlling interests		2	18	-	-
NBG equity shareholders		**38**	**(255)**	**3**	**6**
Earnings per share (Euro) - Basic and diluted from continuing operations	16	**€0.44**	**€0.26**	**€0.30**	**€0.15**
Earnings per share (Euro) - Basic and diluted from continuing and discontinued operations	16	**€0.04**	**€(0.28)**	**-**	**€0.01**

Athens, 24 March 2021

THE CHAIRMAN OF THE BOARD OF DIRECTORS	THE CHIEF EXECUTIVE OFFICER	THE CHIEF FINANCIAL OFFICER
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The notes on pages 157 to 278 form an integral part of these Annual Financial Statements

Statement of Comprehensive Income
for the period ended 31 December 2020

€ million	Note	Group 12-month period ended 31.12.2020	Group 12-month period ended 31.12.2019	Bank 12-month period ended 31.12.2020	Bank 12-month period ended 31.12.2019
Profit / (loss) for the period		**40**	**(237)**	**3**	**6**
Other comprehensive income / (expense):					
Items that may be reclassified subsequently to profit or loss:					
Available-for-sale securities, net of tax		97	203	-	-
Investments in debt instruments measured at fair value through other comprehensive income ("FVTOCI"), net of tax		(264)	315	(264)	314
Currency translation differences, net of tax		(11)	58	(3)	7
Cash flow hedge, net of tax		(16)	(24)	(16)	(24)
Net investment hedge, net of tax		-	8	-	-
Total of items that may be reclassified subsequently to profit or loss		**(194)**	**560**	**(283)**	**297**
Items that will not be reclassified subsequently to profit or loss:					
Investments in equity instruments measured at FVTOCI, net of tax		(37)	13	(37)	11
Remeasurement of the net defined benefit liability / asset, net of tax		(20)	(29)	(18)	(25)
Total of items that will not be reclassified subsequently to profit or loss		**(57)**	**(16)**	**(55)**	**(14)**
Other comprehensive income / (expense) for the period, net of tax	37	**(251)**	**544**	**(338)**	**283**
Total comprehensive income for the period		**(211)**	**307**	**(335)**	**289**
Attributable to:					
Non-controlling interests		2	18	-	-
NBG equity shareholders		**(213)**	**289**	**(335)**	**289**

Athens, 24 March 2021

THE CHAIRMAN OF THE BOARD OF DIRECTORS	THE CHIEF EXECUTIVE OFFICER	THE CHIEF FINANCIAL OFFICER
COSTAS P. MICHAELIDES	PAVLOS K. MYLONAS	CHRISTOS D. CHRISTODOULOU

Statement of Changes in Equity - Group

for the period ended 31 December 2020

€ million	Share capital	Share premium	Treasury shares	Securities at FVTOCI reserve	Currency translation reserve	Net investment hedge	Cash flow hedge	Defined benefit plans	Other reserves & Retained earnings	Total	Non-controlling Interests	Total
	Attributable to equity holders of the parent company											
	Ordinary shares	Ordinary shares										
Balance at 31 December 2018	**2,744**	**13,866**	**-**	**90**	**12**	**(119)**	**-**	**(162)**	**(11,469)**	**4,962**	**676**	**5,638**
Impact of IFRS 16	-	-	-	-	-	-	-	-	4	**4**	-	**4**
Balance at 1 January 2019	**2,744**	**13,866**	**-**	**90**	**12**	**(119)**	**-**	**(162)**	**(11,465)**	**4,966**	**676**	**5,642**
Other Comprehensive Income/ (expense) for the period	-	-	-	533	58	8	(24)	(29)	1	**547**	-	**547**
Gains/(losses) from equity instruments at FVTOCI reclassified to retained earnings	-	-	-	(2)	-	-	-	-	2	**-**	-	**-**
Profit for the period	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	(255)	**(255)**	18	**(237)**
Total Comprehensive Income / (expense) for the period	**-**	**-**	**-**	**531**	**58**	**8**	**(24)**	**(29)**	**(252)**	**292**	**18**	**310**
Acquisitions, disposals & share capital increases of subsidiaries/equity method investments	-	-	-	-	-	-	-	-	2	**2**	(661)	**(659)**
Dividend distribution	-	-	-	-	-	-	-	-	-	**-**	(15)	**(15)**
(Purchases)/ disposals of treasury shares	-	-	(1)	-	-	-	-	-	-	**(1)**	-	**(1)**
Balance at 31 December 2019 and at 1 January 2020	**2,744**	**13,866**	**(1)**	**621**	**70**	**(111)**	**(24)**	**(191)**	**(11,715)**	**5,259**	**18**	**5,277**
Other Comprehensive Income/ (expense) for the period	-	-	-	(191)	(11)	-	(16)	(20)	-	**(238)**	-	**(238)**
Gains/(losses) from equity instruments at FVTOCI reclassified to retained earnings	-	-	-	(13)	-	-	-	-	13	**-**	-	**-**
Profit for the period	-	-	-	-	-	-	-	-	38	**38**	2	**40**
Total Comprehensive Income / (expense) for the period	**-**	**-**	**-**	**(204)**	**(11)**	**-**	**(16)**	**(20)**	**51**	**(200)**	**2**	**(198)**
Balance at 31 December 2020	**2,744**	**13,866**	**(1)**	**417**	**59**	**(111)**	**(40)**	**(211)**	**(11,664)**	**5,059**	**20**	**5,079**

The notes on pages 157 to 278 form an integral part of these Annual Financial Statements

Statement of Changes in Equity - Bank

for the period ended 31 December 2020

€ million	Share capital	Share premium	Securities at FVTOCI reserve	Currency translation reserve	Cash flow hedge reserve	Defined benefit plans	Other reserves & retained earnings	Total
	Ordinary shares	Ordinary shares						
Balance at 31 December 2018	**2,744**	**13,863**	**52**	**(56)**	**-**	**(158)**	**(11,807)**	**4,638**
Impact of IFRS 16	-	-	-	-	-	-	4	**4**
Balance at 1 January 2019	**2,744**	**13,863**	**52**	**(56)**	**-**	**(158)**	**(11,803)**	**4,642**
Other Comprehensive Income/ (expense) for the period	-	-	325	7	(24)	(25)	2	**285**
Profit for the period	-	-	-	-	-	-	6	**6**
Total Comprehensive Income / (expense) for the period	**-**	**-**	**325**	**7**	**(24)**	**(25)**	**8**	**291**
Balance at 31 December 2019 and 1 January 2020	**2,744**	**13,863**	**377**	**(49)**	**(24)**	**(183)**	**(11,795)**	**4,933**
Other Comprehensive Income/ (expense) for the period	-	-	(288)	(3)	(16)	(18)		**(325)**
Gains/(losses) from equity instruments at FVTOCI reclassified to retained earnings			(13)				13	**-**
Profit for the period	-	-	-	-	-	-	3	**3**
Total Comprehensive Income / (expense) for the period	**-**	**-**	**(301)**	**(3)**	**(16)**	**(18)**	**16**	**(322)**
Balance at 31 December 2020	**2,744**	**13,863**	**76**	**(52)**	**(40)**	**(201)**	**(11,779)**	**4,611**

The notes on pages 157 to 278 form an integral part of these Annual Financial Statements

Cash Flow Statement
for the period ended 31 December 2020

	Group		Bank	
	12-month period ended		12-month period ended	
€ million	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Cash flows from operating activities				
Profit / (loss) before tax	**72**	**(195)**	**3**	**6**
Adjustments for:				
Non-cash items included in income statement and other adjustments:	**519**	**865**	**424**	**411**
Depreciation and amortisation on property & equipment, intangibles and investment property	154	132	136	134
Amortisation of premiums /discounts of investment securities, debt securities in issue and borrowed funds	28	(17)	33	(13)
Credit provisions and other impairment charges	1,578	1,000	1,468	665
Provision for employee benefits	12	78	10	60
Result from fair value and cash flow hedges	(34)	30	(34)	30
Dividend income from investment securities	(8)	(5)	(12)	(18)
Net (gain) / loss on disposal of property & equipment and investment property	(17)	2	(4)	2
Net (gain) / loss on disposal of subsidiaries	-	(32)	-	(173)
Net (gain) / loss on disposal of investment securities	(415)	(287)	(381)	(240)
Gain on exchange of Greek Government Bonds	(766)	-	(766)	-
Accrued interest from financing activities and results from repurchase of debt securities in issue	(2)	20	(5)	19
Accrued interest of investment securities	(33)	-	(31)	-
Valuation adjustment on instruments designated at fair value through profit or loss	-	(63)	-	(63)
Negative goodwill	-	(3)	-	-
Other non-cash operating items	22	10	10	8
Net (increase) / decrease in operating assets:	**(2,732)**	**(1,447)**	**(2,765)**	**(775)**
Mandatory reserve deposits with Central Bank	4	441	2	334
Due from banks	(933)	(952)	(911)	(617)
Financial assets at fair value through profit or loss	(27)	831	(27)	849
Derivative financial instruments assets	(749)	(1,022)	(749)	(1,022)
Loans and advances to customers	(1,134)	71	(1,150)	439
Other assets	107	(816)	70	(758)
Net increase / (decrease) in operating liabilities:	**13,249**	**(1,064)**	**13,257**	**(1,894)**
Due to banks	8,270	(3,167)	8,242	(3,363)
Due to customers	4,726	750	4,749	407
Derivative financial instruments liabilities	283	620	283	619
Retirement benefit obligations	(6)	(41)	(5)	(8)
Insurance related reserves and liabilities	64	221	-	-
Income taxes (paid) / received	26	(22)	32	(6)
Other liabilities	(114)	575	(44)	457
Net cash from / (for) operating activities	**11,108**	**(1,841)**	**10,919**	**(2,252)**
Cash flows from investing activities				
Acquisition of subsidiaries, net of cash acquired	-	(55)	-	-
Participation in share capital increase/(decrease) of subsidiaries	-	-	(2)	(151)
Disposals of subsidiaries, net of cash disposed	55	(11)	55	440
(Acquisition) / Disposal of equity method investments	(14)	(6)	(14)	-
Dividends received from investment securities & equity method investments	8	5	10	18
Purchase of investment property, property & equipment and intangible assets	(178)	(151)	(167)	(131)
Proceeds from disposal of property & equipment and investment property	64	1	12	6
Purchase of investment securities	(14,202)	(12,014)	(11,471)	(8,721)
Proceeds from redemption and sale of investment securities	9,255	11,221	6,854	8,312
Net cash (used in) / provided by investing activities	**(5,012)**	**(1,010)**	**(4,723)**	**(227)**
Cash flows from financing activities				
Proceeds from debt securities in issue and other borrowed funds	558	717	509	528
Repayments of debt securities in issue, other borrowed funds and preferred securities	(952)	(119)	(959)	(30)
Principal elements of lease payments	(59)	(38)	(42)	(41)
Proceeds from disposal of treasury shares	17	24	-	-
Repurchase of treasury shares	(17)	(25)	-	-
Dividends paid to non-controlling interests	-	(15)	-	-
Net cash from/ (for) financing activities	**(453)**	**544**	**(492)**	**457**
Effect of foreign exchange rate changes on cash and cash equivalents	(7)	2	(8)	10
Net increase / (decrease) in cash and cash equivalents	**5,636**	**(2,305)**	**5,696**	**(2,012)**
Cash and cash equivalents at beginning of period	4,148	6,453	3,754	5,766
Cash and cash equivalents at end of period	**9,784**	**4,148**	**9,450**	**3,754**

The notes on pages 157 to 278 form an integral part of these Annual Financial Statements

NOTE 1: General information

National Bank of Greece S.A. (hereinafter "NBG" or the "Bank") was founded in 1841 and its shares have been listed on the Athens Exchange since 1880. The Bank's headquarters are located at 86 Eolou Street, 10559 Athens, Greece, (Register number G.E.MH. 237901000), tel. (+30) 210 334 1000, www.nbg.gr. By resolution of the Board of Directors, the Bank can establish branches, agencies and correspondence offices in Greece and abroad. In its 180 years of operation, the Bank has expanded on its commercial banking business by entering into related business areas. The Bank and its subsidiaries (hereinafter the "Group") provide a wide range of financial services including mainly retail, corporate and investment banking, non-performing management, transactional banking, leasing, factoring, brokerage, asset management, real estate management and insurance services. The Group operates mainly in Greece, however it does also have branches and subsidiaries in UK, North Macedonia, Romania, Bulgaria, Cyprus, Malta, Egypt and Luxembourg.

The Board of Directors consists of the following members:

The Non-Executive Chairman of the Board of Directors
Costas P. Michaelides

The Chief Executive Officer
Pavlos K. Mylonas

Executive Members [(1)]
Christina T. Theofilidi

Independent Non-Executive Members [(4)]

Gikas A. Hardouvelis	Senior Independent Director
Claude Edgar L.G.Piret	
Avraam C. Gounaris	
Anne Clementine L. Marion-Bouchacourt [(2)]	
Wietze J.P. Reehoorn	
Elena Ana E.V. Cernat	
Matthieu A. Kiss [(6)]	

Non-Executive Members
Aikaterini K. Beritsi [(3)]
Jayaprakasa (JP) C.S. Rangaswami [(5)]

Hellenic Financial Stability Fund representative
Periklis F. Drougkas

[(1)] On 30 January 2020, at the Board of Directors meeting, the resignation of Mr. Dimitrios N. Kapotopoulos from his position as executive member of the Board of Directors was announced.
[(2)] On 1 April 2020, at the Board of Directors meeting, Mrs. Anne Clementine L. Marion-Bouchacourt was elected as new independent non-executive member of the Board of Directors.
[(3)] At the meeting of the Board of Directors held on 16 April 2020, it was decided to functionally abolish the position of Vice Chair of the Board of Directors, held until that day by Mrs. Aikaterini K. Beritsi, who continues serving as non-executive member of the Board of Directors.
[(4)] On 2 September 2020, at the Board of Directors meeting, the resignation of Mr. Andrew J. McIntyre from his position as independent non-executive member of the Board of Directors was announced.
[(5)] On 22 October 2020, at the Board of Directors meeting, Mr. Jayaprakasa (JP) C.S. Rangaswami was elected as new non-executive member of the Board of Directors.
[(6)] On 18 December 2020, at the Board of Directors meeting, Mr. Matthieu A. Kiss was elected as new independent non-executive member of the Board of Directors and was appointed Chair of the Audit Committee.

The BoD members are elected by the Bank's General Meeting of Shareholders for a maximum term of 3 years and may be re-elected. The term of the above members expires at the Annual General Meeting of the Bank's Shareholders in 2021.

The Annual Financial Statements are subject to approval by the Bank's Annual Shareholder's Meeting.

These Annual Financial Statements have been approved for issue by the Bank's Board of Directors on 24 March 2021.

NOTE 2: Summary of significant accounting policies

2.1 Basis of preparation

The consolidated financial statements of the Group and the separate financial statements of the Bank as at and for the year ended 31 December 2020 (the "Annual Financial Statements") have been prepared in accordance with International Financial Reporting Standards ("IFRSs") as endorsed by the European Union (the "EU").

The amounts are stated in Euro, rounded to the nearest million (unless otherwise stated) for ease of presentation. Where necessary, comparative figures have been adjusted to conform to changes in the current year's presentation.

The Annual Financial Statements have been prepared under the historical cost convention, except for fair value through other comprehensive income financial assets, financial assets and financial liabilities held at fair value through profit or loss and all derivative contracts, which have been measured at fair value.

The preparation of the Annual Financial Statements in conformity with IFRSs requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the reporting date and the reported amounts of revenues and expenses during the reporting period. Use of available information and application of judgment are inherent in the formation of estimates in the following areas: impairment of loans-and-receivables, valuation of financial instruments not quoted in active markets, including OTC derivatives and certain debt securities, impairment of investment securities, impairment assessment of intangible assets, assessment of the recoverability of deferred tax assets ("DTA"), estimation of retirement benefits obligation, insurance reserves, liabilities from unaudited tax years and contingencies from litigation. Actual results in the future may differ from those reported.

In connection with assessing the Group's financial condition in light of the Coronavirus ("COVID-19") pandemic, the Group evaluated its assets, including intangibles and equity investments, for potential impairment, and assessed fair values of financial instruments that are carried at fair value. Based upon our assessment as of 31 December 2020, no significant impairments have been recorded and there have been no significant changes in fair values nor in the fair value hierarchy classifications.

The Coronavirus ("COVID-19") pandemic however, has increased the charge for expected credit losses ("ECL") relating to loans and advances to customers at amortised cost for the year-ended 31 December 2020 (see Note 21).

The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the Annual Financial Statements are disclosed in Note 3.

2.2 Going concern

Going concern conclusion

After considering (a) the current level of European Central Bank ("ECB") funding solely from Targeted Long-term Refinancing Operations ("TLTROs") and the current access to the Eurosystem facilities with significant collateral buffer and Liquidity Coverage Ratio ("LCR") and Net Stable Funding Ratio ("NSFR") which is well above 100% (b) the Group's Common Equity Tier 1 ("CET1") ratio at 31 December 2020 which exceeded the Overall Capital Requirements ("OCR"), and (c) the extensive and continuous fiscal and monetary support of the European and Greek authorities in response to the unprecedented COVID-19 pandemic (see "Response to COVID-19 crisis" of the Board of Directors Report), the Board of Directors concluded that the Group is a going concern and thus the application of the going concern principle for the preparation of these financial statements is appropriate.

Liquidity

As at 31 December 2020, funding from the ECB increased by €8.3 billion through TLTROs at €10.5 billion (31 December 2019: €2.2 billion, solely $TLTRO_S$). As of 31 December 2020 the Bank's secure interbank transactions with foreign financial institutions amounted to €0.5 billion, while the Bank's liquidity buffer at market values stood at €19.2 billion, with the LCR and NSFR ratios well above 100%.

Capital adequacy

The Group's Common Equity Tier 1 ("CET1") and Total Capital ratios at 31 December 2020 were 15.7% and 16.7% respectively, exceeding the 2020 and 2021 OCR of 11.5% post capital relief measures (see Note 4.7 "Capital Adequacy").

Macroeconomic developments

The COVID-19 pandemic continues to inflict high and rising human costs worldwide, leading the European and global economy to a sharp recession, which started in March 2020 and continues until today. Following an unprecedented contraction in Gross Domestic Product ("GDP") in 2Q.20 (-14.2% year-over-year ("y-o-y"), -14.1% quarter-over quarter ("q-o-q" s.a.), against a backdrop of high uncertainty and the enforcement of restrictions on a wide range of activities, economic trends showed signs of improvement in 3Q, assisted by the easing of measures to contain the COVID-19 pandemic and the coordinated reaction of fiscal and monetary policies to cushion the impact on the labor market and business conditions. Greek GDP increased by 2.3% q-o-q, s.a. (-11.7% y-o-y) in 3Q.20, following a sharp shrinkage in 2Q.20, assisted by the launch of an ambitious €11.8 billion set of fiscal support and liquidity measures to cushion the drop in economic activity and enhance liquidity.

Downward pressures on activity intensified again in 4Q.20, along with the deterioration in epidemic situation. An ongoing second wave of the pandemic led to the tightening of restrictions, particularly in specific regions experiencing rising infection rates, and it is expected to take an additional toll on economic activity in 4Q.20 and 1Q.21. However, a closer look at the available data for 4Q.20 indicates that the second round of restrictions had a relatively milder negative impact on economic activity compared with 2Q.20, when the first lockdown was implemented. Export-oriented manufacturing sectors and retail trade showed higher resilience but most services segments suffered an additional hit from the continued suspension of their activities.

The measures helped cushion the recession providing considerable support to the labor market. The unemployment rate increased modestly to 16.8% in 3Q.20 and averaged to 16.5% in 11M.20 compared with 17.3% in FY.19, whereas employment decreased by 0.8% y-o-y in 11M.20.

The persistence of the pandemic led to the activation of additional fiscal support measures of about €6.0 billion for 1Q.21, following €18.5 billion of fiscal and liquidity measures activated in FY.20. Inevitably, the primary deficit in the State budget for FY.20 surged to €18.2 billion (or -11.0% of GDP), which is expected to translate into the highest General Government primary deficit since 2009. Greece's Gross Government debt is expected to reach an all-time high of 207.1% of GDP in 2020 and return to a downward trend from 2021 onwards. As acknowledged by all major rating agencies, the significant size of the Greek State's cash buffer (about 8.0% of gross public debt) along with the very long maturity of the debt (c. 20 years) and affordable debt servicing terms, offset the risks from the temporary increase in the debt ratio to GDP due to the COVID-19 pandemic.

Notably, the real estate market remained resilient, with house prices increasing by 3.2% y-o-y in 3Q.20 and by 4.6% y-o-y in 9M.20, pointing to a sustainable rebalancing of demand and supply in this market. Accordingly, commercial real estate prices (referring to the average price of retail and office spaces) increased by 2.5% y-o-y in 1H.20 from 5.5% in 2019.

Although the COVID-19 pandemic is still ongoing in 1Q.21 and restrictions apply to a significant share of economic activities, the relatively low spread of the disease in the population (the share of positive COVID-19 tests in Greece stood at 2.9% in mid-February 2021 compared to 7.9% in Germany, 12.6% in Portugal and 6.9% in Israel) and the speeding up of the vaccination program in Greece bode well for an effective containment of the pandemic spread in Q2.21 and a gradual normalization of most economic activities during the course of 2021.

Against this backdrop, the EU Commission (European Commission 2021, Winter Interim Forecast) projects that Greece's GDP will decline by 10.0% y-o-y in 2020 and increase by 4.3% y-o-y, on average, in 2021-22, without taking into account the positive impact of the inflows from the EU Recovery Fund starting in 2021.

However, uncertainty remains high, reflecting, *inter alia*, the risks surrounding the effectiveness of the vaccination process in the presence of COVID-19 mutations and divergences in the pace of pandemic control internationally, in conjunction with variations in vaccine supply. Furthermore, the inability of smaller and less efficient firms to compete effectively with larger firms that take advantage of their more developed digital sales channels implies that the continued contraction in overall turnover in Q4.20 and, most probably, in Q1.21 as well, will widen the gap in business performance depending on the size, efficiency and specific segment in which firms operate. The said divergences are likely to widen in 2021, due to the varying speeds of recovery in demand across the various sectors of the economy. These risks could be partly offset by a new set of fiscal measures announced for 2021, exceeding €5.0 billion.

The activation of the "Recovery Plan for Europe" ("NGEU") could act as an important catalyst for Greece's economic recovery. Greece is among the top beneficiaries of the plan, with the maximum amount of grants under the NGEU reaching €19.4 billion in 2021-2026 (c. 1.5% of GDP, on average, per annum in 2021-2026), while loans could amount up to €12.6 billion (c. 1.0% of GDP, on average, per annum in 2021-2026). For 2021, the Government Budget envisages €5.5 billion inflows from the NGEU.

For a list of measures that have been adopted in 2020, in order to provide support to the European banking system and the Greek economy in dealing with COVID-19, see "*Response to COVID-19 crisis*" of the Board of Directors Report.

2.3 Adoption of International Financial Reporting Standards (IFRS)

Amendments to existing standards and the conceptual framework effective from 1 January 2020

-Definition of a Business - Amendments to IFRS 3 (effective for annual periods beginning on 1 January 2020, as issued by the International Accounting Standards Board ("IASB")). In October 2018, the IASB issued amendments to the definition of a business in IFRS 3 Business Combinations to help entities determine whether an acquired set of activities and assets is a business or not. The amendments clarify the minimum requirements for a business, remove the assessment of whether market participants are capable of replacing any missing elements or processes and continuing to produce outputs, add guidance to help entities assess whether an acquired process is substantive, narrow the definitions of a business and of outputs, and introduce an optional fair value concentration test. The amendments must be applied to transactions that are either business combinations or asset acquisitions for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 January 2020. Consequently, entities do not have to revisit such transactions that occurred in prior periods. The adoption of the amendments did not have a material impact on the consolidated and separate Annual Financial Statements.

-Definition of Material - Amendments to IAS 1 and IAS 8 (effective for annual periods beginning on 1 January 2020, as issued by the IASB). In October 2018, the IASB issued amendments to IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors to align the definition of 'material' across the standards and to clarify certain aspects of the definition. The new definition states that, 'Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity.' The amendments clarify that materiality will depend on the nature or magnitude of information, or both. An entity will need to assess whether the information, either individually or in combination with other information, is material in the context of the financial statements. The adoption of the amendments did not have a material impact on the consolidated and separate Annual Financial Statements.

-Conceptual Framework. In March 2018, the IASB issued a revised version of its Conceptual Framework for Financial Reporting (the "Framework"), which became effective for annual periods beginning on 1 January 2020. The Framework sets out the fundamental concepts of financial reporting that guide the IASB in developing IFRS Standards. The Framework underpins existing IFRS Standards but does not override them. Preparers of financial statements use the Framework as a point of reference to develop accounting policies in rare instances where a particular business transaction is not covered by existing IFRS Standards. The IASB and the IFRS Interpretations Committee will begin to use the new Framework immediately in developing new, or amending existing, financial reporting standards and interpretations. The adoption of the revised conceptual framework did not have a material impact on the consolidated and separate Annual Financial Statements.

The amendments to existing standards and the Framework effective from 1 January 2020 have been endorsed by the EU.

New standards and amendments to existing standards effective after 1 January 2020

New standard

-IFRS 17 *Insurance Contracts* (effective for annual periods beginning on or after 1 January 2023, as issued by the IASB). IFRS 17 was issued in May 2017, including amendments issued in June 2020 and supersedes IFRS 4. IFRS 17 establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of this standard and its objective is to ensure that an entity provides relevant information that faithfully represents those contracts. The new standard solves the comparison problems created by IFRS 4 by requiring all insurance contracts to be accounted for in a consistent manner. Insurance obligations will be accounted for using current values instead of historical cost. The standard has not yet been endorsed by the EU.

The Group is in the process of implementing IFRS 17 and is currently assessing the impact of adopting this Standard and the proposed amendments.

Amendments

-IFRS 16 (Amendment): COVID-19-Related Rent Concessions (effective for annual periods beginning on or after 1 June 2020 and effective for the consolidated and separate financial statements from 1 January 2021). The amendment provides lessees (but not lessors) with relief in the form of an optional exemption from assessing whether a rent concession related to COVID-19 is a lease modification. Lessees can elect to account for rent concessions in the same way as they would for changes which are not considered lease modifications. The amendment is mandatory for annual reporting periods beginning on or after 1 June 2020 and thus for the consolidated and separate financial statements from 1 January 2021. The adoption of this amendment did not have a material impact on the consolidated and separate Annual Financial Statements.

-IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 (Amendments): Interest Rate Benchmark Reform — Phase 2 (effective for annual periods beginning on 1 January 2021, as issued by the IASB). The amendments introduce a practical expedient for modifications required by the reform, clarify that hedge accounting is not discontinued solely because of the IBOR reform, and introduce disclosures that allow users to understand the nature and extent of risks arising from the IBOR reform to which the entity is exposed to and how the entity manages those risks as well as the entity's progress in transitioning from IBORs to alternative benchmark rates, and how the entity is managing this transition. The adoption of these amendments did not have a material effect on the Group's hedging relationships.

-Reference to the Conceptual Framework - Amendments to IFRS 3 Business Combinations (effective for annual periods beginning on 1 January 2022, as issued by the IASB). The amendments update a reference in IFRS 3 to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations.

-Property, Plant and Equipment: Proceeds before Intended Use - Amendments to IAS 16 (effective for annual periods beginning on 1 January 2022, as issued by the IASB). The amendments prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognise such sales proceeds and related cost in the Income Statement.

-Onerous Contracts: Cost of Fulfilling a Contract - Amendments to IAS 37 (effective for annual periods beginning on 1 January 2022, as issued by the IASB). The amendments specify which costs a company includes when assessing whether a contract will be loss-making.

-IFRS 4 (Amendment): Extension of the Temporary Exemption from Applying IFRS 9 (effective for annual periods beginning on or after 1 January 2023). The amendment changes the fixed expiry date for the temporary exemption in IFRS 4 Insurance Contracts from applying IFRS 9 Financial Instruments, so that entities would be required to apply IFRS 9 for annual periods beginning on or after 1 January 2023.

-IAS 1 (Amendment): Classification of liabilities as current or non-current (effective for annual periods beginning on or after 1 January 2023). The amendment clarifies that liabilities are classified as either current or non-current depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date. The amendment "Classification of liabilities as current or non-current" was issued in January 2020 and is effective for annual reporting periods beginning on or after 1 January 2022. However, in response to the COVID-19 pandemic, the IASB has deferred the effective date by one year to provide companies with more time to implement any classification changes resulting from those amendments. Classification of Liabilities as Current or Non-current is now effective for annual reporting periods beginning on or after 1 January 2023. Although the consolidated and separate Statement of Financial Position of the Group is presented on a liquidity basis, this amendment makes clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

-IAS 1 and IFRS Practice Statement 2 (Amendments): Disclosure of Accounting Policies (effective for annual reporting periods beginning on or after 1 January 2023). The amendments require that an entity discloses its material accounting policies, instead of its significant accounting policies. Further amendments explain how an entity can identify a material accounting policy. Examples of when an accounting policy is likely to be material are added. To support the amendment, the Board has also developed guidance and examples to explain and demonstrate the application of the 'four-step materiality process'.

-IAS 8 (Amendment): Definition of Accounting Estimates (effective for annual reporting periods beginning on or after 1 January 2023). The amendment replaces the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The amendments clarify that a change in accounting estimate that results from new information or new developments is not the correction of an error.

-Annual Improvements to IFRS Standards 2018–2020 Cycle (effective for annual periods beginning on or after 1 January 2022, as issued by the IASB). The amendments applicable to the Group are:

IFRS 9 Financial Instruments: Fees in the '10 per cent' test for derecognition of financial liabilities. The amendment clarifies which fees an entity includes when it applies the '10 per cent' test in assessing whether to derecognize a financial liability. Only fees paid or received between the entity (the borrower) and the lender are included, including fees paid or received by either the entity or the lender on the other's behalf.

IFRS 16: Lease Incentives. The amendment to Illustrative Example 13 accompanying IFRS 16 removes from the example the illustration of the reimbursement of leasehold improvements by the lessor, in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives are illustrated in that example.

The amendments to existing standards effective after 2020 have not yet been endorsed by the EU, except for the IFRS 16 amendment for COVID-19-Related Rent Concessions, the IFRS 4 amendment for extension of the Temporary Exemption from Applying IFRS 9 and the IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 amendment for Interest Rate Benchmark Reform — Phase 2 which have been endorsed by the EU.

Amendment adopted by the Group in prior periods

-Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts (Amendment to IFRS 4). The amendment, which has been endorsed by the EU, introduces two approaches. The amended standard will: a) give all companies that issue insurance contracts the option to recognise in other comprehensive income, rather than profit or loss, the volatility that could arise when IFRS 9 is applied before the new insurance contracts standard is issued (i.e. the difference between the amounts that would be recognized in profit or loss in accordance with IFRS 9 and the amounts recognized in profit or loss in accordance with IAS 39) – "overlay approach" and b) give companies whose activities are predominantly connected with insurance an optional temporary exemption from applying IFRS 9 until 2021 – "deferral approach". The entities that defer the application of IFRS 9 will continue to apply IAS 39.

The Amendment 'Extension of the Temporary Exemption from Applying IFRS 9' (effective for annual periods beginning on or after 1 January 2021) would extend the expiry date of the extension described above from 1 January 2021 to 1 January 2023.

The Group has elected to defer the provisions of IFRS 9 for its insurance subsidiary, Ethniki Hellenic General Insurance S.A. ("NIC"), as allowed by Commission Regulation (EU) 2017/1988 to the adoption date of IFRS 17 from 1 January 2018 to 1 January 2021. If the EU endorses the Amendment to IFRS 4 Extension of the Temporary Exemption from Applying IFRS 9, then the Group may choose to defer the provisions of IFRS 9 for its insurance subsidiary, NIC, to 1 January 2023.

As of 31 December 2020, NIC was classified as a discontinued operation and shall continue applying the requirements of IAS 39.

2.4 Consolidation

2.4.1 Basis of consolidation

The Annual Financial Statements incorporate the consolidated and separate financial statements of the Bank and its subsidiaries (including structured entities), which are entities controlled by the Bank. Control is achieved, if and only if, the Bank has a) power over the subsidiaries b) exposure, or rights to variable returns from its involvement with the subsidiaries and c) the ability to use its power over the subsidiaries to affect the amount of the Bank's returns.

Income and expenses and other comprehensive income of subsidiaries acquired or disposed of during the year are included in the consolidated Income Statement and in the consolidated Statement of Comprehensive Income, respectively, from the effective date of acquisition and up to the effective date of disposal, as appropriate. Profit/(loss) for the period and total comprehensive income/(expense) of subsidiaries is attributed to the owners of the Bank and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with those of the Group.

All intra-group transactions, balances, income and expenses are eliminated upon consolidation.

2.4.2 Non-controlling interests

Non-controlling interests may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income/(expense) is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

2.4.3 Changes in the Group's ownership interests in subsidiaries that do not result in loss of control

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Bank.

2.4.4 Loss of control

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. For assets of the subsidiary carried at fair value with the related cumulative gain or loss recognised in other comprehensive income, the amounts previously recognised in other comprehensive income are accounted for as if the Bank had directly disposed of the relevant assets (i.e. reclassified to the income statement or transferred directly to retained earnings as specified by applicable IFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9 Financial Instruments or, when applicable, the cost on initial recognition of an investment in an associate or a jointly controlled entity.

2.4.5 Contribution of assets to subsidiary in exchange for shares of the subsidiary

When the Bank transfers property and equipment, intangible assets or investment property to an existing or new subsidiary in exchange for shares in the subsidiary, the Bank recognises in the separate financial statements the carrying value of the transferred assets as investment in subsidiaries. Such transactions do not affect the consolidated financial statements.

2.4.6 Associates

Associates are entities over which the Group has significant influence, but which it does not control. If the Group holds, directly or indirectly, 20% or more of the voting power of the investee, it is presumed that the Group has significant influence, unless it can be clearly demonstrated that this is not the case. Investments in associates are accounted for by applying the equity method of accounting. Under the equity method of accounting, the investment is initially recorded at cost. Goodwill arising on the acquisition of an associate is included in the carrying amount of the investment (net of any accumulated impairment loss). The carrying amount of the investment is increased or decreased by the proportionate share of the associate's post-acquisition profits or losses (recognised in the Group income statement) and movements in reserves (recognised in Group reserves). Dividends received from the associate during the year reduce the carrying value of the investment. Investments in associates for which significant influence is intended to be temporary because such investments are acquired and held exclusively with a view to their subsequent disposal within twelve months from their acquisition, are recorded as assets held for sale. Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associate. Unrealised losses are also eliminated but considered as an impairment indicator of the asset transferred. Where necessary, the associate's financial statements used in applying the equity method are adjusted to ensure consistency with the accounting policies adopted by the Group.

2.4.7 Joint arrangements

A joint arrangement is an arrangement of which two or more parties have joint control. A joint arrangement has the following characteristics:

(a) The parties are bound by a contractual arrangement and

(b) The contractual arrangement gives two or more of those parties joint control of the arrangement.

Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

A joint arrangement is either a joint operation or a joint venture.

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Those parties are called joint operators. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Those parties are called joint venturers.

The Group determines the type of joint arrangement in which it is involved and classifies the joint arrangement as a joint operation or a joint venture depending upon the rights and obligations of the parties to the arrangement.

In case of a joint operator the Group recognises:

a) its assets, including its share of any assets held jointly, b) its liabilities, including its share of any liabilities incurred jointly, c) its revenue from the sale of its share of the output arising from the joint operation d) its share of the revenue from the sale of the output by the joint operation and e) its expenses, including its share of any expenses incurred jointly.

When the Group acquires an interest in a joint operation in which the activity of the joint operation constitutes a business, as defined in IFRS 3 *Business combinations*, it applies, to the extent of its share in accordance with previous paragraph, all of the principles on business combinations accounting in IFRS 3, and other IFRSs, that do not conflict with the guidance in IFRS 11 *Joint arrangements*. This applies to the acquisition of both the initial interest and additional interests in a joint operation in which the activity of the joint operation constitutes a business.

In case of a joint venture the Group recognises its interest in a joint venture as an investment and accounts for that investment using the equity method. (see 2.4.6 Associates above).

2.4.8 Investments in subsidiaries, associates and joint ventures in separate financial statements

In the Bank's separate financial statements subsidiaries, associates and joint ventures are measured at cost less impairment.

2.4.9 Impairment assessment of investments in subsidiaries, associates and joint ventures in separate financial statements

At each reporting date, the Group and the Bank assesses whether there is any indication that an investment in a subsidiary, associate or joint venture may be impaired. If any such indication exists, the Group estimates the recoverable amount of the investment. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

2.5 Business combinations

2.5.1 Acquisition method

Acquisitions of businesses within the scope of IFRS 3 are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in the income statement as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value at the acquisition date, except for:

(c) deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with IAS 12 Income Taxes and IAS 19 Employee Benefits respectively;

(d) liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with IFRS 2 Share-based Payment at the acquisition date (see Share based payment transactions); and

(e) assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that Standard.

2.5.2 Goodwill

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in the Income Statement.

2.5.3 Contingent consideration

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the “measurement period” (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Other contingent consideration that is either a financial instrument within the scope of IFRS 9 or a non-financial asset or liability, is remeasured, at fair value at each subsequent reporting date and the changes in fair value are recognised in the Income Statement.

2.5.4 Business combination achieved in stages

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group obtains control) and the resulting gain or loss, if any, is recognised in the Income Statement. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to the income statement where such treatment would be appropriate if that interest were disposed of.

2.5.5 Provisional accounting

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see Contingent consideration), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

2.6 Foreign currency translations

Items included in the financial statements of each entity of the Group are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to that entity (“the functional currency”). The consolidated and separate financial statements are presented in millions of Euro (€), which is the functional currency of the Bank.

Foreign currency transactions are translated into the functional currency at the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except when deferred in other comprehensive income as gains or losses from qualifying cash flow or net investment hedging instruments. Translation differences on debt securities and other monetary financial assets re-measured at fair value are included in "Net trading income and results from investment securities". Translation differences on non-monetary financial assets are a component of the change in their fair value and are recognised in the income statement for equity securities held for trading, or in other comprehensive income for equity securities measured at fair value through other comprehensive income. Non-monetary items that are measured in terms of historical cost in a foreign currency shall be translated using the exchange rate at the date of the transaction.

When preparing the financial statements, assets and liabilities of foreign entities are translated at the exchange rates prevailing at the reporting date, while income and expense items are translated at average rates for the period. Differences resulting from the use of closing and average exchange rates and from revaluing a foreign entity's opening net asset balance at closing rate are recognised directly in foreign currency translation reserve within other comprehensive income.

When a monetary item forms part of a reporting entity's net investment in a foreign operation and is denominated in a currency other than the functional currency of either the reporting entity or the foreign operation, the exchange differences that arise in the separate financial statements of both companies are reclassified to other comprehensive income upon consolidation. When a foreign entity is sold, such translation differences are recognised in the income statement as part of the gain or loss on disposal.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

2.7 Classification and Measurement of financial instruments

2.7.1 Classification of financial assets

The Group uses the following measurement categories for financial assets:

- Debt instruments at amortised cost.
- Debt instruments at fair value through other comprehensive income (FVTOCI) with cumulative gains and losses reclassified to profit and loss on derecognition.
- Equity instruments designated as measured at FVTOCI with gains and losses remaining in other comprehensive income (OCI) without recycling to profit or loss on derecognition.
- Debt instruments, derivatives, equity instruments and mutual funds at fair value through profit or loss (FVTPL).

Except for debt instruments that are designated at initial recognition as at FVTPL, such assets are classified at amortised cost or FVTOCI on the basis of:

(a) The Group's business model for managing the financial asset and

(b) the contractual cash flow characteristics of the financial asset.

IFRS 9 precludes the separation of any embedded derivatives from a hybrid contract when the host contract is a financial asset within its scope. Instead, the entire hybrid financial asset is classified into one of the categories listed above. The Group continues to recognise financial assets on a trade basis.

2.7.2 Business model assessment

The business models reflect how the Group manages its debt financial assets in order to generate cash flows. This assessment is performed on the basis of scenarios that the Group reasonably expects to occur. The assessment is based on all relevant and objective information that is available at the time of the business model assessment. The Group has identified the following business models for debt financial assets:

- **Held to collect contractual cash flows:** The Group's objective is to hold the financial assets and collect the contractual cash flows. All the assets in this business model give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding. Debt instruments classified in this business model are measured at amortised cost. Loans and advances to customers within this category may be sold to manage the concentration of the Group's credit risk to a particular obligor, country or industrial sector, without an increase in the asset's credit risk. Such sales are consistent with the business model's objective if they are infrequent (even if significant in value) or insignificant in value both individually and in the aggregate (even if frequent). In such cases, i.e. if more than an infrequent number of sales are made or those sales are more than insignificant in value (either individually or in aggregate), the Group assess whether and how such sales are consistent with the objective of collecting contractual cash flows.
- **Held to collect contractual cash flows and sell:** The objective of this business model is to meet everyday liquidity needs and such objective is achieved by both collecting contractual cash flows and selling debt instruments. Assets within this business model are not sold with the intention of short-term profit taking, however frequent sales may occur and such sales may be significant in value. All the assets in this business model give rise to cash flows that are SPPI. The debt instruments in this

business model are accounted for at FVTOCI.

- **Held for trading:** Under this business model, the Group actively manages the instruments in order to realise fair value gains arising from changes in credit spreads and yield curves. The assets in this business model are accounted for at FVTPL.
- **Held and managed on a fair value basis:** Refers to assets that are managed by the Group on a fair value basis without the intention to sell them in the near future. The assets in this business model are accounted for at FVTPL.

2.7.3 Contractual cash flow characteristics

The Group assesses the characteristics of its financial assets' contractual cash flows at initial recognition in order to determine whether they are SPPI. This is referred to as the "SPPI test". Interest amount within a basic lending arrangement, is typically the consideration for the time value of money and the credit risk. Interest may also include consideration for other basic lending risks such as liquidity and costs (e.g. administration associated with holding the financial asset for a particular period of time), as well as a profit margin. Interest may also be negative if the Group decides to effectively pay a fee for the safekeeping of its money for a particular period of time. The Group considers that an originated or a purchased financial asset can be a basic lending arrangement irrespective of whether it is a loan in its legal form and irrespective if it was purchased at a deep discount.

2.7.4 Non-recourse loans

When a financial instrument's contractual cash flows are specifically derived from specified assets of the borrower, the Group assesses whether the cash flows arising from the debt instrument are SPPI. In order to conclude whether the loan represents a basic lending agreement and its return does not vary based on the performance of the underlying asset or project, the Group assesses whether there is an adequate buffer to absorb credit losses.

2.7.5 Equity instruments designated at FVTOCI

The Group may acquire an investment in an equity instrument that is not held for trading nor contingent consideration recognised by an acquirer in a business combination to which IFRS 3 applies. At initial recognition, the Group may make an irrevocable election to present in OCI subsequent changes to the fair value of the investment, except for equity securities that give an investor significant influence over an investee, which are accounted for in accordance with IAS 28 Investments in Associates and Joint Ventures.

The election to designate an investment in an equity instrument at FVTOCI is made on an instrument-by-instrument basis. Investments in mutual funds cannot be designated at FVTOCI, as they do not meet the definition of an equity instrument under IAS 32, hence these are mandatorily measured at FVTPL.

2.7.6 Measurement of financial assets

Financial assets measured at amortised cost

A debt financial asset is measured at amortised cost if it is held in a business model that has an objective to hold financial assets to collect contractual cash flows and the contractual terms of the financial asset result in cash flows that pass the SPPI test.

The financial assets classified within this category, mainly include the following asset classes:

- Cash and balances with central banks
- Sight and time deposits with banks
- Securities purchased under agreements to resell
- Deposits in margin accounts
- Other receivables due from banks
- Loans and advances to customers at amortised cost
- Debt securities
- Other receivables included in line item "other assets"

Subsequent to initial recognition, the debt financial asset is measured at amortised cost using the effective interest rate ("EIR") method for the allocation and recognition of interest revenue in line item "interest and similar income" of the income statement over the relevant period. The amortised cost is the amount at which the financial asset is measured at initial recognition minus any principal repayments, plus or minus the cumulative amortisation using the EIR method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount is the amortised cost of a financial asset before adjusting for any loss allowance. Interest income on debt financial assets is calculated on the gross carrying amount if the asset is classified in Stage 1 or Stage 2. When a debt financial asset becomes credit-impaired (classified in Stage 3), interest income is calculated on the amortised cost (i.e. the gross carrying amount adjusted for the impairment allowance).

The EIR is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to its gross carrying amount. When calculating the EIR, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (e.g. prepayment, extension, call and similar options). The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the EIR, transaction costs, and all other premiums or discounts. Fees that are an integral part of the EIR of a financial instrument are treated as an adjustment to the EIR.

Except for purchased or originated financial assets that are credit-impaired ("POCI") on initial recognition, expected credit losses ("ECL") are not considered in the calculation of the EIR. For a POCI financial asset, the credit-adjusted EIR is applied when calculating the interest revenue and it is the rate that exactly discounts the estimated future cash flows through the expected life of the financial asset to the asset's amortised cost. The Group includes the initial ECL in the estimated cash flows when calculating the credit-adjusted EIR for such assets.

Debt instruments measured at FVTOCI

A debt financial asset is measured at FVTOCI if it is held in a business model that has an objective to hold financial assets to collect contractual cash flows and sell the assets and the contractual terms of the financial asset result in cash flows that pass the SPPI test.

After initial recognition, investments in debt financial assets are measured at fair value in the statement of financial position (with no deduction for sale or disposal costs) with unrealised gains and losses reported in OCI, net of applicable income taxes, until such investments are derecognised (i.e. when sold or collected). Upon derecognition, the cumulative gains or losses previously recognised in OCI are reclassified from equity to "net trading income/(loss) and results from investment securities" of the income statement, as a reclassification adjustment.

For debt financial assets measured at amortised cost or FVTOCI, the following items are recognised in the income statement:

- ECL allowance recognised in "credit provisions and other impairment charges".
- Foreign exchange gains and losses, calculated based on the amortised cost of the instrument, are recognised in "net trading income/(loss) and results from investment securities".
- Interest income calculated with the EIR method is recognised in "interest and similar income".
- Modification gains or losses, recognised in "credit provisions and other impairment charges".

Equity instruments designated at FVTOCI

After initial recognition, investments in equity instruments designated at FVTOCI are measured at fair value, with no deduction for sale or disposal costs. With the exception of dividends received, the associated gains and losses (including any related foreign exchange component) is recognised in OCI. Amounts presented in OCI are not subsequently recycled to the income statement, instead the cumulative gain or loss is transferred within equity from accumulated OCI to retained earnings.

Dividends are recognised in "net other income/(expense)" line item of the income statement when all of the following criteria are met:

- the Group's right to receive payment of the dividend is established
- it is probable that the economic benefits associated with the dividend will flow to the Group
- the amount of the dividend can be measured reliably
- the dividend clearly does not represent a recovery of part of the cost of the investment.

Financial assets and financial liabilities measured at FVTPL

After initial recognition, financial assets and financial liabilities that are classified as at FVTPL are measured at fair value, with no deduction for sale or disposal costs. Gains and losses arising from fair value remeasurement are recognised in their entirety in "net trading income/(loss) and results from investment securities". All changes to the fair value of a FVTPL liability due to market risk are recorded in profit and loss while changes due to the Group's own credit risk are recorded in OCI. The amount presented in OCI is not subsequently transferred to profit or loss even when the liability is derecognised and the amounts are realised. The cumulative gain or loss is transferred within equity from accumulated OCI to retained earnings.

Financial assets with legal form of debt

Unrealised gains and losses from changes in the fair value of assets measured at FVTPL are included in "net trading income and results from investment securities". Interest income is calculated with the EIR method on financial assets with legal form of debt measured at FVTPL and recognised in "interest and similar income". Financial assets which are loan contracts in their legal form and their contractual cash flows are not SPPI, are mandatorily measured at FVTPL, and classified within "Loans and advances to customers". Debt securities that fail the SPPI test are mandatorily measured at FVTPL and classified within "Financial assets at FVTPL".

Reclassification of financial assets

The Group reclassifies all affected financial assets only when the Group changes its business model for managing financial assets. The reclassification is applied prospectively from the reclassification date, which is the first day of the first quarterly reporting period following the change in the business model.

Changes in the Group's business models are usually the result of external or internal changes, affecting significantly the Group's operations.

Investments in equity instruments that are designated as at FVTOCI, or any financial assets or liabilities that are designated at FVTPL, cannot be reclassified because the election to designate them as at FVTOCI or FVTPL respectively, at initial recognition, is irrevocable.

2.7.7 Impairment - Expected Credit Losses

ECL are recognised for all financial assets measured at amortised cost, debt financial assets measured at FVTOCI, lease receivables, financial guarantees and certain loan commitments. ECL represent the difference between contractual cash flows and those that the Group expects to receive, discounted at the EIR. For loan commitments and other credit facilities in scope of ECL, the expected cash shortfalls are determined by considering expected future draw downs.

Recognition of expected credit losses

At initial recognition, an impairment allowance is required for ECL resulting from default events that are possible within the next 12 months (12-month ECL), weighted by the risk of a default occurring. Instruments in this category are referred to as instruments in Stage 1. For instruments with a remaining maturity of less than 12 months, ECL are determined for this shorter period.

In the event of a significant increase in credit risk ("SICR"), an ECL allowance is required, reflecting lifetime cash shortfalls that would result from all possible default events over the expected life of the financial instrument ("lifetime ECL"), weighted by the risk of a default occurring. Instruments in this category are referred to as instruments in Stage 2.

Lifetime ECL are always recognised on financial assets for which there is objective evidence of impairment, that is they are considered to be in default or otherwise credit-impaired. Such instruments are referred to as instruments in Stage 3.

POCIs are classified as credit impaired. An instrument is POCI if it has been purchased with a material discount to its par value that reflects the incurred credit losses or is originated with a defaulted counterparty.

For POCI financial assets, the Group recognises adverse changes in lifetime ECL since initial recognition as a loss allowance with any changes recognised in the income statement. POCI are initially recognised at fair value with interest income subsequently being recognised based on a credit-adjusted EIR. POCI may also include financial instruments that are newly recognised following a substantial modification and remain a separate category until maturity. Any favourable changes for POCI assets are ECL impairment gains even if the resulting expected cash flows exceed the estimated cash flows on initial recognition.

The Group does not apply the practical expedient that allows a lifetime ECL for lease receivables to be recognised irrespective of whether a SICR has occurred. Instead, all such receivables are incorporated into the standard ECL calculation.

Impairment charge for ECL is recognised in the Income Statement with a corresponding ECL allowance reported as a decrease in the carrying value of financial assets measured at amortised cost on the statement of financial position. For financial assets measured at FVTOCI, the carrying value is not reduced, but the ECL allowance is recognised in OCI. For off-balance sheet financial instruments, the ECL allowance is reported as a provision in "other liabilities". Impairment charge for ECL is recognised in the Income Statement in "Credit provisions and other impairment charges".

Write-off

A write-off is made when the Group does not have a reasonable expectation to recover all or part of a financial asset. Write-offs reduce the principal amount of a claim and are charged against previously established allowances for credit losses. Recoveries, in part or in full, of amounts previously written off are generally credited to "Credit provisions and other impairment charges". Write-offs and partial write-offs represent derecognition or partial derecognition events.

Definition of default

The Group has aligned the definition of default for financial reporting purposes, with the non performing exposures (NPE) definition used for regulatory purposes, as per EBA Implementing Technical Standards on Supervisory reporting on forbearance and non-performing exposures, as adopted by the Commission Implementing Regulation (EU) 2015/227 of 9 January 2015 amending Implementing Regulation (EU) No 680/2014 laying down implementing technical standards with regard to supervisory reporting of institutions according to Regulation (EU) No 575/2013 of the European Parliament and of the Council ("EBA ITS"). The definition of default for financial reporting purposes is consistent with the one used for internal credit risk management purposes.

For more information on the definition of default please refer to Note 4.2.6.

Measurement of Expected Credit Losses

The Group assesses on a forward-looking basis the ECL associated with all financial assets subject to impairment under IFRS 9. The Group recognises an ECL allowance for such losses at each reporting date. The measurement of ECL reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes. The Group uses three macroeconomic scenarios and estimates the ECL that would arise under each scenario. A weighting is allocated to each scenario, such that the weighted probabilities of all three scenarios are equal to one. The distribution of possible ECL may be non-linear, hence three distinct calculations are performed, where the associated ECLs are multiplied by the weighting allocated to the respective scenario. The sum of the three weighted ECL calculations represents the probability-weighted ECL.

- The time value of money.

- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

For the purposes of measuring ECL, the estimate of expected cash shortfalls reflects the cash proceeds expected from collateral liquidation (if any) and other credit enhancements that are part of the contractual terms and are not recognised separately by the Group. The estimate of expected cash shortfalls on a collateralized loan exposure reflects the assumptions used regarding the amount and timing of cash flows that are expected from foreclosure on the collateral less the costs of obtaining and selling the collateral, irrespective of whether the foreclosure is probable.

The ECL calculations are based on the following factors:

- **Exposure at Default ("EAD"):** This is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, and expected drawdowns on committed facilities.
- **Credit Conversion Factor ("CCF"):** The CCF converts the amount of a credit line and other off-balance sheet amounts to an EAD amount.
- **Probability of Default ("PD"):** Represents the likelihood of a borrower/issuer defaulting on its financial obligation, assessed on the prevailing economic conditions at the reporting date, adjusted to take into account estimates of future economic conditions that are likely to impact the risk of default either over the next 12 months for Stage 1 financial assets, or over the remaining lifetime, for Stage 2 financial assets.
- **Loss given default ("LGD"):** Represents the Group's expectation of the extent of loss on a defaulted exposure. The LGD varies by type of counterparty, type and seniority of claim and availability of collateral or other credit support. The determination of LGD takes into account expected future cash flows from collateral and other credit enhancements, or expected payouts from bankruptcy proceedings for unsecured claims and, where applicable, time to realization of collateral and the seniority of claims. LGD is expressed as a percentage loss per unit of EAD.
- **Discount Rate:** The implied discount factor based on the original EIR of the financial asset or an approximation thereof.

The PD and LGD are determined for three different scenarios whereas EAD projections are treated as scenario independent.

The ECL is determined by projecting the PD, LGD and EAD for each time step between future cash flow dates and for each individual exposure or collective segment. These three components are multiplied together and adjusted for the likelihood of survival, if appropriate. This effectively calculates an ECL for each future period, which is then discounted back to the reporting date and summed.

The Group recognises an ECL allowance on irrevocable commitments to extend credit, financial guarantee contracts and letters of credit, on the date that the Group becomes a party to the irrevocable commitment. No ECL allowance is recognised on revocable loan commitments, as such commitments do not meet the definition of a financial instrument. For revolving lending exposures (i.e. facilities that include both a loan and a revocable undrawn commitment component), the EAD represents the expected balance at default, taking into account any expected drawdowns, based on the Group's historical experience. The ECL allowance on financial guarantees and letters of credit written by the Group, is based on the CCF applicable to the relevant financial instrument type.

Forward looking economic inputs

Forward looking information (FLI) is incorporated in the ECL measurement of collectively assessed loans and debt securities through the PD and LGD models. The expected recoveries (cash flow recoveries or liquidation of collateral) used in the ECL measurement of corporate lending exposures individually assessed, takes into account FLI based on the Bank's forecasts of the relevant macroeconomic factors.

The Group applies three scenarios, i.e. baseline, optimistic, pessimistic, developed by the Bank's Economic Research and Analysis Division. The macroeconomic scenarios used for measuring ECL are the same with the ones used for evaluating SICR.

The main macroeconomic variables utilized by the Group, affecting the level of ECL are the following:

- GDP growth rate
- Real estate prices

The inputs and models used for calculating ECL may not always capture all characteristics of the market at the date of the financial statements. To reflect this, qualitative adjustments or overlays are occasionally made as temporary adjustments when such differences are significantly material. Management overlays are applied to account for customer support measures that have been implemented to reduce the negative economic impact as a result of the COVID-19 pandemic.

Significant increase of credit risk

A financial asset is considered as non-credit impaired, when the definition for Stage 3 classification is not met. The exposure is classified as Stage 2 if it has suffered a SICR, otherwise it is classified as Stage 1.

At each reporting date, the Group performs the SICR assessment comparing the risk of a default occurring over the remaining expected lifetime of the exposure with the expected risk of a default as estimated at origination.

The Group's process to assess SICR has three main components:

- **a quantitative element**, i.e. reflecting a quantitative comparison of PD or credit rating at the reporting date versus the respective metric at initial recognition (see below);
- **a qualitative element**, i.e. all Forborne Performing Exposures (FPE), in accordance with EBA ITS, internal watch list for corporate obligors; and
- **"backstop" indicators**. The Group applies on all lending exposures the IFRS 9 presumption that a SICR has occurred when the financial asset is more than 30 days past due.

The first two criteria are analysed below per type of exposure:

a. Corporate lending exposures

The Group assesses SICR based on changes in the obligor's internal credit rating since origination.

b. Retail lending exposures

Stage allocation is performed by the comparison of scenario weighted lifetime PDs from the risk assessment performed at origination versus the lifetime PDs at each reporting date, for the financial asset's residual term. Lifetime PD at origination decreases over time, as the loan gets closer to its maturity.

c. Debt securities and other financial assets

All debt securities and financial assets due from sovereigns and financial institutions are assessed on an individual basis in order to determine if a SICR has occurred since initial recognition, based on external credit ratings. If an external credit rating is available for a debt security, then SICR is assessed based on this rating, rather than the issuer's rating, in order to incorporate in the analysis any instrument-specific credit characteristics. All other financial assets due from sovereigns and financial institutions, such as money market placements, reverse repurchase agreements and unrated debt securities, are assessed for SICR based on the counterparty's or issuer's external credit rating. Any of the aforementioned financial assets rated as 'investment grade' at the reporting date, are assumed as having low credit risk and are classified within Stage 1 without any further SICR analysis. The Group applies the low credit risk exception solely on debt securities and financial assets due from sovereigns and financial institutions.

d. Transfer of financial assets from Stage 2 to Stage 1

Lending exposures, debt securities and financial assets due from sovereigns and financial institutions move back to Stage 1 when the SICR criteria are no longer met.

For more information on SICR please refer to Note 4.2.6.

2.8 Derivative financial instruments and hedging

2.8.1 Derivative financial instruments

Derivative financial instruments including foreign exchange contracts, forward rate agreements, currency and interest rate swaps, interest rate futures, currency and interest rate options (both written and purchased) and other derivative financial instruments are initially recognised in the Statement of Financial Position at fair value and subsequently are re-measured at their fair value. Derivatives are presented in assets when favourable to the Group and in liabilities when unfavourable to the Group. Where the Group enters into derivative instruments used for trading purposes, realised and unrealised gains and losses are recognised in the income statement in "Net trading income / (loss) and results from investment securities".

A derivative may be embedded in another financial instrument, known as "host contract". IFRS 9 precludes the separation of any embedded derivatives from a hybrid contract when the host contract is a financial asset within its scope. Instead, the hybrid financial asset is measured at fair value in its entirety.

It should be noted that on 27 July 2020, the interest rate curve used for discounting the Euro denominated interest rate swap derivatives centrally cleared through London Clearing House ("LCH"), EUREX and CME changed from EONIA to €STR. This has changed the fair value of the derivatives with a compensating cash payment or receipt from or to the respective clearing houses, so there is no value transfer. In addition on 19 October 2020 the discounting methodology of USD denominated interest rate derivatives centrally cleared changed from Federal Funds Rate to SOFR. The change of the interest rate curves used for discounting did not have a material impact on the Group's consolidated or separate income statement.

2.8.2 Continuation of IAS 39 hedge accounting requirements

IFRS 9 includes an accounting policy choice to continue IAS 39 hedge accounting, which the Group has exercised, and will comply with the revised annual hedge accounting disclosures as required by the related amendments to IFRS 7 *Financial Instruments: Disclosures*. Refer to Note 20.

2.8.3 Hedge accounting

Certain derivative instruments transacted as effective economic hedges under the Group's risk management positions, do not qualify for hedge accounting under the specific rules of IAS 39 and are therefore treated in the same way as derivative instruments held for trading purposes.

The Group also uses derivative instruments as part of its asset and liability management activities to manage exposures to interest rate, foreign currency and credit risks, including exposures arising from forecast transactions. The Group applies fair value, cash flow or net investment hedge accounting when transactions meet the specified criteria to obtain hedge accounting treatment.

The Group's criteria for a derivative instrument to be accounted for as a hedge include:

i. at inception of the hedge, there is formal designation and documentation of the hedging instrument, hedged item, hedging objective, strategy and relationship;
ii. the hedge is documented showing that it is expected to be highly effective in offsetting the risk in the hedged item throughout the hedging period. A hedge is considered to be highly effective when the Group achieves offsetting changes in fair value between 80 percent and 125 percent for the risk being hedged; and
iii. the hedge is highly effective on an ongoing basis.

2.8.4 Fair value hedges

For qualifying fair value hedges, the change in fair value of the hedging derivative is recognised in the income statement along with the corresponding change in the fair value of the hedged item that is attributable to that specific hedged risk. If the hedge relationship no longer meets the criteria for hedge accounting, for reasons other than the derecognition of the hedged item, or the hedging designation is revoked, the cumulative adjustment to the carrying amount of the hedged item, is, in the case of interest bearing financial instruments, amortised to the income statement over the remaining term of the original hedge item, while for non-interest bearing instruments that amount is immediately recognised in the income statement. If the hedged item has been derecognised, e.g. sold or repaid, the unamortized fair value adjustment is recognised immediately in the income statement.

2.8.5 Cash flow hedges

Fair value gains or losses associated with the effective portion of a derivative designated as a cash flow hedge are recognised initially in other comprehensive income. When the cash flows that the derivative is hedging (including cash flows from transactions that were only forecast when the derivative hedge was effected) materialize, resulting in income or expense, then the associated gain or loss on the hedging derivative is simultaneously transferred from other comprehensive income to corresponding income or expense line item.

If a cash flow hedge for a forecast transaction is deemed to be no longer effective, or the hedge relationship is terminated, the cumulative gain or loss on the hedging derivative previously reported in other comprehensive income is transferred to the income statement when the committed or forecast transaction occurs.

The foreign currency risk of a highly probable forecast intragroup transaction may qualify as a hedged item in the consolidated financial statements, provided that: (a) the transaction is denominated in a currency other than the functional currency of the entity entering into that transaction; and (b) the foreign currency risk will affect the consolidated income statement.

2.8.6 Net investment hedge

Hedges of net investments in foreign operations are accounted for in a similar way to cash flow hedges. The gain or loss on the effective portion of the hedging instrument is recognised in other comprehensive income; any gain or loss on the ineffective portion is recognized immediately in the income statement. Gains and losses accumulated in other comprehensive income are recycled in the income statement on the disposal of the foreign operation.

2.8.7 Hedge effectiveness testing

To qualify for hedge accounting, the Group requires that at the inception of the hedge and throughout its life, each hedge must be expected to be highly effective (prospective test), and demonstrate actual effectiveness (retrospective test) on an ongoing basis.

The documentation of each hedging relationship sets out how effective the hedge is assessed. The method the Group adopts for assessing hedge effectiveness will depend on its risk management strategy.

The Group implements a number of reliefs that apply to all hedging relationships directly affected by interest rate benchmark reform (i.e. Interest Rate Benchmark Reform Phase 1). The reliefs apply during the period before the replacement of an existing interest rate benchmark with an alternative risk-free rate ("RFR"). A hedging relationship is affected if interest rate benchmark reform gives rise to uncertainties about the timing and or amount of benchmark-based cash flows of the hedged item or the hedging instrument. The reliefs cease to apply once certain conditions are met. These include when the uncertainty arising from IBOR reform is no longer present with respect to the timing and amount of the benchmark-based cash flows of the hedged item, if the hedging relationship is discontinued or once amounts in the cash flow hedge reserve have been released.

Hedge ineffectiveness is recognized in the income statement in Net trading income / (loss) and results from investment securities.

2.8.8 Novation of derivatives and continuation of hedge accounting

When a) a derivative designated as a hedging instrument is novated to a clearing counterparty and b) certain conditions are met, a relief from discontinuing hedge accounting is provided.

2.9 Fair value of financial instruments

The Group measures the fair value of its financial instruments based on a framework for measuring fair value that categorises financial instruments based on a three-level hierarchy of the inputs to the valuation technique, as discussed below.

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities. Level 1 assets and liabilities include debt and equity securities and derivative contracts that are traded in an active market. An active market, is a market in which transactions for assets or liabilities take place with sufficient frequency and volume to provide pricing information on an ongoing basis and are characterized with low bid/ask spreads.

Level 2: Observable inputs other than Level 1 quoted prices, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data (for example derived from prices) for substantially the full term of the assets or liabilities. Level 2 assets and liabilities include debt securities with quoted prices that are traded less frequently than exchange-traded instruments, as well as debt securities without quoted prices and certain derivative contracts whose values are determined using pricing models, discounted cash flow methodologies, or similar techniques with inputs that are observable in the market or can be derived principally from or corroborated by observable market data. This category generally includes government and corporate debt securities with prices in markets that are not active and certain over-the-counter ("OTC") derivative contracts.

Level 3: Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant Management judgment or estimation.

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety, is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety.

2.10 Recognition of deferred Day 1 profit or loss

When the fair value is determined using valuation models for which not all inputs are market observable prices or rates, the Group initially recognises a financial instrument at the transaction price, which is the best indicator of fair value, although the value obtained from the relevant valuation model may differ. Such a difference between the transaction price and the model value is commonly referred to as "Day 1 profit or loss". The Group does not recognise that initial difference, immediately in the income statement.

Deferred Day 1 profit or loss is amortised over the life of the instrument. Any unrecognised Day 1 profit or loss is immediately released to income statement if fair value of the financial instrument in question can be determined either by using market observable model inputs or by reference to a quoted price for the same product in an active market or upon settlement.

After entering into a transaction, the Group measures the financial instrument at fair value, adjusted for the deferred Day 1 profit or loss. Subsequent changes in fair value are recognised immediately in the income statement without reversal of deferred Day 1 profits and losses.

2.11 Derecognition

2.11.1 Financial assets

A financial asset (or, where applicable, a part of a financial asset or group of similar financial assets) is derecognised when:

i. the rights to receive cash flows from the asset have expired;

ii. the Group retains the right to receive cash flows from the asset, but assumes a contractual obligation to pay the cash flows to one or more recipients under a 'pass through' arrangement; or

iii. the Group has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

iv. When the Group has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group's continuing involvement in the asset. Continuing involvement in the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

As part of its activities, the Group securitises certain financial assets, generally through the sale of these assets to special purposes entities, which issue securities collateralised with these assets.

To the extent that the Group sells these securities to third party investors, the transferred assets may qualify for derecognition in full or in part. Gains or losses on transfers that qualify for derecognition are based on the carrying amount of the financial assets derecognised and the retained interest, based on their relative fair values at the date of the transfer.

Modification

Forbearance measures do not lead to derecognition unless changes to the original contractual terms, result in a substantially different loan i.e. the loan is altered in a manner that the terms under the modified contract are substantially different from those under the original contract. When the modification is not considered substantial in order to lead to derecognition, the gain or loss arising from the modification is calculated as the difference between the present value of the new contractual cash flows (i.e. based on the modified terms) discounted by the original effective interest rate of the loan and the carrying amount post write-off (if any).

2.11.2 Financial liabilities

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expired.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, the exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference between the carrying amount of the extinguished or transferred liability and the consideration paid including any non-cash assets transferred or liabilities assumed is recognised in the Income statement.

When equity instruments issued to a creditor to extinguish all or part of a financial liability are recognised initially, an entity shall measure them at the fair value of the equity instruments issued, unless that fair value cannot be reliably measured.

2.12 Sale and repurchase agreements

Securities sold subject to a commitment to repurchase them at a predetermined price ('Repos') are retained on the Statement of Financial Position and the counterparty liability is included in amounts due to banks, due to customers or other deposits, as appropriate. Securities purchased under agreement to resell ('Reverse Repos') are recorded as due from banks or loans and advances to customers, as appropriate. The difference between sale and repurchase price (or the purchase and resale price) is treated as interest expense (or income) and accrued over the life of the Repos (or Reverse Repos) agreement using the effective interest rate method. The Group's policy is to monitor the market value of the principal amount loaned under resale agreements and obtain collateral from or return collateral pledged to counterparties when appropriate, thus these agreements do not create material credit risk.

2.13 Securities borrowing and lending

Securities lending and borrowing transactions are usually collateralised by securities or cash. Cash advanced or received as collateral is recorded as an asset or liability.

Securities borrowed are not recognised in the statement of financial position, unless they are then sold to third parties, in which case, the obligation to return the securities is recorded at fair value as a trading liability with any gains or losses included in net trading income.

The Group monitors the market value of the securities borrowed and lent on a regular basis and provides or requests additional collateral in accordance with the underlying agreements. Fees and interest received or paid are recorded as interest income or interest expense, on an accrual basis.

2.14 Regular way purchases and sales

"Regular way" purchases and sales of financial assets and liabilities (that is, those that require delivery within the time frame established by regulation or market convention) are recognised on the settlement date apart from trading and investment securities and derivative financial instruments, which are recognised on the trade date, which is the date that the Group commits to purchase or sell the asset. Other purchases and sales of trading securities are treated as derivatives until settlement occurs.

2.15 Offsetting

Financial assets and liabilities are offset and the net amount is reported in the Statement of Financial Position when, and only when there is currently a legally enforceable right to offset the recognised amounts and there is an intention to realise the asset and settle the liability simultaneously or on a net basis.

2.16 Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Bank and the revenue can be reliably measured. Revenue associated with the rendering of services is recognized by reference to the stage of completion of the transaction at the end of the reporting period.

2.16.1 Interest and similar income

Interest from interest-bearing assets and liabilities except for those that have the legal form of a derivative are recognized as net interest income using the effective interest rate (EIR). EIR is the rate that discounts expected future cash receipts through the expected life of the financial instrument to its gross carrying amount. The calculation takes into account the contractual interest rate, along with any fees or incremental costs that are directly attributable to the instrument and all other premiums or discounts.

All realised and unrealised gains or losses from changes in fair value of financial assets mandatorily measured at FVTPL, with a legal form of a derivative, are recognised in “net trading income/(loss) and results from investment securities”, including interest income, if any. Financial assets which are derivatives in their legal form but do not meet the accounting definition of a derivative, are mandatorily measured at FVTPL and classified within “financial assets at FVTPL”.

2.16.2 Fee and commission income

Fee and commission income includes asset management fees, commission fees, investment banking fees and credit card fees. The Group recognizes asset management fees based on time elapsed, which depicts the rendering of investment management services over time.

Commission income includes sales, mutual fund management fees and brokerage commissions. Sales and brokerage commissions are generally recognized at a point in time when the transaction is executed. Mutual fund management fees are recognized over time and are generally calculated based on the average daily net asset value of the fund during the period.

Investment banking fees include advisory fees and underwriting fees and are generally recognized at a point in time as income upon successful completion of the engagement.

2.17 Property and equipment, RoU assets and foreclosed assets

Property and equipment include land and buildings, leasehold improvements, transportation and other equipment, held by the Group for use in the supply of services or for administrative purposes. Property and equipment are initially recorded at cost, which includes all costs necessary to bring an asset into operating condition. RoU assets are presented together with “Property and equipment” in the Statement of Financial Position, and are analysed in Note 26.

Property and equipment are subsequently measured at cost less accumulated depreciation and accumulated impairment losses. Costs incurred subsequent to the acquisition of an asset which is classified as Property and equipment are capitalised only when it is probable that they will result in future economic benefits to the Group beyond those originally anticipated for the asset, otherwise they are expensed as incurred.

Depreciation begins when the asset is available for use and ceases only when the asset is derecognised. Depreciation of an asset that is retired from active use does not cease unless it is fully depreciated, but its useful life is reassessed. Property and equipment are depreciated on a straight-line basis over their estimated useful lives as follows:

Land	No depreciation
Buildings	Not exceeding 50 years
Leasehold improvements	Residual lease term, not exceeding 12 years
Furniture and related equipment	Not exceeding 12 years
Motor vehicles	Not exceeding 10 years
Hardware and other equipment	Not exceeding 5 years
Right-of-use assets	Straight-line basis over the lease term

At each reporting date the Group assesses whether there is any indication that an item of property and equipment and RoU assets may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset. Where the carrying amount of an asset exceeds its estimated recoverable amount, it is written down to its recoverable amount. Gains and losses on disposal of property and equipment are determined by reference to their carrying amount and are taken into account in determining profit/(loss) before tax.

Foreclosed assets

Assets that are classified as "foreclosed assets" are included in other assets upon actual foreclosure or when physical possession of the collateral is taken, through mutual agreement or court action. Foreclosed assets arise when the Group initiates legal actions for debt collection upon the recognition that repayment or restructuring of the debt cannot be achieved. In case the exposures are collateralized with assets, legal actions involve the initiation of an auction program that targets the repayment of the loans through the collateral liquidation value. Foreclosed assets are initially measured at the fair value of the property less estimated costs to sell. Prior to foreclosure, any write-downs, if necessary, are charged to the ECL allowance. Subsequent to acquisition, gains or losses on the disposal of, and losses or gains up to the amount of previous write-downs arising from the (periodic) revaluation of repossessed properties are recorded in "Net other income/(expense)".

2.18 Investment property

Investment property includes land and buildings owned by the Group (or held through a finance lease agreement) with the intention of earning rent or for capital appreciation or both, and is initially recorded at cost, which includes transaction costs.

Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and any accumulated impairment losses.

Investment property is depreciated on a straight-line basis over its estimated useful life, which approximates the useful life of similar assets included in property and equipment. Investment property is reviewed for impairment when there is an indication of impairment or at least on an annual basis.

2.19 Goodwill, software, and other intangible assets

2.19.1 Goodwill

Subsequent to initial recognition, goodwill is stated at cost, as established at the date of acquisition (see Business combinations-Goodwill) less accumulated impairment losses.

Goodwill is allocated to cash-generating units ("CGUs") for the purpose of impairment testing. The allocation is made to those cash-generating units that are expected to benefit from the business combination in which the goodwill arose.

The Group assesses goodwill for possible impairment annually or more frequently if there are indications for impairment. The assessment involves estimating whether the carrying amount of the goodwill remains fully recoverable. When making this assessment the Group compares the carrying value of the CGU to which the goodwill is allocated to its recoverable amount, which is the higher of fair value less cost to sell and value in use. Fair value is estimated by reference to market value, if available, or is determined by a qualified evaluator or pricing model. If the recoverable amount is less than the carrying amount, an irreversible impairment loss is recognised, and the goodwill is written down by the excess of the carrying amount of the unit over its recoverable amount.

2.19.2 Intangible assets acquired through business combinations

Intangible assets acquired through business combinations include brand names, which have an indefinite life and core deposits and customer relationships, which have a finite life and are amortised on a straight line basis over their useful lives of 6-11 years.

2.19.3 Software

Software includes costs that are directly associated with identifiable and unique software products controlled by the Group that are anticipated to generate future economic benefits exceeding costs beyond one year. Expenditure, which enhances or extends the performance of computer software programs beyond their original specifications is recognised as a capital improvement and added to the original cost of the software.

Software is amortised using the straight-line method over the useful life, not exceeding a period of 20 years.

In particular for **internally generated software,** the amount initially recognised is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria. Where no internally generated intangible asset can be recognised, development expenditure is charged to the income statement in the period in which it is incurred.

Research costs are expensed as incurred. An internally generated software arising from development expenditure incurred on an individual project is recognized only when the Group can demonstrate:

i. the technical feasibility of completing the internally generated software so that it will be available for use,
ii. its intention to complete and use the asset,
iii. the ability to use the asset,
iv. how the asset will generate future economic benefits,
v. the ability of adequate technical, financial and other resources to complete the development and use the asset and
vi. the ability to measure reliably the expenditure during development.

Following the initial recognition of the development expenditure, the cost model is applied requiring the asset to be carried at cost less any accumulated amortization and impairment losses.

Expenditure on starting up an operation or branch, training personnel, advertising and promotion and relocating or reorganizing part or the entire Group is recognised as an expense when it is incurred.

2.20 Impairment of intangible assets

The Group assesses intangible assets for possible impairment annually or more frequently if there are indications for impairment. If such indications exist an analysis is performed to assess whether the carrying amount of intangible assets is fully recoverable. A write-down is made if the carrying amount exceeds the recoverable amount.

2.21 Insurance operations

The amendment to IFRS 4 *Insurance Contracts* "Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts", adopted by the European Union on 3 November 2017, provides the option for entities that predominantly undertake insurance activities to defer the effective date of IFRS 9 until 1 January 2023. The effect of such a deferral is that those entities may continue to report their financial statements under the existing standard IAS 39.

This temporary exemption from IFRS 9, which was limited to groups that predominantly undertook insurance activities according to the IASB amendment, has been extended to the insurance sector of financial conglomerates as defined by the Directive 2002/87/EC as adopted by the European Union.

The Group applies this amendment to Ethniki Hellenic General Insurance S.A. ("NIC") its insurance business which continues to apply IAS 39 "Financial instruments: Recognition and Measurement".

NIC is a non-current asset held for sale and all results affecting the Income Statement are classified under "Profit/loss for the period from discontinued operations". Likewise all assets and liabilities are classified under "Non-current assets held for sale" and "Liabilities associated with non-current assets held for sale", respectively.

Financial securities of NIC

2.21.1 Financial assets and liabilities at fair value through profit or loss

This category has the following two sub-categories:

(a) Trading and

(b) Financial assets and liabilities designated as at fair value through profit or loss.

Trading

The trading category includes securities, which are either acquired for generating a profit from short-term fluctuations in price or dealer's margin, or are included in a portfolio in which a pattern of short-term profit making exists, and derivatives unless they are designated as and are effective hedging instruments.

Trading securities may also include securities sold under sale and repurchase agreements (see Sale and repurchase agreements).

Financial assets and liabilities designated as at fair value through profit or loss

Financial assets may be designated at fair value through profit or loss (in accordance with IAS 39) when:

i. Doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as "an accounting mismatch") that would otherwise arise if the related derivatives were treated as held for trading and the underlying financial instruments were carried at amortised cost for such as loans and advances to customers or banks and debt securities in issue;

ii. A group of financial assets, financial liabilities or both is managed and its performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy, and information about the group is provided internally on that basis to key Management personnel, for example the Board of Directors and Chief Executive Officer;

iii. The financial instruments contain one or more embedded derivatives that significantly modify the cash flows resulting from those financial instruments and would have to be separated if not in this category.

The fair value designation, once made, is irrevocable.

Financial assets and liabilities at fair value through profit or loss (both trading and designated) are initially recognised at fair value and subsequently re-measured at fair value. Dividend income is recognised in the income statement when the right to receive payment is established. This is the ex-dividend date for equity securities.

Investment securities

Investment securities are initially recognised at fair value (including transaction costs) and are classified as available-for-sale, held-to-maturity, or loans-and-receivables based on the securities' characteristics and Management intention on purchase date. Investment securities are recognised on the trade date, which is the date that NIC commits to purchase or sell the asset. All other purchases and sales, which do not fall within market convention, are recognised as derivative forward transactions until settlement.

Available-for-sale investment securities are measured subsequent to initial recognition at fair value. Unquoted equity instruments whose fair value cannot be reliably estimated are carried at cost. Unrealised gains and losses arising from changes in the fair value of available-for-sale investment securities are reported in other comprehensive income, net of taxes (where applicable), until such investment is sold, collected or otherwise disposed of, or until such investment is determined to be impaired.

Available-for-sale investment securities may be sold in response to needs for liquidity or changes in interest rates, foreign exchange rates or equity prices. When an available-for-sale investment security is disposed of or impaired, the accumulated unrealised gain or loss included in other comprehensive income is transferred to the income statement for the period. Gains and losses on disposal are determined using the moving average cost method.

Held-to-maturity investment securities consist of non-derivative, securities that are quoted in an active market, with fixed or determinable payments and fixed maturity, which the Management has the positive intent and ability to hold to maturity.

Loan and receivable investment securities consist of non-derivative investment securities with fixed or determinable payments that are not quoted in an active market.

Held-to-maturity and Loan and receivable investment securities are carried at amortised cost using the effective interest rate method, less any provision for impairment. Amortised cost is calculated by taking into account any fees, points paid or received, transaction costs and any discount or premium on acquisition.

Impairment: NIC assesses at each reporting date whether there is objective evidence that an investment security or a group of such securities is impaired.

Particularly for equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered in determining whether the assets are impaired.

If any objective evidence of impairment exists for available-for-sale financial assets, the cumulative loss (measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in the Income statement) is removed from Other comprehensive income and recognised in the Income statement. Impairment losses recognised in the income statement on equity instruments are not reversed through the income statement. If, in a subsequent period, the fair value of a debt instrument classified as available-for-sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in the income statement, the impairment loss is reversed through the Income statement.

The amount of the impairment loss for held-to-maturity and loans and receivable investment securities, which are carried at amortised cost is calculated as the difference between the asset's carrying amount and the present value of expected future cash flows discounted at the financial instrument's original effective interest rate.

2.21.2 Contract classification

In accordance with the requirements of IFRS 4, NIC classifies its contracts into insurance contracts and investment contracts.

a. Insurance contracts

Insurance contracts are defined as those contracts that contain significant insurance risk at the inception of the contract. A contract which exposes the insurance company to financial risk without material insurance risk is not an insurance contract.

The Group classifies its financial guarantee contracts issued by its insurance companies as insurance contracts.

Insurance contracts are categorized in two categories according to the nature of the insurance risk.

a1. Life insurance contracts

Life insurance includes all types of traditional coverage (term, whole life, endowment, annuities) and unit-linked products for which a guaranteed premium return is provided at maturity. The associated premiums are recognized on issuance or renewal of the contracts.

a2. Property & casualty insurance contracts (P&C)

Premiums are recorded on inception of the policies and are recognized as revenue (earned premiums) on a pro rata basis over the related policy term. Deferred income is carried over to the unearned premium reserve.

b. Investment contracts

Investment contracts are defined as those contracts that are not classified as Insurance Contracts.

b1. Deposit Administration Funds (DAF)

Such policies offer a guaranteed investment return on members contributions plus a discretionary participation feature. Policies are written to employees of companies, which define the benefits to be received. Any shortfalls are covered by the company whose employees are insured.

b2. Unit Linked investment contracts

Policies linked with financial instruments where the insured bears the investment risk.

2.21.3 Deferred acquisition costs (DAC)

Commissions and other acquisition costs incurred during the financial period for issuing new contracts and /or renewing existing contracts, which are related to subsequent financial periods are deferred and recognised over the period in which the revenue is recognised.

2.21.4 Insurance reserves

Insurance reserves include the statutory reserves for life and non-life insurance and the results of the test performed to assess the adequacy of these reserves:

Mathematical reserves: Life insurance mathematical reserves represent net premium statutory reserves calculated using a specific technical basis regarding the underlying interest and mortality rates.

Outstanding claims reserve: Outstanding claims reserves consist of the case provisions set by the assessors and the actuarially estimated additional amounts to cover the possible inadequacy of these provisions, the cost of not reported (IBNR) claims and the associated claims handling expenses. The ultimate cost of outstanding claims is estimated by using a range of standard actuarial claims projection techniques, such as Chain Ladder and Bornheutter-Ferguson methods. The main assumption underlying these techniques is that a Group's past claims development experience can be used to project future claims development and hence ultimate claims costs.

Unearned premium reserve: Calculated on a pro-rata basis for the time period from the valuation date to the end of the period for which premium has been booked.

Unexpired risk reserve: Represents an estimate for the additional amount required to cover the inadequacy of the unearned premium reserve in case of high loss and expense ratios.

Liability Adequacy Test (LAT): The Group assesses whether its recognised insurance liabilities are adequate by applying a liability adequacy test ("LAT"), by using current estimations of future cash flows. Additional liability resulting from the LAT, increases the carrying amount of insurance liabilities as determined in accordance with the above mentioned policies and is charged to the Income statement.

2.21.5 Reinsurance

The Group has reinsurance treaties that transfer significant insurance risk. Liabilities for reinsured contracts are calculated gross of reinsurance and a separate reinsurance asset is recorded. Amounts paid for retroactive reinsurance are reported as reinsurance receivables, increased to the amount of the recorded reserves relating to the underlying reinsured contracts. Any resulting gain is deferred and amortised over the remaining settlement period. Where the amount paid exceeds recorded reserves, the excess is recognized in the income statement.

2.22 Leases

The Group at the inception of a contract assess whether the contract is or contains a lease based on whether the Group has the right to control the use of an identified asset for a period of time obtaining substantially all the economic benefits from the use of the asset in exchange for consideration.

2.22.1 A Group company is the lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets for which lease payments are recognised as operating expenses on a straight-line basis over the lease term.

At the commencement date of the lease the Group:

a) Recognises a right of use ("RoU") asset representing the Group's right to use the underlying asset in the statement of financial position.

b) Recognises a lease liability that represents the present value of the Group's obligation to make lease payments over the lease terms in the statement of financial position.

c) Recognises depreciation on the RoU asset.

d) Reviews the RoU assets for impairment whenever events or circumstances indicate that the carrying amount may not be recoverable over the remaining life. Any impairments are charged to the income statement.

e) Recognises interest expense on the lease liabilities in the income statement.

f) Separates the total amount of cash paid into the principal portion presented within financing activities and the accrued interest expense portion presented within operating activities in the cash flow statement.

2.22.2 RoU assets

As stated above, the Group recognises RoU assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). RoU assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of RoU assets includes the amount of lease liabilities recognised, initial direct costs incurred, restoration costs and lease payments made at or before the commencement date less any lease incentives received. RoU assets are depreciated on a straight-line basis over the lease term. The RoU assets are presented in property and equipment.

2.22.3 Lease liabilities

As stated above, at the commencement date of the lease, the Group recognises lease liabilities which are initially measured at the present value of the future lease payments, discounted using the rate implicit in the lease or, if this rate cannot be readily determined, the lessee's incremental borrowing rate (IBR). The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the RoU asset in a similar economic environment.

The lease payments include fixed payments (less any lease incentives receivable), variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs. The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or a rate, if there is a change in the Group's estimate of the amounts expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the RoU asset, or is recorded in the Income Statement if the carrying amount of the RoU asset has been reduced to zero.

2.22.4 Short-term leases and leases of low-value assets

The Group has elected not to recognize RoU assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets (€5,000 or less). The Group recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term (Note 12).

2.22.5 A Group company is the lessor

Finance lease: When assets are leased out under a finance lease, the present value of the minimum lease payments is recognized as a receivable. Lease income is recognized over the term of the lease using the net investment method (before tax), which reflects a constant periodic rate of return. Finance lease receivables are included in loans and advances to customers.

Operating lease: Fixed assets leased out under operating leases are included in the Statement of Financial Position based on the nature of the asset. They are depreciated over their useful lives on a basis consistent with similar owned property. Rental income (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term.

2.23 Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, unrestricted balances held with central banks, amounts due from other banks and highly liquid financial assets with original maturities of less than three months from the date of acquisition such as treasury bills and other eligible bills, investment and trading securities which are subject to insignificant risk of changes to fair value and are used by the Group in the management of its short-term commitments.

2.24 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made.

2.25 Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

A financial guarantee contract, other than those assessed as insurance contracts, is recognised initially at their fair value and subsequently measured at the higher of: (a) the unamortized balance of the related fees received and deferred, and (b) the amount of the loss allowance determined in accordance with IFRS 9.

2.26 Employee benefits

Group companies operate various post-employment benefit plans in accordance with local conditions and practices in their respective countries. Such plans are classified as defined benefit and defined contribution plans.

2.26.1 Pension plans

a. Defined benefit plans

A defined benefit plan is a post-employment benefit plan that defines an amount of benefit to be provided, determined using a number of financial and demographic assumptions. The most significant assumptions include age, years of service or compensation, life expectancy, the discount rate, expected salary increases and pension rates. For defined benefit plans, the liability is the present value of the defined benefit obligation as at the reporting date minus the fair value of the plan assets. The defined benefit obligation and the related costs are calculated by independent actuaries on an annual basis at the end of each annual reporting period, 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 or government bonds that are denominated in the currency in which the benefits will be paid and, which have terms to maturity approximating the terms of the related liability, or for currencies for which there is no deep market in such high quality corporate bonds, the market yields (at the end of the reporting period) on government bonds denominated in that currency shall be used. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined liability/(asset). Service cost (current service cost, past service cost (including the effect of curtailments) and gains or losses on settlements) and net interest on the net defined benefit liability/(asset) are charged to the income statement and are included in staff costs. The defined benefit obligation net of plan assets is recorded on the Statement of Financial Position, with changes resulting from remeasurements (comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan asset (excluding interest)) recognized immediately in OCI, with no subsequent recycling to profit or loss, in order to fully reflect the full value of the plan deficit or surplus.

b. Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the Group pays fixed contributions into a separate entity and has no legal or constructive obligations to pay further contributions, if the entity does not hold sufficient assets to pay all employees' benefits relating to employee service in the current and prior periods. Group contributions to defined contribution plans are charged to the income statement in the year to which they relate and are included in staff costs.

2.26.2 Share based payment transactions

The fair value of the employee services received in exchange for the grant of the options is measured by reference to the fair value of the share options at the date on which they are granted and is recognised in the income statement over the period that the services are received, which is the vesting period. The total amount to be expensed over the vesting period is determined by reference to the fair value of the share options granted. Fair value of the options granted is determined using an option-pricing model that takes into account the share price at the grant date, the exercise price of the option, the life of the option, the expected volatility of the share price over the life of the option, the expected dividends on it, and the risk-free interest rate over the life of the option.

When the options are exercised and new shares are issued, the proceeds received net of any transaction costs are credited to share capital (par value) and the surplus to share premium.

2.26.3 Termination benefits

A liability for a termination benefit is recognised at the earlier of when the Group can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

2.27 Income taxes

Current income tax liability is based on taxable profit for the year. Taxable profit differs from profit/(loss) for the period as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's current income tax liability is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method.

The principal temporary differences arise from revaluation of certain financial instruments, including securities and derivatives, insurance reserves, provisions for defined benefit obligations and other post retirement benefits, loss from the Private Sector Initiative ("PSI") and property and equipment. DTA relating to the unused tax losses carried forward are recognised to the extent that it is probable that sufficient taxable profits will be available in the future against which these deductible temporary differences can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on laws that have been enacted or substantially enacted at the reporting date.

Deferred tax assets and liabilities are not recognized if the temporary differences arise from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profits nor the accounting profits.

Recognition of deferred tax assets is based on Management's belief that it is probable that the tax benefits associated with certain temporary differences, such as tax losses carry forward and tax credits, will be realized, based on all available evidence. The carrying amount of deferred tax assets is reviewed semi-annually and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. In making such determination, the Group and the Bank consider all available positive and negative evidence, including future reversals of existing taxable temporary differences, projected future taxable income and recent financial results. In the event the Group and the Bank were to determine that it would be able to realize their deferred income tax assets in the future in excess of their recorded amount, it would make an adjustment to increase the carrying amount of deferred tax assets.

Current and deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current income tax advances against current income tax liabilities and when they relate to income taxes levied by the same taxation authority and the Management intends to settle its current tax assets and liabilities on a net basis.

Deferred income tax is recognised for temporary differences arising from investments in subsidiaries, associates and joint ventures, except where the timing of the reversal of the temporary difference can be controlled by the Group and it is probable that the difference will not reverse in the foreseeable future.

Deferred income tax relating to fair value changes of investment securities measured at FVTOCI and cash flow hedges, which are charged or credited to other comprehensive income, is also credited or charged to other comprehensive income where applicable and is subsequently recognised in the income statement together with the deferred gain or loss.

2.28 Debt securities in issue and other borrowed funds

Debt securities issued and other borrowed funds are initially recognised at fair value net of transaction costs incurred. Subsequent measurement is at amortised cost (unless they are designated as at fair value through profit or loss) and any difference between net proceeds and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest rate method.

2.29 Share capital, treasury shares and other equity items

Share and other equity items issue costs: Incremental external costs directly attributable to the issue of shares and other equity items, other than on a business combination, are deducted from equity net of any related income tax benefit.

Dividends on ordinary shares, preference shares and preferred securities: Dividends on ordinary shares are recognised as a liability in the period in which they are approved by the Bank's Shareholders at the Annual General Meeting. Dividends on preference shares and preferred securities classified as equity are recognised as a liability in the period in which the Group becomes committed to pay the dividend.

Treasury shares: NBG shares held by the Group are classified as treasury shares and the consideration paid including any attributable incremental external costs, net of income taxes, is deducted from total shareholders' equity until they are cancelled, reissued or resold. Treasury shares do not reduce the number of shares issued but affect the number of outstanding shares used in the calculation of earnings per share. Treasury shares held by the Bank are not eligible to receive cash dividends. Any difference between acquisition cost and ultimate proceeds from subsequent resale (or reissue) of treasury shares is included in shareholders' equity and is therefore not to be considered a gain or loss to be included in the income statement.

2.30 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker is the person or group that allocates resources to and assesses the performance of the operating segments of an entity. The Group has determined the Senior Executive Committee as its chief operating decision-maker.

All transactions between business segments are conducted on an arm's length basis, with inter-segment revenue and costs being eliminated. Income and expenses directly associated with each segment are included in determining business segment performance.

Geographical segments include income from assets that are either located or are managed in the respective geographical areas.

2.31 Assets and liabilities held for sale and discontinued operations

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification except as permitted by IFRS 5, and actions required to complete the plan should indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale on initial classification are measured at their lower of carrying amount and fair value less costs to sell. Assets and liabilities of disposal groups classified as held for sale and non-current assets classified as held for sale are shown separately on the face of the Statement of Financial Position.

Impairment losses on initial classification as held for sale are included in the income statement, even when there is a revaluation. The same applies to gains and losses on subsequent re-measurement.

If the Group has classified an asset (or disposal group) as held for sale, but the criteria for classification as such are no longer met, the Group ceases to classify the asset (or disposal group) as held for sale. The Group measures a non-current asset (or disposal group) that ceases to be classified as held for sale (or ceases to be included in a disposal group classified as held for sale) at the lower of:

(a) its carrying amount before the asset (or disposal group) was classified as held for sale, adjusted for any depreciation or amortisation that would have been recognised had the asset (or disposal group) not been classified as held for sale, and

(b) its recoverable amount at the date of the subsequent decision not to sell.

A discontinued operation is a component of the Group’s business that represents a separate major line of business or geographical area of operations that has been disposed of or is classified as held for sale or is a subsidiary acquired exclusively with a view to resale. Classification as discontinued operations occurs upon disposal or when the operations meet the criteria to be classified as held for sale.

The results of discontinued operations are shown as a single amount on the face of the income statement comprising the post-tax profit or loss of discontinued operations and the post-tax gain or loss recognized either on measurement to fair value less costs to sell or on the disposal of the discontinued operation.

2.32 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the group will comply with all attached conditions. Government grants relating to costs are deferred and recognised in the income statement over the period necessary to match them with the costs that they are intended to compensate. Government grants relating to property, plant and equipment are included in other liabilities and are credited to the income statement on a straight-line basis over the expected lives of the related assets.

The Group accounts for the potential reduction in the borrowing rate under the Targeted Longer-Term Refinancing Operations III program (TLTRO III) as government grant under IAS 20. The income from the government grant is presented in net interest income and is recognized when there is reasonable assurance that the Group will receive the grant and will comply with the conditions attached to the grant.

2.33 Related party transactions

Related parties include entities, which the Bank has the ability to exercise significant influence in making financial and operating decisions. Related parties include the members of the Board of Directors, the General Managers, the members of the Executive Committees of the Bank, the key management of the Group companies, their close relatives, companies controlled or joint controlled by them and companies over which they can influence the financial and operating policies.

2.34 Fiduciary and trust activities

The Group provides fiduciary and trust services to individuals and other institutions, whereby it holds and manages assets or invests funds received in various financial instruments at the direction of the customer. The Group receives fee income for providing these services. Trust assets are not assets of the Group and are not recognised in the financial statements. The Group is not exposed to any credit risk relating to such placements, as it does not guarantee these investments.

2.35 Earnings /(losses) per share

A basic earnings per share (EPS) ratio is calculated by dividing the profit or loss for the period attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period excluding the average number of ordinary shares purchased by the Group and held as treasury shares.

A diluted earnings per share ratio is computed using the same method as for basic EPS, but the determinants are adjusted to reflect the potential dilution that could occur if convertible debt securities, options, warrants or other contracts to issue ordinary shares were converted or exercised into ordinary shares.

NOTE 3: Critical judgments and estimates

The preparation of the financial statements in accordance with IFRS requires Management to make judgments, estimates and assumptions that affect the reported amount of assets, liabilities, income and expense in the consolidated and separate financial statements and accompanying notes. The Group believes that the judgments, estimates and assumptions used in the preparation of the consolidated and separate financial statements are appropriate.

The most significant areas, for which judgments, estimates and assumptions are required in applying the Group's accounting policies, are the following:

3.1 Fair value of financial instruments

The fair values of financial instruments that are not quoted in active markets are determined by using valuation techniques. These include present value methods and other models based mainly on observable input parameters and to a small extent on non-observable input parameters. Valuation models are used primarily to value derivatives transacted in the over-the-counter market.

These models take into consideration the impact of credit risk. For derivatives, this impact is estimated by calculating a separate credit value adjustment ("CVA") for each counterparty to which the Group has exposure. The calculation considers expected exposures generated using simulation techniques, as well as netting agreements and collateral postings. Furthermore, the CVA is based on expected loss rates derived from Credit Default Swaps ("CDS") rates observed in the market, or, if these are not available, the probability of default of the counterparty derived from internal rating models, or otherwise the regulatory risk weight is applied. With respect to the impact of own credit risk on the valuation of derivatives, the Group applies a methodology symmetric to the one applied for CVA.

All valuation models are validated before they are used as a basis for financial reporting. Valuation results of material models are periodically reviewed by qualified personnel independent of the area that performed the development. Wherever possible, the Group compares valuations derived from models with quoted prices of similar financial instruments and with actual values when realised, in order to further validate and calibrate its models. A variety of factors are incorporated into the Group's models, including actual or estimated market prices and rates, such as time value and volatility, market depth and liquidity, and changes in own credit risk for financial liabilities.

The Group applies its models consistently from one period to the next, ensuring comparability and continuity of valuations over time, but estimating fair value inherently involves a significant degree of judgment. Management therefore periodically reviews the output of the model to cover the risks associated with the estimation of unobservable input parameters and the assumptions within the models themselves.

Although a significant degree of judgment is, in some cases, required in establishing fair values, Management believes the fair values recorded in the Statement of Financial Position and the changes in fair values recorded in the Income Statement or the Statement of Other Comprehensive Income are prudent and reflective of the underlying economics, based on the controls and procedural safeguards employed.

Additional information related to fair value of financial instruments is disclosed in Note 4.8.

3.2 Income taxes

The Group is subject to income taxes in various jurisdictions. Significant judgment is required in determining the provision for income taxes and the amount of deferred tax asset that is recoverable. The Group considers many factors including statutory, judicial and regulatory guidance in estimating the appropriate accrued income taxes for each jurisdiction. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognizes liabilities for anticipated tax audit issues based on the technical merits of tax position taken and estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which the final outcome is determined.

Deferred tax assets are recognized in respect of tax losses and deductible temporary differences to the extent that it is probable that future taxable profit will be available against which the losses and deductible temporary differences can be utilized. Estimating the expected future taxable income requires the application of judgment and making assumptions about the future trends of the key drivers of profitability, such as loan and deposits volumes and spreads and operating expenses.

As of 31 December 2020 the Bank assessed the recoverability of its deferred tax asset, taking into account the actual performance for the year ended 31 December 2020, the completed and agreed disposals of NBG's subsidiaries, the funding from the Eurosystem and the extensive and continuous fiscal and monetary support of unprecedented response to COVID-19 pandemic from the European and Greek authorities in response to the unprecedented COVID-19 pandemic (see Note 2.2).

Taking into consideration the above, Management prepared analytical financial projections up to the end of 2023 and used its best estimates regarding the growth assumptions thereafter. Based on the above, Management concluded that a deferred tax asset of €4,911 million for the Group and €4,906 million for the Bank may be treated as realizable.

The amount of the deferred tax asset on tax losses and deductible temporary differences is currently treated as non-realizable, however, could be recognised in future periods if estimates of future taxable income during the carry-forward period are increased. Taxable income is calculated in accordance with applicable Greek tax laws and regulations; accordingly taxable income should not be considered as equal to or an alternative to net income.

3.3 Pension benefits - Defined benefit obligation

The present value of the defined benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions such as mortality, disability and rates of employee turnover and financial assumptions such as the discount rate, salary changes and benefit levels. Any changes in these assumptions will impact the carrying amount of defined benefit obligations. The Group determines the appropriate discount rate at the end of each year by reference to market yields based on 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 defined benefit obligations. Where a deep market in these bonds does not exist, estimates of rates which take into account the risk and maturity of the related liabilities are used.

Additional information related to other key assumptions for defined benefit obligations is disclosed in Note 11.

3.4 Impairment assessment of investments in subsidiaries, associates and joint ventures in individual financial statements

The Bank accounts for and assesses for impairment of investments in subsidiaries, associates and joint ventures in its separate financial statements as described in Note 2.4.9. This assessment requires the use of certain assumptions and estimates, which Management believes are reasonable and supportable in the existing market environment and commensurate with the risk profile of the assets valued. However, different ones could be used which would lead to different results.

3.5 Assessing whether the contractual cash flows are SPPI: Non-recourse features

The Group applies judgment when considering whether non-recourse features significantly affect future cash flows. In order to conclude whether the loan represents a basic lending agreement and its return does not vary based on the performance of the underlying asset or project, the Group assesses whether there is an adequate buffer to absorb credit losses primarily by comparing the value of asset performance indicators, (e.g. loan-to-value and average debt servicing coverage ratio) against predefined thresholds.

3.6 Measurement uncertainty in determination of the ECL allowance

The measurement of the ECL allowance requires Management to apply significant judgment and make estimates and assumptions that involve significant uncertainty at the time they are determined. Changes to these estimates and assumptions can result in significant changes to the amount and timing of the ECL allowance to be recognised. The most significant sources of measurement uncertainty relate to the following ECL factors:

Determination of a significant increase of credit risk

The Group assesses whether a SICR has occurred since initial recognition based on qualitative and quantitative criteria that include significant management judgment. Refer to Note 2.7.7 for further information on the criteria applied. More stringent criteria could significantly increase the number of instruments being classified into Stage 2. All staging criteria and thresholds determined based on FLI are subject to validation by the Bank's Model Validation Unit. Changes in the staging criteria are approved by the Group's Executive Committee and Board Risk Committee.

Model risk inherent in the IFRS 9 models

Compliance with the IFRS 9 impairment model requires the use of a variety of models. The complexity of the models as well as dependency to other model-based inputs is high therefore any changes in inputs and data (e.g. internal credit ratings, behavioural scores etc.), as well as new or revised models, may significantly affect ECL. The models are validated by the Bank's Model Validation Unit, in accordance with the Group's Model Validation Framework.

Forward looking information

FLI is incorporated in the ECL measurement of collectively assessed loans and debt securities through the PD and LGD models. The expected recoveries (cash flow recoveries or liquidation of collateral) used in the ECL measurement of corporate lending exposures individually assessed, take into account FLI based on the Bank's forecasts of the relevant macroeconomic factors. Management selects forward-looking scenarios and judges the suitability of respective weights to be applied. Each of the scenarios is based on Management's assumptions around future economic conditions in the form of macroeconomic, market and other factors. Changes in the scenarios and weights, the relevant macroeconomic variables and the assumptions made under those variables for the forecast horizon would have a significant effect on the ECL allowance. For more details please see Note 4.2.6.

NOTE 4: Financial risk management

The Group considers effective risk management to be a key factor in its ability to deliver sustained returns to the shareholders. The Group allocates substantial resources to keep upgrading its policies, processes, methods and infrastructure to ensure compliance with best international practices and the guidelines of the Basel Committee for Banking Supervision.

4.1 Group Risk Management Governance Framework

The Group aims to adopt practices regarding risk management governance, taking into account all relevant guidelines and regulatory requirements. The risk management processes of the Group distinguish among the following kinds of risk: credit risk, concentration risk, market risk, interest rate risk in the banking book, counterparty credit risk, liquidity risk, operational risk and model risk.

The Group Risk Management Governance Framework is described in detail in the Risk Management section of the Board of Directors Report.

4.2 Credit risk

Credit risk is the risk of financial loss relating to the failure of a borrower to honor its contractual obligations. It arises in lending activities as well as in various other activities where we are exposed to the risk of counterparty default, such as our trading, capital markets and settlement activities. Credit risk is the largest single risk NBG Group faces. The credit risk processes are conducted separately by the Bank and each of its subsidiaries. The credit risk procedures established by the subsidiaries are coordinated by the GRCAD. The sections below refer to the processes followed by the Bank.

4.2.1 Credit policy for corporate lending

The credit policies for corporate lending of the Bank and its Subsidiaries present the fundamental policies for the identification, measurement, approval, monitoring and reporting of the credit risk related to the corporate portfolio and ensure equal treatment for all obligors.

The credit policy of the Bank ("Corporate Credit Policy") is approved by the Board of Directors (BoD) upon recommendation of the Board Risk Committee (BRC) following proposal by the Group CRO to the BRC and the Senior Executive Committee. The Corporate Credit Policy is reviewed on an annual basis and revised whenever deemed necessary and in any case every two years.

Exceptions to the Corporate Credit Policy are approved by the BoD upon recommendation of the BRC following proposal by the Group CRO to the BRC and the Senior Executive Committee.

4.2.2 Credit policy for retail lending

The credit policy for retail lending ("Retail Credit Policy") sets the minimum credit criteria, policies, procedures and guidelines for managing and controlling credit risk undertaken in retail portfolios, both at Bank and Group level. Its main scope is to enhance, guide and regulate the effective and adequate management of credit risk, thus achieving a viable balance between risk and return.

The Retail Banking Credit Policy is communicated through the use of respective credit policy manuals ("Credit Policy Manual"). The Credit Policy Manual is made to serve three basic objectives:

- to set the framework for basic credit criteria, policies and procedures,
- to consolidate retail credit policies of the Group, and,
- to establish a common approach for managing retail banking risks.

The Retail Credit Policy is approved by the Board of Directors of the Bank (BoD) upon the recommendation of the Board Risk Committee (BRC), following proposal by the General Manager of Group Risk Management (Chief Risk Officer), to the Senior Executive Committee and the BRC. Credit policy is reviewed on an annual basis and revised whenever deemed necessary and in any case at least every two years.

The NBG Group Retail Credit Division reports directly to the Group CCO and its main task is to evaluate, design and approve the Credit Policy that governs the retail banking products, both locally and abroad. Furthermore, the NBG Group Retail Credit Division closely monitors the consistent implementation of both the Retail Banking Credit Policy provisions and credit granting procedures.

Through the application of the Retail Credit Policy, the evaluation and estimation of credit risk, for new as well as for existing products, are effectively facilitated. NBG's Senior Executive Committee is regularly informed on all aspects regarding the Retail Credit Policy. Remedial action plans, are put together to resolve the issues, whenever necessary, within the risk appetite and strategic orientation of the Bank.

4.2.3 Credit granting processes

The Group's credit granting processes are described in the Risk Management section of the Board of Directors Report, under Management of Risks | Credit Risk.

4.2.4 Credit risk assessment, monitoring and internal ratings

The credit risk process for the Bank on obligor level is managed centrally by GRCAD, working closely with the Credit Units and the centralised underwriting units, responsible for the particular types of credit.

The Bank uses different credit risk rating models, according to the nature of credit portfolios, which are reviewed systematically and validated annually by the independent MVU. More specifically:

Corporate Portfolio

NBG has developed a corporate portfolio rating system which, following approval and certification by the Bank of Greece, is used to quantify risk parameters, such as Probability of Default ("PD"), and supports mainly the credit approval process while it is also utilized for pricing, ICAAP calculation, reporting and provisioning purposes. The rules for classifying customers (obligors) into rating grades are set out in detail in the Corporate Credit Policy. In brief, NBG's Obligor Risk Rating (ORR) scale contains 21 grades, 19 of which correspond to borrowers who are not in default and 2 to borrowers who are in default. Different exposures against the same borrower receive the same rating grade, regardless of the specificities of various characteristics of credit (e.g. type of facility, collateral provided, etc.). The rating procedure is carried out at least annually or earlier in cases where new information or new financial data has arisen and may affect the risk undertaken. The Bank uses four models to assess the creditworthiness of corporate obligors. All of these models, are hosted on the Risk Analyst™ (RA) platform, developed by Moody's. Corporate obligors are assessed via the following models:

1. Corporate Rating Model (CRM): "Hybrid" rating model implemented via Risk Analyst platform (upgraded version of Moody's Risk Advisor software) focusing on companies with full financial data.
2. Expert judgement model: Used for specific type of obligors (such as newly established firms without financial data, construction consortiums, insurance companies, etc.) that cannot be rated by the CRM.
3. Specialised Lending – Slotting Criteria Scorecards: Project and Object Finance credits.
4. Limited Financials Scorecards: Applied to newly founded companies and smaller firms with limited financial data, which keep simplified B-class accounting ledgers (i.e. single entry books).

All these models produce ordinal rankings of obligors (or credits, in the case of project and object finance) in the ORR scale which are then mapped to a unique PD. Models are validated annually and calibrated, whenever necessary.

Apart from the above models, NBG has developed and implemented the Early Warning System (EWS) for its Corporate Clientele; a comprehensive framework that identifies, monitors and manages obligors with credit deterioration at very early stages. EWS was introduced in 2018, and comprises efficient and effective structures, processes and tools to support early arrears management.

With regard to the pricing of the Corporate Obligors, NBG has established a well-defined Risk-Based Pricing (RBP) Framework that is based on fundamental pricing principles and is governed by relevant policies, robust pricing methodologies and tools. NBG's RBP Framework covers the new business production as well as the renewal of existing credit relationships for Corporate portfolio. It takes into account the Bank's Risk Appetite Framework (RAF), the current regulatory framework, the international accounting standards and the relevant provisioning models, the macroeconomic trends, as well as the fair and respectful treatment of all clients. On a regular basis (at least annually) it is reviewed and revised, if deemed necessary.

The universe of all models related to corporate portfolio is presented below.

Credit Risk Models by use, type and portfolio

Model Use	Model Type	Corporate
IFRS 9 Models	PD	1
	EAD	1
	LGD	1
ICAAP (Pillar II)	PD	5
	EAD	
	LGD	
Special Asset Unit (NPL) Models		1
Pricing Models		1
Early Warning System (EWS)		1
Total		11

Retail Portfolio

The management of credit risk in the retail portfolio starts at the approval stage. The underwriting process is centralised which ensures segregation of duties and uniform enforcement of underwriting standards. Every application is assessed using product based application scorecards. Furthermore, throughout the life of each credit, the payment behaviour is regularly monitored, using statistically-developed scorecards. Monthly reports about the quality of each retail loan book are provided by GRCAD for management review and corrective measures are proposed to mitigate and control credit risk, whenever necessary.

The **mortgage** portfolio in particular, is reviewed using more advanced methods since the Bank adopted the A- IRB approach in 2008 for estimating capital requirements against credit risk for mortgage exposures. The Bank's PD model was developed in 2007, and based on more recent re-calibrations, was used for capital calculation purposes under the IRB Approach. Since the Bank's reversion to the Standardized Approach in June 2019, the model is used for Internal Capital (ICAAP) calculation purposes as well as for internal reporting and portfolio monitoring purposes. Any non-defaulted exposure is rated using this PD model on a monthly basis and is classified in one of 10 pools with common risk attributes (Rating pools). Each pool receives a different PD. All defaulted exposures receive a PD of 100%.

Furthermore, an internally developed LGD model for mortgage loans is used mainly for financial reporting purposes, but also for ICAAP, Stress Test and Budget/Business/NPE/Recovery Planning purposes. The model consists of three components; the first component produces curing probabilities taking into account macro-economic factors, the second one estimates recovery rates and the third component incorporates the expected recovered amount from collateral liquidation. Both the aforementioned PD and LGD models are validated annually by the independent Model Validation Unit (MVU) and monitored on a more frequent basis by GRCAD.

As far as loans and advances to **SBL** customers are concerned, the same basic principle of centralised assessment and monitoring is followed as in corporate portfolio. All credit applications are evaluated first, at inception, and then at least once a year and certainly, on credit limits renewal dates. The assessment uses the SBL Model that generates a rating score, which in turn corresponds to a PD. This model incorporates an independent "behavioural score" variable. A standard behavioural scorecard examines the customer's behaviour in respect to all of his accounts, both credit and deposit ones, weighs a number of variables accordingly (e.g. delinquencies, limit usage, etc.) and generates automatically a score every month. The addition of a behavioural score led to a significant increase in the predictive power of the SBL Model.

Loans and advances to SBL customers are, like corporate credits, secured by various types of eligible collateral aiming to mitigate credit risk. Such collateral include pledges over business premises or residential real estate, post-dated checks, invoices and other receivables. The LGD model was internally developed in 2011 and was used for capital calculation purposes under the Internal Ratings Approach (IRB). Since June 2019, where the Bank reverted to the Standardized Approach, the model serves the purposes of monitoring portfolio performance, management reporting, as well as the calculation of internal capital (ICAAP). The model estimates the percentage loss in case of default for each borrower and consists of two modules, which is **a.** the estimation of the probability of transferring to denouncement status (NPL status) and **b.** the estimation of recovery rate since the date of the denouncement.

As in the Corporate Portfolio, NBG implements an EWS for its retail population (incl. Mortgage, Consumer & SBL), aiming at identifying possible credit losses at a very early stage. The framework is supported by the appropriate procedure documents, controls and tools for achieving effective early arrears management.

As far as the pricing is concerned, a well-established Risk-Based Pricing (RBP) Framework is also implemented for the retail clientele, governed by relevant policies, robust pricing methodologies and tools.

The universe of all models related to retail portfolio is presented below.

Credit Risk Models by use, type and portfolio

Model Use	Model Type	Mortgage loans	Consumer Term Loans	Credit Cards & Open Loans	Retail SME	Total
IFRS 9 Models	PD	1	1	1	1	**4**
	EAD	-	-	1	1	**2**
	LGD	1	1	1	1	**4**
ICAAP (Pillar II)	PD	1	-	-	3	**4**
	EAD	-	-	-	1	**1**
	LGD	1	-	-	1	**2**
Special Asset Unit (NPL) Models		-	-	-	1	**1**
Pricing Models		1	1	1	1	**4**
Early Warning System (EWS)		1	1	2	1	**5**
Score cards	Application	1	2	2	-	**5**
	Behavioral	3	2	6	-	**11**
Total		**10**	**8**	**14**	**11**	**43**

4.2.5 Concentration risk management

The Bank manages the extension of credit, controls its exposure to credit risk and ensures its regulatory compliance based on an internal limits system. The process for managing concentration risk is described in the Risk Management section of the Board of Directors Report, under Management of Risks | Concentration Risk.

4.2.6 Impairment of amortised cost and FVTOCI financial assets

An ECL allowance is recognised for all financial assets measured at amortised cost, debt financial assets measured at FVTOCI, lease receivables, financial guarantee contracts and certain loan commitments that meet the financial instrument definition. The Bank has established a policy for impairment of financial instruments under IFRS 9 (the "Impairment Policy"), which also applies to all subsidiaries and establishes guidelines on measurement of ECL. The Group's accounting policies on recognition and measurement of ECL are described in Note 2.7.7. Based on the Impairment Policy, the Group's Financial Assets Impairment Provision and Write-off Committee is responsible for:

- Approving the macroeconomic scenarios and the probability weights assigned to each scenario.
- Ensuring that the ECL allowance on all financial assets and off-balance sheet commitments within the scope of IFRS 9 are made in accordance with the Impairment Policy.
- Ensuring compliance with the approved procedures for calculating financial assets impairment provision.
- Reviewing and approving the amount of the ECL allowance which have been measured either on an individual basis by the Corporate Divisions, or on a collective basis by the dedicated ECL calculation system.
- Reporting to the BRC, the amount of the ECL allowance for annual and interim, separate and consolidated financial statements.
- Reporting to the BRC and the Audit Committee changes in the credit risk parameters used in the ECL allowance calculation.

Definition of default

The Group has aligned the definition of default for financial reporting purposes, with the NPE definition used for regulatory purposes, as per the EBA ITS, thus a financial asset is considered as credit impaired, and is classified into Stage 3, when it is classified as NPE in accordance with the Group's NPE and Forbearance Classification Policy. Exposures, (except for those held for trading or debt securities where the borrower has no other exposures with the Group), are classified as NPE, when:

- The obligor is classified as defaulted for regulatory purposes in accordance with Article 178 of Regulation (EU) No 575/2013 and the Bank's Corporate and Retail Banking Credit Policies; or
- have material amounts which are more than 90 days past due. In case of credit cards, the exposure is considered non-performing in case of more than three (3) unpaid monthly instalments; or
- have been classified as Forborne NPE, according to the EBA ITS.

A commitment is regarded as NPE if, when withdrawn or otherwise used, it would lead to exposures that present a risk of not being paid back in full without realisation of collateral. Financial guarantees written by the Bank are regarded as NPE for their nominal value when the financial guarantee is at risk of being called by the holder of the guarantee, including, in particular, when the underlying guaranteed exposure meets the criteria to be considered as NPE.

A debt security is considered as credit impaired under an objective approach, and classified into Stage 3, when at least one payment of capital or interest is overdue by the issuer, based on the contractual terms of the instrument, irrespective of the days past due. In addition, a debt security is assessed as credit impaired if there is at least one external credit rating on the security or the issuer (if no external rating on the security is available) corresponding to Default or Selective Default.

In light of COVID-19 pandemic the EBA stated, on 25 March 2020, that it is of the view that the public and private moratorium to the extent they are not borrower specific but rather addressed to broad ranges of product classes or customers, do not lead to automatic classification in default, forborne or IFRS 9 status.

Please note that following the financial crisis, the EBA established tighter standards around the definition of default (CRR Article 178) to achieve greater alignment across banks and jurisdictions. The new definition of default is applicable for the Group from 1 January 2021 and constitutes a subsequent event to this set of Annual Financial Statements (see Note 47).

Significant Increase of Credit Risk (SICR)

A non-credit impaired asset is classified in Stage 2 if it has suffered a SICR, otherwise it is classified in Stage 1. An assessment of whether credit risk has increased significantly since initial recognition is performed at each reporting period by considering the change in the risk of default occurring over the remaining life of the financial instrument. The assessment compares the risk of default occurring at the reporting date compared with that at initial recognition, taking into account reasonable and supportable information, including information about past events, current conditions and future economic conditions. The assessment is unbiased, probability-weighted, and to the extent relevant, uses forward-looking information consistent with that used in the measurement of ECL.

The Bank assesses SICR, in accordance with the Impairment Policy, which includes three main components:

- a quantitative element, i.e. reflecting a quantitative comparison of PD or credit rating at the reporting date versus the respective metric at initial recognition,
- a qualitative element, that is all Forborne Performing Exposures (FPE) and internal watch list for corporate obligors; and
- “Backstop” indicators. The Group applies on all lending exposures the IFRS 9 presumption that a SICR has occurred when the financial asset is more than 30 days past due.

As recommended by the prudential and supervisory authorities, and repeated over by the IASB in a press release of 27 March 2020, the granting of moratoria directly related to the cash flow difficulties generated by the occurrence of the COVID-19 pandemic did not lead to the automatic transfer of these credit outstandings into Stage 2 (under-performing assets), nor into Stage 3 (credit-impaired assets).

Movement of financial assets to Stage 1

Financial assets are transferred back to Stage 1 when the SICR criteria are no longer met.

ECL measurement period

On term loans, the period of exposure over which lifetime ECL is measured, is based on the maximum contractual period over which the Bank is exposed to credit risk. For revolving lending exposures, judgment is applied to estimate the period over which the Bank is exposed to credit risk. This applies to credit card limits and overdraft accounts, which do not have a defined contractual maturity date, are callable on demand and where the drawn and undrawn components are managed as one unit. The ECL measurement period is capped at 12 months for Stage 1 balances.

Forward-looking information

ECL measurement incorporates forward-looking information (FLI). The Group selects forward-looking scenarios and assesses the suitability of respective weights to be applied combining information from official sources and an econometric model relating GDP with the future path of other macroeconomic variables and a minimum set of forward-looking conditioning variables. The selected scenarios for GDP growth and the related weights are approved by the Management and used to produce conditional forecasts for all the other macro variables. More specifically, the Bank applies three forward-looking macroeconomic scenarios, i.e. baseline, optimistic and pessimistic, with a probability weighting of 55%, 20% and 25%, respectively, developed by the Economic Analysis Division on a quarterly basis. The macroeconomic scenarios and the respective weights are approved by the Group’s Financial Assets Impairment Provision and Write-off Committee and validated by the MVU at least on an annual basis. The macroeconomic scenarios used for measuring ECL are the same with the ones used for evaluating SICR.

The macroeconomic variables utilized by the Bank relate to Greek economic factors and the ECL allowance is mainly driven by the changes in gross domestic product (GDP) and house price index (HPI). HPI growth is assumed to remain zero between the fourth quarter of 2020 and the fourth quarter of 2021 in the baseline and optimistic scenarios and the values corresponding to the optimistic scenario are equal to those of the baseline over the projection period, in view of the uncertainty and the idiosyncratic non-modeled drivers of this market under the current juncture. The annual average 2021-2025 forecasts for each key variable and macroeconomic scenario are the following:

	Baseline	Optimistic	Pessimistic
GDP growth rate	3.6	5.3	-0.3
HPI growth	3.2	3.2	-0.7

The ECL allowance is sensitive to changes in forward-looking scenarios of the aforementioned macroeconomic variables. Given that the Group's ECL allowance is mainly driven by the Bank, Management assessed and considered the sensitivity of the Bank's ECL allowance on loans and advances to customers at amortised cost against reasonably possible changes in these specific variables, compared to the FLI scenarios utilised in the ECL measurement as of 31 December 2020. The sensitivity analysis was performed assuming a "favourable" and an "adverse" shift in the three FLI scenarios for GDP and HPI growth, while retaining the same probability weights assigned to each scenario (i.e. 55%, 20% and 25% for the baseline, optimistic and pessimistic scenarios, respectively). For GDP growth forecasts, a complete re-estimation of all modelled macroeconomic variables (including the HPI) was performed conditioned on the aforementioned "favourable" and "adverse" variations of the original FLI scenarios, since GDP plays a pivotal role in the modelling of all other variables, while an additional sensitivity analysis focusing exclusively on the HPI growth was performed keeping all other macroeconomic variables constant to their original values.

The alternative scenarios were applied to the full trajectory of GDP growth and HPI, 2020-2050. The average deviation assumed in the mid-term horizon (2021-2025) for each macroeconomic variable and scenario is the following:

	Change compared to FLI scenarios utilized in the ECL measurement as of 31 December 2020, expressed in percentage points		
Alternative scenario assumed	Baseline	Optimistic	Pessimistic
Higher GDP	+2.0	+2.0	+2.0
Lower GDP	-2.0	-2.0	-2.0
Higher HPI	+2.0	+2.0	+2.0
Lower HPI	-2.0	-2.0	-2.0

The following table includes the impact on the ECL allowance for each of the alternative scenarios assumed, which is expressed as a percentage of the Bank's ECL allowance on loans and advances to customers at amortised cost as of 31 December 2020. The impact on the ECL allowance should be read in the context of the sensitivity analysis as a whole, in conjunction with the narrative disclosures provided above.

Alternative scenario assumed	ECL impact
Higher GDP	-3.1%
Lower GDP	+3.7%
Higher HPI	-1.1%
Lower HPI	+1.2%

Model risk inherent in the IFRS 9 models

Compliance with the impairment requirements of IFRS 9 requires the use of a variety of models. The complexity of the models as well as dependency to other model-based inputs is high, therefore any changes in inputs and data (e.g. ORRs, behavioral scores etc.), as well as new or revised models, may significantly affect the ECL allowance. The models are validated by the Bank's MVU, in accordance with the Group's Model Validation Framework. The Bank's Credit Risk Model Development and Validation Policy, includes specific tests and metrics that the Bank's MVU applies for performing the quantitative validation of the following models and methodologies:

- PD, LGD and CCF models
- SICR and ECL methodology
- FLI macroeconomic models

The model validation tests address all key aspects of the models i.e. discriminatory power, calibration accuracy, segmentation accuracy, representativeness and stability.

4.2.7 Maximum exposure to credit risk before collateral held or other credit enhancements

The following table represents a worst case scenario of credit risk exposure of the Group and the Bank at 31 December 2020 and 2019, without taking account of any collateral held or other credit enhancements attached.

For on-balance sheet assets, the exposures set out below are based on net carrying amounts as reported in the Statement of Financial Position:

Maximum exposure to credit risk before collaterals held or other credit enhancements

	Group		Bank	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Due from banks (see Note 18)	3,440	3,008	3,378	2,948
Trading Securities (see Note 19)	505	474	505	474
Derivative financial instruments (see Note 20)	5,585	4,833	5,585	4,833
Loans and advances to customers (see Note 21)	26,807	29,222	25,444	27,952
Investment securities (see Note 22)	14,979	8,773	14,647	8,472
Other assets (see Note 28)	1,820	2,065	1,745	1,991
Credit commitments (see Note 35)*	3,036	3,084	3,302	3,364
Total	**56,172**	**51,459**	**54,606**	**50,034**

**In addition to the above, credit commitments also include commitments to extend credit which at 31 December 2020 amounted to €7,621 million for the Group (31 December 2019: €6,419 million) and to €6,901 million for the Bank (31 December 2019: €5,753 million). Commitments to extend credit at 31 December 2020 do not include any amounts, which cannot be cancelled without certain conditions being met at any time and without notice, or for which automatic cancellation due to credit deterioration of the borrower is not allowed.*

4.2.8 Collateral and other credit enhancements

Counterparty credit risk

The Group's counterparty credit risk management processes are described in the Risk Management section of the Board of Directors Report, under Management of Risks | Counterparty Credit Risk.

Loans and advances to customers

The most common practice used by the Group to mitigate credit risk with respect to loans and advances to customers is receiving collateral. The Group implements guidelines on the eligibility of specific types of collateral, as described in the Corporate Credit Policy and the Retail Banking Credit Policy documents. In the same documents, eligible types of collateral for regulatory purposes (funded and unfunded credit risk mitigation techniques), are also presented.

The main collateral types for loans and advances to customers are:

Real Estate Collaterals

- Residential real estate,
- Commercial real estate,
- Industrial real estate

Financial Collaterals

- Cash collaterals,
- Assigned receivables,
- Pledges over financial instruments, such as debt securities and equities

Other Collaterals

- State guarantees, vessels, equipment, inventory, and other collateral

Guarantees received

- Personal, corporate, public entities, local authorities and other guarantees

The Bank has internally developed a Collateral Management System in order to upgrade the control and monitoring of collaterals received for both corporate and retail loans and advances to customers, as well as to fulfil the requirements arising from the regulatory framework. The user of the Collateral Management System is able to retrieve information regarding collateral at different aggregation levels, to monitor all useful aspects of collateral in order to preserve adequate coverage as well as automatically calculate required haircuts on the collateral values.

Furthermore, the Collateral Management System is designed so as to provide information regarding exposure per guarantor in the case of credit guarantees. The basic types of credit guarantees are:

Bank Guarantees

This guarantee is deemed an acceptable form of unfunded credit protection and takes the form of a Letter of Credit (L/C) or a Letter of Guarantee (L/G) from Financial Institutions, domestically and abroad.

State Guarantee

This guarantee is considered as equivalent to the pledge on a liquid asset only if it is direct, explicit, irrevocable and unconditional, hence no external factors could affect the substance of coverage.

Guarantee by ETEAN Fund (formerly known as TEMPME)

This guarantee is considered as equivalent to the pledge on a liquid asset if the decision of the ETEAN Fund does not include conditions and special clauses concerning factors beyond the Bank's control.

Longer-term finance and lending to corporate entities are generally secured. Revolving credit facilities to individuals are generally unsecured. In addition, in order to mitigate the potential credit loss, the Group will seek additional collateral from the counterparty as soon as impairment indicators are noticed for the relevant individual loans and advances to customers. Debt securities, treasury and other eligible bills are generally unsecured.

Valuation of collateral

The collateral associated with loans and advances to customers is initially evaluated during the credit approval process, based on its fair value and is revalued at regular intervals based on the NBG Group Property Valuation Policy.

Fair value assessment of real estate collaterals, which may secure loans and advances to individuals or legal entities, is performed by the Real Estate Unit for Technical Assessments and employs internal or external certified valuers based on predefined criteria (qualifications and expertise), in accordance with the NBG Group Property Valuation Policy.

The real estate valuations are categorized into individual valuations on a specific property and are carried out either through on-site, desktop or by indexed valuations based on statistical methodology (Propindex, BoG Indices etc.)

The real estate valuations performed during the loan origination phase to determine the collateral value are always performed by on-site inspections.

In accordance with NBG Group Property Valuation Policy, NBG Group accepts the following key valuation approaches provided by International and European Valuation Standards (IVS/EVS):

a. Market approach

b. Income approach

c. Cost Approach

The frequency of property valuations used as collateral for loans and advances to customers is set out in the NBG Group Property Valuation Policy and is in compliance with the Regulation (EU) 575/2013 and the ECB Guidance to Banks on Non-Performing Loans. The Group updates the collateral valuations of all exposures at least annually based on the NBG Group Property Valuation Policy. Furthermore, the revaluation of the real estate collateral is updated on an individual basis at the time the exposure is classified as non-performing (NPE) and at least annually while it continues to be classified as such, in accordance with the NBG Group Property Valuation Policy.

Management is constantly monitoring the market conditions in the Greek real estate market either internally though macroeconomic reports issued by the Group's Chief Economist, or externally through reports produced by the Real Estate Unit for Technical Assessments or by international independent valuation firms. Changes in market conditions are considered as an important factor in determining the fair value of real estate collateral. A more volatile market may lead to the need for more frequent collateral valuations. Valuations have been prepared taking into consideration the impact of material valuation uncertainty clauses, other uncertainties and adjustments to the assumptions related to COVID-19 outbreak.

When the value of the collateralised property exceeds the loan balance, the value of collateral is capped to the gross carrying amount of the loan. A breakdown of collateral and guarantees received to mitigate credit risk exposure arising from loans and advances to customers is summarised as follows:

Breakdown of collateral and guarantees | Group

	31.12.2020					31.12.2019				
	Value of collateral received					Value of collateral received				
	Real estate collateral	Financial collateral	Other collateral	Total collateral value	**Guarantees received**	Real estate collateral	Financial collateral	Other collateral	Total collateral value	**Guarantees received**
Retail Lending	8,690	315	766	9,771	5,812	12,940	230	877	14,047	8,800
Corporate Lending	3,767	1,644	3,244	8,655	8,359	4,012	1,387	2,803	8,202	7,074
Public Sector Lending	39	29	32	100	100	41	14	23	78	12
Total	**12,496**	**1,988**	**4,042**	**18,526**	**14,271**	**16,993**	**1,631**	**3,703**	**22,327**	**15,886**

Breakdown of collateral and guarantees for Credit impaired assets | Group

	31.12.2020					31.12.2019				
	Value of collateral received					Value of collateral received				
	Real estate collateral	Financial collateral	Other collateral	Total collateral value	Guarantees received	Real estate collateral	Financial collateral	Other collateral	Total collateral value	Guarantees received
Retail Lending	1,398	29	188	1,615	1,085	5,388	33	183	5,604	4,107
Corporate Lending	885	107	268	1,260	1,207	1,429	150	304	1,883	1,788
Public Sector Lending	15	-	1	16	1	16	-	1	17	7
Total	**2,298**	**136**	**457**	**2,891**	**2,293**	**6,833**	**183**	**488**	**7,504**	**5,902**

Breakdown of collateral and guarantees | Bank

	31.12.2020					31.12.2019				
	Value of collateral received					Value of collateral received				
	Real estate collateral	Financial collateral	Other collateral	Total collateral value	Guarantees received	Real estate collateral	Financial collateral	Other collateral	Total collateral value	Guarantees received
Retail Lending	8,392	289	718	9,399	5,540	12,658	205	821	13,684	8,800
Corporate Lending	3,229	1,627	2,360	7,216	6,798	3,417	945	2,554	6,916	7,013
Public Sector Lending	39	29	29	97	84	41	14	23	78	12
Total	**11,660**	**1,945**	**3,107**	**16,712**	**12,422**	**16,116**	**1,164**	**3,398**	**20,678**	**15,825**

Breakdown of collateral and guarantees for Credit impaired assets | Bank

	31.12.2020					31.12.2019				
	Value of collateral received					Value of collateral received				
	Real estate collateral	Financial collateral	Other collateral	Total value of collateral	Guarantees received	Real estate collateral	Financial collateral	Other collateral	Total value of collateral	Guarantees received
Retail Lending	1,385	29	180	1,594	1,085	5,377	32	171	5,580	4,107
Corporate Lending	816	107	207	1,130	1,207	1,192	117	264	1,573	1,787
Public Sector Lending	15	-	1	16	1	16	-	1	17	7
Total	**2,216**	**136**	**388**	**2,740**	**2,293**	**6,585**	**149**	**436**	**7,170**	**5,901**

Loan to Value (LTV) Ratio of Mortgage portfolio

Loan to Value Ratio is the relationship between the loan and the appraised value of the property held as collateral. A breakdown of mortgage loans by range of LTV is summarised as follows:

	Group				Bank			
	31.12.2020	of which: Credit Impaired	31.12.2019	of which: Credit Impaired	31.12.2020	of which: Credit Impaired	31.12.2019	of which: Credit Impaired
Less than 50%	1,801	131	1,859	288	1,725	130	1,785	287
50%-70%	1,778	198	1,968	463	1,697	197	1,887	461
71%-80%	1,030	137	1,217	393	998	137	1,193	392
81%-90%	847	133	1,195	461	842	133	1,193	461
91%-100%	982	157	1,388	469	981	157	1,388	469
101%-120%	1,062	190	1,848	836	1,062	190	1,848	836
121%-150%	860	188	2,080	1,163	860	188	2,080	1,163
Greater than 150%	784	343	2,948	2,307	781	341	2,944	2,307
Gross carrying amount	**9,144**	**1,477**	**14,503**	**6,380**	**8,946**	**1,473**	**14,318**	**6,376**
Average LTV	**86.3%**	**108.2%**	**105.5%**	**129.7%**	**86.3%**	**108.2%**	**105.5%**	**129.7%**

4.2.9 Credit quality of loans and advances to customers at amortised cost

Credit quality of loans and advances to customers at amortised cost by range of probability of default

A breakdown of the portfolio by range of probability of default for the Group is summarized as follows:

As at 31 December 2020	Mortgage Loans				Consumer Loans			
12-month PD	Stage 1	Stage 2	Credit impaired	Total	Stage 1	Stage 2	Credit impaired	Total
0.01% - 2%	3,758	820	-	**4,578**	880	165	-	**1,045**
2.01% - 10%	683	1,662	-	**2,345**	289	79	-	**368**
10.01% - 20%	504	144	-	**648**	34	12	-	**46**
20.01% and above	1	95	1,477	**1,573**	2	36	322	**360**
Gross carrying amount	**4,946**	**2,721**	**1,477**	**9,144**	**1,205**	**292**	**322**	**1,819**

As at 31 December 2020	Credit Cards				Small Business Lending			
12-month PD	Stage 1	Stage 2	Credit impaired	Total	Stage 1	Stage 2	Credit impaired	Total
0.01% - 2%	349	5	-	**354**	481	117	-	**598**
2.01% - 10%	35	35	-	**70**	109	168	-	**277**
10.01% - 20%	-	-	-	**-**	23	139	-	**162**
20.01% and above	-	1	38	**39**	4	118	491	**613**
Gross carrying amount	**384**	**41**	**38**	**463**	**617**	**542**	**491**	**1,650**

As at 31 December 2020	Corporate Lending				Public Sector			
12-month PD	Stage 1	Stage 2	Credit impaired	Total	Stage 1	Stage 2	Credit impaired	Total
0.01% - 2%	11,661	308	-	**11,969**	282	114	-	**396**
2.01% - 10%	1,358	362	-	**1,720**	8	29	-	**37**
10.01% - 20%	17	30	-	**47**	-	-	-	**-**
20.01% and above	66	96	2,009	**2,171**	-	1	28	**29**
Gross carrying amount	**13,102**	**796**	**2,009**	**15,907**	**290**	**144**	**28**	**462**

As at 31 December 2020	Total Loans			
12-month PD	Stage 1	Stage 2	Credit impaired	Total
0.01% - 2%	17,411	1,529	-	**18,940**
2.01% - 10%	2,482	2,335	-	**4,817**
10.01% - 20%	578	325	-	**903**
20.01% and above	73	347	4,365	**4,785**
Gross carrying amount	**20,544**	**4,536**	**4,365**	**29,445**

As at 31 December 2019	Mortgage Loans				Consumer Loans			
12-month PD	Stage 1	Stage 2	Credit impaired	Total	Stage 1	Stage 2	Credit impaired	Total
0.01% - 2%	3,720	580	-	**4,300**	552	157	-	**709**
2.01% - 10%	813	1,854	-	**2,667**	710	148	-	**858**
10.01% - 20%	609	279	-	**888**	38	43	-	**81**
20.01% and above	-	268	6,380	**6,648**	1	27	657	**685**
Gross carrying amount	**5,142**	**2,981**	**6,380**	**14,503**	**1,301**	**375**	**657**	**2,333**

As at 31 December 2019	Credit Cards				Small Business Lending			
12-month PD	Stage 1	Stage 2	Credit impaired	Total	Stage 1	Stage 2	Credit impaired	Total
0.01% - 2%	363	2	-	**365**	289	121	-	**410**
2.01% - 10%	121	11	-	**132**	100	97	-	**197**
10.01% - 20%	-	-	-	**-**	15	108	-	**123**
20.01% and above	-	-	42	**42**	24	336	988	**1,348**
Gross carrying amount	**484**	**13**	**42**	**539**	**428**	**662**	**988**	**2,078**

As at 31 December 2019	Corporate Lending				Public Sector			
12-month PD	Stage 1	Stage 2	Credit impaired	Total	Stage 1	Stage 2	Credit impaired	Total
0.01% - 2%	10,419	312	-	**10,731**	328	1	-	**329**
2.01% - 10%	987	200	-	**1,187**	1	18	-	**19**
10.01% - 20%	37	104	-	**141**	-	1	-	**1**
20.01% and above	2	170	2,769	**2,941**	-	16	38	**54**
Gross carrying amount	**11,445**	**786**	**2,769**	**15,000**	**329**	**36**	**38**	**403**

As at 31 December 2019	Total Loans			
12-month PD	Stage 1	Stage 2	Credit impaired	Total
0.01% - 2%	15,671	1,173	-	**16,844**
2.01% - 10%	2,732	2,328	-	**5,060**
10.01% - 20%	699	535	-	**1,234**
20.01% and above	27	817	10,874	**11,718**
Gross carrying amount	**19,129**	**4,853**	**10,874**	**34,856**

A breakdown of the portfolio by range of probability of default for the Bank is summarized as follows:

As at 31 December 2020	Mortgage Loans				Consumer Loans			
12-month PD	Stage 1	Stage 2	Credit impaired	Total	Stage 1	Stage 2	Credit impaired	Total
0.01% - 2%	3,645	818	-	**4,463**	666	165	-	**831**
2.01% - 10%	678	1,592	-	**2,270**	51	54	-	**105**
10.01% - 20%	504	143	-	**647**	1	8	-	**9**
20.01% and above	-	93	1,473	**1,566**	-	7	285	**292**
Gross carrying amount	**4,827**	**2,646**	**1,473**	**8,946**	**718**	**234**	**285**	**1,237**

As at 31 December 2020	Credit Cards				Small Business Lending			
12-month PD	Stage 1	Stage 2	Credit impaired	Total	Stage 1	Stage 2	Credit impaired	Total
0.01% - 2%	326	4	-	**330**	445	116	-	**561**
2.01% - 10%	34	4	-	**38**	63	156	-	**219**
10.01% - 20%	-	-	-	**-**	23	138	-	**161**
20.01% and above	-	-	34	**34**	4	107	454	**565**
Gross carrying amount	**360**	**8**	**34**	**402**	**535**	**517**	**454**	**1,506**

As at 31 December 2020	Corporate Lending				Public Sector			
12-month PD	Stage 1	Stage 2	Credit impaired	Total	Stage 1	Stage 2	Credit impaired	Total
0.01% - 2%	12,144	272	-	**12,416**	282	114	-	**396**
2.01% - 10%	852	232	-	**1,084**	8	25	-	**33**
10.01% - 20%	-	10	-	**10**	-	-	-	**-**
20.01% and above	9	37	1,830	**1,876**	-	1	28	**29**
Gross carrying amount	**13,005**	**551**	**1,830**	**15,386**	**290**	**140**	**28**	**458**

As at 31 December 2020	Total Loans			
12-month PD	Stage 1	Stage 2	Credit impaired	Total
0.01% - 2%	17,508	1,489	-	**18,997**
2.01% - 10%	1,686	2,063	-	**3,749**
10.01% - 20%	528	299	-	**827**
20.01% and above	13	245	4,104	**4,362**
Gross carrying amount	**19,735**	**4,096**	**4,104**	**27,935**

As at 31 December 2019	Mortgage Loans				Consumer Loans			
12-month PD	Stage 1	Stage 2	Credit impaired	Total	Stage 1	Stage 2	Credit impaired	Total
0.01% - 2%	3,556	579	-	**4,135**	377	157	-	**534**
2.01% - 10%	813	1,841	-	**2,654**	437	135	-	**572**
10.01% - 20%	609	277	-	**886**	7	32	-	**39**
20.01% and above	-	267	6,376	**6,643**	-	3	617	**620**
Gross carrying amount	**4,978**	**2,964**	**6,376**	**14,318**	**821**	**327**	**617**	**1,765**

As at 31 December 2019	Credit Cards				Small Business Lending			
12-month PD	Stage 1	Stage 2	Credit impaired	Total	Stage 1	Stage 2	Credit impaired	Total
0.01% - 2%	302	2	-	**304**	258	121	-	**379**
2.01% - 10%	121	10	-	**131**	52	95	-	**147**
10.01% - 20%	-	-	-	**-**	15	105	-	**120**
20.01% and above	-	-	38	**38**	24	324	942	**1,290**
Gross carrying amount	**423**	**12**	**38**	**473**	**349**	**645**	**942**	**1,936**

As at 31 December 2019	Corporate Lending				Public Sector			
12-month PD	Stage 1	Stage 2	Credit impaired	**Total**	Stage 1	Stage 2	Credit impaired	**Total**
0.01% - 2%	10,568	301	-	**10,869**	327	1	-	**328**
2.01% - 10%	777	176	-	**953**	1	18	-	**19**
10.01% - 20%	37	64	-	**101**	-	1	-	**1**
20.01% and above	2	69	2,503	**2,574**	-	16	38	**54**
Gross carrying amount	**11,384**	**610**	**2,503**	**14,497**	**328**	**36**	**38**	**402**

As at 31 December 2019	Total Loans			
12-month PD	Stage 1	Stage 2	Credit impaired	**Total**
0.01% - 2%	15,388	1,161	-	**16,549**
2.01% - 10%	2,201	2,275	-	**4,476**
10.01% - 20%	668	479	-	**1,147**
20.01% and above	26	679	10,514	**11,219**
Gross carrying amount	**18,283**	**4,594**	**10,514**	**33,391**

Ageing analysis of loans and advances to customers at amortised cost

Ageing analysis of loans and advances to customers at amortised cost | Group

	Mortgage Loans				Consumer Loans			
As at 31 December 2020	Stage 1	Stage 2	Credit impaired	Total	Stage 1	Stage 2	Credit impaired	Total
Current	4,788	2,333	732	**7,853**	1,092	228	49	**1,369**
1-30 days	158	293	107	**558**	113	29	7	**149**
31-60 days	-	69	49	**118**	-	24	8	**32**
61-90 days	-	26	27	**53**	-	11	5	**16**
91-180 days	-	-	47	**47**	-	-	12	**12**
Past due over 180 days	-	-	515	**515**	-	-	241	**241**
Gross carrying amount	**4,946**	**2,721**	**1,477**	**9,144**	**1,205**	**292**	**322**	**1,819**
ECL allowance	(32)	(74)	(470)	**(576)**	(22)	(42)	(199)	**(263)**
Net carrying amount	**4,914**	**2,647**	**1,007**	**8,568**	**1,183**	**250**	**123**	**1,556**

	Credit Cards				Small Business Lending			
As at 31 December 2020	Stage 1	Stage 2	Credit impaired	Total	Stage 1	Stage 2	Credit impaired	Total
Current	356	28	-	**384**	593	433	58	**1,084**
1-30 days	28	7	-	**35**	24	86	9	**119**
31-60 days	-	4	-	**4**	-	14	3	**17**
61-90 days	-	2	-	**2**	-	9	3	**12**
91-180 days	-	-	8	**8**	-	-	14	**14**
Past due over 180 days	-	-	30	**30**	-	-	404	**404**
Gross carrying amount	**384**	**41**	**38**	**463**	**617**	**542**	**491**	**1,650**
ECL allowance	(2)	(1)	(35)	**(38)**	(8)	(54)	(345)	**(407)**
Net carrying amount	**382**	**40**	**3**	**425**	**609**	**488**	**146**	**1,243**

	Large Corporate				SMEs			
As at 31 December 2020	Stage 1	Stage 2	Credit impaired	Total	Stage 1	Stage 2	Credit impaired	Total
Current	9,411	372	475	**10,258**	2,995	261	215	**3,471**
1-30 days	536	86	170	**792**	160	38	62	**260**
31-60 days	-	8	3	**11**	-	18	5	**23**
61-90 days	-	8	25	**33**	-	5	11	**16**
91-180 days	-	-	1	**1**	-	-	10	**10**
Past due over 180 days	-	-	568	**568**	-	-	464	**464**
Gross carrying amount	**9,947**	**474**	**1,242**	**11,663**	**3,155**	**322**	**767**	**4,244**
ECL allowance	(78)	(32)	(815)	**(925)**	(29)	(31)	(416)	**(476)**
Net carrying amount	**9,869**	**442**	**427**	**10,738**	**3,126**	**291**	**351**	**3,768**

As at 31 December 2020	Public Sector Stage 1	Stage 2	Credit impaired	Total	Total Loans Stage 1	Stage 2	Credit impaired	Total
Current	276	26	16	**318**	19,511	3,681	1,545	**24,737**
1-30 days	14	1	2	**17**	1,033	540	357	**1,930**
31-60 days	-	113	-	**113**	-	250	68	**318**
61-90 days	-	4	-	**4**	-	65	71	**136**
91-180 days	-	-	-	**-**	-	-	92	**92**
Past due over 180 days	-	-	10	**10**	-	-	2,232	**2,232**
Gross carrying amount	**290**	**144**	**28**	**462**	**20,544**	**4,536**	**4,365**	**29,445**
ECL allowance	(2)	(5)	(15)	**(22)**	(173)	(239)	(2,295)	**(2,707)**
Net carrying amount	**288**	**139**	**13**	**440**	**20,371**	**4,297**	**2,070**	**26,738**

As at 31 December 2019	Mortgage Loans Stage 1	Stage 2	Credit impaired	Total	Consumer Loans Stage 1	Stage 2	Credit impaired	Total
Current	4,870	2,181	945	**7,996**	1,153	301	83	**1,537**
1-30 days	272	594	361	**1,227**	148	45	26	**219**
31-60 days	-	144	247	**391**	-	21	21	**42**
61-90 days	-	62	152	**214**	-	8	16	**24**
91-180 days	-	-	289	**289**	-	-	39	**39**
Past due over 180 days	-	-	4,386	**4,386**	-	-	472	**472**
Gross carrying amount	**5,142**	**2,981**	**6,380**	**14,503**	**1,301**	**375**	**657**	**2,333**
ECL allowance	(32)	(110)	(2,408)	**(2,550)**	(21)	(70)	(457)	**(548)**
Net carrying amount	**5,110**	**2,871**	**3,972**	**11,953**	**1,280**	**305**	**200**	**1,785**

As at 31 December 2019	Credit Cards Stage 1	Stage 2	Credit impaired	Total	Small Business Lending Stage 1	Stage 2	Credit impaired	Total
Current	446	3	-	**449**	389	492	97	**978**
1-30 days	38	2	-	**40**	39	148	53	**240**
31-60 days	-	6	-	**6**	-	13	10	**23**
61-90 days	-	2	-	**2**	-	9	6	**15**
91-180 days	-	-	10	**10**	-	-	34	**34**
Past due over 180 days	-	-	32	**32**	-	-	788	**788**
Gross carrying amount	**484**	**13**	**42**	**539**	**428**	**662**	**988**	**2,078**
ECL allowance	(4)	(1)	(39)	**(44)**	(5)	(88)	(707)	**(800)**
Net carrying amount	**480**	**12**	**3**	**495**	**423**	**574**	**281**	**1,278**

As at 31 December 2019	Large Corporate Stage 1	Stage 2	Credit impaired	Total	SMEs Stage 1	Stage 2	Credit impaired	Total
Current	8,009	357	654	**9,020**	2,429	219	237	**2,885**
1-30 days	718	72	176	**966**	289	77	137	**503**
31-60 days	-	24	5	**29**	-	14	26	**40**
61-90 days	-	6	61	**67**	-	17	14	**31**
91-180 days	-	-	34	**34**	-	-	25	**25**
Past due over 180 days	-	-	587	**587**	-	-	813	**813**
Gross carrying amount	**8,727**	**459**	**1,517**	**10,703**	**2,718**	**327**	**1,252**	**4,297**
ECL allowance	(64)	(27)	(1,006)	**(1,097)**	(21)	(21)	(645)	**(687)**
Net carrying amount	**8,663**	**432**	**511**	**9,606**	**2,697**	**306**	**607**	**3,610**

As at 31 December 2019	Public Sector Stage 1	Stage 2	Credit impaired	Total	Total Loans Stage 1	Stage 2	Credit impaired	Total
Current	327	35	21	**383**	17,623	3,588	2,037	**23,248**
1-30 days	2	1	-	**3**	1,506	939	753	**3,198**
31-60 days	-	-	-	**-**	-	222	309	**531**
61-90 days	-	-	-	**-**	-	104	249	**353**
91-180 days	-	-	-	**-**	-	-	431	**431**
Past due over 180 days	-	-	17	**17**	-	-	7,095	**7,095**
Gross carrying amount	**329**	**36**	**38**	**403**	**19,129**	**4,853**	**10,874**	**34,856**
ECL allowance	(3)	(9)	(23)	**(35)**	(150)	(326)	(5,285)	**(5,761)**
Net carrying amount	**326**	**27**	**15**	**368**	**18,979**	**4,527**	**5,589**	**29,095**

Ageing analysis of loans and advances to customers at amortised cost | Bank

	Mortgage Loans				Consumer Loans			
As at 31 December 2020	Stage 1	Stage 2	Credit impaired	Total	Stage 1	Stage 2	Credit impaired	Total
Current	4,678	2,268	732	**7,678**	647	199	48	**894**
1-30 days	149	287	107	**543**	71	21	7	**99**
31-60 days	-	67	49	**116**	-	10	8	**18**
61-90 days	-	24	27	**51**	-	4	5	**9**
91-180 days	-	-	47	**47**	-	-	11	**11**
Past due over 180 days	-	-	511	**511**	-	-	206	**206**
Gross carrying amount	**4,827**	**2,646**	**1,473**	**8,946**	**718**	**234**	**285**	**1,237**
ECL allowance	(32)	(74)	(469)	**(575)**	(15)	(34)	(181)	**(230)**
Net carrying amount	**4,795**	**2,572**	**1,004**	**8,371**	**703**	**200**	**104**	**1,007**

	Credit Cards				Small Business Lending			
As at 31 December 2020	Stage 1	Stage 2	Credit impaired	Total	Stage 1	Stage 2	Credit impaired	Total
Current	334	2	-	**336**	520	414	54	**988**
1-30 days	26	1	-	**27**	15	82	8	**105**
31-60 days	-	3	-	**3**	-	13	3	**16**
61-90 days	-	2	-	**2**	-	8	3	**11**
91-180 days	-	-	8	**8**	-	-	13	**13**
Past due over 180 days	-	-	26	**26**	-	-	373	**373**
Gross carrying amount	**360**	**8**	**34**	**402**	**535**	**517**	**454**	**1,506**
ECL allowance	(2)	(1)	(33)	**(36)**	(8)	(53)	(326)	**(387)**
Net carrying amount	**358**	**7**	**1**	**366**	**527**	**464**	**128**	**1,119**

	Large Corporate				SMEs			
As at 31 December 2020	Stage 1	Stage 2	Credit impaired	Total	Stage 1	Stage 2	Credit impaired	Total
Current	9,775	272	459	**10,506**	2,629	173	210	**3,012**
1-30 days	483	74	170	**727**	118	11	54	**183**
31-60 days	-	7	2	**9**	-	10	4	**14**
61-90 days	-	1	25	**26**	-	3	8	**11**
91-180 days	-	-	1	**1**	-	-	9	**9**
Past due over 180 days	-	-	519	**519**	-	-	369	**369**
Gross carrying amount	**10,258**	**354**	**1,176**	**11,788**	**2,747**	**197**	**654**	**3,598**
ECL allowance	(85)	(27)	(776)	**(888)**	(25)	(26)	(371)	**(422)**
Net carrying amount	**10,173**	**327**	**400**	**10,900**	**2,722**	**171**	**283**	**3,176**

	Public Sector				Total Loans			
As at 31 December 2020	Stage 1	Stage 2	Credit impaired	Total	Stage 1	Stage 2	Credit impaired	Total
Current	276	26	16	**318**	18,859	3,354	1,519	**23,732**
1-30 days	14	1	2	**17**	876	477	348	**1,701**
31-60 days	-	113	-	**113**	-	223	66	**289**
61-90 days	-	-	-	**-**	-	42	68	**110**
91-180 days	-	-	-	**-**	-	-	89	**89**
Past due over 180 days	-	-	10	**10**	-	-	2,014	**2,014**
Gross carrying amount	**290**	**140**	**28**	**458**	**19,735**	**4,096**	**4,104**	**27,935**
ECL allowance	(2)	(5)	(15)	**(22)**	(169)	(220)	(2,171)	**(2,560)**
Net carrying amount	**288**	**135**	**13**	**436**	**19,566**	**3,876**	**1,933**	**25,375**

As at 31 December 2019	Mortgage Loans Stage 1	Stage 2	Credit impaired	Total	Consumer Loans Stage 1	Stage 2	Credit impaired	Total
Current	4,717	2,171	945	**7,833**	718	271	81	**1,070**
1-30 days	261	590	361	**1,212**	103	37	26	**166**
31-60 days	-	142	247	**389**	-	14	21	**35**
61-90 days	-	61	152	**213**	-	5	16	**21**
91-180 days	-	-	288	**288**	-	-	36	**36**
Past due over 180 days	-	-	4,383	**4,383**	-	-	437	**437**
Gross carrying amount	**4,978**	**2,964**	**6,376**	**14,318**	**821**	**327**	**617**	**1,765**
ECL allowance	(32)	(109)	(2,407)	**(2,548)**	(15)	(66)	(435)	**(516)**
Net carrying amount	**4,946**	**2,855**	**3,969**	**11,770**	**806**	**261**	**182**	**1,249**

As at 31 December 2019	Credit Cards Stage 1	Stage 2	Credit impaired	Total	Small Business Lending Stage 1	Stage 2	Credit impaired	Total
Current	389	4	-	**393**	330	481	92	**903**
1-30 days	34	1	-	**35**	19	146	52	**217**
31-60 days	-	5	-	**5**	-	10	9	**19**
61-90 days	-	2	-	**2**	-	8	5	**13**
91-180 days	-	-	10	**10**	-	-	33	**33**
Past due over 180 days	-	-	28	**28**	-	-	751	**751**
Gross carrying amount	**423**	**12**	**38**	**473**	**349**	**645**	**942**	**1,936**
ECL allowance	(3)	(1)	(37)	**(41)**	(4)	(87)	(679)	**(770)**
Net carrying amount	**420**	**11**	**1**	**432**	**345**	**558**	**263**	**1,166**

As at 31 December 2019	Large Corporate Stage 1	Stage 2	Credit impaired	Total	SMEs Stage 1	Stage 2	Credit impaired	Total
Current	8,487	332	645	**9,464**	2,296	176	231	**2,703**
1-30 days	525	32	147	**704**	76	43	111	**230**
31-60 days	-	14	5	**19**	-	5	14	**19**
61-90 days	-	5	61	**66**	-	3	11	**14**
91-180 days	-	-	34	**34**	-	-	24	**24**
Past due over 180 days	-	-	560	**560**	-	-	660	**660**
Gross carrying amount	**9,012**	**383**	**1,452**	**10,847**	**2,372**	**227**	**1,051**	**3,650**
ECL allowance	(71)	(22)	(960)	**(1,053)**	(19)	(18)	(566)	**(603)**
Net carrying amount	**8,941**	**361**	**492**	**9,794**	**2,353**	**209**	**485**	**3,047**

As at 31 December 2019	Public Sector Stage 1	Stage 2	Credit impaired	Total	Total Loans Stage 1	Stage 2	Credit impaired	Total
Current	326	35	19	**380**	17,263	3,470	2,013	**22,746**
1-30 days	2	1	-	**3**	1,020	850	697	**2,567**
31-60 days	-	-	-	**-**	-	190	296	**486**
61-90 days	-	-	-	**-**	-	84	245	**329**
91-180 days	-	-	-	**-**	-	-	425	**425**
Past due over 180 days	-	-	19	**19**	-	-	6,838	**6,838**
Gross carrying amount	**328**	**36**	**38**	**402**	**18,283**	**4,594**	**10,514**	**33,391**
ECL allowance	(3)	(9)	(23)	**(35)**	(147)	(312)	(5,107)	**(5,566)**
Net carrying amount	**325**	**27**	**15**	**367**	**18,136**	**4,282**	**5,407**	**27,825**

4.2.10 Interest income on loans and advances to customers

Interest income from loans and advances to customers at amortised cost | Group

	31.12.2020		
	Not Credit Impaired Loans	Credit Impaired Loans	Total interest income
Retail Lending	380	147	527
Corporate Lending	496	78	574
Public sector Lending	1	-	1
Total interest income	**877**	**225**	**1,102**

	31.12.2019		
	Not Credit Impaired Loans	Credit Impaired Loans	Total interest income
Retail Lending	397	193	590
Corporate Lending	516	108	624
Total interest income	**913**	**301**	**1,214**

Interest income from loans and advances to customers at amortised cost | Bank

	31.12.2020		
	Not Credit Impaired Loans	Credit Impaired Loans	Total interest income
Retail Lending	326	147	473
Corporate Lending	456	77	533
Total interest income	**782**	**224**	**1,006**

	31.12.2019		
	Not Credit Impaired Loans	Credit Impaired Loans	Total interest income
Retail Lending	342	192	534
Corporate Lending	487	99	586
Total interest income	**829**	**291**	**1,120**

4.2.11 Forbearance

Forbearance measures occur in situations in which the borrower is considered to be unable to meet the terms and conditions of the contract due to financial difficulties. Taking into consideration these difficulties, the Group decides to modify the terms and conditions of the contract to provide the borrower the ability to service the debt or refinance the contract, either totally or partially.

The main restructuring program applied to the mortgage and secured consumer loans' portfolio since April 2019 is the "Split & Settle", a split-balance type of product. Its main characteristic is the separation of the outstanding debt in two parts: the amount to be repaid (Split), which is amortized in monthly instalments (principal plus interest) and the amount to be potentially forgiven (Settle), which remains interest-free. The settle amount is forgiven one month after the end of the repayment period, provided that the contractually agreed conditions, regarding prompt loan repayment, are met. Borrowers, who have applied for protection under bankruptcy Law 3869/2010, are also entitled to participate in this program, as long as they resign from their application.

Furthermore, similar "Split & Settle" programs, with the aforementioned characteristic of debt splitting, have also been introduced since 2018, for the restructuring of SB loans (sole entrepreneurs/ professionals) as well as debt deriving from credit cards and consumer credit products (without collateral).

Finally, the ''Fractional Payment'' forbearance program applied to the Retail portfolio (mortgage, consumer loans, credit cards, SBL) offers instalment reduction through loan term extension combined with a fractional-payment scheme of 72 months (36 months regarding SBL), whereby the customer pays a proportion of the full instalment due, based on affordability.

For Corporate loans, the types of forbearance measures usually include a mix of tailor made solutions to cover current conditions and the borrower's projected cash flows.

The Bank's Credit Policy for both Retail and Corporate portfolios provides clear instructions and guidelines regarding the full range of forbearance products offered to customers, the requirements to be filled for the participation in said products, the handling and monitoring of restructured loans after approval and until the stage of termination of the loan contract. The approval rights of the Credit Committees are also described in the Bank's Credit Policy.

Forborne loans are separately managed and monitored by Management. For example, re-default trends are closely monitored and analysed in order to identify their drivers. In certain cases, monitoring and assessment of the payment history of modified loans can lead to a modification of the forbearance policy.

Forbearance measures do not lead to derecognition unless changes to the original contractual terms, result in a substantially different loan i.e. the loan is altered in a manner that the terms under the modified contract are substantially different from those under the original contract.

The type of forbearance measures extended are summarized in the following table:

Forborne loans and advances to customers at amortised cost by type of forbearance measure

	Group		Bank	
Forbearance measure	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Reduced payment schedule	1,137	1,877	1,137	1,877
Hybrid modifications	950	1,147	950	1,147
Term extension	997	1,557	890	1,420
Interest only schedule	159	209	158	208
Other type of forbearance measures	337	497	326	490
Net carrying amount	**3,580**	**5,287**	**3,461**	**5,142**

Credit quality of forborne loans and advances to customers at amortised cost

	Group			Bank		
As at 31 December 2020	Loans and advances to customers	Forborne loans	% of forborne loans	Loans and advances to customers	Forborne loans	% of forborne loans
Stage 1	20,544	-	0%	19,735	-	0%
Stage 2	4,536	2,427	54%	4,096	2,347	57%
Credit impaired	4,365	2,166	50%	4,104	2,079	51%
Gross carrying amount	**29,445**	**4,593**	**16%**	**27,935**	**4,426**	**16%**
ECL allowance - Individual	(1,005)	(500)	50%	(1,005)	(455)	45%
ECL allowance - Collective	(1,702)	(513)	30%	(1,555)	(510)	33%
Net carrying amount	**26,738**	**3,580**	**13%**	**25,375**	**3,461**	**14%**
Value of collateral	18,526	3,599	19%	16,712	3,495	21%

As at 31 December 2020, credit-impaired loans and advances to customers at amortised cost subject to forbearance measures include loans with delays less than 90 days:

	Group	**Bank**
Mortgage loans	896	896
Consumer loans	36	36
Small Business Lending	69	69
Corporate Lending	776	768
Gross carrying amount	**1,777**	**1,769**

	Group			Bank		
As at 31 December 2019	Loans and advances to customers	Forborne loans	% of forborne loans	Loans and advances to customers	Forborne loans	% of forborne loans
Stage 1	19,129	-	0%	18,283	-	0%
Stage 2	4,853	2,686	55%	4,594	2,605	57%
Credit impaired	10,874	4,671	43%	10,514	4,549	43%
Gross carrying amount	**34,856**	**7,357**	**21%**	**33,391**	**7,154**	**21%**
ECL allowance - Individual	(1,544)	(657)	43%	(1,399)	(607)	43%
ECL allowance - Collective	(4,217)	(1,413)	34%	(4,167)	(1,405)	34%
Net carrying amount	**29,095**	**5,287**	**18%**	**27,825**	**5,142**	**18%**
Value of collateral	22,327	5,444	24%	20,678	5,444	26%

As at 31 December 2019, credit-impaired loans and advances to customers at amortised cost subject to forbearance measures include loans with delays less than 90 days.

	Group	Bank
Mortgage Loans	1,687	1,687
Consumer Loans	105	105
Small Business Lending	158	158
Corporate Lending	1,017	1,011
Gross carrying amount	**2,967**	**2,961**

Movement of forborne loans and advances to customers at amortised cost net of ECL allowance

	Group		Bank	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Opening net carrying amount	**5,287**	**5,895**	**5,142**	**5,636**
New forborne assets	401	714	382	688
Interest income	145	166	141	164
Repayments	(373)	(568)	(350)	(500)
Exposures that exited forbearance status	(267)	(472)	(243)	(397)
Write - offs & sales	(255)	(437)	(255)	(437)
Impairment charge for expected credit losses	(144)	80	(142)	79
Reclassified as held for sale	(1,214)	(91)	(1,214)	(91)
Closing net carrying amount	**3,580**	**5,287**	**3,461**	**5,142**

Forborne loans and advances to customers at amortised cost net of ECL allowance by product line

	Group		Bank	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Retail Lending	**2,713**	**4,261**	**2,705**	**4,253**
Mortgage Loans	2,388	3,692	2,388	3,692
Consumer Loans	171	285	171	285
Small Business Lending	154	283	146	275
Corporate Lending	**831**	**992**	**720**	**855**
Large	586	604	540	554
SMEs	245	388	180	301
Public Sector Lending	**36**	**34**	**36**	**34**
Net carrying amount	**3,580**	**5,287**	**3,461**	**5,142**

Forborne loans and advances to customers at amortised cost net of ECL allowance by geographical region

	Group		Bank	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Greece	3,535	5,275	3,429	5,142
South East Europe (SEE) & Other countries	45	12	32	-
Net carrying amount	**3,580**	**5,287**	**3,461**	**5,142**

4.2.12 Repossessed collateral

As at 31 December 2020, repossessed collateral amounted to €569 million for the Group and €411 million for the Bank (31 December 2019: €520 million and €333 million respectively). During 2020, the Group obtained assets by taking possession of collateral held as security of €111 million and €96 million for the Group and the Bank respectively (2019: €139 million for the Group and the Bank).

Almost all repossessed assets relate to properties. Repossessed properties are sold as soon as practicable. Repossessed assets are classified in the Statement of Financial Position within other assets, except for those properties that are held for capital appreciation or rental income, which are classified within Investment Property.

4.2.13 Credit risk concentration of loans and advances to customers at amortised cost and credit commitments

The credit risk concentration of loans and advances to customers at amortised cost and credit commitments by geographical and industry sector for the Group and the Bank is summarised in the following tables:

Loans and advances to customers at amortised cost, credit impaired loans and ECL allowance by product line, industry and geographical region | Group

	Greece			SEE			Other countries			Total		
As at 31 December 2020	Gross carrying amount	Credit impaired	ECL allowance	Gross carrying amount	Credit impaired	ECL allowance	Gross carrying amount	Credit impaired	ECL allowance	Gross carrying amount	Credit impaired	ECL allowance
Retail lending	**12,167**	**2,280**	**(1,246)**	**901**	**47**	**(37)**	**8**	**1**	**(1)**	**13,076**	**2,328**	**(1,284)**
Mortgage	8,947	1,473	(574)	197	4	(2)	-	-	-	9,144	1,477	(576)
Consumer	1,237	284	(230)	574	37	(32)	8	1	(1)	1,819	322	(263)
Credit cards	401	34	(36)	62	4	(2)	-	-	-	463	38	(38)
Small business lending	1,582	489	(406)	68	2	(1)	-	-	-	1,650	491	(407)
Corporate lending	**15,331**	**1,947**	**(1,347)**	**389**	**59**	**(41)**	**187**	**3**	**(13)**	**15,907**	**2,009**	**(1,401)**
Industry & mining	3,192	764	(554)	132	20	(17)	25	-	(1)	3,349	784	(572)
Trade and services (excl. tourism)	3,131	611	(385)	96	18	(11)	51	-	(8)	3,278	629	(404)
Construction and real estate development	1,981	174	(111)	68	4	(3)	1	-	-	2,050	178	(114)
Energy	2,082	2	(21)	29	6	(2)	25	-	(1)	2,136	8	(24)
Tourism	1,236	156	(104)	14	2	(3)	6	-	-	1,256	158	(107)
Shipping	1,667	37	(14)	-	-	-	29	-	-	1,696	37	(14)
Transportation and telecommunications	1,198	117	(87)	14	1	(1)	39	-	-	1,251	118	(88)
Other	844	86	(71)	36	8	(4)	11	3	(3)	891	97	(78)
Public sector	**462**	**28**	**(22)**	**-**	**-**	**-**	**-**	**-**	**-**	**462**	**28**	**(22)**
Total	**27,960**	**4,255**	**(2,615)**	**1,290**	**106**	**(78)**	**195**	**4**	**(14)**	**29,445**	**4,365**	**(2,707)**

	Greece			SEE			Other countries			Total		
As at 31 December 2019	Gross carrying amount	Credit impaired	ECL allowance	Gross carrying amount	Credit impaired	ECL allowance	Gross carrying amount	Credit impaired	ECL allowance	Gross carrying amount	Credit impaired	ECL allowance
Retail lending	**18,575**	**8,015**	**(3,903)**	**867**	**51**	**(38)**	**11**	**1**	**(1)**	**19,453**	**8,067**	**(3,942)**
Mortgage	14,318	6,376	(2,548)	185	4	(2)	-	-	-	14,503	6,380	(2,550)
Consumer	1,772	616	(515)	550	40	(32)	11	1	(1)	2,333	657	(548)
Credit cards	473	38	(42)	66	4	(2)	-	-	-	539	42	(44)
Small business lending	2,012	985	(798)	66	3	(2)	-	-	-	2,078	988	(800)
Corporate lending	**14,330**	**2,599**	**(1,670)**	**468**	**166**	**(104)**	**202**	**4**	**(10)**	**15,000**	**2,769**	**(1,784)**
Industry & mining	3,172	939	(625)	157	26	(18)	32	-	(1)	3,361	965	(644)
Trade and services (excl. tourism)	3,058	856	(525)	75	22	(19)	36	1	(6)	3,169	879	(550)
Construction and real estate development	1,802	228	(134)	120	70	(48)	24	-	-	1,946	298	(182)
Energy	1,918	5	(30)	39	20	(6)	9	-	-	1,966	25	(36)
Tourism	1,143	162	(85)	32	17	(6)	5	-	-	1,180	179	(91)
Shipping	1,663	107	(76)	-	-	-	18	-	-	1,681	107	(76)
Transportation and telecommunications	939	161	(98)	11	2	(2)	39	-	-	989	163	(100)
Other	635	141	(97)	34	9	(5)	39	3	(3)	708	153	(105)
Public sector	**357**	**38**	**(35)**	**-**	**-**	**-**	**46**	**-**	**-**	**403**	**38**	**(35)**
Total	**33,262**	**10,652**	**(5,608)**	**1,335**	**217**	**(142)**	**259**	**5**	**(11)**	**34,856**	**10,874**	**(5,761)**

Loans and advances to customers at amortised cost, credit impaired loans and ECL allowance by product line, industry and geographical region | Bank

As at 31 December 2020	Greece			SEE			Other countries			Total		
	Gross carrying amount	Credit impaired	ECL allowance	Gross carrying amount	Credit impaired	ECL allowance	Gross carrying amount	Credit impaired	ECL allowance	Gross carrying amount	Credit impaired	ECL allowance
Retail lending	**12,083**	**2,245**	**(1,227)**	**-**	**-**	**-**	**8**	**1**	**(1)**	**12,091**	**2,246**	**(1,228)**
Mortgage	8,946	1,473	(575)	-	-	-	-	-	-	8,946	1,473	(575)
Consumer	1,229	284	(229)	-	-	-	8	1	(1)	1,237	285	(230)
Credit cards	402	34	(36)	-	-	-	-	-	-	402	34	(36)
Small business lending	1,506	454	(387)	-	-	-	-	-	-	1,506	454	(387)
Corporate lending	**15,114**	**1,827**	**(1,297)**	**-**	**-**	**-**	**272**	**3**	**(13)**	**15,386**	**1,830**	**(1,310)**
Industry & mining	2,887	741	(548)	-	-	-	25	-	(1)	2,912	741	(549)
Trade and services (excl. tourism)	3,423	518	(346)	-	-	-	51	-	(8)	3,474	518	(354)
Construction and real estate development	1,941	172	(110)	-	-	-	1	-	-	1,942	172	(110)
Energy	2,023	1	(20)	-	-	-	7	-	(1)	2,030	1	(21)
Tourism	1,216	155	(104)	-	-	-	6	-	-	1,222	155	(104)
Shipping	1,667	37	(14)	-	-	-	29	-	-	1,696	37	(14)
Transportation and telecommunications	1,174	117	(87)	-	-	-	39	-	-	1,213	117	(87)
Other	783	86	(68)	-	-	-	114	3	(3)	897	89	(71)
Public sector	**458**	**28**	**(22)**	**-**	**-**	**-**	**-**	**-**	**-**	**458**	**28**	**(22)**
Total	**27,655**	**4,100**	**(2,546)**	**-**	**-**	**-**	**280**	**4**	**(14)**	**27,935**	**4,104**	**(2,560)**

As at 31 December 2019	Greece			SEE			Other countries			Total		
	Gross carrying amount	Credit impaired	ECL allowance	Gross carrying amount	Credit impaired	ECL allowance	Gross carrying amount	Credit impaired	ECL allowance	Gross carrying amount	Credit impaired	ECL allowance
Retail lending	**18,481**	**7,972**	**(3,874)**	**-**	**-**	**-**	**11**	**1**	**(1)**	**18,492**	**7,973**	**(3,875)**
Mortgage	14,318	6,376	(2,548)	-	-	-	-	-	-	14,318	6,376	(2,548)
Consumer	1,754	616	(515)	-	-	-	11	1	(1)	1,765	617	(516)
Credit cards	473	38	(41)	-	-	-	-	-	-	473	38	(41)
Small business lending	1,936	942	(770)	-	-	-	-	-	-	1,936	942	(770)
Corporate lending	**14,137**	**2,402**	**(1,591)**	**97**	**97**	**(55)**	**263**	**4**	**(10)**	**14,497**	**2,503**	**(1,656)**
Industry & mining	2,906	899	(614)	-	-	-	32	-	(1)	2,938	899	(615)
Trade and services (excl. tourism)	3,318	715	(463)	3	3	(3)	141	1	(6)	3,462	719	(472)
Construction and real estate development	1,714	221	(132)	72	72	(45)	1	-	-	1,787	293	(177)
Energy	1,888	5	(30)	14	14	(3)	9	-	-	1,911	19	(33)
Tourism	1,124	161	(85)	8	8	(4)	5	-	-	1,137	169	(89)
Shipping	1,663	107	(76)	-	-	-	18	-	-	1,681	107	(76)
Transportation and telecommunications	936	161	(98)	-	-	-	39	-	-	975	161	(98)
Other	588	133	(93)	-	-	-	18	3	(3)	606	136	(96)
Public sector	**356**	**38**	**(35)**	-	-	-	**46**	-	-	**402**	**38**	**(35)**
Total	**32,974**	**10,412**	**(5,500)**	**97**	**97**	**(55)**	**320**	**5**	**(11)**	**33,391**	**10,514**	**(5,566)**

4.2.14 Debt securities

The tables below present the movement of expected credit losses for debt securities during 2020 and 2019, for the Group and the Bank:

ECL Movement for Debt Securities - Group & Bank 2020

	Securities measured at amortised cost		Securities measured at FVTOCI
	Stage 1	Stage 2	Stage 1
Balance at 1 January	17	53	7
Net remeasurement of ECL allowance	(2)	15	-
Impairment losses on new assets	25	-	6
Derecognition of debt Securities	(16)	-	(4)
Balance at 31 December	**24**	**68**	**9**

ECL Movement for Debt Securities - Group & Bank 2019

	Securities measured at amortised cost		Securities measured at FVTOCI
	Stage 1	Stage 2	Stage 1
Balance at 1 January	2	75	8
Net remeasurement of ECL allowance	-	(22)	(2)
Impairment losses on new assets	16	-	5
Derecognition of debt Securities	(1)	-	(4)
Balance at 31 December	**17**	**53**	**7**

The tables below present an analysis of debt securities, treasury bills and other eligible bills by rating agency designation at 31 December 2020 and 31 December 2019, based on the lower rating between Moody's and S&P ratings expressed in Moody's equivalent:

Ratings – Group

As at 31 December 2020	Securities measured at FVTPL	Securities measured at FVTOCI	Securities measured at amortised cost	Total
Aaa	53	525	-	**578**
Aa1 to A3	272	84	-	**356**
Baa1 to Ba3	78	2,137	12,158	**14,373**
Lower than Ba3	39	60	15	**114**
Total	**442**	**2,806**	**12,173**	**15,421**

As at 31 December 2019	Securities measured at FVTPL	Securities measured at FVTOCI	Securities measured at amortised cost	Total
Aaa	52	525	-	**577**
Aa1 to A3	264	33	-	**297**
Baa1 to Ba3	44	316	1,320	**1,680**
Lower than Ba3	64	1,846	4,668	**6,578**
Of which: Greek sovereign debt	9	1,814	4,657	***6,480***
Unrated	-	-	65	**65**
Total	**424**	**2,720**	**6,053**	**9,197**

Ratings – Bank

As at 31 December 2020	Securities measured at FVTPL	Securities measured at FVTOCI	Securities measured at amortised cost	Total
Aaa	53	525	-	**578**
Aa1 to A3	272	84	-	**356**
Baa1 to Ba3	78	2,071	11,891	**14,040**
Lower than Ba3	39	60	16	**115**
Total	**442**	**2,740**	**11,907**	**15,089**

As at 31 December 2019	Securities measured at FVTPL	Securities measured at FVTOCI	Securities measured at amortised cost	Total
Aaa	52	525	-	**577**
Aa1 to A3	264	33	-	**297**
Baa1 to Ba3	44	237	1,098	**1,379**
Lower than Ba3	64	1,846	4,668	**6,578**
Of which: Greek sovereign debt	9	1,814	4,657	***6,480***
Unrated	-	-	65	**65**
Total	**424**	**2,641**	**5,831**	**8,896**

During 2020, the Hellenic Republic's credit rating was upgraded by Moody's rating agency.

Specifically, the Hellenic Republic's credit rating was upgraded by Moody's to Ba3 from B1.

4.3 Market risk

Market risk is the current or prospective risk to earnings and capital arising from adverse movements in interest rates, equity and commodity prices and exchange rates, and their levels of volatility. The Group engages in moderate trading activities in order to enhance profitability and service its clientele. These trading activities create market risk, which the Group seeks to identify, estimate, monitor and manage effectively through a framework of principles, measurement processes and a valid set of limits that apply to all of the Group's transactions. The most significant types of market risk for the Group are interest rate, equity and foreign exchange risk. For more information over the significant types of market risk for the Group, please refer to the *"Board of Directors Report" section "Risk management – Management of Risks – Market Risk"*.

4.3.1 Market risk on trading and HTCS portfolios - Value-at-Risk ("VaR")

The Bank uses internally developed and implemented market risk models and systems to assess and quantify the portfolio market risk, based on best practice and industry-wide accepted risk metrics. More specifically, the Bank estimates the market risk of its trading and the held to collect and sell (HTCS) portfolios using the VaR methodology. This has been implemented in NBG's risk platform which is RiskWatch by Algorithmics (currently SS&C Technologies). In particular, the Bank has adopted the variance-covariance (VCV) methodology, with a 99% confidence interval and a 1-day holding period. The VaR is calculated on a daily basis for the Bank's trading and HTCS portfolios, along with the VaR per risk type (interest rate, equity and foreign exchange risk). The VaR estimates are used internally as a risk management tool, as well as for regulatory purposes. The GFLRMD calculates the VaR of the Bank's trading and HTCS portfolios, for internal use, on a daily basis, using the latest 75 exponentially weighted daily observations to construct the VCV matrices. For regulatory purposes, the calculations apply only on the trading portfolio and the VCV matrices are based on 252, equally weighted, daily observations. The risk factors relevant to the financial products in the Bank's portfolio are interest rates, equity indices, foreign exchange rates and commodity prices. Additionally, the GFLRMD calculates the stressed VaR (sVaR) of the Bank's trading portfolio, which is defined as the VaR, where model inputs are calibrated to historical data from a continuous 1-year period of significant financial stress, relevant to the Bank's portfolio. The relevant VCV matrices are identified over a period starting in January 2008. Similarly to VaR, NBG calculates sVaR on a daily basis, using a 1-day holding period and 99% confidence level.

The following tables reflect the VaR of the Bank (99%, 1 day) for the years ended 31 December 2020 and 2019, respectively.

2020 (in € 000)	Total VaR	Interest Rate Risk VaR	Equity Risk VaR	Foreign Exchange Risk VaR
31 December	10,150	9,319	1,684	128
Average (daily value)	21,156	20,222	1,969	243
Max (daily value)	110,122	107,449	4,434	588
Min (daily value)	5,070	4,798	807	64

2019 (in € 000)	Total VaR	Interest Rate Risk VaR	Equity Risk VaR	Foreign Exchange Risk VaR
31 December	16,376	16,104	1,489	156
Average (daily value)	16,445	15,814	1,616	209
Max (daily value)	29,634	28,970	2,650	420
Min (daily value)	6,723	5,763	827	80

The Bank is mostly exposed to interest rate risk, which is quantified through IR VaR. The evolution of the IR VaR depends on the sensitivity of the Bank's Trading and HTCS portfolios to key risk factors, namely the euro swap rates and the respective European sovereign yields, as well as on the level of their volatilities.

At the beginning of the year 2020, NBG liquidated a significant part of the Greek government bonds (GGBs) held in its HTCS portfolio, causing the VaR to decrease. Nonetheless, the extraordinary events following the outbreak of COVID-19 in Europe, reeled the sovereign debt markets into turmoil. As a result, the volatilities of the Greek sovereign yields climbed to unprecedented levels, which combined with the GGBs held in the Bank's HTCS portfolio, led to the sharp increase of the IR and Total VaR, in mid-March, 2020. However, following the announcement of the Pandemic Emergency Purchase Programme by the ECB, the Greek government yields subsided, causing the respective volatility to decrease. By the end of Q2.2020, the VaR of the Bank's Trading and HTCS portfolios had reverted back to the pre-COVID-19 period, in tandem with the volatility of Greek sovereign yields. Thereafter, the IR and Total VaR presented moderate fluctuations, mainly attributed to the movements of the Greek sovereign yields and the transactions in GGBs which took place in December, 2020. Overall, by the end of the year, the IR and Total VaR estimates stood lower compared to the respective estimates at the end of 2019.

Back-testing

The Bank performs back-testing on a daily basis, in order to verify the predictive power of the VaR model. In accordance with the guidelines set out in the Capital Requirements Regulation 575/2013, the calculations only refer to the Bank's trading portfolio and involve the comparison of the hypothetical as well as the actual daily gains/losses of the portfolio, with the respective estimates of the VaR model used for regulatory purposes. The hypothetical gains/losses is the change in the value of the portfolio between days t and t+1, assuming that the portfolio remains constant between the two days. In the same context, the actual gains/losses is the change in the value of the portfolio between days t and t+1, including all transactions and/or any realized gains/losses that took place in day t+1, excluding fees, commissions and net interest income.

Any excess of the hypothetical/actual losses over the VaR estimate is reported to the regulatory authorities within no later than five business days. During 2020, the back-testing result exceeded the respective VaR calculation only in one case, which was attributed to the extraordinary conditions caused by the outbreak of the COVID-19 pandemic. However, following NBG's petition, this overshooting will be excluded from the calculation of the addend on the VaR and sVaR multiplication factors, as per the ECB's letter on 17.12.2020.

Stress Testing

The VaR model is based on certain theoretical assumptions, which do not fully capture the potential "tail events" in the markets.

To enhance the predictability of our VaR model and minimize the effect of the aforementioned limitations, NBG performs stress testing on a weekly basis. The aim of stress testing is to evaluate the gains or losses that may occur under extreme market conditions and applies on both, trading and HTCS portfolios. These scenarios are presented in the following tables:

Interest rate-related scenarios:

Scenario	Description	0-3 Months	3 Months-5 Years	>5 Years
1	Parallel Curve Shift	+200 bps	+200 bps	+200 bps
2	Parallel Curve Shift	−200 bps	−200 bps	−200 bps
3	Steepening	0 bps	+100 bps	+200 bps
4	Flattening	+200 bps	+100 bps	0 bps

Equities/Commodities scenarios:

Scenario	Description
1	-30% for all indices

Foreign exchange rate-related scenarios:

Scenario	Description
1	appreciation by 30%
2	depreciation by 30%

Additionally, the following volatility stress scenarios are defined and the trading and HTCS portfolios are assessed, on a daily basis:

Volatility scenarios:

Scenario	Description
1	± 1% on log-normal IR, EQT, FX, CMD vols or ± 1 bps on normal IR vols
2	± 5% on log-normal IR, EQT, FX, CMD vols or ± 5 bps on normal IR vols
3	± 10% on log-normal IR, EQT, FX, CMD vols or ± 10 bps on normal IR vols
4	± 0.1% on log-normal FX, CMD vols

4.3.2 Limitations of the VAR model

The VaR model is based on certain theoretical assumptions, which under extreme market conditions might not capture the maximum loss the Bank may suffer. The restrictions of this methodology are summarized as follows:

- The use of volatilities and correlations as predictive measures for the behaviour of risk factors in the future might prove insufficient in periods of intense volatility in financial markets. However, this limitation is mitigated with the calculation of the stressed VaR;
- The ten-day holding period for the VaR calculations (used for regulatory purposes and capital allocation), implies that the Bank will be able to liquidate all its trading positions within this time period. This assumption might underestimate market risk in periods of insufficient liquidity in the financial markets;
- VaR refers to the plausible loss at a 99% confidence interval, without taking into account any losses beyond that level;
- All VaR calculations are performed on a close-of-business ("COB") basis and not on an intraday basis, thus not taking into account the respective portfolio changes;
- VaR estimates rely on small changes in the level of the relevant risk factors. For bigger movements (tail events), this metric might not fully capture the impact on the value of the portfolio; and
- Returns on individual risk factors are assumed to follow a normal distribution. If this assumption does not hold, the probability of extreme market movements could be underestimated. This limitation is mitigated through the stress testing framework, analysed in the previous section.

4.3.3 Interest rate risk in the banking book

Interest Rate Risk in the Banking Book (IRRBB) refers to the current or prospective risk to the Group's and Bank's capital and earnings arising from adverse movements in interest rates that affect the Banking Book positions. The main sources of IRRBB are the following: re-pricing risk, yield curve risk, basis risk and optionality risk. For further analysis please refer to the *"Board of Directors Report" section "Risk management – Management of Risks – Interest Rate Risk in the Banking Book"*).

4.3.4 Interest rate risk based on next re-pricing date

The interest rate risk for the Group and the Bank, relating to financial instruments based on next re-pricing date, is summarised as follows:

Interest re-pricing dates - Group

As at 31 December 2020	Up to 1 month	1 to 3 months	3 to 12 months	1 to 5 yrs	Over 5 yrs	Non interest bearing	Total
Assets							
Cash and balances with central banks	12	2	-	-	-	9,161	**9,175**
Due from banks	3,046	-	87	172	-	135	**3,440**
Financial assets at fair value through profit or loss	44	20	41	106	247	83	**541**
Loans and advances to customers	15,777	3,971	4,755	1,364	518	422	**26,807**
Investment securities at fair value through OCI	250	144	830	176	1,406	75	**2,881**
Investment securities at amortised cost	7	13	3,473	857	7,822	2	**12,174**
Other assets	11	-	-	3	-	1,802	**1,816**
Total	**19,147**	**4,150**	**9,186**	**2,678**	**9,993**	**11,680**	**56,834**
Liabilities							
Due to banks	1,762	37	53	10,732	140	-	**12,724**
Due to customers	36,522	3,143	5,712	2,372	2	753	**48,504**
Debt securities in issue & other borrowed funds	51	32	98	524	245	20	**970**
Other liabilities	70	-	-	-	-	1,207	**1,277**
Lease liability	7	13	59	335	831	-	**1,245**
Total	**38,412**	**3,225**	**5,922**	**13,963**	**1,218**	**1,980**	**64,720**
Total interest sensitivity gap	**(19,265)**	**925**	**3,264**	**(11,285)**	**8,775**	**9,700**	**(7,886)**

Interest re-pricing dates - Group

As at 31 December 2019	Up to 1 month	1 to 3 months	3 to 12 months	1 to 5 yrs	Over 5 yrs	Non interest bearing	Total
Assets							
Cash and balances with central banks	21	1	-	-	-	3,497	**3,519**
Due from banks	2,323	88	172	320	-	105	**3,008**
Financial assets at fair value through profit or loss	56	30	54	71	237	70	**518**
Loans and advances to customers	17,490	4,062	5,032	1,322	958	358	**29,222**
Investment securities at fair value through OCI	135	17	687	257	1,624	117	**2,837**
Investment securities at amortised cost	-	22	1,417	925	3,688	1	**6,053**
Other assets	17	-	-	3	-	2,044	**2,064**
Total	**20,042**	**4,220**	**7,362**	**2,898**	**6,507**	**6,192**	**47,221**
Liabilities							
Due to banks	1,789	63	100	2,410	87	-	**4,449**
Due to customers	30,628	2,853	6,365	3,257	1	644	**43,748**
Debt securities in issue & other borrowed funds	85	169	590	309	192	25	**1,370**
Other liabilities	72	-	-	-	-	1,195	**1,267**
Lease liability	7	13	60	338	887	6	**1,311**
Total	**32,581**	**3,098**	**7,115**	**6,314**	**1,167**	**1,870**	**52,145**
Total interest sensitivity gap	**(12,539)**	**1,122**	**247**	**(3,416)**	**5,340**	**4,322**	**(4,924)**

Interest re-pricing dates - Bank

As at 31 December 2020	Up to 1 month	1 to 3 months	3 to 12 months	1 to 5 yrs	Over 5 yrs	Non interest bearing	Total
Assets							
Cash and balances with central banks	6	2	-	-	-	8,998	**9,006**
Due from banks	2,966	35	87	172	-	118	**3,378**
Financial assets at fair value through profit or loss	28	20	41	106	247	81	**523**
Loans and advances to customers	14,548	4,799	4,245	1,050	446	356	**25,444**
Investment securities at fair value through OCI	219	144	795	176	1,406	74	**2,814**
Investment securities at amortised cost	-	1	3,407	698	7,801	-	**11,907**
Other assets	-	-	-	-	-	1,744	**1,744**
Total	**17,767**	**5,001**	**8,575**	**2,202**	**9,900**	**11,371**	**54,816**
Liabilities							
Due to banks	1,877	80	88	10,747	156	73	**13,021**
Due to customers	36,161	3,059	5,375	2,234	-	681	**47,510**
Debt securities in issue & other borrowed funds	11	22	98	521	240	18	**910**
Other liabilities	-	-	-	-	-	1,165	**1,165**
Lease liability	7	14	60	314	621	-	**1,016**
Total	**38,056**	**3,175**	**5,621**	**13,816**	**1,017**	**1,937**	**63,622**
Total interest sensitivity gap	**(20,289)**	**1,826**	**2,954**	**(11,614)**	**8,883**	**9,434**	**(8,806)**

Interest re-pricing dates - Bank

As at 31 December 2019	Up to 1 month	1 to 3 months	3 to 12 months	1 to 5 yrs	Over 5 yrs	Non interest bearing	Total
Assets							
Cash and balances with central banks	5	1	-	-	-	3,312	**3,318**
Due from banks	2,238	126	173	320	-	91	**2,948**
Financial assets at fair value through profit or loss	30	30	54	71	239	70	**494**
Loans and advances to customers	17,309	4,005	4,495	910	898	335	**27,952**
Investment securities at fair value through OCI	55	17	687	257	1,624	116	**2,756**
Investment securities at amortised cost	-	1	1,328	846	3,657	-	**5,832**
Other assets	-	-	-	-	-	1,991	**1,991**
Total	**19,637**	**4,180**	**6,737**	**2,404**	**6,418**	**5,915**	**45,291**
Liabilities							
Due to banks	1,960	68	237	2,411	87	17	**4,780**
Due to customers	30,265	2,743	6,036	3,163	-	554	**42,761**
Debt securities in issue & other borrowed funds	85	169	590	308	192	21	**1,365**
Other liabilities	-	-	-	-	-	1,177	**1,177**
Lease liability	7	14	61	319	660	1	**1,062**
Total	**32,317**	**2,994**	**6,924**	**6,201**	**939**	**1,770**	**51,145**
Total interest sensitivity gap	**(12,680)**	**1,186**	**(187)**	**(3,797)**	**5,479**	**4,145**	**(5,854)**

4.3.5 Foreign exchange risk

Foreign Exchange Risk is the risk related to the potential loss due to adverse movements in foreign exchange rates. The Open Currency Position ("OCP") of the Bank primarily arises from foreign exchange spot and forward transactions, as well as from the mark-to-market of NBG's OTC derivatives' trades denominated in foreign currency.

The foreign exchange risk concentration for the Group and the Bank as at 31 December 2020 and 2019 is presented in the following tables:

Foreign exchange risk concentration - Group

As at 31 December 2020	EURO	USD	GBP	JPY	CHF	Other	Total
Assets							
Cash and balances with central banks	9,039	13	7	-	3	113	**9,175**
Due from banks	3,174	139	25	14	39	49	**3,440**
Financial assets at fair value through profit or loss	430	106	-	-	-	5	**541**
Derivative financial instruments	5,409	145	12	4	-	15	**5,585**
Loans and advances to customers	23,595	1,915	29	-	349	919	**26,807**
Securities measured at fair value through OCI	2,761	53	-	-	-	68	**2,882**
Securities measured at amortised cost	12,070	44	-	-	-	59	**12,173**
Investment property	110	-	-	-	-	15	**125**
Equity method investments	22	-	-	-	-	-	**22**
Goodwill, software and other intangible assets	280	-	-	-	-	2	**282**
Property and equipment	1,644	-	-	-	-	19	**1,663**
Other assets	7,259	196	28	4	4	40	**7,531**
Total assets excl. assets held-for-sale	**65,793**	**2,611**	**101**	**22**	**395**	**1,304**	**70,226**
Non-current assets held for sale	7,049	41	8	-	132	29	**7,259**
Total assets	**72,842**	**2,652**	**109**	**22**	**527**	**1,333**	**77,485**

As at 31 December 2020	EURO	USD	GBP	JPY	CHF	Other	Total
Liabilities							
Due to banks	12,489	11	9	1	204	10	**12,724**
Derivative financial instruments	3,136	152	18	1	11	3	**3,321**
Due to customers	44,826	1,989	131	1	39	1,518	**48,504**
Debt securities in issue & Other borrowed funds	951	-	-	-	-	19	**970**
Other liabilities	2,364	209	35	1	-	39	**2,648**
Retirement benefit obligations	299	-	-	-	-	1	**300**
Total liabilities excl. liabilities associated with non current assets held-for-sale	**64,065**	**2,361**	**193**	**4**	**254**	**1,590**	**68,467**
Liabilities associated with non-current assets held for sale	3,893	23	8	-	-	15	**3,939**
Total liabilities	**67,958**	**2,384**	**201**	**4**	**254**	**1,605**	**72,406**
Net on balance sheet position	**4,884**	**268**	**(92)**	**18**	**273**	**(272)**	**5,079**

Foreign exchange risk concentration - Group

As at 31 December 2019	EURO	USD	GBP	JPY	CHF	Other	Total
Assets							
Cash and balances with central banks	3,314	52	4	-	2	147	**3,519**
Due from banks	2,675	77	16	14	179	47	**3,008**
Financial assets at fair value through profit or loss	448	52	-	-	-	18	**518**
Derivative financial instruments	4,673	135	11	5	-	9	**4,833**
Loans and advances to customers	25,737	2,078	30	1	535	842	**29,223**
Securities measured at fair value though OCI	2,723	33	-	-	-	81	**2,837**
Securities measured at amortised cost	5,923	43	-	-	-	86	**6,052**
Investment property	132	-	-	-	-	20	**152**
Equity method investments	8	-	-	-	-	-	**8**
Goodwill, software and other intangible assets	200	-	-	-	-	2	**202**
Property and equipment	1,702	-	-	-	-	20	**1,722**
Other assets	7,677	-	29	4	-	11	**7,721**
Total assets excl. assets held-for-sale	**55,212**	**2,470**	**90**	**24**	**716**	**1,283**	**59,795**
Non-current assets held for sale	4,370	44	9	-	3	27	**4,453**
Total assets	**59,582**	**2,514**	**99**	**24**	**719**	**1,310**	**64,248**

As at 31 December 2019	EURO	USD	GBP	JPY	CHF	Other	Total
Liabilities							
Due to banks	4,227	27	9	1	169	16	**4,449**
Derivative financial instruments	2,641	193	15	2	19	-	**2,870**
Due to customers	39,911	2,130	133	1	40	1,533	**43,748**
Debt securities in issue & Other borrowed funds	1,366	-	-	-	-	4	**1,370**
Other liabilities	2,619	70	25	1	-	70	**2,785**
Retirement benefit obligations	266	-	-	-	-	1	**267**
Total liabilities excl. liabilities associated with non current assets held-for-sale	**51,030**	**2,420**	**182**	**5**	**228**	**1,624**	**55,489**
Liabilities associated with non-current assets held for sale	3,437	30	-	-	-	15	**3,482**
Total liabilities	**54,467**	**2,450**	**182**	**5**	**228**	**1,639**	**58,971**
Net on balance sheet position	**5,115**	**64**	**(83)**	**19**	**491**	**(329)**	**5,277**

Foreign exchange risk concentration - Bank

As at 31 December 2020	EURO	USD	GBP	JPY	CHF	Other	Total
Assets							
Cash and balances with central banks	8,970	11	7	-	1	17	**9,006**
Due from banks	3,175	112	21	14	33	23	**3,378**
Financial assets at fair value through profit or loss	412	106	-	-	-	5	**523**
Derivative financial instruments	5,409	145	12	4	-	15	**5,585**
Loans and advances to customers	23,130	1,913	29	-	348	24	**25,444**
Securities measured at fair value through OCI	2,761	53	-	-	-	-	**2,814**
Securities measured at amortised cost	11,863	44	-	-	-	-	**11,907**
Investments in subsidiaries	1,136	-	-	-	-	-	**1,136**
Investment property	6	-	-	-	-	-	**6**
Equity method investments	20	-	-	-	-	-	**20**
Goodwill, software and other intangible assets	278	-	-	-	-	-	**278**
Property and equipment	1,210	-	-	-	-	4	**1,214**
Other assets	7,174	214	27	4	3	1	**7,423**
Total assets excl. non current assets held for sale	**65,544**	**2,598**	**96**	**22**	**385**	**89**	**68,734**
Non-current assets held for sale	3,141	5	-	-	130	-	**3,276**
Total assets	**68,685**	**2,603**	**96**	**22**	**515**	**89**	**72,010**

As at 31 December 2020	EURO	USD	GBP	JPY	CHF	Other	Total
Liabilities							
Due to banks	12,657	61	95	3	204	1	**13,021**
Derivative financial instruments	3,136	152	18	1	11	3	**3,321**
Due to customers	44,758	1,931	128	1	32	660	**47,510**
Debt securities in issue & Other borrowed funds	909	-	-	-	-	1	**910**
Other liabilities	2,083	203	33	1	-	20	**2,340**
Retirement benefit obligations	297	-	-	-	-	-	**297**
Total liabilities excl. liabilities associated with non current assets held for Sale	**63,840**	**2,347**	**274**	**6**	**247**	**685**	**67,399**
Total liabilities	**63,840**	**2,347**	**274**	**6**	**247**	**685**	**67,399**
Net on balance sheet position	**4,845**	**256**	**(178)**	**16**	**268**	**(596)**	**4,611**

Foreign exchange risk concentration - Bank

As at 31 December 2019	EURO	USD	GBP	JPY	CHF	Other	Total
Assets							
Cash and balances with central banks	3,239	51	5	-	2	21	**3,318**
Due from banks	2,691	37	12	14	172	22	**2,948**
Financial assets at fair value through profit or loss	381	95	-	-	-	18	**494**
Derivative financial instruments	4,673	135	11	5	-	9	**4,833**
Loans and advances to customers	25,332	2,034	30	1	526	29	**27,952**
Securities measured at fair value though OCI	2,724	34	-	-	-	-	**2,758**
Securities measured at amortised cost	5,787	43	-	-	-	-	**5,830**
Investments in subsidiaries	1,139	-	-	-	-	-	**1,139**
Investment property	6	-	-	-	-	-	**6**
Equity method investments	6	-	-	-	-	-	**6**
Goodwill, software and other intangible assets	199	-	-	-	-	-	**199**
Property and equipment	1,258	-	-	-	-	6	**1,264**
Other assets	7,540	43	24	4	-	4	**7,615**
Total assets excl. non current assets held for sale	**54,975**	**2,472**	**82**	**24**	**700**	**109**	**58,362**
Non-current assets held for sale	995	-	-	-	4	-	**999**
Total assets	**55,970**	**2,472**	**82**	**24**	**704**	**109**	**59,361**

As at 31 December 2019	EURO	USD	GBP	JPY	CHF	Other	Total
Liabilities							
Due to banks	4,398	104	99	3	171	5	**4,780**
Derivative financial instruments	2,641	193	15	2	19	-	**2,870**
Due to customers	39,869	2,046	129	1	30	686	**42,761**
Debt securities in issue & Other borrowed funds	1,365	-	-	-	-	-	**1,365**
Other liabilities	2,230	109	23	1	-	25	**2,388**
Retirement benefit obligations	264	-	-	-	-	-	**264**
Total liabilities excl. liabilities associated with non current assets held for Sale	**50,767**	**2,452**	**266**	**7**	**220**	**716**	**54,428**
Liabilities associated with non current assets held for sale	-	-	-	-	-	-	**-**
Total liabilities	**50,767**	**2,452**	**266**	**7**	**220**	**716**	**54,428**
Net on balance sheet position	**5,203**	**20**	**(184)**	**17**	**484**	**(607)**	**4,933**

4.4 Country risk

Country risk is the current or prospective risk to earnings and capital, caused by events in a particular country which are at least to some extent under the control of the government but definitely not under the control of a private enterprise or individual. The main categories of country risk consist of sovereign risk, convertibility risk and transfer risk. For more information, please refer to the *"Board of Directors Report" section "Risk management – Management of Risks – Country Risk".*

4.5 Liquidity risk

4.5.1 Liquidity risk management

Liquidity Risk is defined as the current or prospective risk to earnings and capital arising from the institution's inability to meet its liabilities when they come due without incurring unacceptable losses.

It reflects the potential mismatch between incoming and outgoing payments, taking into account unexpected delays in repayments (term Liquidity Risk) or unexpectedly high outflows (withdrawal/call risk). Liquidity Risk involves both the risk of unexpected increases in the cost of funding of the portfolio of assets at appropriate maturities and rates, and the risk of being unable to liquidate a position in a timely manner and on reasonable terms. For more information please refer to the *"Board of Directors Report" section "Risk management – Management of Risks – Liquidity Risk".*

4.5.2 Contractual undiscounted cash flows

The contractual undiscounted cash outflows of the Group's and the Bank's non-derivative financial liabilities are presented in the tables below. Liquidity risk arising from derivatives is not considered significant.

Contractual undiscounted cash outflows - Group

As at 31 December 2020	Up to 1 month	1 to 3 months	3 to 12 months	1 to 5 yrs	Over 5 yrs	Total
Due to banks	1,272	32	54	10,475	636	**12,469**
Due to customers	39,949	3,090	4,936	503	50	**48,528**
Debt securities in issue & Other borrowed funds	-	10	86	194	1,044	**1,334**
Other liabilities	116	862	198	1	49	**1,226**
Lease liability	7	14	61	293	1,248	**1,623**
Total – on balance sheet	**41,344**	**4,008**	**5,335**	**11,466**	**3,027**	**65,180**
Credit commitments	**170**	**163**	**825**	**333**	**1,266**	**2,757**

Contractual undiscounted cash outflows - Group

As at 31 December 2019	Up to 1 month	1 to 3 months	3 to 12 months	1 to 5 yrs	Over 5 yrs	Total
Due to banks	1,297	65	53	2,451	587	**4,453**
Due to customers	34,558	2,675	5,679	746	53	**43,711**
Debt securities in issue & Other borrowed funds	-	-	805	342	564	**1,711**
Other liabilities	158	824	224	2	54	**1,262**
Lease liability	8	14	63	301	1,367	**1,753**
Total – on balance sheet	**36,021**	**3,578**	**6,824**	**3,842**	**2,625**	**52,890**
Credit commitments	**586**	**240**	**771**	**457**	**1,004**	**3,058**

Contractual undiscounted cash outflow - Bank

As at 31 December 2020	Up to 1 month	1 to 3 months	3 to 12 months	1 to 5 yrs	Over 5 yrs	Total
Due to banks	1,468	81	74	10,491	653	**12,767**
Due to customers	39,635	2,877	4,625	343	47	**47,527**
Debt securities in issue & Other borrowed funds	-	-	47	190	1,038	**1,275**
Other liabilities	4	865	199	-	51	**1,119**
Lease liability	11	14	61	290	1,246	**1,622**
Total – on balance sheet	**41,118**	**3,837**	**5,006**	**11,314**	**3,035**	**64,310**
Credit commitments	**167**	**155**	**795**	**310**	**1,590**	**3,017**

Contractual undiscounted cash outflow - Bank

As at 31 December 2019	Up to 1 month	1 to 3 months	3 to 12 months	1 to 5 yrs	Over 5 yrs	Total
Due to banks	1,494	135	116	2,451	587	**4,783**
Due to customers	34,213	2,552	5,304	596	50	**42,715**
Debt securities in issue & Other borrowed funds	-	-	805	341	560	**1,706**
Other liabilities	-	841	225	-	54	**1,120**
Lease liability	7	14	63	298	1,364	**1,746**
Total – on balance sheet	**35,714**	**3,542**	**6,513**	**3,686**	**2,615**	**52,070**
Credit commitments	**585**	**235**	**802**	**439**	**1,303**	**3,364**

Other liabilities mainly include accrued interest and commissions, payables to suppliers, amounts due to government agencies, taxes payable (other than income taxes), and accrued expense.

4.6 Insurance risk

The insurance contracts issued by the Parent Company and the Group include either insurance or financial risk. The risk under any insurance policy is the possibility of the insured event resulting in a claim. By the very nature of an insurance policy, risk is based on fortuity and is therefore unpredictable.

The principal risk that the Group may face under its insurance contracts is that the actual claims and benefit payments or the timing thereof, differ from expectations. This could occur because the frequency and/or severity of claims is greater than estimated. Depending on the insurance product, this risk is influenced by macroeconomic changes, changes in customer behaviour, changes in public health, pandemics and catastrophic events such as earthquakes, industrial disasters, fires, riots or terrorism.

The above risk exposure is mitigated by diversification across a large portfolio of insurance contracts. The variability of risks is also improved by the careful selection and implementation of the Group's underwriting policy, reinsurance strategy and internal guidelines, within an overall risk management framework. Pricing is based on assumptions and statistics and the Group's empirical data, taking into consideration current trends and market conditions and past experience.

Reinsurance arrangements include facultative, treaty (proportional or other) and catastrophe coverage.

Life insurance contracts

Life insurance policies written by the Group include whole life, endowment, term assurance, term assurance with survival benefit, pension, Unit-Linked and rider benefits attached to insurance policies.

Traditional Life insurance contracts

These policies insure events associated with policyholders' life (for example, death or survival). Guaranteed benefits paid on occurrence of the specified insurance event are either fixed or linked to the financial loss suffered by the policyholder.

The main risks that the Group is exposed to under Life insurance policies are the following:

- *Mortality risk:* risk of loss arising due to policyholder actual death experience being different than expected.
- *Longevity risk:* risk of loss arising due to the annuitant living longer than expected.
- *Investment return risk:* risk of loss arising from actual returns being different than expected.
- *Expense risk:* risk of loss arising from expense experience being different than expected.
- *Lapse/Surrender risk:* risk of loss arising due to policyholder behaviour (lapses and surrenders) being different than expected.

Key assumptions

Life insurance policy estimates are initially made at inception of the policy, where the Group determines the key assumptions applicable to the type of life insurance policy, such as future deaths, voluntary terminations, investment returns and administration expenses. Subsequently, new estimates are developed at each reporting date to determine whether the liabilities are adequate in the light of the current experience. The key assumptions to which the estimation of liabilities is particularly sensitive are as follows:

- *Mortality:* Assumptions are based on appropriate standard industry and national tables, according to the type of policy written, reflecting the recent historical experience of the Group and thus reflecting the best estimate for that year. Assumptions are differentiated by sex.

- *Investment return:* Estimates for investment returns that affect the level of future benefits due to the policyholders are based on current market returns as well as expectations about future economic and financial developments.

- *Expenses:* Operating expenses assumptions reflect the projected costs of maintaining and servicing in-force policies. The current level of expenses, as at 31 December 2020, is taken as an appropriate expense base, adjusted for expected expense inflation if appropriate.

- *Lapse and surrender rates:* Lapses relate to the termination of policies due to non-payment of premiums. Surrenders relate to the voluntary termination of policies by policyholders. Policy termination assumptions are determined using historical statistical measures based on the Group's experience and vary by product type.

- *Discount rate:* The liability adequacy test is based on the estimate of future cash flows. Future cash flows are discounted using the risk free curve plus a spread known as illiquidity premium. The illiquidity premium is defined as the parallel shift of the risk-free curve that achieves the matching of liabilities and assets, less by the credit default swap spread (CDS).

- *Rate that option to surrender is exercised at the beginning of retirement:* The percentage of insured in individual insurance programs which elect for a lump-sum benefit (surrender value) instead of a monthly pension benefit, which is estimated based on company's past experience.

Liability adequacy test

Life business comprises of the following three main categories depending on the nature of the cover:

i. *Individual traditional policies (whole life, endowment, pure endowment, term, pension plans etc.):* The test was based on the projection of the future cash flows using current assumptions in terms of mortality, lapses, interest rate and expenses for the expected remaining term of insurance policies. The aforementioned test resulted in additional reserves.

ii. *Unit-Linked policies:* Analysis considered both risks associated to parameters (mortality, lapses, interest rate, expenses) and risks associated to guaranteed return at the end of the policy terms. Despite the increase in the value of the funds during the last year an additional liability was necessary to cover the guaranteed return to policyholders.

iii. *Pension beneficiaries that stem from Deposit Administration Funds ("DAF"):* The process followed was similar to that of individual traditional policies. The test produced a liability that exceeded reserves to cover longevity risk.

Sensitivity Analysis

The sensitivity analysis set out below is calculated for those factors which are considered significant (discount rate and lapse rates) as regards the effect of their change in the recorded reserves.

The results of the sensitivity analysis refer to the liabilities which relate to the portfolio of individual traditional policies, to benefits to pensioners who previously held DAF policies as well as to the portfolio of Unit Linked policies.

Sensitivity Analysis

2020	Change in Assumptions	Impact on Insurance Liabilities
Discount Rate	+0.5%	(50)
	-0.5%	94
Lapse / Surrender Rates	Increase by +10%	(8)
	Decrease by -10%	8
Mortality Rates	Increase by +10%	(1)
	Decrease by -10%	2
Operating Expenses	Increase by +10%	4

2019	Change in Assumptions	Impact on Insurance Liabilities
Discount Rate	+0.5%	(65)
	-0.5%	87
Lapse / Surrender Rates	Increase by +10%	(8)
	Decrease by -10%	9
Mortality Rates	Increase by +10%	(1)
	Decrease by -10%	2
Operating Expenses	Increase by +10%	6

Riders on Life insurance products

Life insurance contracts may include personal accident and hospitalization riders, which protect the Group's clients from the consequences of disability or hospital treatment due to an accident or illness of the policyholder or their dependents.

The main risks that the Group is exposed to under Life insurance policies are the following:

- *Morbidity risk:* risk of loss arising due to policyholder health experience being different than expected.
- *Expense risk:* risk of loss arising from expense experience being different than expected.
- *Lapse/Surrender risk:* risk of loss arising due to policyholder behaviour (lapses and surrenders) being different than expected.

Key assumptions

The key assumptions (apart from lapse / surrender risk, expense risk and discount rate) to which the estimation of liabilities is particularly sensitive are as follows:

- *Morbidity rates:* Rates of hospitalization, by age and type of coverage, derived from the historical experience.
- *Disability:* Disability percentages for life riders with benefits in the event of disability of the policyholder are based mainly on the corresponding rates of reinsurance contracts currently in force.

Liability adequacy test

Life business comprises of the following two main categories depending on the nature of the cover:

- *Hospitalisation riders:* The test was based on current assumptions for discount rate, morbidity ratios, medical claim inflation, lapse rate, expenses and annual premium increase. The aforementioned test did not result in additional reserves.
- *Other riders:* The test was based on current assumptions for discount rate, disability rates, lapses and expenses. The test resulted in additional reserves.

Liability adequacy test for health insurance contracts (health riders) was based on the estimation of the present value of the portfolio's future cash flows. The test did not result in additional technical reserves as it did not exceed Unearned Premium Reserve (UPR) that was already recorded.

Sensitivity Analysis

The sensitivity analysis set out below is calculated for those factors which are considered significant (discount rate, lapse rates and morbidity rates) as regards the effect of their change in technical reserves.

Sensitivity Analysis

2020	Change in Assumptions	Impact on Insurance Liabilities
Discount Rate	+0.5%	-
	-0.5%	-
Lapse / Surrender Rates	Increase by +10%	-
	Decrease by -10%	-
Morbidity Rates	Increase by +5%	51
	Decrease by -5%	-

2019	Change in Assumptions	Impact on Insurance Liabilities
Discount Rate	+0,5%	-
	-0,5%	-
Lapse / Surrender Rates	Increase by +10%	-
	Decrease by -10%	-
Morbidity Rates	Increase by +5%	44
	Decrease by -5%	-

Non-life Insurance

The Group provides products that cover a large range of risks such as personal, commercial, industrial risks and other risks related to property damage and third party liability.

The above risk exposure is mitigated by diversification across a large portfolio of insurance policies. The diversity of risks is also improved by careful selection and implementation of underwriting policy, reinsurance strategy and internal guidelines, within an overall risk management framework. Pricing is based on past experience taking into consideration current trends and market conditions.

For specific risks arising from an unexpected number of claims or unusually large claims, appropriate proactive practices are applied to all operating levels of the Group:

Underwriting process: The criteria for the acceptance of insurance risk are such that a geographical dispersion of risks and their diversification to different activity sectors are ensured. Furthermore where necessary, policy limits and claim deductibles are applied in order to reduce the Group’s share of the risk. In addition, in many cases insurance policies include exclusion clauses for risks whose probability of occurrence and financial consequences are difficult to estimate (such as general third party liability or environmental risks with discernable causing events).

Claims handling: The Group’s policy for claims handling is focused on the timely settlement of claims and the prevention of fraudulent cases being accepted by the Group. This is achieved by appropriate information systems, reliable claim assessment procedures and qualified personnel with a high degree of ethical standing.

Provisions for Outstanding Claims: In addition to the claim-by-claim procedure, a number of statistical and actuarial techniques are employed for the estimation of the ultimate cost of claims incurred and the calculation of the corresponding reserves. These techniques are based on historic data for the determination of the final cost and on assumptions regarding the average claims’ cost, future inflation, changes in legal framework, as well as on expert judgment. The process entails a significant degree of subjectivity, particularly with regards to the estimation of the incurred claims reserve for bodily injury, loss of life, legal cases and damage of property. The process includes the creation of reserves which have not been reported to the Group companies at the reporting date.

Reinsurance Policy: The selection of the optimal reinsurance coverage varies depending on the nature of the risks involved, the Group’s solvency and its capacity to absorb losses arising from extreme events. The structure of the reinsurance program ensures the protection against high frequency of claims, exceptional claims or concentration of claims. The Group places particular emphasis on the coverage of catastrophic events, arising from natural perils, such as earthquakes by selecting reinsurance programs that cover events with a small probability of incurrence.

Liability adequacy test

For all lines of businesses a liability adequacy test is performed for the adequacy of the technical provisions. With regards to the motor line of business (the largest line of business), historical data was examined on a per nature of claim basis, for each accident year after 2000 and the following methods were applied in order to estimate the ultimate cost for each accident year: cumulative payments, incurred claims, average claim cost projections and the Bornhuetter-Ferguson method of which the results were selected for the estimation of the total cost for each accident year.

Claims development tables

The tables below present the development of the incurred claims cost for each accident year from 2014 to 2020. In addition, the corresponding amounts of the cumulative actual claims payments are included, in order for there to be a distinction between actual payments and reserves. Outstanding claims estimates for years prior to 2014 are presented for reconciliation reasons. Note that for Motor TPL, where additional reserves, resulted from the LAT performed (for both IBNR claims and adverse future deviation of the case estimates for reported claims) are included in the estimates presented.

For the Fire business (the second largest property and casualty line of business after Motor), the total cost per year is the sum of the cumulative payments and the reserves per case (no additional reserves resulted from the LAT performed).

The Motor and Fire lines of business account for over 85% of the outstanding claim reserves balances.

Motor TPL claims development

		Group							
Accident year	**Reserves prior to 2014**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**Total reserves**
Accident year		61	50	48	40	45	43	35	-
One year later		53	52	46	50	52	47	-	-
Two years later		52	51	48	51	53	-	-	-
Three years later		54	51	48	51	-	-	-	-
Four years later		53	51	47	-	-	-	-	-
Five years later		49	50	-	-	-	-	-	-
Six years later		40	-	-	-	-	-	-	-
Current estimate of cumulative claims		**40**	**50**	**47**	**51**	**53**	**47**	**35**	**-**
Accident year		(12)	(11)	(11)	(10)	(10)	(9)	(8)	-
One year later		(21)	(18)	(20)	(17)	(17)	(15)	-	-
Two years later		(23)	(21)	(22)	(20)	(20)	-	-	-
Three years later		(26)	(23)	(24)	(21)	-	-	-	-
Four years later		(29)	(25)	(26)	-	-	-	-	-
Five years later		(29)	(26)	-	-	-	-	-	-
Six years later		(32)	-	-	-	-	-	-	-
Cumulative payments		**(32)**	**(26)**	**(26)**	**(21)**	**(20)**	**(15)**	**(8)**	**-**
Total outstanding claims reserve	**56**	**8**	**24**	**21**	**30**	**33**	**32**	**27**	**231**

Fire claims development

		Group							
Accident year	**Reserves prior to 2014**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**Total reserves**
Accident year		15	36	17	14	14	10	8	-
One year later		13	34	21	22	19	9	-	-
Two years later		20	14	22	22	19	-	-	-
Three years later		32	14	22	21	-	-	-	-
Four years later		31	12	21	-	-	-	-	-
Five years later		31	12	-	-	-	-	-	-
Six years later		31	-	-	-	-	-	-	-
Current estimate of cumulative claims		**31**	**12**	**21**	**21**	**19**	**9**	**8**	**-**
Accident year		(6)	(5)	(12)	(3)	(9)	(3)	(2)	-
One year later		(10)	(11)	(15)	(7)	(12)	(6)	-	-
Two years later		(11)	(11)	(18)	(8)	(12)	-	-	-
Three years later		(30)	(11)	(19)	(10)	-	-	-	-
Four years later		(31)	(12)	(21)	-	-	-	-	-
Five years later		(31)	(12)	-	-	-	-	-	-
Six years later		(31)	-	-	-	-	-	-	-
Cumulative payments		**(31)**	**(12)**	**(21)**	**(10)**	**(12)**	**(6)**	**(2)**	**-**
Total outstanding claims reserve	**4**	**1**	**1**	**0**	**10**	**6**	**3**	**6**	**31**

4.7 Capital adequacy

In June 2013, the European Parliament and the Council of Europe issued Directive 2013/36/EU and Regulation (EU) No 575/2013 (known as Capital Requirements Directive IV ("CRD IV") and Capital Requirements Regulation ("CRR") respectively), which incorporate the key amendments that have been proposed by the Basel Committee for Banking Supervision (known as Basel III). Directive 2013/36/EU has been transported into Greek Law by virtue of Greek Law 4261/2014 and Regulation (EU) No 575/2013 has been directly applicable to all EU Member States since 1 January 2014 and certain changes under CRD IV were implemented gradually.

Regulation (EU) No 575/2013 as amended by Regulation (EU) No 876/2019 (CRR2) defines the minimum capital requirements (Pillar 1 requirements) and Directive 2013/36/EU as amended by Directive 2019/878/EU (CRD V) defines the combined buffer requirements for EU institutions. In addition, Directive 2013/36/EU provides (Art. 97 et seq.) that Competent Authorities regularly carry out the Supervisory Review and Evaluation process ("SREP"), to assess and measure risks not covered, or not fully covered, under Pillar 1 and determine additional capital and liquidity requirements (Pillar 2 requirements). SREP is conducted under the lead of the ECB. The SREP decision is tailored to each bank's individual profile.

The table below summarises capital requirements for NBG Group for 2021 and 2020:

	CET1 Capital Requirements			Overall Capital Requirements		
	2020 & 2021 post capital relief measures[1]	2021	2020	2020 & 2021 post capital relief measures	2021	2020
Pillar 1	4.5%	4.5%	4.5%	8.0%	8.0%	8.0%
Pillar 2	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Capital Conservation Buffer	-	2.5%	2.5%	-	2.5%	2.5%
O-SII Buffer	0.5%	0.75%	0.5%	0.5%	0.75%	0.5%
Total	**8.0%**	**10.75%**	**10.50%**	**11.50%**	**14.25%**	**14.00%**

[1] CET1 threshold of 8.0% is further potentially reduced to 6.69%, given that the Bank is allowed to partially use Additional Tier 1 or Tier 2 instruments, to meet the Pillar 2 Requirements ("P2R")

The capital adequacy ratios for the Group and the Bank are presented in the table below:

	Group		Bank	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Common Equity Tier 1	**15.7%**	**16.0%**	**15.7%**	**16.4%**
Tier I	**15.7%**	**16.0%**	**15.7%**	**16.4%**
Total	**16.7%**	**16.9%**	**16.8%**	**17.4%**

DTC Law

Article 27A of Greek Law 4172/2013 ("DTC Law"), as currently in force, allows credit institutions, under certain conditions, and from 2017 onwards to convert deferred tax assets ("DTAs") arising from (a) private sector initiative ("PSI") losses, (b) accumulated provisions for credit losses recognized as at 30 June 2015, (c) losses from final write off or the disposal of loans and (d) accounting write offs, which will ultimately lead to final write offs and losses from disposals, to a receivable ("Tax Credit") from the Greek State. Items (c) and (d) above were added with Greek Law 4465/2017 enacted on 29 March 2017. The same Greek Law 4465/2017 provided that the total tax relating to cases (b) to (d) above cannot exceed the tax corresponding to accumulated provisions recorded up to 30 June 2015 less (a) any definitive and cleared Tax Credit, which arose in the case of accounting loss for a year according to the provisions of par.2 of article 27A of Greek Law 4172/2013, which relate to the above accumulated provisions, (b) the amount of tax corresponding to any subsequent specific tax provisions, which relate to the above accumulated provisions and (c) the amount of the tax corresponding to the annual amortization of the debit difference that corresponds to the above provisions and other losses in general arising due to credit risk.

The main condition for the conversion of DTAs to a Tax Credit is the existence of an accounting loss at Bank level of a respective year, starting from accounting year 2016 and onwards. The Tax Credits will be calculated as a ratio of IFRS accounting losses to net equity (excluding the year's losses) on a solo basis and such ratio will be applied to the remaining Eligible DTAs in a given year to calculate the Tax Credit that will be converted in that year, in respect of the prior tax year. The Tax Credit may be offset against income taxes payable. The non-offset part of the Tax Credit is immediately recognized as a receivable from the Greek State. The Bank is obliged to issue conversion rights to the Greek State for an amount of 100% of the Tax Credit in favour of the Greek State and will create a specific reserve for an equal amount. Common shareholders have pre-emption rights on these conversion rights. The reserve will be capitalized with the issuance of common shares in favour of the Greek State. This legislation allows credit institutions to treat such DTAs as not "relying on future profitability" according to CRD IV, and as a result such DTAs are not deducted from CET1, hence improving a credit institution's capital position.

Furthermore, Greek Law 4465/2017 amended article 27 "Carry forward losses" by introducing an amortization period of 20 years for losses due to loan write offs as part of a settlement or restructuring and losses that crystallize as a result of a disposal of loans.

On 7 November 2014, the Bank convened an extraordinary General Shareholders Meeting which resolved to include the Bank in the DTC Law. An exit by the Bank from the provisions of the DTC Law requires regulatory approval and a General Shareholders meeting resolution.

As of 31 December 2020, the amount of DTAs that were eligible for conversion to a receivable from the Greek State subject to the DTC Law was €4.3 billion (31 December 2019: €4.5 billion). The conditions for conversion rights were not met in the year ended 31 December 2020 and no conversion rights are deliverable in 2021.

2020 EU-wide Stress Test

On 31 January 2020, the European Banking Authority (EBA) announced the launch of the 2020 EU-wide stress test, which would be conducted on a sample of 51 EU banks. Similar to the 2018 exercise, it would be a bottom-up exercise with constraints, including a static balance sheet assumption. The aim of the EU-wide stress test was to assess the resilience of EU banks to a common set of adverse economic developments in order to identify potential risks, inform supervisory decisions and increase market discipline.

However, in the light of the operational pressure on banks due to COVID-19, on 12 March 2020 the EBA announced its decision to postpone the EU-wide stress test exercise to 2021, in order to allow banks to focus on and ensure continuity of their core operations.

On 30 July 2020, EBA announced that EU-wide stress test will be carried out in 2021. The exercise was launched at the end of January 2021 and its results are expected to be published at the end of July 2021

COVID 19 outbreak

ECB has announced a number of measures to ensure that its directly supervised banks can continue to fulfil their role in funding the real economy as the economic effects of the COVID-19 became apparent (see "*Response to COVID-19 crisis*" of the Board of Directors Report).

In addition, on 24 June 2020, the EU Council announced that it adopted Regulation (EU) 873/2020 ("CRR Quick Fix") amending Regulations (EU) No 575/2013 and (EU) 876/2019 as regards certain adjustments in response to the COVID-19 pandemic.

More specifically, among others the amendments concern:

- IFRS 9 transitional adjustments: Extension of the transitional period for mitigating the impact on own funds from the potential sudden increase in ECL allowance.
- Prudential treatment of software assets.
- Revised supporting factor for small and medium-sized enterprises (SME): Relinquish of the preferential treatment threshold and assignment of a risk weight ranging from 76.19% to 85% to all SME exposures.
- Lower risk weight to certain loans granted by credit institutions to pensioners or employees with a permanent contract (35% instead of 75%) and to infrastructure finance (75% instead of 100%).

4.8 Fair values of financial assets and liabilities

a. Financial instruments not measured at fair value

The table below summarises the carrying amounts and the fair values of those financial assets and liabilities that are not presented on the Group's and the Bank's Statement of Financial Position at fair value and the fair value is materially different from the carrying amount.

Financial instruments not measured at fair value - Group

	Carrying amount	Fair value			
	31.12.2020	31.12.2020	Level 1	Level 2	Level 3
Financial Assets					
Loans and advances to customers at amortised cost	26,738	26,676	-	-	26,676
Investment securities at amortised cost	12,173	12,678	4,322	7,184	1,172
Financial Liabilities					
Due to customers	48,078	48,123	37,381	10,742	-
Debt securities in issue	910	937	-	937	-

	Carrying amount 31.12.2019	Fair value 31.12.2019	Level 1	Level 2	Level 3
Financial Assets					
Loans and advances to customers at amortised cost	29,094	28,754	-	-	28,754
Investment securities at amortised cost	6,053	6,255	957	4,325	973
Financial Liabilities					
Due to customers	43,469	43,504	31,164	12,340	-
Debt securities in issue	1,365	1,443	-	1,443	-

Financial instruments not measured at fair value - Bank

	Carrying amount 31.12.2020	Fair value 31.12.2020	Level 1	Level 2	Level 3
Financial Assets					
Loans and advances to customers at amortised cost	25,375	25,313	-	-	25,313
Investment securities at amortised cost	11,908	12,407	4,322	6,913	1,172
Financial Liabilities					
Due to customers	47,084	47,129	37,056	10,073	-
Debt securities in issue	910	937	-	937	-

	Carrying amount 31.12.2019	Fair value 31.12.2019	Level 1	Level 2	Level 3
Financial Assets					
Loans and advances to customers at amortised cost	27,825	27,484	-	-	27,484
Investment securities at amortised cost	5,831	6,034	957	4,104	973
Financial Liabilities					
Due to customers	42,482	42,518	30,908	11,610	-
Debt securities in issue	1,365	1,443	-	1,443	-

The following methods and assumptions were used to estimate the fair values of the above financial instruments at 31 December 2020 and 31 December 2019:

The carrying amount of cash and balances with central banks, due from and due to banks, other borrowed funds as well as accrued interest, approximates their fair value.

Loans and advances to customers at amortised cost: The fair value of loans and advances to customers at amortised cost is estimated using discounted cash flow models. The discount rates are based on current market interest rates offered for instruments with similar terms to borrowers of similar credit quality.

Investment securities at amortised cost: The fair value of investment securities at amortised cost is estimated using market prices, or using discounted cash flow models based on current market interest rates offered for instruments with similar credit quality.

Due to customers: The fair value for demand deposits and deposits with no defined maturity is determined to be the amount payable on demand at the reporting date. The fair value for fixed-maturity deposits is estimated using discounted cash flow models based on rates currently offered for the relevant product types with similar remaining maturities.

Debt securities in issue: Fair value is estimated using market prices, or if such are not available, using a discounted cash flow analysis, based on current market rates of similar maturity and credit quality debt securities.

b. Financial instruments measured at fair value

The tables below present the fair values of those financial assets and liabilities presented on the Group's and the Bank's Statement of Financial Position at fair value by fair value measurement level at 31 December 2020 and 31 December 2019:

Financial instruments measured at fair value - Group

As at 31 December 2020	Fair value measurement using			
	Level 1	Level 2	Level 3	Total asset/ liability at Fair value
Financial Assets				
Financial assets at fair value through profit or loss	302	142	-	444
Financial assets mandatorily at fair value through profit or loss	67	23	78	168
Derivative financial instruments	1	5,568	16	5,585
Investment securities at fair value through other comprehensive income	789	2,067	26	2,882
Total	**1,159**	**7,800**	**120**	**9,079**
Financial Liabilities				
Due to customers designated as at fair value through profit or loss	-	426	-	426
Derivative financial instruments	-	3,318	3	3,321
Total	**-**	**3,744**	**3**	**3,747**

As at 31 December 2019	Fair value measurement using			
	Level 1	Level 2	Level 3	Total asset/ liability at Fair value
Financial Assets				
Financial assets at fair value through profit or loss	257	172	-	429
Financial assets mandatorily at fair value through profit or loss	65	15	136	216
Derivative financial instruments	9	4,819	5	4,833
Investment securities at fair value through other comprehensive income	616	2,187	34	2,837
Total	**947**	**7,193**	**175**	**8,315**
Financial Liabilities				
Due to customers designated as at fair value through profit or loss	-	279	-	279
Derivative financial instruments	4	2,862	4	2,870
Total	**4**	**3,141**	**4**	**3,149**

Financial instruments measured at fair value - Bank

As at 31 December 2020	Fair value measurement using			
	Level 1	Level 2	Level 3	Total asset/ liability at Fair value
Financial Assets				
Financial assets at fair value through profit or loss	286	142	-	428
Financial assets mandatorily at fair value through profit or loss	65	23	78	166
Derivative financial instruments	1	5,568	16	5,585
Investment securities at fair value through other comprehensive income	789	1,999	26	2,814
Total	**1,141**	**7,732**	**120**	**8,993**
Financial Liabilities				
Due to customers designated as at fair value through profit or loss	-	426	-	426
Derivative financial instruments	-	3,318	3	3,321
Total	**-**	**3,744**	**3**	**3,747**

As at 31 December 2019	Fair value measurement using			
	Level 1	Level 2	Level 3	Total asset/ liability at Fair value
Financial Assets				
Financial assets at fair value through profit or loss	237	173	-	410
Financial assets mandatorily at fair value through profit or loss	60	16	136	212
Derivative financial instruments	9	4,819	5	4,833
Investment securities at fair value through other comprehensive income	616	2,106	33	2,755
Total	**922**	**7,114**	**174**	**8,210**
Financial Liabilities				
Due to customers designated as at fair value through profit or loss	-	279	-	279
Derivative financial instruments	4	2,863	3	2,870
Total	**4**	**3,142**	**3**	**3,149**

The tables below present the fair values for the assets and liabilities classified as held-for-sale in the Group's and the Bank's Statement of Financial Position and measured at fair value for 31 December 2020 and 2019:

Held for Sale Operations - Financial instruments measured at fair value - Group

As at 31 December 2020	Fair value measurement using			
	Level 1	Level 2	Level 3	Total asset/ liability at Fair value
Financial Assets				
Financial assets at fair value through profit or loss	6	20	-	26
Derivative financial instruments	-	1	-	1
Investment securities at fair value through other comprehensive income	1,354	1,719	10	3,083
Insurance related assets and receivables	115	126	-	241
Total	**1,475**	**1,866**	**10**	**3,351**

Held for Sale Operations - Financial instruments measured at fair value - Group

As at 31 December 2019	Fair value measurement using			
	Level 1	Level 2	Level 3	Total asset/ liability at Fair value
Financial Assets				
Financial assets at fair value through profit or loss	4	16	-	20
Derivative financial instruments	-	1	-	1
Investment securities at fair value through other comprehensive income	1,095	1,612	12	2,719
Insurance related assets and receivables	130	133	-	263
Total	**1,229**	**1,762**	**12**	**3,003**

Transfers between Level 1 and Level 2

As at 31 December 2020, certain fair value through profit or loss securities issued by European Stability Mechanism ("ESM") for which the Group determined that sufficient liquidity and trading existed as of that date, have been transferred from Level 2 to Level 1 according to the Group's fair value hierarchy policy. The carrying amount of the fair value through profit or loss securities transferred as at 31 December 2020 was €43 million.

As at 31 December 2019, certain fair value through profit or loss securities issued by ESM and EFSF for which the Group determined that sufficient liquidity and trading did not exist as of that date, have been transferred from Level 1 to Level 2 according to the Group's fair value hierarchy policy. The carrying amount of the fair value through profit or loss securities transferred as at 31 December 2019 was €85 million.

All transfers between levels are assumed to take place at the end of the reporting period.

Level 3 financial instruments

Level 3 financial instruments at 31 December 2020 and 31 December 2019 include:

(a) Derivative products, which are valued using valuation techniques with significant unobservable inputs, including certain correlation products, such as correlation between various interest indices. They also include derivatives for which the CVA is based on significant unobservable inputs and the amount of the CVA is significant relative to the total fair value of the derivative.

(b) Securities mandatorily at fair value through profit or loss, for which the models used to estimate their fair value is based on unobservable credit spreads or which are price-based and the price is obtained from the issuers of the securities. They also include loans and advances to customers mandatorily measured at fair value through profit or loss, valued using discounted cash flow valuation techniques incorporating unobservable credit spreads.

(c) Equity securities at fair value through other comprehensive income, which are not traded in active markets and their fair value is estimated using an income or market approach, for which the main inputs used are not market observable.

The table below presents a reconciliation of all Level 3 fair value measurements for the year ended 31 December 2020 and 31 December 2019, including realized and unrealized gains/(losses) included in the "Income Statement" and "Statement of Other Comprehensive Income".

Transfers into or out of Level 3

The Group conducts a review of the fair value hierarchy classifications on a quarterly basis.

For the year ended 31 December 2020 transfers from Level 2 into Level 3 include derivative instruments for which the bilateral CVA adjustment is significant to the base fair value of the respective instruments. Transfers from Level 3 into Level 2 include derivative instruments for which the bilateral CVA adjustment is no longer significant to the base fair value of the respective instruments.

For the year ended 31 December 2019, transfers from Level 2 into Level 3 include equity securities no longer traded in active markets.

Reconciliation of fair value measurements in Level 3 – Group

	2020		
Group	Net derivative financial instruments	Investment securities at FVTOCI	Mandatorily at FVTPL
Balance at 1 January	**2**	**34**	**136**
Gain/(loss) included in Income Statement	6	-	(2)
Gain/(loss) included in OCI	-	(8)	-
Settlements	-	-	(56)
Transfer into/(out of) level 3	5	-	-
Balance at 31 December	**13**	**26**	**78**

	2019		
Group	Net derivative financial instruments	Investment securities at FVTOCI	Mandatorily at FVTPL
Balance at 1 January	**4**	**48**	**159**
Gain/(loss) included in Income Statement	(1)	-	(18)
Gain/(loss) included in OCI	-	(2)	-
Purchases	-	1	12
Sales	-	(14)	(1)
Settlements	(1)	-	(16)
Transfer into/(out of) level 3	-	1	-
Balance at 31 December	**2**	**34**	**136**

Reconciliation of fair value measurements in Level 3 – Bank

Bank	2020 Net derivative financial instruments	2020 Investment securities at FVTOCI	2020 Mandatorily at FVTPL
Balance at 1 January	**2**	**34**	**136**
Gain/(loss) included in Income Statement	6	-	(2)
Gain/(loss) included in OCI	-	(7)	-
Settlements	-	-	(56)
Transfer into/(out of) level 3	5	-	-
Balance at 31 December	**13**	**27**	**78**

Bank	2019 Net derivative financial instruments	2019 Investment securities at FVTOCI	2019 Mandatorily at FVTPL
Balance at 1 January	**4**	**48**	**159**
Gain/(loss) included in Income Statement	(1)	-	(18)
Gain/(loss) included in OCI	-	(2)	-
Purchases	-	1	12
Sales	-	(14)	(1)
Settlements	(1)	-	(16)
Transfer into/(out of) level 3	-	1	-
Balance at 31 December	**2**	**34**	**136**

It is noted that settlements of Mandatorily FVTPL financial assets for the Group and the Bank include €32 million, relating to a loan that was substantially modified during Q4.20 and therefore was derecognised, the new loan is classified as loans and advances to customers at amortised cost.

Changes in unrealised gains/(losses) included in the income statement of financial instruments measured at fair value using significant unobservable inputs (Level 3), relate to financial assets mandatorily at fair value through profit or loss and net derivative financial instruments, and amount to €(1) million and €8 million respectively, for the Group and the Bank, for the year ended 31 December 2020 and for the year ended 31 December 2019 amount to €(18) million and €1 million respectively, for the Group and the Bank.

Valuation Process and Control Framework

The Group has various processes in place to ensure that the fair values of its assets and liabilities are reasonably estimated and has established a control framework which is designed to ensure that fair values are validated by functions independent of the risk-taker. To that end, the Group utilizes various sources for determining the fair values of its financial instruments and uses its own independent functions to validate these results, where possible.

Fair values of debt securities are determined either by reference to prices for traded instruments in active markets, to external quotations or widely accepted financial models, which are based on market observable or unobservable information where the former is not available, as well as relevant market based parameters such as interest rates, option volatilities, currency rates, etc.

The Group may, sometimes, also utilize third-party pricing information, and perform validating procedures on this information to the extent possible or base its fair value on the latest transaction prices available, given the absence of an active market or similar transactions or other market observable inputs. All such instruments are categorized within the lowest level of fair value hierarchy (i.e. Level 3).

Generally, fair values of debt securities, including significant inputs on the valuation models are independently checked and validated by the Middle Office and Risk Management Function on a systematic basis.

Fair values of derivatives are determined by Management using valuation models which include discounted cash-flow models, option pricing models or other appropriate models. Adequate control procedures are in place for the validation of these models, including the valuation inputs, on a systematic basis. Middle Office and Risk Management functions provide the control valuation framework necessary to ensure that the fair values are reasonably determined, reflecting current market circumstances and economic conditions. Furthermore, over-the-counter derivatives are also compared on a daily basis with counterparties' valuations, under the daily collateral management process.

Market Valuation Adjustments

Counterparty credit risk-adjustments are applied to all over-the-counter derivatives. Own credit-risk adjustments are applied to reflect the Group's own credit risk when valuing derivatives. Bilateral credit-risk adjustments consider the expected cash flows between the Group and its counterparties under the relevant terms of the derivative instruments and the effect of the credit-risk profile of the counterparties on the valuation of these cash flows. Where appropriate, the Group takes into consideration the credit-risk mitigating arrangements, including collateral agreements and master netting arrangements, for the purpose of estimating own and counterparty credit risk valuation adjustments.

Quantitative Information about Level 3 Fair Value Measurements | 31 December 2020

Financial Instrument	Fair Value	Valuation Technique	Significant Unobservable Input	Range of Inputs Low	Range of Inputs High
Investment securities mandatorily at fair value through profit or loss	8	Price based	Price	102.00	102.00
	1	Discounted Cash Flows	Credit Spread	824 bps	824 bps
Interest Rate Derivatives	10	Discounted Cash Flows, Internal Model (for CVA/DVA)	Credit Spread	210 bps	453 bps
	(1)	Discounted Cash Flows	Constant Maturity Swap correlation between different tenors	72.80%	100.00%
Other Derivatives	3	Discounted Cash Flows, Internal Model (for CVA/DVA)	Credit Spread	210 bps	453 bps
Investment Securities at fair value through other comprehensive income	26	Income and market approach	n/a[1]	n/a[1]	n/a[1]
Loans and advances to customers mandatorily at fair value through profit or loss	69	Discounted Cash Flows	Credit Spread	200 bps	650 bps

[1] Equity securities at fair value through other comprehensive income include equity securities which are not traded in active markets. In the absence of an active market we estimate the fair value of these securities using a market or an income valuation approach. Given the bespoke nature of the valuation method in respect of each holding, it is not practicable to quote a range of unobservable inputs.

Quantitative Information about Level 3 Fair Value Measurements | 31 December 2019

Financial Instrument	Fair Value	Valuation Technique	Significant Unobservable Input	Range of Inputs Low	Range of Inputs High
Investment securities mandatorily at fair value through profit or loss	9	Price based	Price	93.76	100.00
	1	Discounted Cash Flows	Credit Spread	729 bps	729 bps
Other Derivatives	2	Discounted Cash Flows, Internal Model (for CVA/DVA)	Credit Spread	91 bps	697 bps
Investment Securities at fair value through other comprehensive income	34	Income and market approach	n/a[1]	n/a[1]	n/a[1]
Loans and advances to customers mandatorily at fair value through profit or loss	127	Discounted Cash Flows	Credit Spread	300 bps	650 bps

[1] Equity securities at fair value through other comprehensive income include equity securities which are not traded in active markets. In the absence of an active market we estimate the fair value of these securities using a market or an income valuation approach. Given the bespoke nature of the valuation method in respect of each holding, it is not practicable to quote a range of unobservable inputs.

Sensitivity of Fair Value Measurements to Changes in Unobservable Inputs

For structured interest rate derivatives, a significant change in the correlation inputs (e.g. the degree of correlation between two different interest rates, or between interest rates and foreign exchange rates) would have a significant impact on the fair value of the individual instrument; however, the magnitude and the direction of the impact depends on whether the Group is long or short the exposure, among other factors. Due to the limited exposure that the Group has to these instruments, a reasonable change in the above unobservable inputs would not be significant to the Group. Additionally, interest rate derivatives include interest rate swaps for which the bilateral credit valuation adjustment is significant in comparison to their fair value. The counterparty credit-risk adjustment in these cases is mainly driven by the internal ratings of the counterparty. A reasonable increase in the credit spread of these entities would result in an insignificant change in the fair value of the Group's and the Bank's financial instruments.

Other derivatives include derivatives for which the bilateral credit valuation adjustment is significant in comparison to their fair value. In these cases, the counterparty credit risk adjustment is mainly driven by the internal ratings of the counterparty. A reasonable increase in the credit spread of these entities would result in an insignificant change in the fair value of the Group's and the Bank's financial instruments.

For loans and advances to customers mandatorily measured at FVTPL, the valuation includes a parameter which is not observable in the market, i.e. the credit spread of the client. A reasonable increase in the respective credit spreads used would not have a significant effect on their fair value for the Group and the Bank.

4.9 Offsetting financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount is reported in the Statement of Financial Position where the Group and the Bank currently have a legally enforceable right to set-off the recognised amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The Group and the Bank enter into various master netting arrangements or similar agreements that do not meet the criteria set by the applicable accounting guidance for offsetting in the Statement of Financial Position but still allow for the related amounts to be set off in the event of a default by the counterparty (such as bankruptcy or a failure to pay or perform). The table below presents the recognised financial instruments that are either offset or subject to master netting arrangements or similar agreements but not offset, as at 31 December 2020 and 2019, and shows under "Net amount" what the net impact would be on the Group's and the Bank's Statement of Financial Position if all set-off rights were exercised.

a. Financial assets subject to offsetting, enforceable netting arrangements and similar agreements

		Group				Bank			
31 December 2020		Derivative instruments (1)	Reverse repurchase agreements (2)	Deposits in margin accounts (2)	**Total**	Derivative instruments (1)	Reverse repurchase agreements (2)	Deposits in margin accounts (2)	**Total**
Gross amounts of recognised financial assets		**6,311**	**200**	**6,557**	**13,068**	**6,311**	**200**	**6,557**	**13,068**
Positive market values from derivative financial instruments that have been offset		(726)	-	-	**(726)**	(726)	-	-	**(726)**
Negative market values from derivative financial instruments		-	-	(2,225)	**(2,225)**	-	-	(2,225)	**(2,225)**
Net amounts of financial assets presented in the Statement of Financial Position		**5,585**	**200**	**4,332**	**10,117**	**5,585**	**200**	**4,332**	**10,117**
Related amounts not set off in the Statement of Financial Position	Financial instruments	(647)	(200)	-	**(847)**	(647)	(200)	-	**(847)**
	Cash collateral received	(880)	-	-	**(880)**	(880)	-	-	**(880)**
Net amount		**4,058**	**-**	**4,332**	**8,390**	**4,058**	**-**	**4,332**	**8,390**

(1) Included in Derivative assets in the Statement of Financial Position of the Group and the Bank as at 31 December 2020.
(2) Included in Due from Banks in the Statement of Financial Position of the Group and the Bank respectively, as at 31 December 2020.

		Group				Bank			
31 December 2019		Derivative instruments (1)	Reverse repurchase agreements (2)	Deposits in margin accounts (2)	**Total**	Derivative instruments (1)	Reverse repurchase agreements (2)	Deposits in margin accounts (2)	**Total**
Gross amounts of recognised financial assets		**5,276**	**175**	**4,104**	**9,555**	**5,276**	**175**	**4,104**	**9,555**
Positive market values from derivative financial instruments that have been offset		(443)	-	-	**(443)**	(443)	-	-	**(443)**
Negative market values from derivative financial instruments		-	-	(1,206)	**(1,206)**	-	-	(1,206)	**(1,206)**
Net amounts of financial assets presented in the Statement of Financial Position		**4,833**	**175**	**2,898**	**7,906**	**4,833**	**175**	**2,898**	**7,906**
Related amounts not set off in the Statement of Financial Position	Financial instruments	(522)	(175)	-	**(697)**	(522)	(175)	-	**(697)**
	Cash collateral received	(789)	-	-	**(789)**	(789)	-	-	**(789)**
Net amount		**3,522**	**-**	**2,898**	**6,420**	**3,522**	**-**	**2,898**	**6,420**

(1) Included in Derivative assets in the Statement of Financial Position of the Group and the Bank as at 31 December 2019.
(2) Included in Due from Banks in the Statement of Financial Position of the Group and the Bank respectively, as at 31 December 2019.

b. Financial liabilities subject to offsetting, enforceable netting arrangements and similar agreements

31 December 2020		Group Derivative instruments [1]	Group Repurchase agreements	Group Total	Bank Derivative instruments [1]	Bank Repurchase agreements	Bank Total
Gross amounts of recognised financial liabilities		**6,272**	**517**	**6,789**	**6,272**	**517**	**6,789**
Negative market values from derivative financial instruments that have been offset		(726)	-	**(726)**	(726)	-	**(726)**
Deposits in margin accounts		(2,225)	-	**(2,225)**	(2,225)	-	**(2,225)**
Net amounts of financial liabilities presented in the Statement of Financial Position		**3,321**	**517**	**3,838**	**3,321**	**517**	**3,838**
Related amounts not set off in the Statement of Financial Position	Financial instruments	(1,507)	(517)	**(2,024)**	(1,507)	(517)	**(2,024)**
	Cash collateral pledged	(1,217)	-	**(1,217)**	(1,217)	-	**(1,217)**
Net amount		**597**	**-**	**597**	**597**	**-**	**597**

[1] *Included in Derivative liabilities in the Statement of Financial Position of the Group and the Bank as at 31 December 2020.*

31 December 2019		Group Derivative instruments [1]	Group Repurchase agreements	Group Total	Bank Derivative instruments [1]	Bank Repurchase agreements	Bank Total
Gross amounts of recognised financial liabilities		**4,519**	**500**	**5,019**	**4,519**	**500**	**5,019**
Negative market values from derivative financial instruments that have been offset		(443)	-	**(443)**	(443)	-	**(443)**
Deposits in margin accounts		(1,206)	-	**(1,206)**	(1,206)	-	**(1,206)**
Net amounts of financial liabilities presented in the Statement of Financial Position		**2,870**	**500**	**3,370**	**2,870**	**500**	**3,370**
Related amounts not set off in the Statement of Financial Position	Financial instruments	(1,344)	(500)	**(1,844)**	(1,344)	(500)	**(1,844)**
	Cash collateral pledged	(1,072)	-	**(1,072)**	(1,072)	-	**(1,072)**
Net amount		**454**	**-**	**454**	**454**	**-**	**454**

[1] *Included in Derivative liabilities in the Statement of Financial Position of the Group and the Bank as at 31 December 2019.*

NOTE 5: Segment reporting

The Group manages its business through the following business segments:

Retail banking

Retail banking includes all individual customers, professionals, small-medium and small-sized companies (companies with annual turnover of up to €2.5 million). The Bank, through its extended network of branches and digital business, offers to its retail customers various types of loans (mortgage, consumer and small business lending), cards (debit, credit and prepaid cards), deposit, investment and bancassurance products, as well as a wide range of other traditional services and products.

Corporate & investment banking

Corporate & investment banking includes lending to all large and medium-sized companies and shipping finance except for exposures transferred to the SAU and investment banking activities. The Group offers its corporate customers a wide range of products and services, including financial and investment advisory services, deposit accounts, loans (denominated in both euro and foreign currency), foreign exchange and trade service activities.

Special Assets Unit (“SAU”)

In order to (a) manage more effectively delinquent, non-performing and denounced loans to legal entities, and (b) ensure compliance with the provisions of the Bank of Greece Executive Committee Act 42/30.5.2014 and Act 47/9.2.2015 and the Code of Conduct (referred to in Article 1(2) of Greek Law 4224/2013), the Bank established the SAU, which has the overall responsibility for the management of such loans to legal entities (end-to-end responsibility).

Global markets and asset management

Global markets and asset management includes all treasury activities, private banking, asset management (mutual funds and closed end funds), custody services, private equity and brokerage.

Insurance

The Group offers a wide range of insurance products through its subsidiary company, NIC and other subsidiaries in SEE. NIC is classified as Held for Sale and Discontinued Operations (see Note 29 “Assets and liabilities held for sale and discontinued operations”).

International banking operations

The Group’s international banking activities include a wide range of traditional commercial banking services, such as commercial and retail credit, trade financing, foreign exchange and taking of deposits. In addition, the Group offers shipping finance, investment banking and brokerage services through certain of its foreign branches and subsidiaries. Non-current assets held for sale at 31 December 2020 and 31 December 2019 comprise of NBG Cyprus Ltd and CAC Coral Ltd. Statement of Financial Position as of 31 December 2019 has been re-presented to exclude the Network in Eqypt (“NBG Egypt”) from held for sale line to specific asset and liability lines. The profit or losses from discontinued operations for the period ended 31 December 2020, include NBG Cyprus Ltd and CAC Coral Ltd. The comparative profit or loss from discontinued operations includes Banca Romaneasca S.A. (“Romaneasca”, “Brom”), NBG Cyprus Ltd, and has been re-presented to also include CAC Coral Ltd (which was classified as discontinued operations in December 2019) and exclude NBG Egypt (which was reclassified as continuing operations in June 2020).

Other

Includes proprietary real estate management, warehousing business as well as unallocated income and expense of the Group (interest expense of subordinated debt, loans to personnel etc.) and intersegment eliminations. The comparative profit or loss from discontinued operations includes NBG Pangaea REIC (currently Prodea Investments S.A.). The disposal of NBG Pangaea REIC was completed on 23 May 2019 (see Note 43 “Acquisitions, disposals and other capital transactions”).

Breakdown by business segment

12 month period ended 31.12.2020	Retail Banking	Corporate & Investment Banking	SAU	Global markets & Asset Management	Insurance	International Banking Operations	Other	Group
Net interest income	353	456	93	204	-	62	1	**1,169**
Net fee and commission income	138	83	3	17	-	12	3	**256**
Other	(26)	(3)	-	1,157	-	-	(31)	**1,097**
Total income	**465**	**536**	**96**	**1,378**	**-**	**74**	**(27)**	**2,522**
Direct costs	(340)	(38)	(11)	(22)	-	(46)	(157)	**(614)**
Allocated costs and provisions[1]	(1,050)	(85)	(133)	(36)	-	(11)	(180)	**(1,495)**
Profit / (loss) before tax	**(925)**	**413**	**(48)**	**1,320**	**-**	**17**	**(364)**	**413**
Tax benefit / (expense)								**(11)**
Profit for the period from continuing operations								**402**
Non-controlling interests								**(2)**
Profit/(loss) for the period from discontinued operations	-	-	-	-	(358)	(4)	-	**(362)**
Profit attributable to NBG equity shareholders								**38**
Depreciation and amortisation	68	4	1	2	-	6	73	**154**
Credit provisions and other impairment charges	867	53	116	25	-	11	34	**1,106**
Non current asset additions	13	5	-	-	-	2	151	**171**

[1] Includes depreciation and amortisation on investment property, property & equipment, software & other intangible assets.

Breakdown by business segment

12 month period ended 31.12.2019	Retail Banking	Corporate & Investment Banking	SAU	Global markets & Asset Management	Insurance	International Banking Operations	Other	Group
Net interest income	389	446	115	169	-	67	4	**1,190**
Net fee and commission income	124	92	5	18	-	14	3	**256**
Other	(27)	(14)	(3)	274	-	(5)	5	**230**
Total income	**486**	**524**	**117**	**461**	**-**	**76**	**12**	**1,676**
Direct costs	(389)	(42)	(14)	(30)	-	(43)	(206)	**(724)**
Allocated costs and provisions[2]	(614)	61	10	(2)	-	(40)	(110)	**(695)**
Profit / (loss) before tax	**(517)**	**543**	**113**	**429**	**-**	**(7)**	**(304)**	**257**
Tax benefit / (expense)								**(14)**
Profit for the period from continuing operations								**243**
Non controlling interests								**(18)**
Profit / (loss) for the period from discontinued operations	-	-	-	-	(461)	(78)	59	**(480)**
Profit attributable to NBG equity shareholders								**(255)**
Depreciation, amortisation & impairment charges[1]	78	4	1	3	-	4	36	**126**
Credit provision and other impairment charges	436	(92)	(33)	(8)	-	39	3	**345**
Non current asset additions	6	-	-	1	-	3	127	**137**

[2] Includes depreciation and amortisation on investment property, property & equipment, software & other intangible assets.

Breakdown by business segment

	Retail Banking	Corporate & Investment Banking	SAU	Global Markets & Asset Management	Insurance	International Banking Operations	Other	Group
Segment assets as at 31 December 2020								
Segment assets	11,041	13,558	1,180	33,274	-	2,216	3,708	**64,977**
Current income tax advance and deferred tax assets								**5,249**
Non-current assets held for sale	2,206	699	-	-	3,699	652	3	**7,259**
Total assets								**77,485**
Segment liabilities as at 31 December 2020								
Segment liabilities	40,547	4,413	196	18,100	-	1,519	3,676	**68,451**
Current income and deferred tax liabilities								**16**
Liabilities associated with non-current assets held for sale	-	-	-	-	3,342	597	-	**3,939**
Total liabilities								**72,406**

Breakdown by business segment

	Retail Banking	Corporate & Investment Banking	SAU	Global Markets & Asset Management	Insurance	International Banking Operations	Other	Group
Segment assets as at 31 December 2019								
Segment assets	14,356	12,429	1,482	20,033	-	2,479	3,739	**54,518**
Current income tax advance and deferred tax assets								**5,277**
Non-current assets held for sale	95	297	-	-	3,442	604	15	**4,453**
Total assets								**64,248**
Segment liabilities as at 31 December 2019								
Segment liabilities	36,406	3,272	148	10,430	-	1,668	3,553	**55,477**
Current income and deferred tax liabilities								**12**
Liabilities associated with non-current assets held for sale	-	-	-	-	2,831	651	-	**3,482**
Total liabilities								**58,971**

Breakdown by location

12 month period ended 31 December 2020	Greece	S.E. Europe	Other	Group
Net interest income	1,107	55	7	**1,169**
Net fee and commission income	244	11	1	**256**
Other	1,097	4	(4)	**1,097**
Total income	**2,448**	**70**	**4**	**2,522**
Direct costs	(568)	(32)	(14)	**(614)**
Allocated costs and provisions[1]	(1,484)	(9)	(2)	**(1,495)**
Profit before tax	**396**	**29**	**(12)**	**413**
Tax benefit / (expense)				**(11)**
Profit for the period from continuing operations				**402**
Non-controlling interests				**(2)**
Discontinued operations	(358)		(4)	**(362)**
Profit attributable to NBG equity shareholders				**38**
Depreciation and amortisation[1]	148	4	2	**154**
Credit provisions and other impairment charges	1,095	9	2	**1,106**
Non-current asset additions	169	2	-	**171**
Non-current assets	2,446	42	8	**2,496**

[1] Includes depreciation and amortisation on investment property, property & equipment including RoU assets, software & other intangible assets.

Breakdown by location

12 month period ended 31 December 2019	Greece	S.E. Europe	Other	Group
Net interest income	1,123	55	12	**1,190**
Net fee and commission income	242	13	1	**256**
Other	235	3	(8)	**230**
Total income	**1,600**	**71**	**5**	**1,676**
Direct costs	(681)	(32)	(11)	**(724)**
Allocated costs and provisions[2]	(655)	(34)	(6)	**(695)**
Profit before tax	**264**	**5**	**(12)**	**257**
Tax benefit / (expense)				**(14)**
Loss for the period from continuing operations				**243**
Non-controlling interests				**(18)**
Profit/(loss) for the period from discontinued operations	(402)	(28)	(50)	**(480)**
Loss attributable to NBG equity shareholders				**(255)**
Depreciation and amortisation[1]	122	4	-	**126**
Credit provisions and other impairment charges	306	33	6	**345**
Non-current asset additions	134	3	-	**137**
Non-current assets	2,366	45	10	**2,421**

[2] Includes depreciation and amortisation on investment property, property & equipment, software & other intangible assets.

NOTE 6: Net interest income

Continuing Operations	Group 31.12.2020	Group 31.12.2019	Bank 31.12.2020	Bank 31.12.2019
Interest earned on:				
Amounts due from banks	71	14	72	15
Financial assets at fair value through profit or loss	7	9	7	9
Investment securities	195	209	191	204
Loans and advances to customers	1,102	1,214	1,006	1,120
Interest and similar income	**1,375**	**1,446**	**1,276**	**1,348**
Interest payable on:				
Amounts due to banks	(17)	(34)	(17)	(36)
Amounts due to customers	(102)	(161)	(96)	(151)
Debt securities in issue and other borrowed funds	(59)	(42)	(59)	(40)
Lease liability	(28)	(19)	(44)	(47)
Interest expense and similar charges	**(206)**	**(256)**	**(216)**	**(274)**
Net interest income	**1,169**	**1,190**	**1,060**	**1,074**

NOTE 7: Net fee and commission income

Continuing Operations	Group 31.12.2020	Group 31.12.2019	Bank 31.12.2020	Bank 31.12.2019
Custody, brokerage & investment banking	13	10	8	4
Retail lending fees	51	44	49	40
Corporate lending fees	83	89	74	82
Banking fees & similar charges	99	102	97	100
Fund management fees	10	11	-	-
Net fee and commission income	**256**	**256**	**228**	**226**

NOTE 8: Net trading income / (loss) and results from investment securities

Continuing Operations	Group 31.12.2020	Group 31.12.2019	Bank 31.12.2020	Bank 31.12.2019
Net trading result and other net unrealized gains / (losses) from financial instruments	-	62	-	62
Net gain / (loss) from disposal of investment debt securities	386	109	383	110
Total	**386**	**171**	**383**	**172**

"Net gain / (loss) from disposal of investment debt securities" for the year ended 31 December 2020 include €373 million gains from sales of Greek Government Bonds (2019: €27 million).

In February 2019, the Bank exchanged the Swap with the Hellenic Republic for three Greek government bonds maturing in 2023, 2025 and 2026 with a total nominal value of €3,314 million and fair value of €3,282 million. A gain of €65 million was recognized from the transaction in "Net trading result and other net unrealized gains/(losses) from financial instruments", which includes the release of the CVA on the Swap with the Hellenic Republic.

NOTE 9: Net other income / (expenses)

	Group		Bank	
Continuing Operations	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Income from non-banking activities	44	66	11	37
Dividends	4	4	12	11
Deposit Insurance Premium	(52)	(53)	(49)	(51)
Withholding taxes and duties on loans granted	(55)	(58)	(55)	(57)
Total	**(59)**	**(41)**	**(81)**	**(60)**

Deposit Insurance Premium for the Bank includes €31 million regarding the regular contribution to the Hellenic Deposit and Investment Guarantee Fund (“HDIGF”) Resolution Leg (2019: €34 million) and €18 million contribution towards the Single Resolution Fund (“SRF”) (2019: €16 million).

NOTE 10: Personnel expenses

	Group		Bank	
Continuing Operations	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Salaries and other staff related benefits	507	594	479	565
Pension costs: defined benefit plans (see Note 11)	10	11	10	10
Total	**517**	**605**	**489**	**575**

“Salaries and other staff related benefits” include the amount of €26 million (2019: €26 million) paid to IKA-ETAM in accordance with Greek Law 3655/2008, after the incorporation of the Bank’s main pension fund into the main pension branch of the state sponsored social security fund IKA–ETAM as of 1 August 2008. This amount will be paid annually to IKA-ETAM for the next 3 years up to 2023 (see Note 11).

“Salaries and other staff related benefits” also include €37 million relating to the estimated additional social security for employees insured with National Bank of Greece Auxiliary Pension Plan ("LEPETE") for the year 2020. In 2019, the respective estimated additional social security contribution for the years 2018-2019 was €90 million (see also Note 11).

The average number of employees from continuing operations for the Group during the period from 1 January 2020 up to 31 December 2020 was 9,516 (2019: 10,147) and for the Bank was 8,191 (2019: 8,783). The decrease on the number of employees in 2020 is due to the Voluntary Exit Scheme (“VES”), in which 863 and 840 employees for the Group and the Bank, respectively, participated in the scheme (see Note 11).

NOTE 11: Retirement benefit obligation

I. Defined Contribution Plans

National Bank of Greece Pension Plan

In accordance with Greek Law 3655/2008, applicable from April 2008, the Bank’s main pension plan, which was a defined-contribution plan, has been incorporated into the main pension branch of the state sponsored social security fund IKA–ETAM as of 1 August 2008. Pursuant to Greek Law 3655/2008, the Bank will contribute €26 million per annum into IKA–ETAM for 15 years starting from December 2009. This legislation also prescribes that employer contributions made by the Bank will be reduced every three years in equal increments from 26.50% in 2013 until they reach 13.33% of employees’ gross salary, for employees who joined any social security plan prior to 1 January 1993.

However, in accordance with Greek Law 4387/2016 and Ministry decision number F11321/OIK.45947/1757/2016 (Govt. Gazette 4458/B/30.12.2016), from 1 January 2017, the Bank’s employer contributions reduced equally every year and they reach 13.33% in 2020 (31 December 2019: 14.98%). Additionally, the aforementioned law introduced a maximum gross monthly income of 5,860.80 euros, upon which social security contributions are calculated, (the amount was increased to 6,500 euros from 1 February 2019). Employer contributions for employees, who joined any social security fund post 1 January 1993, will remain at 13.33%.

National Bank of Greece Auxiliary Pension Plan ("LEPETE")

On 10 June 2019 a legislative amendment (Article 24, Greek Law 4618/2019) was enacted effectively transferring Bank employees and pensioners from LEPETE to Unified Fund for Auxiliary Insurance and Lump Sum Benefits (“ETEAEP”), the state auxiliary pension plan. The legislative amendment stipulated, inter alia, that the Bank should cover the following costs:

a) the normal employer's contributions for the employees transferred to ETEAEP, from 1 January 2019 and onwards. The applicable rates are 3.50% from 1 January to 31 May 2019, 3.25% from 1 June 2019 to 31 May 2022 and 3.00% from 1 June 2022 and onwards;

b) a retrospective payment in relation to the 2018 pensions to be calculated on the basis provided by Greek Law 4618/2019. This amount has been estimated by the Bank at €50 million. The Greek Law 4618/2019 provides that the 1/5 of the total amount was payable by 31 August 2019 whereas the remaining amount is due in instalments and at the latest by 31 December 2020;

c) supplementary social security contributions of €40 million per annum from 2019 to 2023;

d) supplementary employer's contributions from 1 January 2024 onwards to be defined following a study to be prepared by the Greek National Actuarial Authority. The Bank cannot provide a reasonable estimate of the related costs, as Greek Law 4618/2019 does not provide the basis under which the relevant study would be carried out, nor the required clarity as to the extent that any shortfalls would be covered by the Bank; and

e) the normal employees' contributions for the period from 1 January to 31 May 2019, only.

Further to this legislative amendment and related Ministerial Decision 28153/276/21.6.2019, on 5 July 2019, the Bank addressed a statement to ETEAEP informing it that it will continue to pay to ETEAEP, as from 1 June 2019 onwards, the corresponding, in accordance with the applicable provisions, auxiliary pension employer's and employee's contributions with regard to the persons (employees) who had been insured by LEPETE up to the enactment of the aforementioned legislative amendment. The Bank also pointed out that any private relationship between the Bank and LEPETE has been terminated and thus no payment of any kind will be made in future.

On 2 July 2019 and 29 November 2019, the Bank paid amounts of €36 million and €4 million, respectively, with respect to the supplementary contribution for 2019 and on 3 February 2020 the Bank paid €20 million as the first instalment of the supplementary social security contributions for 2020, as required by the Ministerial Decision (see (c) above).

On 19 March 2020, a legislative amendment (Article 63, Greek Law 4680/2020) on Article 24 of Greek Law 4618/2019 was passed ("the amendment"), changing the previous status described above. According to the amendment, the employees insured with LEPETE were transferred to the former ETEAEP and are now governed by the legislation of the Auxiliary Insurance Plan of Single Social Security Entity ("e-EFKA"). As a result, the Bank is liable for normal employer's contributions described in item (a) above. The Bank is also obligated to pay an additional social security contribution to the Auxiliary Insurance Plan of e-EFKA for the years 2018 to 2032, amounting to 12.0% per annum of the gross salaries of employees with any employment relationship with the Bank on 31 December of each respective year. These additional annual contributions from the Bank was duly paid for the year 2018 by 30 June 2020 and for the remaining years the contribution is payable by the last business day of the first quarter of each following year. The additional contribution for the years 2019 and 2020 is offset by the additional contribution paid by the Bank to the former ETEAEP pursuant to Article 24 of Greek Law 4618/2019, as in force prior to its replacement herein. With the payment of the above additional social security contributions the obligation of the Bank to the Auxiliary Insurance Plan of e-EFKA as well as to any other third party is exhausted.

There are pending legal actions against the Bank from LEPETE and former employees who are disputing the defined contribution nature of the plan, claiming that the Bank has an obligation to cover any deficit arising. The Bank for the one of the First Instance Court decisions appealed directly to the Supreme Court.

In December 2020, the Supreme Court issued the decisions 1238/2020 and 1239 /2020 on appeals filed by the Bank and the opponents which were discussed on 17 December 2019. More specifically, the decision 1239/2020 accepted the appeal of the Bank and the decision 1238/2020 rejected the –auxiliary- appeal of the opponents.

Other Defined Contribution Pension Plans

The London branch of the Bank, NBG Asset Management Mutual Funds, Pronomiouhos S.A. Genikon Apothikon Hellados and NBG Leasing S.A. also make contributions to other defined contribution pension plans and funds for their employees.

Defined contribution health plans

Contributions by the Bank to the National Bank of Greece Health Plan ("T.Y.P.E.T.") amount to 6.25% of employees' salaries. Employees' contributions amount to 2.5% of their salaries. Additional contributions are paid for insured members of the employees' families (such as spouse that does not work and children) and are increased further in the event that the insured spouse is employed or that members of the paternal family are also insured. Contributions of retired employees amount to 4% of their pensions, while additional contributions are paid for other insured members of their families. T.Y.P.E.T. offers health benefits to employees before and after their retirement, and to insured members of their families.

Total contributions to social security funds, state run plans and defined contribution plans for the Group and for 2020 and 2019 were €171 million and €238 million respectively. The respective figures for the Bank were €166 million and €232 million respectively. As mentioned above, as of 1 August 2008, the Bank's pension plan was incorporated into IKA-ETAM and therefore ceased to exist as separate defined contribution plan.

National Bank of Greece Lump Sum Benefit Plan

Up to 2013, the Bank did not contribute to the aforementioned plan. Following the amendment of the aforementioned plan's regulation, from 1 January 2014 the Bank pays voluntary contribution of 2.0% and up to €11,556.00 total remuneration.

II. Defined Benefit Plans

Retirement indemnities

Most of the Group companies are required by local law to offer retirement indemnities to employees leaving service to retire. Such retirement indemnities are in the form of a lump sum payment based usually on final salary and years of service, the calculation of which depends on the jurisdiction in which the company operates and the employee's profession (e.g. Greek Law provides for different indemnities for salaried employees, wage earners and lawyers). In some cases, Group company regulations provide for additional benefits to employees above the statutory minimum.

In accordance with Greek Law 4046/2012 and Board of Ministers' Decision (6/28.2.2012), from 14 February 2012 onwards, the employment contracts that lapse on attainment of the normal retirement age or based on the particular retirement conditions, are considered as indefinite duration employment contracts and therefore, the provisions for employees statutory retirement indemnity of Greek Law 2112/1920, are applied.

Prior to the enactment of the above Law, the Bank considered the employment contracts with its employees as finite duration contracts; therefore no provision for staff leaving indemnity was recognized.

On 12 November 2012, the new Greek Law 4093/2012 (GG A' 222) decreased the Greek Law 2112/1920 statutory indemnity scale in case of employee dismissal or normal retirement. The new law restricts the maximum indemnity payable to an employee upon dismissal or retirement, to 12 monthly salaries instead of 24.

The transitional provisions of the law state that for employees who on 12 November 2012 had 17 or more full years of service to the same employer there is an additional monthly salary as indemnity per year and up to 24 monthly salaries. In case of dismissal the additional monthly salary is restricted to 2,000 euros.

Lump sum and annuity benefits

Former Ethnokarta employees are entitled to benefits from Deposit Administration Fund ("DAF") type policies, which offer lump sum benefits and pension benefits additional to those offered by social security funds or main pension plans. Such benefits are usually based on the employees' salary and years of service, and vary depending on the provisions of each policy.

Benefits for the employees' children

Benefits to employees' children are lump sum and are also based on the parents' salary and pension where applicable and on the age at which the child receives the benefits. Such benefits are offered to former Ethnokarta employees' children through a DAF type policy, as well as to the Bank's employees' children through a separate fund.

Pension cost for these defined benefit plans and termination indemnities includes the following components which are recognised in the Income Statement for the periods ended:

Pension costs – defined benefit plans

	Group		Bank	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Service cost	7	7	7	6
Net interest expense on the net defined benefit liability/(asset)	3	4	3	4
Loss / (income) on curtailments /settlements and other expense/ (income)	108	85	106	84
Less amounts recognized as restructuring cost	(108)	(85)	(106)	(84)
Total	**10**	**11**	**10**	**10**

In 2020, "Loss / (income) on curtailments / settlements and other expense / (income)" mainly include the 2020 VES cost and 2019 ongoing VES cost implemented mainly by the Bank and the domestic subsidiaries, amounting to €108 million for the Group and €106 million for the Bank.

Furthermore, the amount of €108 million is recognised as restructuring cost (see also Note 14), relates to the cost recognized during 2020 in the context of Bank's commitment under the 2019 Restructuring Plan to decrease its total FTEs at domestic level (see Note 16).

In 2019, "Loss / (income) on curtailments / settlements and other expense / (income)" mainly include the ongoing VES cost implemented by the Bank, amounting to €85 million for the Group and €84 million for the Bank.

Furthermore, the amount of €85 million is recognised as restructuring cost (see also Note 14), relates to the cost recognized during 2019 in the context of Bank's commitment under the 2019 Restructuring Plan to decrease its total FTEs at domestic level (see Note 46).

Net liability in Statement of Financial Position

	Group		Bank	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Present value of funded obligations	146	141	146	141
Fair value of plan assets	(2)	(6)	(2)	(6)
	144	**135**	**144**	**135**
Present value of unfunded obligations	156	132	153	129
Total	**300**	**267**	**297**	**264**

Movement in net liability

	Group		Bank	
	2020	2019	2020	2019
Net liability at the beginning of the period	**267**	**239**	**264**	**237**
Actual employer contributions paid	(5)	(6)	(5)	(6)
Benefits paid directly	(98)	(87)	(95)	(86)
Total expenses recognized in the income statement - continuing operations	118	96	116	94
Amount recognized in the OCI	18	25	17	25
Net liability at the end of the period	**300**	**267**	**297**	**264**

Remeasurements on the net liability

	Group		Bank	
	2020	2019	2020	2019
Liability (gain)/loss due to changes in assumptions	15	24	15	24
Liability experience (gain)/loss arising during the year	3	1	2	1
Total amount recognized in OCI	**18**	**25**	**17**	**25**

In 2021, the Group and the Bank are expected to make €13 million and €13 million respectively, in contributions to funded plans, and pay €39 million and €39 million respectively, in retirement indemnities.

Reconciliation of defined benefit obligation

	Group		Bank	
	2020	2019	2020	2019
Defined benefit obligation at the beginning of the period	**273**	**250**	**270**	**248**
Service cost-continuing operations	7	7	7	6
Interest cost -continuing operations	3	4	3	4
Employee contributions	1	2	1	2
Benefits paid from the Fund	(10)	(13)	(10)	(13)
Benefits paid directly	(98)	(87)	(95)	(86)
Losses/(gains) on curtailments / settlements- continuing operations	108	85	106	84
Remeasurements (gains)/losses:				
Loss/(Gain) - financial assumptions	15	24	15	24
Loss/(Gain) - demographic assumptions	-	-	-	-
Loss/(Gain) - experience	3	1	2	1
Defined benefit obligation at the end of the period	**302**	**273**	**299**	**270**

Reconciliation of plan assets

	Group		Bank	
	2020	2019	2020	2019
Fair value of plan assets at the beginning of the period	**6**	**11**	**6**	**11**
Employer contributions	5	6	5	6
Employee contributions	1	2	1	2
Benefits paid from the fund	(10)	(13)	(10)	(13)
Fair value of plan assets at the end of the period	**2**	**6**	**2**	**6**

The weighted average assumptions used to determine the pension costs for these defined benefit obligations, for the years ended 31 December 2020 and 31 December 2019 are:

Weighted average assumptions at the end of the reporting period

	Group		Bank	
	2020	2019	2020	2019
Discount rate	0.5%	1.0%	0.5%	1.0%
Price inflation	1.5%	1.5%	1.5%	1.5%
Rate of compensation increase	1.5%	1.5%	1.5%	1.5%
Pension increase	0.0%	0.0%	0.0%	0.0%
Plan duration	12.5	12.2	13.0	12.3

The following table presents a sensitivity analysis for each significant actuarial assumption showing how the defined benefit obligation would have been affected by changes in the relevant actuarial assumption that were reasonably possible at the balance sheet date.

Sensitivity analysis of significant actuarial assumptions-Group

		31 December 2020
Actuarial assumption	**Change in Assumptions**	**Increase / (decrease) in defined benefit obligation**
Discount rate	Increase by 50 basis points	(5.6) %
	Decrease by 50 basis points	7.0%
Price inflation	Increase by 50 basis points	0.5%
	Decrease by 50 basis points	(0.5)%
Rate of compensation increase	Increase by 50 basis points	4.8%
	Decrease by 50 basis points	(4.5)%
Pension growth rate	Increase by 50 basis points	1.1%
	Decrease by 50 basis points	(1.0)%
Life Expectancy	Plus 1 year	0.9%
	Minus 1 year	(0.9)%

Sensitivity analysis of significant actuarial assumptions-Bank

		31 December 2020
Actuarial assumption	**Change in Assumptions**	**Increase / (decrease) in defined benefit obligation**
Discount rate	Increase by 50 basis points	(5.8)%
	Decrease by 50 basis points	7.4%
Price inflation	Increase by 50 basis points	0.6%
	Decrease by 50 basis points	(0.6)%
Rate of compensation increase	Increase by 50 basis points	5.1%
	Decrease by 50 basis points	(4.7)%
Pension growth rate	Increase by 50 basis points	1.3%
	Decrease by 50 basis points	(1.2)%
Life Expectancy	Plus 1 year	1.0%
	Minus 1 year	(1.0)%

Allocation of plan assets

The allocation of plan assets for the Group and the Bank of amount €2 million (31 December 2019: €6 million) relates mainly to assets of DAF policies issued by the Group’s insurance company NIC.

NOTE 12: General, administrative & other operating expenses

Continuing Operations	Group 31.12.2020	Group 31.12.2019	Bank 31.12.2020	Bank 31.12.2019
Duties and taxes	17	16	12	10
Utilities	50	50	46	47
ATM and POS related expenses	2	6	2	5
Travelling and transportation expenses	9	12	6	9
Rentals	2	3	2	2
Maintenance and other related expenses	14	13	12	10
Consulting, audit, legal and outsourcing expenses	46	51	39	45
Promotion and advertisement and donation expenses	27	32	26	31
Subscriptions, contributions, consumables and entertainment expenses	17	19	16	16
Other administrative expenses	11	23	9	20
Total	**195**	**225**	**170**	**195**

NOTE 13: Credit provisions and other impairment charges

Continuing Operations	Group 31.12.2020	Group 31.12.2019	Bank 31.12.2020	Bank 31.12.2019
a. Impairment charge for expected credit losses ("ECL")				
Loans and advances to customers at amortised cost	1,057	329	1,103	344
Net modification loss	14	38	14	38
	1,071	**367**	**1,117**	**382**
b. Impairment charge for securities				
Investment in debt instruments	25	(8)	25	(8)
	25	**(8)**	**25**	**(8)**
c. Other provisions and impairment charges				
Impairment of investment property, property and equipment, software & other intangible assets and other assets	(4)	3	4	-
Impairment of investment in subsidiaries	-	-	4	-
Legal and other provisions	14	(17)	5	(15)
	10	**(14)**	**13**	**(15)**
Total	**1,106**	**345**	**1,155**	**359**

Impairment charge for ECL for the Group and the Bank includes additional impairment losses resulting from the HfS classification of the Frontier transaction of €0.4 billion as well as the total estimated COVID-19 impact for the year of €0.4 billion.

Higher expected credit losses have been estimated during the year reflecting the significant impact of the COVID-19 pandemic on the Group and Bank's performance, including overlays applied in response to the current economic uncertainty and exceptional circumstances not adequately captured in the ECL model outputs (refer to Section *"Forward-looking information"* in Note 4.2.6), taking also into account the customer support measures implemented as a result of the COVID-19 pandemic.

NOTE 14: Restructuring cost

For the period ended 31 December 2020 restructuring costs for the Group and the Bank include €126 million and €124 million respectively for the 2020 Voluntary Exit Scheme ("VES") and €11 million direct expenditure incurred relating to the Transformation Program.

For the period ended 31 December 2019 restructuring costs for the Group and the Bank include €96 million and €94 million, respectively cost for the 2019 VES. Additionally, restructuring costs also include €8 million for impairments relating to termination of leases of branches and €14 million direct expenditure relating to the Transformation Program, for the Group and the Bank, respectively.

NOTE 15: Tax benefit /(expense)

	Group		Bank	
Continuing Operations	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Current tax	(8)	(12)	-	-
Deferred tax	(3)	(2)	-	-
Tax benefit / (expense)	**(11)**	**(14)**	**-**	**-**

	Group		Bank	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Profit before tax	**413**	**257**	**278**	**135**
Tax calculated based on the current tax rate of 29% (2019: 29%)	(120)	(75)	(81)	(39)
Adjustments in respect of income tax of previous years	-	(1)	-	-
Effect of different tax rates of subsidiaries	7	3	-	-
Income not subject to taxation and other permanent differences	2	5	4	3
Expenses not deductible for tax purposes	(17)	(15)	(28)	(51)
Effect of unused tax losses and deductible temporary differences not recognised as deferred tax assets	(62)	70	(73)	87
Tax effect of utilization of tax losses not previously recognised	178	-	178	-
Non off-settable taxes with current year income taxes	-	(1)	-	-
Other	1	-	-	-
Income tax expense	**(11)**	**(14)**	**-**	**-**
Effective tax rate for the period	**2.66%**	**5.45%**	**-**	**-**

The nominal corporation tax rate for the Bank for 2020 and 2019 is 29%. Following Greek Law 4646/2019, the withholding tax on dividends distributed from 1 January 2020 onwards is decreased from 10% to 5%.

The unaudited tax years of the Group's investments accounted for by applying the equity method of accounting and subsidiaries are presented in Note 24 and Note 44 respetively.

Based on Greek Law 4646/2019 effective from 2019, the corporate income tax rate for legal entities, other than credit institutions, was reduced to 24%.

Receivables from withholding taxes on bonds and treasury bills

Current income tax advance includes withholding tax receivables of €187 million (2019: €203 million) relating to the financial years 2011, 2012 and 2013 (tax years 2010, 2011 and 2012),, which the Bank claims from the Greek State. On 29 March 2019, an amendment was passed through Law 4605/2019 (article 93, para. 1 & 2) regarding Corporate Income Tax legislation, clarifying the status of these withholding tax receivables of banks. Specifically, (a) taxes of €41 million (2019: €41 million), withheld in accordance with the provisions of para. 8 of article 12 of Law 2238/1994, are offset as a priority when income tax is incurred and to the extent that income tax is sufficient for the purposes of the above set-off and (b) withholding taxes of €146 million (2019: €162 million), which are subject to the provisions of para. 6 of article 3 of Law 4046/2012 and not offset within five years, are offset in equal instalments within 10 years with any tax liabilities of banks, starting from 1 January 2020. The first installment of €16 million has been set-off against other tax liabilities within 2020 and the respective balance as of 31 December 2020 amounts to €146 million.

NOTE 16: Earnings per share

	Group		Bank	
	12-month period ended		12-month period ended	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Profit for the period attributable to NBG ordinary shareholders from continuing operations	**400**	**242**	**278**	**135**
Profit for the period from discontinued operations	(362)	(497)	(275)	(129)
Profit for the period attributable to NBG ordinary shareholders from continuing and discontinued operations	**38**	**(255)**	**3**	**6**
Weighted average number of ordinary shares outstanding for basic and diluted EPS	**914,533,676**	**914,515,124**	**914,715,153**	**914,715,153**
Earnings per share (Euro) - Basic and diluted from continuing operations	**0.44**	**0.26**	**0.30**	**0.15**
Earnings per share (Euro) - Basic and diluted from continuing and discontinued operations	**0.04**	**(0.28)**	**-**	**0.01**

NOTE 17: Cash and balances with central banks

	Group		Bank	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Cash in hand	599	610	574	587
Balances with central banks	8,576	2,909	8,432	2,731
Total	**9,175**	**3,519**	**9,006**	**3,318**
Of which				
Obligatory balances with central banks	**151**	**154**	**8**	**10**

The Bank is required to maintain a current account with the BoG to facilitate interbanking transactions with the central bank, its member banks, and other financial institutions through the Trans-European Automated Real-Time Gross Settlement Express Transfer system (TARGET). BoG requires all banks established in Greece to maintain deposits with the central bank equal to 1% of total customer deposits as defined by the ECB. Similar requirements apply to the other banking subsidiaries of the Group. The Bank's deposits at BoG bear interest at the refinancing rate as set by the ECB of 0.00% at 31 December 2020 while the corresponding deposits of certain subsidiaries are non-interest bearing.

NOTE 18: Due from banks

	Group		Bank	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Sight deposits with banks	269	252	207	203
Time deposits with banks	66	218	69	210
Securities purchased under agreements to resell	200	175	200	175
Deposits in margin accounts	2,586	2,043	2,586	2,043
Other	319	320	316	317
Total	**3,440**	**3,008**	**3,378**	**2,948**

NOTE 19: Financial assets at fair value through profit or loss

	Group		Bank	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Trading Securities:				
Government bonds	358	322	358	322
Treasury bills	60	76	60	76
Other debt securities	-	2	-	2
Equity securities	24	29	8	10
Financial assets mandatorily classified at fair value through profit and loss:				
Other debt securities	24	24	24	24
Mutual funds units	12	15	10	10
Other	63	50	63	50
Total	**541**	**518**	**523**	**494**

NOTE 20: Derivative financial instruments

	Group			Bank		
	31.12.2020			31.12.2020		
	Notional amounts	Fair values Assets	Fair values Liabilities	Notional amounts	Fair values Assets	Fair values Liabilities
Derivatives held for trading						
Interest rate derivatives – OTC	33,440	5,467	2,757	33,440	5,467	2,757
Foreign exchange derivatives – OTC	2,535	72	48	2,535	72	48
Other types of derivatives – OTC	793	19	23	793	19	23
Interest rate derivatives – Exchange traded	2,882	-	-	2,882	-	-
Other types of derivatives - Exchange traded	898	3	-	878	3	-
Total	**40,548**	**5,561**	**2,828**	**40,528**	**5,561**	**2,828**
Derivatives held for fair value hedging						
Interest rate derivatives – OTC	910	24	493	910	24	493
Total	**910**	**24**	**493**	**910**	**24**	**493**
Total	**41,458**	**5,585**	**3,321**	**41,438**	**5,585**	**3,321**

	Group			Bank		
	31.12.2019			31.12.2019		
	Notional amounts	Fair values Assets	Fair values Liabilities	Notional amounts	Fair values Assets	Fair values Liabilities
Derivatives held for trading						
Interest rate derivatives – OTC	33,829	4,695	2,465	33,829	4,695	2,465
Foreign exchange derivatives – OTC	3,325	91	72	3,325	91	72
Other types of derivatives – OTC	245	11	8	245	11	8
Interest rate derivatives – Exchange traded	2,936	9	4	2,936	9	4
Other types of derivatives - Exchange traded	1,769	7	-	1,744	7	-
Total	**42,104**	**4,813**	**2,549**	**42,079**	**4,813**	**2,549**
Derivatives held for fair value hedging						
Interest rate derivatives – OTC	525	20	321	525	20	321
Total	**525**	**20**	**321**	**525**	**20**	**321**
Total	**42,629**	**4,833**	**2,870**	**42,604**	**4,833**	**2,870**

Credit risk

The Group calculates a separate CVA for each counterparty to which the Group has exposure. The CVA is estimated considering expected exposures generated using simulation techniques, as well as netting agreements and collateral postings. Furthermore, the CVA is based on implied probabilities of default, derived from CDS rates observed in the market, or, if these are not available, the probability of default of the counterparty derived from internal rating models, or otherwise the regulatory risk weight is applied.

With respect to own credit risk, the Group estimates a Debit Value Adjustment ("DVA") by applying a methodology symmetric to the one applied for CVA. The bilateral CVA for the Group and the Bank at 31 December 2020 amounted to a cumulative loss of €3 million (2019: cumulative loss €10 million).

Fair value hedges

The Group's and the Bank's fair value hedges consist of interest rate swaps that are used to protect against changes in the fair value of fixed-rate, long-term financial instruments due to movements in market interest rates.

31.12.2020 Hedging Instruments					31.12.2020 Hedged Items			
Derivative Instrument	Nominal Amount	Fair Value	Statement of Financial Position Line	Change in fair value	Carrying Amount	Accumulated hedge adjustmen on the hedged item	Statement of Financial Position Line	Change in fair value due to the risk being hedged
Interest Rate Swaps	50	24	Derivative Assets	21	8,827	1,154	Securities measured at amortised cost	765
Interest Rate Swaps	4,487	(539)	Due from Banks [1]	(471)				
Interest Rate Swaps	800	489	Derivative Liabilities	(339)				
Interest Rate Swaps	60	4	Derivative Liabilities	(3)	952	N/A	Securities measured at FVTOCI	24
Interest Rate Swaps	483	(21)	Due from Banks [1]	(20)				
Total	**5,880**	**(1,029)**		**(812)**	**9,779**	**1,154**		**789**

31.12.2019 Hedging Instruments					31.12.2019 Hedged Items			
Derivative Instrument	Nominal Amount	Fair Value	Statement of Financial Position Line	Change in fair value	Carrying Amount	Accumulated hedge adjustmen on the hedged item	Statement of Financial Position Line	Change in fair value due to the risk being hedged
Interest Rate Swaps	50	16	Derivative Assets	14	1.576	563	Securities measured at amortised cost	182
Interest Rate Swaps	295	(99)	Due from Banks [1]	(11)				
Interest Rate Swaps	275	321	Derivative Liabilities	(189)				
Interest Rate Swaps	200	4	Derivative Assets	4	1.149	N/A	Securities measured at FVTOCI	(12)
Interest Rate Swaps	175	6	Due from Banks [1]	7				
Total	**995**	**(394)**		**(175)**	**2.725**	**563**		**170**

[1] Relates to derivatives traded with Central Clearing Counterparties (CCPs). Please refer to Note 4.9.

The accumulated amount of fair value hedge adjustments remaining in the Statement of Financial Position for discontinued hedges was €379 million and €381 million as at 31 December 2020 and 2019 respectively, for the Group and the Bank.

Hedge ineffectiveness recognized in the Income Statement amounted to €(22) million and €(4) million, for the year ended 31 December 2020 and 2019 respectively, for the Group and the Bank.

Cash flow hedges

As at 31 December 2020 and 2019, the Group's cash flow hedges consist of interest rate swaps, used to hedge the variability in cash flows of the Group's borrowings that are attributable to changes in the market interest rates.

31.12.2020 Hedging Instruments					31.12.2020 Hedged Items		
Derivative Instrument	Nominal Amount	Fair Value	Statement of Financial Position Line	Change in fair value	Carrying Amount	Statement of Financial Position Line	Change in fair value due to the risk being hedged
Interest Rate Swaps	500	(41)	Due from Banks [1]	(40)	500	Due to Banks	40
Total	**500**	**(41)**		**(40)**	**500**		**40**

31.12.2019					31.12.2019		
Hedging Instruments					Hedged Items		
Derivative Instrument	Nominal Amount	Fair Value	Statement of Financial Position Line	Change in fair value	Carrying Amount	Statement of Financial Position Line	Change in fair value due to the risk being hedged
Interest Rate Swaps	500	(24)	Due from Banks [1]	(24)	500	Due to Banks	24
Total	**500**	**(24)**		**(24)**	**500**		**24**

[1] Relates to derivatives traded with Central Clearing Counterparties (CCPs). Please refer to Note 4.9.

For the year ended 31 December 2020, hedging gain or losses that were recognized in Other Comprehensive Income amount to €16 million (2019: €24 million) and hedge ineffectiveness recognized in net trading income / (loss) and results from investment securities amounts to Nil (2019: €3 million) for the Group and the Bank.

NOTE 21: Loans and advances to customers

	Group		Bank	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Loans and advances to customers at amortised cost				
Mortgage loans	9,144	14,503	8,946	14,318
Consumer loans	1,819	2,333	1,237	1,765
Credit cards	463	539	402	473
Small business lending	1,650	2,078	1,506	1,936
Retail lending	**13,076**	**19,453**	**12,091**	**18,492**
Corporate and public sector lending	16,369	15,403	15,844	14,899
Gross carrying amount of loans and advances to customers at amortised cost	**29,445**	**34,856**	**27,935**	**33,391**
ECL allowance on loans and advances to customers at amortised cost	(2,707)	(5,761)	(2,560)	(5,566)
Net carrying amount of loans and advances to customers at amortised cost	**26,738**	**29,095**	**25,375**	**27,825**
Loans and advances to customers mandatorily measured at FVTPL	**69**	**127**	**69**	**127**
Total Loans and advances to customers	**26,807**	**29,222**	**25,444**	**27,952**

Loans and advances to customers at amortised cost and mandatorily measured at FVTPL | Group

As at 31 December 2020	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Credit impaired Lifetime ECL		Total
			Individually assessed	Collectively assessed	
Loans and advances to customers at amortised cost					
Mortgage loans					
Gross carrying amount	4,946	2,721	-	1,477	9,144
ECL allowance	(32)	(74)	-	(470)	(576)
Net carrying amount	**4,914**	**2,647**	**-**	**1,007**	**8,568**
Collateral held for financial assets	4,661	2,516	-	1,215	8,392
Consumer loans					
Gross carrying amount	1,205	292	-	322	1,819
ECL allowance	(22)	(42)	-	(199)	(263)
Net carrying amount	**1,183**	**250**	**-**	**123**	**1,556**
Collateral held for financial assets	170	59	-	64	293
Credit Cards					
Gross carrying amount	384	41	-	38	463
ECL allowance	(2)	(1)	-	(35)	(38)
Net carrying amount	**382**	**40**	**-**	**3**	**425**
Small business lending					
Gross carrying amount	617	542	-	491	1,650
ECL allowance	(8)	(54)	-	(345)	(407)
Net carrying amount	**609**	**488**	**-**	**146**	**1,243**
Collateral held for financial assets	358	392	-	336	1,086
Corporate lending					
Gross carrying amount	13,102	796	1,545	464	15,907
ECL allowance	(107)	(63)	(992)	(239)	(1,401)
Net carrying amount	**12,995**	**733**	**553**	**225**	**14,506**
Collateral held for financial assets	6,803	592	1,074	186	8,655
Public sector lending					
Gross carrying amount	290	144	24	4	462
ECL allowance	(2)	(5)	(13)	(2)	(22)
Net carrying amount	**288**	**139**	**11**	**2**	**440**
Collateral held for financial assets	79	5	13	3	100
Total loans and advances to customers at amortised cost					
Gross carrying amount	20,544	4,536	1,569	2,796	29,445
ECL allowance	(173)	(239)	(1,005)	(1,290)	(2,707)
Net carrying amount of loans and advances to customers at amortised cost	**20,371**	**4,297**	**564**	**1,506**	**26,738**
Collateral held for financial assets	12,071	3,564	1,087	1,804	18,526
Loans and advances to customers mandatorily measured at FVTPL					**69**
Total loans and advances to customers					**26,807**

Stage 1 and Credit impaired mortgage exposures include Mortgage Loans of €500 million and €74 million, respectively, guaranteed by the Hellenic Republic. For the purposes of assessing the NPE classification for the specific mortgage guaranteed exposures, the Bank equalizes the guarantor, i.e. the Greek State with the obligor. In substance, for these specific exposures the Greek State guarantee is considered obligor substitution rather than credit enhancement means. Thus, the specific exposures are classified as Stage 1 unless specific circumstances exist.

Stage 2 and Credit impaired SBL exposures include SBL loans of €4 million and €81 million, respectively, partially guaranteed by the Hellenic Republic.

Stage 1 corporate exposures include corporate loans of €19 million partially guaranteed by the Hellenic Republic, excluding state guaranteed loans with the participation of Hellenic Development Bank following COVID-19 support measures. Stage 2 and Credit impaired corporate exposures include corporate loans of €4 million and €154 million, respectively, partially guaranteed by the Hellenic Republic.

As at 31 December 2019	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Credit impaired Lifetime ECL		Total
			Individually assessed	Collectively assessed	
Loans and advances to customers at amortised cost					
Mortgage loans					
Gross carrying amount	5,142	2,981	-	6,380	14,503
ECL allowance	(32)	(110)	-	(2,408)	(2,550)
Net carrying amount	**5,110**	**2,871**		**3,972**	**11,953**
Collateral held for financial assets	4,793	2,657	-	4,790	12,240
Consumer loans					
Gross carrying amount	1,301	375	-	657	2,333
ECL allowance	(21)	(70)	-	(457)	(548)
Net carrying amount	**1,280**	**305**		**200**	**1,785**
Collateral held for financial assets	155	66	-	158	379
Credit Cards					
Gross carrying amount	484	13	-	42	539
ECL allowance	(4)	(1)	-	(39)	(44)
Net carrying amount	**480**	**12**		**3**	**495**
Small business lending					
Gross carrying amount	428	662	-	988	2,078
ECL allowance	(5)	(88)	-	(707)	(800)
Net carrying amount	**423**	**574**		**281**	**1,278**
Collateral held for financial assets	299	473	-	656	1,428
Corporate lending					
Gross carrying amount	11,445	786	2,482	287	15,000
ECL allowance	(85)	(48)	(1,523)	(128)	(1,784)
Net carrying amount	**11,360**	**738**	**959**	**159**	**13,216**
Collateral held for financial assets	5,654	665	1,593	290	8,202
Public sector lending					
Gross carrying amount	329	36	35	3	403
ECL allowance	(3)	(9)	(21)	(2)	(35)
Net carrying amount	**326**	**27**	**14**	**1**	**368**
Collateral held for financial assets	50	11	15	2	78
Total loans and advances to customers at amortised cost					
Gross carrying amount	19,129	4,853	2,517	8,357	34,856
ECL allowance	(150)	(326)	(1,544)	(3,741)	(5,761)
Net carrying amount of loans and advances to customers at amortised cost	**18,979**	**4,527**	**973**	**4,616**	**29,095**
Collateral held for financial assets	10,951	3,872	1,608	5,896	22,327
Loans and advances to customers mandatorily measured at FVTPL					**127**
Total loans and advances to customers					**29,222**

Stage 1 and Credit impaired mortgage exposures include Mortgage Loans of €599 million and €65 million, respectively, guaranteed by the Hellenic Republic. For the purposes of assessing the NPE classification for the specific mortgage guaranteed exposures, the Bank equalizes the guarantor, i.e. the Greek State with the obligor. In substance, for these specific exposures the Greek State guarantee is considered obligor substitution rather than credit enhancement means. Thus, the specific exposures are classified as Stage 1 unless specific circumstances exist.

Stage 2 and Credit impaired SBL exposures include SBL loans of €1 million and €84 million, respectively, partially guaranteed by the Hellenic Republic.

Stage 1, Stage 2 and Credit impaired corporate exposures include corporate loans of €27 million, €7 million and €198 million, respectively, partially guaranteed by the Hellenic Republic.

Loans and advances to customers at amortised cost and mandatorily measured at FVTPL | Bank

As at 31 December 2020	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Credit impaired Lifetime ECL Individually assessed	Credit impaired Lifetime ECL Collectively assessed	Total
Loans and advances to customers at amortised cost					
Mortgage loans					
Gross carrying amount	4,827	2,646	-	1,473	8,946
ECL allowance	(32)	(74)	-	(469)	(575)
Net carrying amount	**4,795**	**2,572**	**-**	**1,004**	**8,371**
Collateral held for financial assets	4,545	2,442	-	1,211	8,198
Consumer loans					
Gross carrying amount	718	234	-	285	1,237
ECL allowance	(15)	(34)	-	(181)	(230)
Net carrying amount	**703**	**200**	**-**	**104**	**1,007**
Collateral held for financial assets	110	48	-	62	220
Credit Cards					
Gross carrying amount	360	8	-	34	402
ECL allowance	(2)	(1)	-	(33)	(36)
Net carrying amount	**358**	**7**	**-**	**1**	**366**
Small business lending					
Gross carrying amount	535	517	-	454	1,506
ECL allowance	(8)	(53)	-	(326)	(387)
Net carrying amount	**527**	**464**	**-**	**128**	**1,119**
Collateral held for financial assets	290	370	-	321	981
Corporate lending					
Gross carrying amount	13,005	551	1,545	285	15,386
ECL allowance	(110)	(53)	(992)	(155)	(1,310)
Net carrying amount	**12,895**	**498**	**553**	**130**	**14,076**
Collateral held for financial assets	5,692	394	966	164	7,216
Public sector lending					
Gross carrying amount	290	140	24	4	458
ECL allowance	(2)	(5)	(13)	(2)	(22)
Net carrying amount	**288**	**135**	**11**	**2**	**436**
Collateral held for financial assets	76	5	13	3	97
Total loans and advances to customers at amortised cost					
Gross carrying amount	19,735	4,096	1,569	2,535	27,935
ECL allowance	(169)	(220)	(1,005)	(1,166)	(2,560)
Net carrying amount of loans and advances to customers at amortised cost	**19,566**	**3,876**	**564**	**1,369**	**25,375**
Collateral held for financial assets	10,713	3,259	979	1,761	16,712
Loans and advances to customers mandatorily measured at FVTPL					**69**
Total loans and advances to customers					**25,444**

Stage 1 and Credit impaired mortgage exposures include Mortgage Loans of €500 million and €74 million, respectively, guaranteed by the Hellenic Republic. For the purposes of assessing the NPE classification for the specific mortgage guaranteed exposures, the Bank equalizes the guarantor, i.e. the Greek State with the obligor. In substance, for these specific exposures the Greek State guarantee is considered obligor substitution rather than credit enhancement means. Thus, the specific exposures are classified as Stage 1 unless specific circumstances exist.

Stage 2 and Credit impaired SBL exposures include SBL loans of €4 million and €81 million, respectively, partially guaranteed by the Hellenic Republic.

Stage 1 corporate exposures include corporate loans of €19 million partially guaranteed by the Hellenic Republic, excluding state guaranteed loans with the participation of Hellenic Development Bank following COVID-19 support measures. Stage 2 and Credit impaired corporate exposures include corporate loans of €4 million and €154 million, respectively, partially guaranteed by the Hellenic Republic.

As at 31 December 2019	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Credit impaired Lifetime ECL Individually assessed	Credit impaired Lifetime ECL Collectively assessed	Total
Loans and advances to customers at amortised cost					
Mortgage loans					
Gross carrying amount	4,978	2,964	-	6,376	14,318
ECL allowance	(32)	(109)	-	(2,407)	(2,548)
Net carrying amount	**4,946**	**2,855**	**-**	**3,969**	**11,770**
Collateral held for financial assets	4,631	2,640	-	4,786	12,057
Consumer loans					
Gross carrying amount	821	327	-	617	1,765
ECL allowance	(15)	(66)	-	(435)	(516)
Net carrying amount	**806**	**261**	**-**	**182**	**1,249**
Collateral held for financial assets	79	62	-	157	298
Credit Cards					
Gross carrying amount	423	12	-	38	473
ECL allowance	(3)	(1)	-	(37)	(41)
Net carrying amount	**420**	**11**	**-**	**1**	**432**
Small business lending					
Gross carrying amount	349	645	-	942	1,936
ECL allowance	(4)	(87)	-	(679)	(770)
Net carrying amount	**345**	**558**	**-**	**263**	**1,166**
Collateral held for financial assets	234	458	-	637	1,329
Corporate lending					
Gross carrying amount	11,384	610	2,191	312	14,497
ECL allowance	(90)	(40)	(1,378)	(148)	(1,656)
Net carrying amount	**11,294**	**570**	**813**	**164**	**12,841**
Collateral held for financial assets	4,834	509	1,324	249	6,916
Public sector lending					
Gross carrying amount	328	36	35	3	402
ECL allowance	(3)	(9)	(21)	(2)	(35)
Net carrying amount	**325**	**27**	**14**	**1**	**367**
Collateral held for financial assets	50	11	15	2	78
Total loans and advances to customers at amortised cost					
Gross carrying amount	18,283	4,594	2,226	8,288	33,391
ECL allowance	(147)	(312)	(1,399)	(3,708)	(5,566)
Net carrying amount of loans and advances to customers at amortised cost	**18,136**	**4,282**	**827**	**4,580**	**27,825**
Collateral held for financial assets	9,828	3,680	1,339	5,831	20,678
Loans and advances to customers mandatorily measured at FVTPL					**127**
Total loans and advances to customers					**27,952**

Stage 1 and Credit impaired mortgage exposures include Mortgage Loans of €599 million and €65 million, respectively, guaranteed by the Hellenic Republic. For the purposes of assessing the NPE classification for the specific mortgage guaranteed exposures, the Bank equalizes the guarantor, i.e. the Greek State with the obligor. In substance, for these specific exposures the Greek State guarantee is considered obligor substitution rather than credit enhancement means. Thus, the specific exposures are classified as Stage 1 unless specific circumstances exist.

Stage 2 and Credit impaired SBL exposures include SBL loans of €1 million and €84 million, respectively, partially guaranteed by the Hellenic Republic.

Stage 1, Stage 2 and Credit impaired corporate exposures include corporate loans of €27 million, €7 million and €198 million, respectively, partially guaranteed by the Hellenic Republic.

Movement of the Gross carrying amount of loans and advances to customers at amortised cost | Group

	Retail lending				Corporate and Public sector lending				Total loans and advances to customers			
As at 31 December 2020	Stage 1	Stage 2	Credit impaired	Total	Stage 1	Stage 2	Credit impaired	Total	Stage 1	Stage 2	Credit impaired	Total
Gross carrying amount 1.1.2020	**7,355**	**4,031**	**8,067**	**19,453**	**11,774**	**822**	**2,807**	**15,403**	**19,129**	**4,853**	**10,874**	**34,856**
Transfer to Stage 1 (from 2 or 3)	687	(672)	(15)	-	93	(75)	(18)	-	780	(747)	(33)	-
Transfer to Stage 2 (from 1 or 3)	(530)	1,138	(608)	-	(279)	349	(70)	-	(809)	1,487	(678)	-
Transfer to Stage 3 (from 1 or 2)	(97)	(330)	427	-	(62)	(84)	146	-	(159)	(414)	573	-
New financial assets originated or purchased	743	50	-	793	5,066	86	-	5,152	5,809	136	-	5,945
Derecognition of financial assets	-	-	-	-	-	-	(53)	(53)	-	-	(53)	(53)
Repayments and other changes	(1,001)	(270)	(64)	(1,335)	(3,049)	(139)	(89)	(3,277)	(4,050)	(409)	(153)	(4,612)
Changes due to modifications that did not result in derecognition	-	-	(24)	(24)	-	-	(5)	(5)	-	-	(29)	(29)
Write-offs	-	(68)	(489)	(557)	-	(4)	(135)	(139)	-	(72)	(624)	(696)
Foreign exchange differences	-	1	2	3	(151)	(13)	(10)	(174)	(151)	(12)	(8)	(171)
Reclassified as held for sale	(5)	(284)	(4,968)	(5,257)	-	(2)	(536)	(538)	(5)	(286)	(5,504)	(5,795)
Gross carrying amount 31.12.2020	**7,152**	**3,596**	**2,328**	**13,076**	**13,392**	**940**	**2,037**	**16,369**	**20,544**	**4,536**	**4,365**	**29,445**
ECL allowance	(64)	(171)	(1,049)	**(1,284)**	(109)	(68)	(1,246)	**(1,423)**	(173)	(239)	(2,295)	**(2,707)**
Net carrying amount 31.12.2020	**7,088**	**3,425**	**1,279**	**11,792**	**13,283**	**872**	**791**	**14,946**	**20,371**	**4,297**	**2,070**	**26,738**

	Retail lending				Corporate and Public sector lending				Total loans and advances to customers			
As at 31 December 2019	Stage 1	Stage 2	Credit impaired	Total	Stage 1	Stage 2	Credit impaired	Total	Stage 1	Stage 2	Credit impaired	Total
Gross carrying amount 1.1.2019	**5,428**	**6,657**	**10,571**	**22,656**	**10,488**	**818**	**5,559**	**16,865**	**15,916**	**7,475**	**16,130**	**39,521**
Transfer to Stage 1 (from 2 or 3)	2,525	(2,517)	(8)	-	292	(289)	(3)	-	2,817	(2,806)	(11)	-
Transfer to Stage 2 (from 1 or 3)	(220)	1,089	(869)	-	(266)	569	(303)	-	(486)	1,658	(1,172)	-
Transfer to Stage 3 (from 1 or 2)	(112)	(860)	972	-	(69)	(39)	108	-	(181)	(899)	1,080	-
New financial assets originated or purchased	664	39	-	703	3,632	56	-	3,688	4,296	95	-	4,391
Derecognition of financial assets	-	(14)	(1,318)	(1,332)	(12)	(54)	(537)	(603)	(12)	(68)	(1,855)	(1,935)
Repayments and other changes	(937)	(265)	(147)	(1,349)	(2,330)	(208)	(270)	(2,808)	(3,267)	(473)	(417)	(4,157)
Changes due to modifications that did not result in derecognition	-	-	(68)	(68)	-	-	(16)	(16)	-	-	(84)	(84)
Write-offs	-	(101)	(768)	(869)	-	(5)	(566)	(571)	-	(106)	(1,334)	(1,440)
Foreign exchange differences	7	4	14	25	39	4	8	51	46	8	22	76
Reclassified as held for sale	-	(1)	(312)	(313)	-	(30)	(1,173)	(1,203)	-	(31)	(1,485)	(1,516)
Gross carrying amount 31.12.2019	**7,355**	**4,031**	**8,067**	**19,453**	**11,774**	**822**	**2,807**	**15,403**	**19,129**	**4,853**	**10,874**	**34,856**
ECL allowance	(62)	(269)	(3,611)	(3,942)	(88)	(57)	(1,674)	(1,819)	(150)	(326)	(5,285)	**(5,761)**
Net carrying amount as at 31.12.2019	**7,293**	**3,762**	**4,456**	**15,511**	**11,686**	**765**	**1,133**	**13,584**	**18,979**	**4,527**	**5,589**	**29,095**

Movement of the Gross carrying amount of loans and advances to customers at amortised cost | Bank

	Retail lending				Corporate and Public sector lending				Total loans and advances to customers			
As at 31 December 2020	Stage 1	Stage 2	Credit impaired	Total	Stage 1	Stage 2	Credit impaired	Total	Stage 1	Stage 2	Credit impaired	Total
Gross Balance 1.1.2020	**6,571**	**3,948**	**7,973**	**18,492**	**11,712**	**646**	**2,541**	**14,899**	**18,283**	**4,594**	**10,514**	**33,391**
Transfer to Stage 1 (from 2 or 3)	655	(640)	(15)	-	65	(48)	(17)	-	720	(688)	(32)	-
Transfer to Stage 2 (from 1 or 3)	(381)	986	(605)	-	(197)	237	(40)	-	(578)	1,223	(645)	-
Transfer to Stage 3 (from 1 or 2)	(97)	(326)	423	-	(64)	(74)	138	-	(161)	(400)	561	-
New financial assets originated or purchased	528	27	-	555	4,685	34	-	4,719	5,213	61	-	5,274
Derecognition of financial assets	-	-	-	-	-	-	(53)	(53)	-	-	(53)	(53)
Repayments and other changes	(831)	(239)	(62)	(1,132)	(2,756)	(85)	(60)	(2,901)	(3,587)	(324)	(122)	(4,033)
Changes due to modifications that did not result in derecognition	-	-	(24)	(24)	-	-	(5)	(5)	-	-	(29)	(29)
Write-offs	-	(68)	(478)	(546)	-	(4)	(100)	(104)	-	(72)	(578)	(650)
Foreign exchange differences	-	1	2	3	(150)	(13)	(10)	(173)	(150)	(12)	(8)	(170)
Reclassified as held for sale	(5)	(284)	(4,968)	(5,257)	-	(2)	(536)	(538)	(5)	(286)	(5,504)	(5,795)
Gross carrying amount 31.12.2020	**6,440**	**3,405**	**2,246**	**12,091**	**13,295**	**691**	**1,858**	**15,844**	**19,735**	**4,096**	**4,104**	**27,935**
ECL allowance	(57)	(162)	(1,009)	(1,228)	(112)	(58)	(1,162)	(1,332)	(169)	(220)	(2,171)	**(2,560)**
Net carrying amount 31.12.2020	**6,383**	**3,243**	**1,237**	**10,863**	**13,183**	**633**	**696**	**14,512**	**19,566**	**3,876**	**1,933**	**25,375**

	Retail lending				Corporate and Public sector lending				Total loans and advances to customers			
As at 31 December 2019	Stage 1	Stage 2	Credit impaired	Total	Stage 1	Stage 2	Credit impaired	Total	Stage 1	Stage 2	Credit impaired	Total
Gross Balance 1.1.2019	**4,661**	**6,607**	**10,411**	**21,679**	**10,832**	**628**	**4,797**	**16,257**	**15,493**	**7,235**	**15,208**	**37,936**
Transfer to Stage 1 (from 2 or 3)	2,514	(2,506)	(8)	-	206	(203)	(3)	-	2,720	(2,709)	(11)	-
Transfer to Stage 2 (from 1 or 3)	(173)	1,041	(868)	-	(218)	495	(277)	-	(391)	1,536	(1,145)	-
Transfer to Stage 3 (from 1 or 2)	(106)	(857)	963	-	(45)	(36)	81	-	(151)	(893)	1,044	-
New financial assets originated or purchased	375	24	-	399	3,354	25	-	3,379	3,729	49	-	3,778
Derecognition of financial assets	-	(14)	(1,318)	(1,332)	(12)	(54)	(537)	(603)	(12)	(68)	(1,855)	(1,935)
Repayments and other changes	(707)	(249)	(142)	(1,098)	(2,441)	(178)	(255)	(2,874)	(3,148)	(427)	(397)	(3,972)
Changes due to modifications that did not result in derecognition	-	-	(68)	(68)	-	-	(16)	(16)	-	-	(84)	(84)
Write-offs	-	(101)	(753)	(854)	-	(5)	(428)	(433)	-	(106)	(1,181)	(1,287)
Foreign exchange differences	7	4	14	25	36	4	8	48	43	8	22	73
Reclassified as held for sale	-	(1)	(258)	(259)	-	(30)	(829)	(859)	-	(31)	(1,087)	(1,118)
Gross Balance 31.12.2019	**6,571**	**3,948**	**7,973**	**18,492**	**11,712**	**646**	**2,541**	**14,899**	**18,283**	**4,594**	**10,514**	**33,391**
ECL allowance	(54)	(263)	(3,558)	(3,875)	(93)	(49)	(1,549)	(1,691)	(147)	(312)	(5,107)	**(5,566)**
Net carrying amount as at 31.12.2019	**6,517**	**3,685**	**4,415**	**14,617**	**11,619**	**597**	**992**	**13,208**	**18,136**	**4,282**	**5,407**	**27,825**

Movement of the ECL allowance on loans and advances to customers at amortised cost | Group

	Retail lending				Corporate and public sector lending				Total loans and advances to customers			
As at 31 December 2020	Stage 1	Stage 2	Credit impaired	**Total**	Stage 1	Stage 2	Credit impaired	**Total**	Stage 1	Stage 2	Credit impaired	**Total**
ECL allowance 1.1.2020	**62**	**269**	**3,611**	**3,942**	**88**	**57**	**1,674**	**1,819**	**150**	**326**	**5,285**	**5,761**
Transfer to stage 1 (from 2 or 3)	33	(27)	(6)	-	4	(2)	(2)	-	37	(29)	(8)	-
Transfer to stage 2 (from 1 or 3)	(4)	140	(136)	-	(2)	19	(17)	-	(6)	159	(153)	-
Transfer to stage 3 (from 1 or 2)	(2)	(34)	36	-	(1)	(5)	6	-	(3)	(39)	42	-
Net remeasurement of loss allowance (a)	(26)	48	848	870	(20)	(10)	163	133	(46)	38	1,011	1,003
Impairment losses on new assets (b)	7	1	-	8	40	6	-	46	47	7	-	54
Impairment losses on loans (a+b)	**(19)**	**49**	**848**	**878**	**20**	**(4)**	**163**	**179**	**1**	**45**	**1,011**	**1,057**
Derecognition of loans	-	-	-	-	-	-	(35)	(35)	-	-	(35)	(35)
Modification impact on ECL	-	-	(11)	(11)	-	-	(4)	(4)	-	-	(15)	(15)
Write-offs	-	(68)	(489)	(557)	-	(4)	(135)	(139)	-	(72)	(624)	(696)
Foreign exchange differences and other movements	(3)	1	(33)	(35)	-	8	(21)	(13)	(3)	9	(54)	(48)
Change in the present value of the ECL allowance	-	-	(62)	(62)	-	-	(13)	(13)	-	-	(75)	(75)
Reclassified as Held For Sale	(3)	(159)	(2,709)	(2,871)	-	(1)	(370)	(371)	(3)	(160)	(3,079)	(3,242)
ECL allowance 31.12.2020	**64**	**171**	**1,049**	**1,284**	**109**	**68**	**1,246**	**1,423**	**173**	**239**	**2,295**	**2,707**

	Retail lending				Corporate and public sector lending				Total loans and advances to customers			
As at 31 December 2019	Stage 1	Stage 2	Credit impaired	**Total**	Stage 1	Stage 2	Credit impaired	**Total**	Stage 1	Stage 2	Credit impaired	**Total**
ECL allowance 1.1.2019	**66**	**369**	**5,412**	**5,847**	**78**	**59**	**3,484**	**3,621**	**144**	**428**	**8,896**	**9,468**
Transfer to stage 1 (from 2 or 3)	46	(45)	(1)	-	13	(12)	(1)	-	59	(57)	(2)	-
Transfer to stage 2 (from 1 or 3)	(3)	306	(303)	-	(2)	95	(93)	-	(5)	401	(396)	-
Transfer to stage 3 (from 1 or 2)	(3)	(117)	120	-	(1)	(6)	7	-	(4)	(123)	127	-
Net remeasurement of loss allowance (a)	(49)	(235)	654	370	(30)	(30)	(24)	(84)	(79)	(265)	630	286
Impairment losses on new assets (b)	5	4	1	10	31	1	1	33	36	5	2	43
Impairment losses on loans (a+b)	**(44)**	**(231)**	**655**	**380**	**1**	**(29)**	**(23)**	**(51)**	**(43)**	**(260)**	**632**	**329**
Derecognition of loans	-	(13)	(1,092)	(1,105)	(2)	(36)	(345)	(383)	(2)	(49)	(1,437)	(1,488)
Modification impact on ECL	-	-	(33)	(33)	-	-	(13)	(13)	-	-	(46)	(46)
Write-offs	-	-	(886)	(886)	-	-	(542)	(542)	-	-	(1,428)	(1,428)
Foreign exchange differences and other movements	-	-	12	12	1	5	(16)	(10)	1	5	(4)	2
Change in the present value of the ECL allowance	-	-	(85)	(85)	-	-	(8)	(8)	-	-	(93)	(93)
Reclassified as Held For Sale	-	-	(188)	(188)	-	(19)	(776)	(795)	-	(19)	(964)	(983)
ECL allowance 31.12.2019	**62**	**269**	**3,611**	**3,942**	**88**	**57**	**1,674**	**1,819**	**150**	**326**	**5,285**	**5,761**

Movement of the ECL allowance on loans and advances to customers at amortised cost | Bank

	Retail lending				Corporate and public sector lending				Total loans and advances to customers			
	Stage 1	Stage 2	Credit impaired	**Total**	Stage 1	Stage 2	Credit impaired	**Total**	Stage 1	Stage 2	Credit impaired	**Total**
ECL allowance 1.1.2020	**54**	**263**	**3,558**	**3,875**	**93**	**49**	**1,549**	**1,691**	**147**	**312**	**5,107**	**5,566**
Transfer to stage 1 (from 2 or 3)	31	(25)	(6)	-	4	(2)	(2)	-	35	(27)	(8)	-
Transfer to stage 2 (from 1 or 3)	(4)	139	(135)	-	(2)	14	(12)	-	(6)	153	(147)	-
Transfer to stage 3 (from 1 or 2)	(2)	(33)	35	-	(1)	(5)	6	-	(3)	(38)	41	-
Net remeasurement of loss allowance (a)	(24)	43	852	871	28	(3)	157	182	4	40	1,009	1,053
Impairment losses on new assets (b)	5	-	-	5	39	6	-	45	44	6	-	50
Impairment losses on loans (a+b)	**(19)**	**43**	**852**	**876**	**67**	**3**	**157**	**227**	**48**	**46**	**1,009**	**1,103**
Derecognition of loans	-	-	-	-	-	-	(35)	(35)	-	-	(35)	(35)
Modification impact on ECL	-	-	(11)	(11)	-	-	(4)	(4)	-	-	(15)	(15)
Write-offs	-	(68)	(478)	(546)	-	(4)	(100)	(104)	-	(72)	(578)	(650)
Foreign exchange differences and other movements	-	2	(35)	(33)	(49)	4	(14)	(59)	(49)	6	(49)	(92)
Change in the present value of the ECL allowance	-	-	(62)	(62)	-	-	(13)	(13)	-	-	(75)	(75)
Reclassified as Held For Sale	(3)	(159)	(2,709)	(2,871)	-	(1)	(370)	(371)	(3)	(160)	(3,079)	(3,242)
ECL allowance 31.12.2020	**57**	**162**	**1,009**	**1,228**	**112**	**58**	**1,162**	**1,332**	**169**	**220**	**2,171**	**2,560**

	Retail lending				Corporate and public sector lending				Total loans and advances to customers			
	Stage 1	Stage 2	Credit impaired	**Total**	Stage 1	Stage 2	Credit impaired	**Total**	Stage 1	Stage 2	Credit impaired	**Total**
ECL allowance 1.1.2019	**58**	**366**	**5,319**	**5,743**	**83**	**51**	**3,037**	**3,171**	**141**	**417**	**8,356**	**8,914**
Transfer to stage 1 (from 2 or 3)	46	(43)	(3)	-	12	(11)	(1)	-	58	(54)	(4)	-
Transfer to stage 2 (from 1 or 3)	(2)	302	(300)	-	(1)	94	(93)	-	(3)	396	(393)	-
Transfer to stage 3 (from 1 or 2)	(3)	(117)	120	-	-	(5)	5	-	(3)	(122)	125	-
Net remeasurement of loss allowance (a)	(47)	(235)	649	366	(29)	(28)	(2)	(59)	(76)	(263)	647	308
Impairment losses on new assets (b)	3	2	-	5	30	-	1	31	33	2	1	36
Impairment losses on loans (a+b)	**(44)**	**(233)**	**649**	**372**	**1**	**(28)**	**(1)**	**(28)**	**(43)**	**(261)**	**648**	**344**
Derecognition of loans	-	(12)	(1,093)	(1,105)	(1)	(35)	(346)	(382)	(1)	(47)	(1,439)	(1,487)
Modification impact on ECL	-	-	(33)	(33)	-	-	(13)	(13)	-	-	(46)	(46)
Write-offs	-	-	(871)	(871)	-	-	(444)	(444)	-	-	(1,315)	(1,315)
Foreign exchange differences and other movements	(1)	-	18	17	(1)	2	(11)	(10)	(2)	2	7	7
Change in the present value of the ECL allowance	-	-	(85)	(85)	-	-	(8)	(8)	-	-	(93)	(93)
Reclassified as Held For Sale	-	-	(163)	(163)	-	(19)	(576)	(595)	-	(19)	(739)	(758)
ECL allowance 31.12.2019	**54**	**263**	**3,558**	**3,875**	**93**	**49**	**1,549**	**1,691**	**147**	**312**	**5,107**	**5,566**

COVID-19 pandemic moratoria

The European Banking Authority ("EBA") published on 25 March 2020 a "Statement on the application of the prudential framework regarding Default, Forbearance and IFRS 9 in light of COVID-19 measures" which states that "institutions are expected to use a degree of judgment and distinguish between borrowers whose credit standing would not be significantly affected by the current situation in the long term, and those who would be unlikely to restore their creditworthiness". The Group performed portfolio reviews and applied this regulatory guidance to its clients. EBA also states that "the public and private moratoria, as a response to COVID-19 pandemic, do not have to be automatically classified as forbearance if the moratoria are not borrower specific, based on the applicable national law or on an industry or sector-wide private initiative agreed and applied broadly by relevant credit institutions". The Group has also adopted this guidance, incorporating it into its processes and policies.

Under these moratoria, the Group has granted a postponement of interest and/or principal payments, extensions of loan terms as well as renewal of credit lines, depending on the program. More information on the programs is provided in Section "*Response to COVID-19 crisis*" of the Board of Directors Report.

The gross carrying amount of loans and advances to customers subject to moratoria granted during 2020 for the Group amounts to €4.0 billion as at 31 December 2020, consisting of 30.0% mortgage loans, 9.7% consumer loans and 60.3% corporate and small business lending. More specifically, the gross carrying amount of loans for which the moratoria expired during 2020 amounts to €3.9 billion (out of which €0.3 billion relates to moratoria that expired at 30 September 2020 and €3.6 billion to moratoria that expired at 31 December 2020), whereby 90.5% comprises performing loans as at 31 December 2020. Therefore, the gross carrying amount of loans for which the moratoria have not expired as at 31 December 2020 amounts to €0.1 billion and mainly relates to corporate and small business lending. The modification impact of the aforementioned moratoria has been assessed by the Group and was not material to the Group and the Bank's Annual Financial Statements.

Modification of loans and advances to customers at amortised cost

As at 31 December 2020, the amortised cost (before modification) of loans and advances to customers with lifetime ECL whose cash flows were modified during the year amounted to €1,282 million for the Group and the Bank (31 December 2019: €2,266 million) resulting in a net modification loss of €29 million for the Group and the Bank (2019: €84 million).

The modification loss represents the difference between the present value of the new contractual cash flows (i.e. based on the modified terms of the loan) discounted by the original effective interest rate of the loan and the carrying amount post write-off (if any). The impact of modification on the ECL allowance associated with these assets for the Group and the Bank was a release of €15 million (2019: €46 million). The net impact on the Income Statement for the period was, therefore, €14 million for the Group and the Bank (2019: €38 million).

Covered bonds

Loans and advances to customers at amortized cost include loans used as collateral in the covered bonds program, as follows:

	Group		Bank	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Mortgage loans	**3,780**	**4,147**	**3,780**	**4,147**
of which eligible collateral	*3,643*	*4,017*	*3,643*	*4,017*

Under the covered bond Programs I and II, the Bank has the following covered bond series in issue as at 31 December 2020:

Program	Series number	Type of collateral	Issue date	Maturity date	Nominal amount in million €	Interest rate
Program I[(1)]	Series 6	Residential mortgage loans	5 October 2016	5 April 2021	1,500	Paid quarterly at rate of three month Euribor plus a margin of 50 bps
Program II[(2)]	Series 8	Residential mortgage loans	30 July 2018	28 July 2023	200	Paid annually at a fixed rate 1.85%

[(1)] The issues under this Program are currently rated A3 by Moody's and BBB+ by S&P.
[(2)] The issues under this Program are currently rated Baa1 by Moody's, BBB+ by S&P and Fitch.

On 14 August 2020, the Covered Bond (Series 9) of the remaining amount €300 million under Program II matured subsequent to its partial cancelation of €100 million on 19 March 2020.

On 19 October 2020, the Covered Bond (Series 7) amounting to €750 million under Program II matured.

On 11 November 2020, the Bank exercised a call option to repurchase €200 million in covered bonds held by the European Investment Bank ("EIB"). The call option was settled on 9 December 2020 at amortized cost-plus accrued interest plus an early redemption cost of €2 million.

Therefore, the Series 6 and 8 issues have not been sold to institutional investors, are held by the Bank and thus are not presented within "Debt securities in issue" (see Note 32).

Furthermore, on 25 February 2021, the Bank amended the Final Terms by extending the maturity of the Series 6; from 5 April 2021 to 5 April 2023 and the interest margin reduced from 50 bps to 30 bps with effective date 5 April 2021 onwards.

Information regarding covered bonds can be found at the Bank's site (www.nbg.gr) under "Investor Relations\Debt Investors".

Loans and advances to customers at amortised cost include finance lease receivables:

	Group	
	2020	2019
Maturity		
Not later than 1 year	227	246
Later than 1 year but not later than 5 years	277	262
Later than 5 years	245	205
	749	**713**
Unearned future finance income on finance leases	(96)	(99)
Net investment in finance leases	**653**	**614**

ECL Allowance on finance lease receivables as at 31 December 2020 amounts to €74 million (31 December 2019: €145 million).

The net investment in finance leases may be analysed as follows:

	Group	
	2020	2019
Maturity		
Not later than 1 year	207	225
Later than 1 year but not later than 5 years	230	211
Later than 5 years	216	178
Net investment in finance leases	**653**	**614**

NOTE 22: Investment securities

	Group		Bank	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Investment securities measured at fair value though other comprehensive income:				
Debt securities				
Greek government bonds	1,228	1,703	1,228	1,703
Treasury bills and other eligible bills	1,117	291	1,051	212
Debt securities issued by other governments and public sector entities	281	609	281	609
Corporate bonds incorporated in Greece	169	117	169	117
Corporate bonds incorporated outside Greece	11	-	11	-
Total debt securities	**2,806**	**2,720**	**2,740**	**2,641**
Equity securities	76	117	74	116
Total investment securities measured at fair value though other comprehensive income	**2,882**	**2,837**	**2,814**	**2,757**
Investment securities measured at amortised cost:				
Greek government bonds	7,488	4,662	7,488	4,662
Treasury bills and other eligible bills	1,848	74	1,798	-
Debt securities issued by other government and public sector entities	2,801	1,190	2,595	1,068
Corporate bonds incorporated in Greece	26	21	26	21
Debt securities issued by Greek financial institutions	10	41	-	15
Debt securities issued by foreign financial institutions	-	65	-	65
Total investment securities measured at amortised cost	**12,173**	**6,053**	**11,907**	**5,831**
Total investment securities	**15,055**	**8,890**	**14,721**	**8,588**

In February 2019, NBG exchanged the Swap with the Hellenic Republic for three Greek Government bonds ("GGBs") maturing in 2023, 2025 and 2026 with a total nominal value of €3,314 million and fair value of €3,282 million. The Greek government bonds were classified as Held-To-Collect, measured at amortised cost.

In January 2020, the Greek Government, through its Public Debt Management Agency ("PDMA"), and the Bank entered into a Bond exchange, involving the three aforementioned Greek Government Bonds held by NBG with a newly issued 30 year Greek Government Bond. The terms of the existing and the new Greek Government Bond are as follows:

Existing Greek Government Bonds

ISIN	Maturity	Interest Rate	Nominal amount in €million	Settlement amount in €million
GR0112009718	20 March 2023	2.9%	250	271
GR0116007924	20 March 2025	3.25%	964	1,092
GR0118018663	20 March 2026	3.55%	2,100	2,440

New Greek Government Bond at issue price of 114.71

ISIN	Maturity	Interest Rate	Nominal amount in € million	Issue Date
GR0138016820	20 March 2050	3.25%	3,314	21 January 2020

The exchange was executed at market terms and was settled on 21 January 2020. The Bank realized a gain of €515 million (based on the accounting value of the existing Greek Government Bonds) resulting from the relative movement of the Greek sovereign rates.

On 3 December 2020 and 18 December 2020, the Bank entered into two Greek Government Bond exchanges, having the Greek PDMA as a counterparty. Specifically, the Bank exchanged in total €950 million nominal value, carrying amount of €1.2 billion and settlement amount of €1.4 billion of the Greek Government Bond maturing on 20 March 2050, for a series of other GGBs with shorter maturities of a total nominal value of €1.6 billion and a settlement amount of €2.1 billion (as per relative Ministry Decrees). The exchanges were executed at market terms and the difference between the settlement amounts for the bond exchanged and the bonds received was settled in cash. The transactions were settled on 11 December 2020 and 28 December 2020, respectively. The realized gain from these exchanges amounted to € 251 million for both the Group and the Bank.

Furthermore, on 13 January 2021, the Greek PDMA and the Bank carried out another Greek Government Bond exchange. The Bank exchanged €1.0 billion nominal value, carrying amount of €1.3 billion and settlement amount of €1.5 billion of the New Greek Government Bond maturing at 20 March 2050, with a series of other GGBs with shorter maturities of a total nominal value of €2.8 billion and a settlement amount of €3.6 billion (as per relative Ministry Decree). The exchange was executed at market terms and the difference between the settlement amounts for the bond exchanged and the bonds received was settled in cash. The transaction was settled on 20 January 2021. The Group and the Bank realized a gain of €209 million.

The movement of investment securities may be summarised as follows:

	Group		Bank	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Investment securities measured at fair value through other comprehensive income:				
Balance at 1 January	**2,837**	**2,568**	**2,757**	**2,486**
Additions within the period	7,472	7,983	6,894	7,025
Disposals (sales and redemptions) within the period	(7,535)	(8,170)	(6,945)	(7,210)
Gains / (losses) from changes in fair value	113	450	113	450
Amortisation of premiums / discounts	(5)	6	(5)	6
Balance at 31 December	**2,882**	**2,837**	**2,814**	**2,757**
Investment securities measured at amortised cost:				
Balance at 1 January	**6,053**	**1,873**	**5,831**	**1,755**
Additions within the period	11,400	5,474	11,241	5,299
Disposals (sales and redemptions) within the period	(5,228)	(1,312)	(5,111)	(1,238)
Impairment charge	(23)	7	(23)	7
Amortisation of premiums / discounts	(26)	11	(27)	8
Foreign exchange differences	(3)	-	(4)	-
Balance at 31 December	**12,173**	**6,053**	**11,907**	**5,831**

NOTE 23: Investment property

	Group		
	Land	Buildings	Total
Cost			
At 1 January 2019	**554**	**602**	**1,156**
Acquisition/ Disposal of subsidiary(ies)	(496)	(493)	**(989)**
Transfers	10	34	**44**
Transfers to Held for Sale	(8)	(10)	**(18)**
At 31 December 2019	**60**	**133**	**193**
Accumulated depreciation & impairment			
At 1 January 2019	**(29)**	**(111)**	**(140)**
Disposal of subsidiary(ies)	21	78	**99**
Depreciation charge	-	(2)	**(2)**
Impairment charge	1	1	**2**
At 31 December 2019	**(7)**	**(34)**	**(41)**
Net book amount at 31 December 2019	**53**	**99**	**152**
Cost			
At 1 January 2020	**60**	**133**	**193**
Transfers	2	7	**9**
Transfers to Held for Sale	(1)	(5)	**(6)**
Disposals and write offs	(8)	(25)	**(33)**
At 31 December 2020	**53**	**110**	**163**
Accumulated depreciation & impairment			
At 1 January 2020	**(7)**	**(34)**	**(41)**
Transfers	(1)	4	**3**
Disposals and write offs	-	3	**3**
Depreciation charge	-	(2)	**(2)**
Impairment charge	(1)	-	**(1)**
At 31 December 2020	**(9)**	**(29)**	**(38)**
Net book amount at 31 December 2020	**44**	**81**	**125**

The fair value of investment property as at 31 December 2020 exceeded the carrying amount and amounted to €167 million (31 December 2019: €186 million). Rental income for the year ended 31 December 2020 amounts to €3 million (2019: €4 million).

NOTE 24: Equity method investments

	Group		Bank	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
At 1 January	**8**	**8**	**6**	**7**
Additions/ transfers	14	-	14	-
Impairment charge	-	-	-	(1)
At 31 December	**22**	**8**	**20**	**6**

The addition of €14 million relates to Perigenis Business Properties S.A. established on 6 July 2020.

The Group's and Bank's equity method investments are as follows:

			Group		Bank	
	Country	Tax years unaudited	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Social Securities Funds Management S.A.	Greece	2015-2020	20.00%	20.00%	20.00%	20.00%
Larco S.A.	Greece	2010-2020	33.36%	33.36%	33.36%	33.36%
Eviop Tempo S.A.	Greece	2015-2020	21.21%	21.21%	21.21%	21.21%
Teiresias S.A.	Greece	2010-2020	39.93%	39.93%	39.93%	39.93%
Planet S.A.	Greece	2015-2020	36.99%	36.99%	36.99%	36.99%
Pyrrichos Real Estate S.A.	Greece	2010-2020	21.83%	21.83%	21.83%	21.83%
Sato S.A.	Greece	2015-2020	23.74%	23.74%	23.74%	23.74%
Olganos S.A.	Greece	2010-2020	33.60%	33.60%	33.60%	33.60%
Perigenis Business Properties S.A.	Greece	-	28.50%	-	28.50%	-

Summarised financial information in respect of the Group's equity method investments is set out below based on the most recent financial information available:

	31.12.2020	31.12.2019
Total assets	60	56
Total liabilities	27	22
Net assets	33	34
Group's share of net assets of equity method investments	22	8
Total revenue	58	60
Total profit/(loss) for the year	(1)	1

NOTE 25: Goodwill, software and other intangibles assets

	Group			Bank		
	Software	Other intangible assets	Total	Software	Other intangible assets	Total
Cost						
At 1 January 2019	**728**	**44**	**772**	**687**	**38**	**725**
Additions	90	-	**90**	89	-	**89**
At 31 December 2019	**818**	**44**	**862**	**776**	**38**	**814**
Accumulated amortisation & impairment						
At 1 January 2019	**(579)**	**(42)**	**(621)**	**(541)**	**(37)**	**(578)**
Foreign exchange differences	(1)	-	**(1)**	-	-	**-**
Amortization charge	(36)	(2)	**(38)**	(36)	(1)	**(37)**
At 31 December 2019	**(616)**	**(44)**	**(660)**	**(577)**	**(38)**	**(615)**
Net book amount at 31 December 2019	**202**	**-**	**202**	**199**	**-**	**199**
Cost						
At 1 January 2020	**818**	**44**	**862**	**776**	**38**	**814**
Additions	128	-	**128**	127	-	**127**
Transfers	-	-	**-**	(1)		**(1)**
Disposals and write offs	(6)	-	**(6)**	-	-	**-**
At 31 December 2020	**940**	**44**	**984**	**902**	**38**	**940**
Accumulated amortisation & impairment						
At 1 January 2020	**(616)**	**(44)**	**(660)**	**(577)**	**(38)**	**(615)**
Transfers	-	-	**-**	-	-	**-**
Disposals and write offs	6	-	**6**	-	-	**-**
Amortization charge	(48)	-	**(48)**	(47)	-	**(47)**
At 31 December 2020	**(658)**	**(44)**	**(702)**	**(624)**	**(38)**	**(662)**
Net book amount at 31 December 2020	**282**	**-**	**282**	**278**	**-**	**278**

NOTE 26: Property and equipment

Group	Land	Buildings	Vehicles & equipment	Assets under construction	Land & buildings - RoU Asset	Leasehold improvements	Total
Cost							
At 1 January 2019	**745**	**742**	**729**	**1**	**69**	**136**	**2,422**
Disposal of subsidiaries	(361)	(560)	3	-	1,286	66	**434**
Transfers	-	3	-	(1)	-	(2)	**-**
Additions	-	2	35	1	3	9	**50**
Modifications / Remeasurements / Termination	-	-	-	-	(48)	-	**(48)**
Disposals and write offs	(1)	(2)	(3)	-	-	-	**(6)**
At 31 December 2019	**383**	**185**	**764**	**1**	**1,310**	**209**	**2,852**
Accumulated depreciation & impairment							
At 1 January 2019	**(155)**	**(373)**	**(660)**	**-**	**-**	**(120)**	**(1,308)**
Disposals and write offs	4	282	-	-	-	(10)	**276**
Depreciation charge	-	(5)	(22)	-	(50)	(9)	**(86)**
Impairment charge	(7)	1	-	-	(6)	-	**(12)**
At 31 December 2019	**(158)**	**(95)**	**(682)**	**-**	**(56)**	**(139)**	**(1,130)**
Net book amount at 31 December 2019	**225**	**90**	**82**	**1**	**1,254**	**70**	**1,722**
Cost							
At 1 January 2020	**383**	**185**	**764**	**1**	**1,310**	**209**	**2,852**
Transfers	-	-	-	(1)	-	1	**-**
Additions	2	5	25	1	7	9	**49**
Modifications / Remeasurements / Termination	-	-	-	-	(14)	-	**(14)**
Disposals and write offs	-	(2)	(1)	-	-	-	**(3)**
At 31 December 2020	**385**	**188**	**788**	**1**	**1,303**	**219**	**2,884**
Accumulated depreciation & impairment							
At 1 January 2020	**(158)**	**(95)**	**(682)**	**-**	**(56)**	**(139)**	**(1,130)**
Disposals and write offs	-	1	1	-	-	-	**2**
Depreciation charge	-	(3)	(19)	-	(73)	(9)	**(104)**
Modifications / Remeasurements / Termination	-	-	-	-	3	-	**3**
Impairment charge	3	5	-	-	-	-	**8**
At 31 December 2020	**(155)**	**(92)**	**(700)**	**-**	**(126)**	**(148)**	**(1,221)**
Net book amount at 31 December 2020	**230**	**96**	**88**	**1**	**1,177**	**71**	**1,663**

Bank	Land	Buildings	Vehicles & equipment	Assets under construction	Land & buildings - RoU Asset	Vehicles - RoU Asset	Leasehold improvements	Total
Cost								
At 1 January 2019	**83**	**94**	**653**	**1**	1,089	5	**196**	**2,121**
Additions	-	1	33	-	2	1	10	**47**
Modifications / Remeasurements / Termination	-	-	-	-	(40)	-	-	**(40)**
Disposals and write offs	(1)	(1)	(1)	-	-	-	-	**(3)**
At 31 December 2019	**82**	**94**	**685**	**1**	**1,051**	**6**	**206**	**2,125**
Accumulated depreciation & impairment								
At 1 January 2019	**(6)**	**(44)**	**(588)**	**-**	**-**	**-**	**(127)**	**(765)**
Disposals and write offs	-	-	1	-	-	-	-	**1**
Depreciation charge	-	(1)	(21)	-	(63)	(1)	(11)	**(97)**
Modifications / Remeasurements / Termination	-	-	-	-	5	-	-	**5**
Impairment charge	-	-	-	-	(5)	-	-	**(5)**
At 31 December 2019	**(6)**	**(45)**	**(608)**	**-**	**(63)**	**(1)**	**(138)**	**(861)**
Net book amount at 31 December 2019	**76**	**49**	**77**	**1**	**988**	**5**	**68**	**1,264**
Cost								
At 1 January 2020	**82**	**94**	**685**	**1**	**1,051**	**6**	**206**	**2,125**
Transfers	-		2	(1)	5	-	3	**9**
Additions	2	4	24	1	6	1	9	**47**
Modifications / Remeasurements / Termination	-	-	-	-	(17)	(1)	-	**(18)**
Disposals and write offs	-	(2)		-	-	-	-	**(2)**
At 31 December 2020	**84**	**96**	**711**	**1**	**1,045**	**6**	**218**	**2,161**
Accumulated depreciation & impairment								
At 1 January 2020	**(6)**	**(45)**	**(608)**	**-**	**(63)**	**(1)**	**(138)**	**(861)**
Transfers	-	-	(1)	-	-	-	(2)	**(3)**
Disposals and write offs	-	1		-	-	-	-	**1**
Depreciation charge	-	(1)	(18)	-	(60)	(1)	(9)	**(89)**
Modifications / Remeasurements / Termination	-	-	-	-	5	-	-	**5**
At 31 December 2020	**(6)**	**(45)**	**(627)**	**-**	**(118)**	**(2)**	**(149)**	**(947)**
Net book amount at 31 December 2020	**78**	**51**	**84**	**1**	**927**	**4**	**69**	**1,214**

NOTE 27: Deferred tax assets and liabilities

	Group		Bank	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Deferred tax assets:				
Unamortised PSI losses eligible for DTC	1,926	2,018	1,926	2,018
Property and equipment and intangible assets	1	1	-	-
Loan losses eligible for DTC	1,451	1,560	1,451	1,560
Unamortized debit differences relating to crystalized loan losses eligible for DTC	937	885	937	885
Loan losses created after 30 June 2015 non eligible for DTC	592	443	592	443
Other differences on loans and advances to customers at amortised cost	2	4	-	-
Other temporary differences	2	-	-	-
Deferred tax assets	**4,911**	**4,911**	**4,906**	**4,906**

	Group		Bank	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Deferred tax liabilities:				
Property and equipment and intangible assets	3	2	-	-
Loans and advances to customers at amortised cost	8	7	-	-
Other temporary differences	3	2	-	-
Deferred tax liabilities	**14**	**11**	**-**	**-**

Deferred tax charge in the Income Statement	Group		Bank	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
PSI losses eligible for DTC	(92)	(92)	(92)	(92)
Property and equipment and intangible assets	(1)	(2)	-	-
Debit differences relating to crystalized loan losses eligible for DTC	(57)	(48)	(57)	(48)
Loan losses created after 30 June 2015 non eligible for DTC	149	140	149	140
Other differences on loans and advances to customers at amortised cost	(3)	1	-	-
Other temporary differences	1	(1)	-	-
Deferred tax charge in the income statement	**(3)**	**(2)**	**-**	**-**
Net deferred tax movement	**(3)**	**(2)**	**-**	**-**

The Group and the Bank believe that the realization of the recognized DTA of €4,909 million and €4,906 million for the Group and the Bank, respectively, at 31 December 2020 is probable based upon expectations of Group's and Bank's taxable income in the future.

At 31 December 2020, cumulative tax losses for the Group and the Bank amounted to €2,586 million and €2,518 million respectively (31 December 2019: €3,548 million and €3,483 million respectively) and were incurred in 2016 through to 2020. Management has estimated that tax losses of €3 million for the Group and Nil for the Bank (2019: €3 million and Nil) can be utilised thus a DTA of €1 million and Nil (2019: €1 million and Nil) for the Group and the Bank respectively has been recognised. The unused tax losses amounted to €2,581 million for the Group and €2,518 million for the Bank (2019: €3,545 million and €3,483 million) and the unrecognised DTA amounted to €745 million and €730 million (2019: €1,025 million and €1,010 million) respectively.

The following table presents the year of expiration of the cumulative tax losses for the Group and the Bank.

	Group	Bank
Year	31.12.2020	31.12.2020
2021	2,094	2,081
2022	218	214
2023	31	-
2024	227	223
2025	16	-
	2,586	**2,518**

The Group and the Bank have offset the deferred tax assets and deferred tax liabilities on an entity by entity basis based on the legally enforceable right to set off the recognized amounts i.e. offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority.

NOTE 28: Other assets

	Group		Bank	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Accrued interest and commissions	80	10	81	10
Receivables from Greek State	887	803	883	799
Tax prepayments and other recoverable taxes	5	2	1	-
Trade receivables	21	32	2	10
Assets acquired through foreclosure proceedings	425	346	411	333
Prepaid expenses	37	33	31	27
Hellenic Deposit and Investment Guarantee Fund	494	494	494	494
Cheques and credit card transactions under settlement	46	91	45	88
Other	287	633	239	590
Total	**2,282**	**2,444**	**2,187**	**2,351**

Receivables from Greek State of €887 million and €883 million as at 31 December 2020 (31 December 2019: €803 million and €799 million) for the Group and the Bank respectively, mainly include amounts claimed or eligible to be claimed from the Hellenic Republic relating to mortgage loans guaranteed from the Hellenic Republic.

In accordance with article 9 of Greek Law 4370/07.03.2016, the upper coverage level for the amount of deposits guaranteed by the Hellenic Deposit and Investment Guarantee Fund (HDIGF) is €100 thousand per client. Accordingly, the contributions paid by credit institutions to HDIGF increased from 2008 onwards.

Greek Law 4370/07.03.2016 article 25 par. 8, 9 and 10 provides that the Supplementary Deposit Cover Fund (SDCF), is considered as a distinct group of assets which consists of the annual contributions of the credit institutions, pursuant to paragraph 2 of Article 6 of Greek Law 3714/2008 (A '231). The assets of the SDCF are considered to be assets of the SDCF members credit institutions, according to their participation in it and is part of the funds of and subject to management by the HDIGF, for the achievement of its objectives.

In accordance with article 13 of Greek Law 4370/2016, HDIGF guarantees up to an amount of €30 thousand per client for investing activities. In 2010, the participating credit institutions paid the first contributions. The said contributions are included in a special reserve which is jointly owned by the credit institutions in proportion to their participation. Each credit institution participating in the Investment Cover Scheme (ICS) has an individual share in it. The individual share of each ICS member is proportional to its participation in the assets of the ICS, Article 30/4370/ 07.03.2016.

In accordance with article 36 of Greek Law 4370/07.03.2016, the Resolution Scheme (RS) assets, as Resolution Fund for credit institutions, are from ordinary contributions paid in advance, extraordinary contributions and alternative means of funding, pursuant to the internal articles 98, 99 and 100 of Article 2 of Greek Law 4355/2015. The contributions are determined in accordance with the provisions in force.

Also, according to Regulation (EU) 806/2014, the Bank participates in the Single Resolution Fund, through predetermined regular annual contributions, set by the SRB (Single Resolution Board).

Included in "Other" is an investment in a sublease for the Group and the Bank with a carrying amount of €44 million as at 31 December 2020 (31 December 2019: €43 million).

NOTE 29: Assets and liabilities held for sale and discontinued operations

A. Non-Current Assets and Disposal Groups classified as held for sale and discontinued operations

Non-current assets held for sale at 31 December 2020 and 31 December 2019 comprise of NIC, NBG Cyprus Ltd and CAC Coral Ltd. The profit or losses from discontinued operations for the year ended 31 December 2020, comprises of NIC, NBG Cyprus Ltd and CAC Coral Ltd. Non-current assets held for sale also include loan portfolio contemplated disposals mainly relating to projects Frontier, ICON & Danube as of 31 December 2020 and projects ICON & Danube as of 31 December 2019. The comparative profit or loss from discontinued operations includes Banca Romaneasca S.A., NIC, NBG Cyprus Ltd, NBG Pangaea REIC (currently Prodea Investments S.A.) and CAC Coral Ltd.

NBG Pangaea REIC

On 29 March 2019 the Bank received from Invel Real Estate (Netherlands) II B.V. ("Invel") a "Call" Option Exercise Notice to acquire NBG's shareholding to NBG Pangaea REIC, pursuant to the Shareholders Agreement entered into between NBG, Invel, Invel Real Estate Partners Greece L.P, Invel Real Estate Partners Greece SAS, Invel Real Estate Partners Two Limited and NBG Pangaea REIC. According to the relevant terms of the Shareholders Agreement, the entities nominated by Invel, namely "Invel Real Estate B.V." and CL Hermes Opportunities L.P., ("the Buyers") acquired NBG's Shareholding on 23 May 2019 at call option price 4.684 euros per share. The total amount received for NBG's Shareholding (comprising 83,438,113 shares of NBG Pangaea REIC) was €391 million.

On 23 May 2019 control of NBG Pangaea REIC passed to the Buyers. Details of the assets and liabilities disposed of, and the calculation of the profit or loss on disposal of the above transaction, are disclosed in Note 43.

Banca Romaneasca S.A.

On 20 June 2019, the Bank entered into a definitive agreement with Export-Import Bank of Romania ("EximBank") for the sale of its 99.28% stake in Banca Romaneasca S.A.

On 30 December 2019 control of Banca Romaneasca S.A. passed to EximBank. Details of the assets and liabilities derecognized and the calculation of the profit or loss on disposal of the above transaction, are disclosed in Note 43.

National Bank of Greece (Cyprus) Ltd

A Share and Purchase Agreement ("SPA") had been signed with Astrobank on 26 November 2019, for the sale of a 100% stake in National Bank of Greece (Cyprus) Ltd.

However, on 26 November 2020, which was the last date ("Longstop Date") for Astrobank to fulfil certain condition precedents specified in the SPA entered into between NBG and Astrobank, the Bank took note that such condition precedents were not fulfilled and henceforth decided to terminate the SPA on 27 November 2020.

NBG remains committed to implementing all options of compliance with its commitments under the Restructuring Plan as agreed with the DG Competition.

NBG Cyprus has been classified as held for sale and discontinued operations.

Ethniki Hellenic General Insurance S.A.

NBG relaunched NIC's sales process in October 2019. NBG received a binding offer from CVC Capital Partners on the basis of updated post-COVID-19 due diligence.

On 24 March 2021 NBG's BoD approved the sale of the 90.01% out of 100% stake in NIC and authorized the Bank's Management to proceed with the signing of the SPA on 26 March 2021. The equivalent nominal consideration corresponding to 100% of Ethniki would be €505 million, including an "earn-out" payment of up to €120 million, which will be subject to meeting agreed upon performance targets for the bancassurance channel of NBG by 2026. The transaction includes a 15-year Bancassurance partnership.

NIC has been classified as held for sale and discontinued operations.

CAC Coral Ltd

A sale and purchase agreement was signed with Bain Capital Credit on 16 October 2020, for the sale of a 100% stake in CAC Coral Ltd. The transaction is currently expected to be concluded by the end of the third quarter 2021 after approval of the competent regulatory authorities.

CAC Coral Ltd has been classified as held for sale and discontinued operations.

Project Danube

NBG entered into a definite agreement with Bain Capital Credit for the disposal of a Romanian-risk corporate NPE portfolio ("Project Danube") with a total Gross Book Value of €174 million and Net Book Value of €25 million. The closing of the transaction is subject to standard conditions precedent, including the approval of the transaction by the Competition Council of Romania. The sale is expected to be completed within the second quarter 2021.

Project ICON

As part of the implementation of the NBG Transformation Program the Bank, on 5 June 2020, announced that it has entered into a definite agreement with the Investment Firm Bain Capital Credit ("Bain Capital) for the disposal of a portfolio of c. 2,800 non-performing, predominantly secured, corporate loan portfolio ("Project Icon") with total principal amount of €1.6 billion as of 30 June 2019 and Net Book Value of €274 million as of 31 December 2020. The transaction is being implemented in the context of NBG's NPE deleveraging strategy and in accordance with the Operational Targets submitted to the Single Supervisory Mechanism ("SSM"). The closing of the transaction took place on 12 February 2021.

Project Frontier

In the context of deleveraging its NPEs through inorganic actions, the Bank launched in December 2020 a large-scale transaction for the disposal of a portfolio of Greek NPEs in the form of a rated securitization, under the project name "Frontier", which aims to utilize the provisions of the Hellenic Asset Protection Scheme ("HAPS"). The envisaged transaction comprises a portfolio of secured Large Corporate, Small and Medium Enterprises ("SME"), Small Business Lending ("SBL") and Mortgage loans, accounting for €6.1 billion in terms of gross book value as of 30 June 2020. The Net Book Value as of 31 December 2020 amounted to €2.6 billion. On 29 January 2021, the Bank announced the submission of application under the Hercules Asset Protection Scheme, according to the provisions of Greek Law 4649/2019, for the securitization of project Frontier. The application relates to the provision of a guarantee by the Greek State on the senior notes of an amount up to €3.3 billion.

Upon the successful completion of the Transaction, NBG expects to retain 100% of the senior and 5% of the mezzanine and junior notes, while disposing up to 95% of the latter to the market through a competitive process, which is expected to be completed (Signing and Closing) in the second quarter 2021.

The impairment of the above NPEs is included in "Credit provisions and other impairment charges". For more information see Note 13.

The table below depicts a condensed income statement of the discontinued operations, the cash flows associated with the discontinued operations, as well as an analysis of the Disposal Groups and Non-Current Assets classified as Held for Sale. It is noted that the line Credit Provisions and other impairment charges on the table below includes write-downs of the discontinued operations to fair value less costs to sell, in line with the requirements of IFRS 5.

Condensed income statement of discontinued operations [1]	Group		Bank	
	12 month period ended		12 month period ended	
€ million	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Net interest income	54	89	-	-
Net fee and commission income	2	(3)	-	-
Earned premia net of claims and commissions	107	102	-	-
Net trading income / (loss) and results from investments securities	16	35	-	-
Other income	10	44	-	8
Total income	**189**	**267**	**-**	8
Operating expenses	(90)	(163)	(1)	-
Credit Provisions and other impairment charges	(440)	(557)	(274)	(266)
Profit before tax	**(341)**	**(453)**	**(275)**	**(258)**
Tax benefit/(expense)	(21)	(29)	-	-
Profit for the period from discontinued operations	**(362)**	**(482)**	**(275)**	**(258)**
Profit on disposal (see Note 43)	-	2	-	129
Total profit for the period from discontinued operations (attributable to NBG equity shareholders)	**(362)**	**(480)**	**(275)**	**(129)**

[1] Includes NIC, NBG Cyprus Ltd and CAC Coral Limited, while in 2019 Banca Romaneasca and Pangaea are also included.

€ million	*31.12.2020*	*31.12.2019*
Cash Flows from discontinued operations		
Net cash inflows/(outflows) from operating activities	131	246
Net cash inflows/(outflows) from investing activities	(217)	(280)
Net cash inflows/(outflows) from financing activities	1	104
Net Cash inflows /(outflows)	**(85)**	**70**

Analysis of non-current assets held for sale and liabilities associated with non-current assets held for sale

	Group		Bank	
ASSETS	31.12.2020[1]	31.12.2019[1]	31.12.2020[1]	31.12.2019
Cash and balances with central banks	138	55	-	-
Due from banks	82	125	-	-
Financial assets at fair value through profit or loss	26	20	-	-
Derivative financial instruments	1	1	-	-
Loans and advances to customers	3,218	750	2,899	360
Investment securities	3,290	2,916	-	-
Investment property	3	15	-	-
Investments in subsidiaries	-	-	365	639
Goodwill, software and other intangible assets	-	1	-	-
Deferred tax assets	8	43	-	-
Insurance related assets and receivables	435	453	-	-
Current income tax advance	-	11	-	-
Other assets	52	53	-	-
Non-current assets held for sale	6	10	12	-
Total assets	**7,259**	**4,453**	**3,276**	**999**
LIABILITIES				
Due to banks	12	17	-	-
Due to customers	557	587	-	-
Insurance related reserves and liabilities	2,495	2,431	-	-
Deferred tax liabilities	1	2	-	-
Retirement benefit obligations	61	56	-	-
Current income tax liabilities	9	-	-	-
Other liabilities	804	389	-	-
Total liabilities	**3,939**	**3,482**	**-**	**-**

[1] Includes NIC, NBG Cyprus Ltd and CAC Coral Ltd.

B. Changes to a plan of sale

National Bank of Greece – Egyptian Branch Network

As of 31 December 2018, the Network in Egypt ("NBG Egypt") had been classified as held for sale and discontinued operations.

The Bank signed a definitive agreement to sell certain assets and liabilities of NBG Egypt to Bank Audi SAE on 2 May 2019. Closing of the transaction is subject to the approval of the Central Bank of Egypt ("CBE"). The Central Bank of Lebanon approved the transaction in June 2019.

Given that the CBE approval was still pending six months after the signing of the definitive agreement, Bank Audi SAE issued an agreement termination notice in November 2019.

On 11 May 2020, Bank Audi SAE informed NBG that will not pursue further the potential acquisition of NBG's operations in Egypt.

As a result the financial statements of the Group and the Bank have been amended retrospectively as if the NBG Egypt never qualified as held for sale and discontinued operations.

In late January 2021, NBG submitted an official application to the Central Bank of Egypt to wind-down its operations in Egypt.

NOTE 30: Due to banks

	Group		Bank	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Demand deposits due to credit institutions	189	191	313	224
Time deposits due to credit institutions	120	284	267	524
Interbank deposits	17	50	43	108
Amounts due to ECB and Central Banks	10,500	2,250	10,500	2,250
Securities sold under agreements to repurchase	517	500	517	500
Margin Accounts	954	864	954	864
Other	427	310	427	310
Total	**12,724**	**4,449**	**13,021**	**4,780**

Targeted Longer-Term Refinancing Operations

The European Central Bank (ECB) launched in 2019 a third series of Targeted Longer-Term Refinancing Operations (TLTRO) with the aim of maintaining favorable credit conditions in the euro area. Like the two previous operations, borrowing banks can benefit from a reduced interest rate depending on their performance in granting loans to households (excluding real estate loans) and businesses (excluding financial institutions) customers. These TLTRO III operations each have a three-year maturity and are conducted quarterly between September 2019 and March 2021. Certain terms and conditions were modified in March 2020, in particular the loan production objectives, rate conditions and drawdown limit, in order to further support the granting of loans in the face of the emergence of the COVID-19 crisis.

The Group participated in three TLTRO III operations (September 2019, December 2019 and June 2020). As at 31 December 2020 the total liability amounted to €10.5 billion and is presented under "Amounts due to ECB and Central Banks".

Based on the granting of loans for the year 2020 and the estimate of future production for the first quarter of 2021, the Group considers that it has reasonable assurance of reaching the objective of stability of the outstanding eligible loans between 1 March 2020 and 31 March 2021 and consequently of benefiting from a preferential borrowing rate. This preferential rate, more favourable than the remuneration conditions for the main Eurosystem refinancing operations, is equal to the average interest rate of the deposit facility over the life of each operation and is complemented by an additional temporary benefit over the period from 24 June 2020 to 23 June 2021 (reduction of 50 basis points in the average rate of the deposit facility with a floor rate set at -1%). Interest income recorded in 2020 in respect of these transactions including bridge financing transactions offered by the ECB between March and June 2020 at the average deposit facility rate (minus 50 basis points) is presented in Net Interest Income under "Amounts due from banks" (see Note 6) and amounted to €65 million.

NOTE 31: Due to customers

	Group		Bank	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Deposits:				
Individuals	36,516	33,738	35,277	32,549
Corporate	9,421	6,685	9,670	6,888
Government and agencies	2,567	3,325	2,563	3,324
Total	**48,504**	**43,748**	**47,510**	**42,761**

	Group		Bank	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Deposits:				
Savings accounts	24,453	21,078	24,281	20,919
Current & Sight accounts	12,845	9,991	12,691	9,895
Time deposits	10,198	11,836	9,528	11,103
Other deposits	1,008	843	1,010	844
	48,504	**43,748**	**47,510**	**42,761**
Total	**48,504**	**43,748**	**47,510**	**42,761**

Included in time deposits are deposits which contain one or more embedded derivatives. The Group has designated such deposits as financial liabilities at fair value through profit or loss. As at 31 December 2020, these deposits amounted to €426 million (31 December 2019: €279 million).

In accordance with Greek Law 4151/2013, all dormant deposit accounts are subject to statute of limitations of 20 years in favour of the Greek State. All banks operating in Greece are required by April of every year to remit the cash balances of such dormant accounts to the Greek State. The Bank for 2020 and until 31 December 2020 has remitted to the Greek State €2 million in respect of dormant account balances.

NOTE 32: Debt securities in issue

	Group			Bank		
	Weighted Interest rate	31.12.2020	31.12.2019	Weighted Interest rate	31.12.2020	31.12.2019
Covered bonds - fixed rate	-	-	953	-	-	953
Fixed rate notes	5.25%	910	412	5.25%	910	412
Total		**910**	**1,365**		**910**	**1,365**

The financial terms of debt securities in issue as of 31 December 2020, are as follows:

Issuer	Type	Issue date	Maturity date	Currency	Outstanding Nominal amount	Interest rate
Fixed rate notes						
NBG	Tier II Notes- Global Medium Term Note Program	18 July 2019	July 2029 [(1)]	EUR	400	Paid annually at a fixed coupon rate of 8.25%
NBG	Green Fixed Rate Resettable Unsubordinated MREL Note	8 October 2020	October 2026 [(2)]	EUR	500	Paid annually at a fixed coupon rate of 2.75%

[(1)] First Reset Date: 18 July 2024
[(2)] First Reset Date: 8 October 2025

Debt securities in issue redeemed or repurchased in 2020, are as follows:

Issuer	Type	Issue date	Redemption / Repurchased date	Currency	Nominal amount
Covered bonds					
NBG	Fixed rate covered bonds - Program II Series 7	19 October 2017	October 2020	EUR	750
NBG	Fixed rate covered bonds - Program II Series 8[(3)]	30 July 2018	December 2020	EUR	200

[(3)] On 9 December 2020, the Bank repurchased €200 million of covered bonds held by the European Investment Bank (EIB).

The movement of debt securities in issue may be summarised as follows:

	Group		Bank	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Balance at 1 January	**1,365**	**1,146**	**1,365**	848
Additions within the period	500	547	500	396
Disposals (sales and redemptions) within the period	(750)	(35)	(750)	(30)
Sold / (Buy) Backs	(200)	132	(200)	132
Accruals	(2)	18	(2)	16
Amortisation of premiums / discounts	(3)	4	(3)	3
Disposals of subsidiaries	-	(447)	-	-
Balance at 31 December	**910**	**1,365**	**910**	**1,365**

Additions within the period include the Bank's issuance of €500 million Green Fixed Rate Resettable Unsubordinated Minimum Requirement for own funds and Eligible Liabilities ("MREL") Notes (see above).

Disposals (sales and redemptions) within the period include the Bank's Covered Bond (Series 7) of amount €750 million under Program II (see above).

The buy backs refer to the repurchase of €200 million of_Series 8 Covered Bonds by the Bank, which was previously held by the European Investment Bank (EIB).

NOTE 33: Other borrowed funds

	Group		Bank	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Loans-fixed rate	9	3	-	-
Loans-floating rate	51	2	-	-
Total	**60**	**5**	**-**	**-**

The movement of other borrowed funds may be summarised as follows:

	Group		Bank	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Balance at 1 January	**5**	**268**	**-**	**-**
Additions within the period	58	41	-	-
Disposals (sales and redemptions) within the period	(3)	(84)	-	-
Disposals of subsidiaries	-	(222)	-	-
Accruals	-	2	-	-
Balance at 31 December	**60**	**5**	**-**	**-**

Fixed and floating rate borrowings of the Group include borrowings from Ethniki Factors S.A. and Stopanska Banka A.D. Fixed rate borrowings amounting to €9 million, all denominated in EUR, and floating rate borrowings amounting to €51 million, (50 million in EUR and 1 million in MKD).

Additions within the period include mainly the issuance of €50 million new floating rate borrowings from Ethniki Factors S.A.

NOTE 34: Other liabilities

	Group		Bank	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Accrued interest and commissions	4	2	4	3
Creditors and suppliers	256	310	171	195
Amounts due to government agencies	36	37	36	38
Collections for third parties	352	211	352	211
Other provisions	164	134	202	131
Taxes payable - other than income taxes	37	40	34	36
Accrued expenses and deferred income	74	56	71	53
Payroll related accruals	27	79	26	77
Lease Liability	1,245	1,311	1,016	1,062
Other	437	593	428	582
Total	**2,632**	**2,773**	**2,340**	**2,388**

The movement of lease liability for the Group and the Bank may be summarised as follows:

	Group		Bank	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
At 1 January	**1,311**	**108**	**1,062**	**1,136**
Additions	7	4	7	3
Disposal of subsidiaries	-	1,283	-	-
Modifications / Remeasurements / Termination	(16)	(46)	(11)	(36)
Interest Expense	28	18	44	46
Lease payments during the year	(85)	(56)	(86)	(87)
Balance at 31 December	**1,245**	**1,311**	**1,016**	**1,062**

Lease liability

The lease liability amounted to €1,245 million and €1,016 million as at 31 December 2020 (31 December 2019: €1,311 million and €1,062 million) for the Group and the Bank respectively and was discounted at a weight average discount rate of 2.13% and 4.25% (2019: 2.13% and 4.25%) for the Group and the Bank respectively.

Extension options

The Bank leases a number of buildings that have extension options that are exercisable solely at the option of the Bank. These are used to maximize operational flexibility in terms of managing the assets used in the Bank's operations. These leases have a weighted average non-cancellable period of 18 years and an additional weighted average maximum extension period exercisable at the option of the Bank of 10 years (excluding the flexibility and cancelation mechanism described below). The current estimated period of lease contracts to be extended on a weighted average basis is approximately 4.5 years since the Bank only reasonably expects to exercise this option on strategic properties.

Flexibility mechanism

Allows the Bank to terminate leases with Prodea Investments annually up to 0.83% of the TBR (Total Base Rent). The Bank has the right to roll over any unused percentages of the TBR to subsequent lease years for a maximum of three years for each annual unused percentage. No lease can be terminated for some of the leased space and remain in effect for the remainder.

Cancelation mechanism

This mechanism gives the Bank the right to terminate specific leases with Prodea Investments after 2028 and until their maturity, as long as the leases terminated do not exceed 65% of the TBR including all leases that have already been terminated with the procedure described in the preceding paragraph.

As of 31 December 2020 the percentage of the lease liability that is eligible for the flexibility and the cancelation mechanism amounted to 87% and 85% (2019: 87% and 79%) for the Group and the Bank respectively.

Other Provisions

The movement of other provisions for the Group and the Bank may be summarised as follows:

	Group							
	2020				2019			
	Litigation	Provisions for forfeiture of letters of guarantee (LG's)	Other	Total	Litigation	Provisions for forfeiture of letters of guarantee (LG's)	Other	Total
Balance at 1 January	**54**	**51**	**29**	**134**	**67**	**67**	**12**	**146**
Provisions utilized during the year	(6)	-	(109)	**(115)**	(2)	-	(84)	**(86)**
Provisions charged/ (released) to income statement during the year	6	5	134	**145**	(11)	(16)	101	**74**
Balance 31 December	**54**	**56**	**54**	**164**	**54**	**51**	**29**	**134**

	Bank							
	2020				2019			
	Litigation	Provisions for forfeiture of letters of guarantee (LG's)	Other	Total	Litigation	Provisions for forfeiture of letters of guarantee (LG's)	Other	Total
Balance at 1 January	49	53	29	**131**	**64**	**225**	**16**	**305**
Provisions utilized during the year	(6)	-	(109)	**(115)**	(2)	(147)	(84)	**(233)**
Provisions charged/ (released) to income statement during the year	(2)	52	136	**186**	(13)	(25)	97	**59**
Balance 31 December	**41**	**105**	**56**	**202**	**49**	**53**	**29**	**131**

NOTE 35: Contingent liabilities, pledged, transfers of financial assets and commitments

a. Legal proceedings

The Bank and certain of its subsidiaries are defendants in certain claims and legal actions and proceedings arising in the ordinary course of business. These actions and proceedings are generally based on alleged violations of consumer protection, banking, employment and other laws. None of these actions and proceedings is individually material. The Group and the Bank establish provisions for all litigations, for which they believe it is probable that a loss will be incurred and the amount of the loss can be reasonably estimated. These provisions may change from time to time, as appropriate, in light of additional information. For the cases for which a provision has not been recognized, management is not able to reasonably estimate possible losses, since the proceedings may last for many years, many of the proceedings are in early stages, there is uncertainty as to the likelihood of the final result, there is uncertainty as to the outcome of pending appeals and there are significant issues to be resolved. However, in the opinion of management, after consultation with legal counsel, the final outcome of these matters is not expected to have a material adverse effect on the Group's and Bank's Statement of Financial Position, Income Statement and Cash Flow Statement, taking into account that as at 31 December 2020 the Group and the Bank have provided for cases under litigation the amount of €54 million and €41 million respectively (31 December 2019: €54 million and €49 million respectively).

b. Pending tax audits

Tax authorities have not yet audited all subsidiaries for certain financial years and accordingly their tax obligations for those years may not be considered final. Additional taxes and penalties may be imposed as a result of such tax audits; although the amount cannot be determined, it is not expected to have a material effect on the consolidated Statement of Financial Position.

The years 2011-2016 have been tax audited by Deloitte Certified Public Accountants S.A., in accordance with article 82 of Greek Law 2238/1994 and subsequently with article 65A of Greek Law 4174/2013 and the tax audit certificates which were unqualified, were issued on 27 July 2012, 27 September 2013, 10 July 2014, 30 October 2015, 30 September 2016 and 23 October 2017 respectively. The years 2017, 2018 and 2019 have been tax audited by PwC S.A. and the tax certificates, which were unqualified, were issued on 26 October 2018, 31 October 2019 and 27 October 2020, respectively. The year 2020 will also be tax audited by PWC S.A. however; it is not expected to have a material effect on the Group and the Bank's Statement of Financial Position.

On 31 December 2020, the right of the tax authorities to issue a deed for re-calculation of income tax for the years up to and including year 2013 expired. For the years 2014 onwards, in accordance with the Ministerial Decision 1006/2016 there is no exception from tax audit by the tax authorities to those entities that have been tax audited by the independent auditor and its tax audit certificate was unqualified.

Therefore, the tax authorities may re-audit the tax books of the Bank. However, it is not expected to have a material effect on the Group and the Bank's Statement of Financial Position.

For the subsidiaries and associates regarding unaudited tax years refer to Note 44 and Note 24 respectively.

c. Credit commitments

In the normal course of business, the Group enters into a number of contractual commitments on behalf of its customers and is a party to financial instruments with off-balance sheet risk to meet the financing needs of its customers. These contractual commitments consist of commitments to extend credit, commercial letters of credit and standby letters of credit and guarantees. Commitments to extend credit are agreements to lend to a customer as long as there is no violation of the conditions established in the contract. Commercial letters of credit ensure payment by the Bank to a third party for a customer's foreign or domestic trade transactions, generally to finance a commercial contract for the shipment of goods. Standby letters of credit and financial guarantees are conditional commitments issued by the Group to guarantee the performance of a customer to a third party. All of these arrangements are related to the normal lending activities of the Group and the Bank. The Group and the Bank's exposure to credit loss in the event of non-performance by the other party to the financial instrument for commitments to extend credit, commercial and standby letters of credit is represented by the contractual nominal amount of those instruments. The Group and the Bank uses the same credit policies in making commitments and conditional obligations as it does for on-balance sheet instruments.

	Group		Bank	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Standby letters of credit and financial guarantees written	2,527	2,786	2,790	3,062
Commercial letters of credit	509	298	512	302
Total	**3,036**	**3,084**	**3,302**	**3,364**

In addition to the above, credit commitments also include commitments to extend credit which at 31 December 2020 amount to €7,621 million for the Group (31 December 2019: €6,419 million) and to €6,901 million for the Bank (31 December 2019: €5,753 million). Commitments to extend credit at 31 December 2020 do not include any amounts, which cannot be cancelled without certain conditions being met at any time and without notice, or for which automatic cancellation due to credit deterioration of the borrower is not allowed.

d. Assets pledged

	Group		Bank	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Assets pledged as collateral	**14,234**	**3,689**	**14,179**	**3,635**

As at 31 December 2020, the Group and the Bank have pledged mainly for funding purposes with the ECB and financial institutions, the following instruments:

- trading and investment debt instruments of €7,609 million (31 December 2019: €826 million);
- loans and advances to customers amounting to €5,307 million (31 December 2019: €1,150 million); and
- covered bonds of a nominal value of €1,318 million backed with mortgage loans of total value of €1,914 million (31 December 2019: €1,713 million backed with mortgage loans of total value of €2,555 million).

In addition to the pledged items presented above, as at 31 December 2020, the Group has pledged an amount of €315 million (31 December 2019: €317 million) included in due from banks with respect to a guarantee for the non-payment risk of the Hellenic Republic, as well as Hellenic Republic Treasury bills of €733 million (31 December 2019: €462 million) for trade finance transactions.

e. Transferred financial assets

As at 31 December 2020 and 2019 the carrying amount of transferred financial assets, which have been transferred but are subject to continued recognition in full and the associated recognized liabilities are presented in the tables below.

	Group		Bank	
	Carrying amount of transferred assets	Carrying amount of associated liabilities	Carrying amount of transferred assets	Carrying amount of associated liabilities
	31.12.2020			
Amounts due to Eurosystem and Central Banks				
Trading and investment securities	6,458	5,804	6,458	5,804
Loans and advances to customers	5,307	3,517	5,307	3,517
Securities sold under agreements to repurchase				
Trading and investment securities	793	766	738	721
Other				
Trading and investment securities	1,091	-	1,091	-
Total	**13,649**	**10,087**	**13,594**	**10,042**

	Group		Bank	
	Carrying amount of transferred assets	Carrying amount of associated liabilities	Carrying amount of transferred assets	Carrying amount of associated liabilities
	31.12.2019			
Amounts due to Eurosystem and Central Banks				
Trading and investment securities	301	297	247	226
Loans and advances to customers	1,150	885	1,150	885
Securities sold under agreements to repurchase				
Trading and investment securities	525	500	525	500
Other				
Trading and investment securities	462	27	462	27
Total	**2,438**	**1,709**	**2,384**	**1,638**

Transactions whereby financial assets are transferred, but continue to be recognized in their entirety on the Group's Statement of Financial Position relate to Eurosystem funding under the general terms applying to such agreements,and securities sold under agreements to repurchase (see Note 2.16, Note 31 and Note 32), which, in general, are conducted under standard market agreements. With respect to Eurosystem funding, a haircut is generally applied to the collateral, which results in the associated liabilities having a carrying value less than the carrying value of the transferred assets. As a result of these transactions, the Group is unable to use, sell or pledge the transferred assets for the duration of the transaction. The Group remains exposed to interest rate risk and credit risk on these pledged instruments. The counterparty's recourse is not limited to the transferred assets.

NOTE 36: Share capital, share premium and treasury shares

Share Capital – Ordinary Shares

The total number of ordinary shares as at 31 December 2020 and 31 December 2019 was 914,715,153, with a nominal value of 3.00 Euro per share.

Treasury shares

Treasury shares transactions are conducted by the Group subsidiary, NBG Securities S.A. and are summarized as follows:

	Group	
	No of shares	€ million
At 1 January 2019	**373,800**	**-**
Purchases	12,851,604	25
Sales	(12,925,281)	(24)
At 31 December 2019	**300,123**	**1**
Purchases	12,259,613	17
Sales	(12,223,918)	(17)
At 31 December 2020	**335,818**	**1**

NOTE 37: Tax effects relating to other comprehensive income / (expense) for the period

Group	12 month period ended 31.12.2020			12 month period ended 31.12.2019		
	Gross	Tax	Net	Gross	Tax	Net
Items that may be reclassified subsequently to profit or loss:						
Unrealised gains / (losses) on investments in available-for-sale for the period	155	(32)	123	347	(75)	272
Reclassification adjustments on investments in available-for-sale included in the income statement	(40)	6	(34)	(87)	18	(69)
Impairment loss recognized on investments in available-for-sale	10	(2)	8	-	-	-
Unrealised gains / (losses) on investments in debt instruments measured at FVTOCI	117	-	117	425	-	425
(Gains) / losses on investments in debt instruments measured at FVTOCI reclassified to profit or loss on disposal	(383)	-	(383)	(110)	-	(110)
ECL impairment recognised to profit or loss	2	-	2	-	-	-
Investments in debt instruments	**(139)**	**(28)**	**(167)**	**575**	**(57)**	**518**
Currency translation differences	(11)	-	(11)	11	-	11
Loss reclassified to income statement on disposal of Romaneasca	-	-	-	47	-	47
Currency translation differences	**(11)**	**-**	**(11)**	**58**	**-**	**58**
Cash flow hedge	**(16)**	**-**	**(16)**	**(24)**	**-**	**(24)**
Loss reclassified to income statement on disposal of Romaneasca	-	-	-	8	-	8
Net investment hedge	**-**	**-**	**-**	**8**	**-**	**8**
Total of items that may be reclassified subsequently to profit or loss	**(166)**	**(28)**	**(194)**	**617**	**(57)**	**560**
Items that will not be reclassified subsequently to profit or loss:						
Gains / (losses) on investments in equity instruments measured at FVTOCI	(24)	-	(24)	15	-	15
(Gains)/losses on investments in equity instruments designated as at FVTOCI transferred to retained earnings upon disposal	(13)	-	(13)	(2)	-	(2)
Remeasurement of the net defined benefit liability / asset	(21)	1	(20)	(30)	1	(29)
Total of items that will not be reclassified subsequently to profit or loss	**(58)**	**1**	**(57)**	**(17)**	**1**	**(16)**
Other comprehensive income / (expense) for the period	**(224)**	**(27)**	**(251)**	**600**	**(56)**	**544**

Bank	12month period ended 31.12.2020			12month period ended 31.12.2019		
	Gross	Tax	Net	Gross	Tax	Net
Items that may be reclassified subsequently to profit or loss:						
Unrealised gains / (losses) on investments in debt instruments measured at FVTOCI	117	-	117	425	-	425
(Gains) / losses on investments in debt instruments measured at FVTOCI reclassified to profit or loss on disposal	(383)	-	(383)	(110)	-	(110)
ECL impairment recognised to profit or loss	2	-	2	(1)	-	(1)
Investments in debt instruments	**(264)**	**-**	**(264)**	**314**	**-**	**314**
Currency translation differences	**(3)**	**-**	**(3)**	**7**	**-**	**7**
Cash flow hedge	**(16)**	**-**	**(16)**	**(24)**	**-**	**(24)**
Total of items that may be reclassified subsequently to profit or loss	**(283)**	**-**	**(283)**	**297**	**-**	**297**
Items that will not be reclassified subsequently to profit or loss:						
Gains / (losses) on investments in equity instruments measured at FVTOCI	(24)	-	(24)	13	-	13
Gain/(loss) on investments in equity instruments designated as at FVTOCI transferred to retained earnings upon disposal	(13)	-	(13)	(2)	-	(2)
Remeasurement of the net defined benefit liability / asset	(18)	-	(18)	(25)	-	(25)
Total of items that will not be reclassified subsequently to profit or loss	**(55)**	**-**	**(55)**	**(14)**	**-**	**(14)**
Other comprehensive income / (expense) for the period	**(338)**	**-**	**(338)**	**283**	**-**	**283**

NOTE 38: Reserves & retained earnings

	Group		Bank	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Statutory reserve	308	308	297	297
Investments in debt and equity instruments reserve	76	377	76	377
Defined benefit obligations	(201)	(184)	(201)	(183)
Currency translation differences reserve	62	73	(52)	(49)
Other reserves and retained losses	(12,121)	(12,155)	(12,116)	(12,116)
Total	**(11,876)**	**(11,581)**	**(11,996)**	**(11,674)**

The movement on the investment in debt instruments reserve is as follows:

	Group		Bank	
	2020	2019	2020	2019
At 1 January	**377**	**52**	**377**	**51**
Net gains / (losses) on investments in debt instruments measured at FVTOCI	117	425	117	425
Net (gains) / losses on investments in debt instruments measured at FVTOCI reclassified to profit or loss on disposal	(383)	(110)	(383)	(109)
Impairment loss recognized on investments in debt instruments measured at FVTOCI	2	(1)	2	(1)
Net gains / (losses) in equity instruments designated at FV measured at FVTOCI	(24)	13	(24)	13
Reclassification to retained earnings due to disposal of equity secs measured at FVTOCI	(13)	(2)	(13)	(2)
At 31 December	**76**	**377**	**76**	**377**

NOTE 39: Non controlling interests

	Group	
	2020	2019
At 1 January	**18**	**676**
(Acquisitions) /disposals	-	(661)
Dividend distribution	-	(15)
Share of net profit of subsidiaries	2	18
At 31 December	**20**	**18**

In 2019, "(Acquisition)/disposals" related mainly to the disposal of NBG Pangaea REIC in May 2019 of €677 million, to the disposal of Banca Romaneasca of €1 million and to the acquisition of a new subsidiary from Pangaea REIC of €18 million.

Dividends in 2019 related to NBG Pangaea REIC.

NOTE 40: Dividends

Greek Law 4548/2018 active from 1 January 2019, on Greek companies imposes restrictions regarding the dividend distribution. Specifically, the law states that no distribution to the shareholders can take place, if, on the day on which the last financial year ends, the total shareholders' equity, is or, following this distribution, will be, lower than the amount of the share capital increased by the reserves the distribution of which is forbidden by law or the Articles of Association, credit balances in equity (i.e. OCI) the distribution of which is not allowed and any unrealised gains of the year. Such share capital amount is reduced by the amount for which payment has not yet been called.

In addition, the law states that any distributable amount shall not exceed the profit of the last financial year on an unconsolidated basis net of tax, plus retained earnings and reserves the distribution of which is allowed and has been approved by the General Meeting, less any unrealised gains of the year, any losses carried forward and any amounts required by law or its Articles of Association to be allocated towards the formation of reserves.

Due to the above restrictions there were no distributable funds available by the end of 2019, therefore the Annual General Meeting of the Bank's shareholders held on 30 June 2020 took no decision on dividend distribution.

For the same reason the Bank's Board of Directors will not propose any distribution of dividend to the Bank's Annual Shareholders General Meeting of 2021.

Furthermore, pursuant to the Hellenic Financial Stability Fund ("HFSF") Law, and in line with the provisions of the Amended Relationship Framework Agreement with the HFSF, the HFSF's representative who sits on the Board of Directors has a veto right over decisions regarding the distribution of dividends.

NOTE 41: Cash and cash equivalents

	Group		Bank	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Cash and balances with central banks	9,156	3,414	8,998	3,308
Due from banks	568	627	423	419
Trading securities	15	20	15	20
Investment securities	45	87	14	7
Total	**9,784**	**4,148**	**9,450**	**3,754**

For the year ended 31 December 2020, Cash and balances with central banks and Due from banks of the Group include €15 million, and €82 million, respectively, relating to subsidiaries classified as Held for Sale.

For the year ended 31 December 2019, Cash and balances with central banks, Due from banks, and Trading Securities of the Group include €20 million, €152 million and €10 million, respectively, relating to subsidiaries classified as Held for Sale.

NOTE 42: Related party transactions

The nature of the significant transactions entered into by the Group with related parties during the 12-month period ended 31 December 2020 and 31 December 2019 and the significant balances outstanding as at 31 December 2020 and 31 December 2019 are presented below.

a. Transactions with members of the Board of Directors and management

The Group and the Bank entered into transactions with the members of the Board of Directors, the General Managers and the members of the Executive Committees of the Bank, the key management of other Group companies, as well as with the close members of family and entities controlled or jointly controlled by those persons.

All loans granted to related parties (i) were made in the ordinary course of business, (ii) were made on substantially the same terms, including interest rates and collateral, as those prevailing at the time for comparable transactions with other persons, and (iii) did not involve more than the normal risk of collectability or present other unfavourable features.

The members of the Board of Directors of the Bank are disclosed in Note 1.

As at 31 December 2020, loans and advances to customers, deposits/liabilities and letters of guarantee, at Group level, amounted to €3 million, €5 million and NIL respectively (31 December 2019: €4 million, €4 million and NIL respectively), whereas the corresponding figures at Bank level amounted to €3 million, €4 million and NIL respectively (31 December 2019: €4 million, €3 million and NIL respectively).

Total compensation to related parties for the period ended 31 December 2020, amounted to €10 million (31 December 2019: €8 million) for the Group and to €8 million (31 December 2019: €6 million) for the Bank, mainly relating to short-term benefits, in particular salaries and social security contributions.

b. Transactions with subsidiaries, associates and joint ventures

Transactions and balances between the Bank, its subsidiaries, associates and joint ventures are presented at the table below. At a Group level, only transactions and balances with associates and joint ventures are included, as transactions and balances with subsidiaries are eliminated on consolidation.

	Group	
	31.12.2020	31.12.2019
Assets	9	12
Liabilities	14	12
Letters of guarantee, contingent liabilities and other off balance sheet accounts	2	1
	12 month period ended	
	31.12.2020	31.12.2019
Interest, commission and other income	-	1
Interest, commission and other expense	5	4

	Bank					
	31.12.2020			31.12.2019		
	Subsidiaries	Associates & Joint Ventures	Total	Subsidiaries	Associates & Joint Ventures	Total
Assets	1,089	9	1,098	1,059	12	1,071
Liabilities	1,206	14	1,220	1,260	12	1,272
Letters of guarantee, contingent liabilities and other off balance sheet accounts	729	2	731	770	1	771
	12 month period ended 31.12.2020			12 month period ended 31.12.2019		
Interest, commission and other income	55	-	55	58	-	58
Interest, commission and other expense	15	5	20	44	4	48

c. Transactions with other related parties

The total receivables of both, the Group and the Bank, from the employee benefits related funds as at 31 December 2020 amounted to €747 million (31 December 2019: €747 million). For these receivables the Group and the Bank recognized a provision of €742 million (31 December 2019: €741 million).

The total payables of the Group and the Bank to the employee benefits related funds as at 31 December 2020, amounted to €102 million and €29 million respectively (31 December 2019: €99 million and €29 million).

d. Transactions with Hellenic Financial Stability Fund

Taking into consideration the Hellenic Financial Stability Fund ("HFSF") Law, the Relationship Framework Agreement ("RFA") between the Bank and the HFSF that was signed in December 2015, the fact that the HFSF holds 40.39% of the Bank's ordinary shares, of which 38.92% with full voting rights and that the HFSF has representation in the Bank's Board of Directors and other Board Committees of the Bank, the HFSF is considered a related party of the Group. Other than the ordinary shares issued by the Bank and held by the HFSF, no material transactions or balances exist with the HFSF.

NOTE 43: Acquisitions, disposals and other capital transactions

Sale of Grand Hotel Summer Palace S.A.

On 5 April 2019, the Bank disposed of its 100% stake in Grand Hotel to Mitsis Company S.A. ("the Buyer"). The consideration less costs to sell was €50 million.

	Period ended 31 December 2019
Assets	
Due from banks	2
Property and equipment	13
Deferred tax assets	5
Total assets	**20**
Net assets disposed of	**20**

Gain on disposal of Grand Hotel

	Period ended 31 December 2019
Consideration received less costs to sell	50
Net assets disposed of	(20)
Gain on disposal	**30**

Net cash inflow on disposal of Grand Hotel

	Period ended 31 December 2019
Consideration received less costs to sell	50
Less: Cash and cash equivalent balances disposed of	(2)
Net cash inflow	**48**

The gain on disposal of €30 million at Group level and €44 million at Bank level is included in the "Net other income / (expense)" line of the Income Statement (see Note 29).

Sale of NBG Pangaea REIC

On 23 May 2019, the Bank disposed of its 32.66% stake in NBG Pangaea REIC to Invel Real Estate B.V. and CL Hermes Opportunities L.P. ("the Buyers"). The consideration less costs to sell was €390 million.

	Period ended 31 December 2019
Assets	
Due from banks	119
Investment properties	904
Equity method investments	6
Goodwill, software and other intangible assets	15
Property and equipment	719
Other assets	71
Total assets	**1,834**
Liabilities	
Debt securities in issue	447
Other borrowed funds	291
Deferred tax liabilities	19
Current income taxes	5
Other liabilities	65
Total liabilities	**827**
Net assets disposed of	**1,007**

Gain on disposal of NBG Pangaea REIC

	Period ended 31 December 2019
Consideration received less costs to sell	390
Net assets disposed of	(1,007)
Non-controlling interests	677
Gain on disposal	**60**

The gain on disposal of €60 million at Group level and €132 million at Bank level is included in the profit / (loss) for the period from discontinued operations (see Note 29).

Net cash inflow on disposal of NBG Pangaea REIC

	Period ended 31 December 2019
Consideration received less costs to sell	390
Less: Cash and cash equivalent balances disposed of	(119)
Net cash inflow	**271**

Sale of Banca Romaneasca

On 20 June 2019 a Share Sale Purchase Agreement (the "SPA") was signed between NBG and Banca de Export-Import a Romaniei EximBank S.A. (the "EximBank"), for 371,624,509 shares comprising 99.28% of the issued share capital of Banca Romaneasca ("the Company"). On 30 December 2019, the Unconditional Date, the Bank lost control of the Company and proceeded with derecognition of its assets and liabilities due to the fact that at that date all conditions agreed between NBG and EximBank were fulfilled. The consideration less costs to sell amounted to €55 million and was settled on 23 January 2020.

	Period ended 31 December 2019
Assets	
Cash and balances with central banks	52
Due from other banks	357
Loans and advances to customers	816
Investment securities	138
Other assets	11
Total assets	**1,374**
Liabilities	
Due to other banks	133
Derivative financial instruments	1
Due to customers	1,037
Debt securities in issue	65
Retirement benefit obligations	1
Other liabilities	78
Total liabilities	**1,315**
Net Assets derecognized	**59**

Loss on derecognition of Banca Romaneasca

	Period ended 31 December 2019
Consideration to be received less costs to sell*	55
Net Assets derecognized	(59)
Non-controlling interests	1
Cumulative exchange loss in respect of the net assets of Banca Romaneasca reclassified from equity to profit or loss	(47)
Cumulative loss of hedging of net investment in Banca Romaneasca reclassified from equity to profit or loss	(8)
Loss on derecognition	**(58)**

The loss on derecognition €58 million at Group level and €3 million at Bank level is included in the "Profit / (loss) for the period from discontinued operations" (see Note 29).

Net cash outflow on disposal of Banca Romaneasca

	Period ended 31 December 2019
Cash and cash equivalent balances disposed of	(330)
Net cash outflow*	**(330)**

*The consideration received on 23 January 2020

Other transactions

On 6 July 2020 the Bank participated in the establishment of the entity Perigenis Business Properties S.A. The contribution to the share capital amounted to €14 million and represents a shareholding of 28.5%. The company has been classified as equity method investment.

On 18 October 2019, Sinepia securitization transaction was unwound (see Note 21).

The movement of the Bank's investments in subsidiaries is presented below:

	Bank	
	2020	2019
Balance at the beginning of the period	**1,139**	**1,467**
Acquisition of additional interest/ share capital increase in existing subsidiaries	3	151
Disposals	-	(258)
Liquidation	(2)	-
Impairment charge	(7)	(191)
Reversal of impairment charge	3	-
Non-current assets held for sale	-	(30)
Balance at the end of the period	**1,136**	**1,139**

Liquidation in 2020, relates to the completion of the liquidation of Probank - M.F.M.C.

The impairment charge recognized in 2020 relates mainly to the cost of investment in NBG Management Services Ltd of €2 million, in NBG Finance Plc of €1 million and in NBG Finance Dollar Plc of €4 million.

Reversal of impairment, in 2020 relates to Mortgage, Touristic PROTYPOS S.A.

Acquisition of additional interest/ share capital increase in existing subsidiaries in 2019 is related mainly to Ethiniki Leasing S.A. (€150 million).

Disposals in 2019, relate to the completion of the disposal of NBG Pangaea REIC in May 2019.

The impairment charge recognized in 2019 relates mainly, to the cost of investment in Ethniki Leasing S.A. of €147 million, in CAC Coral Limited of €40 million, in Hellenic Touristic Constructions S.A. of €3 million and in Mortgage, Touristic Protypos S.A. of €1 million.

Non-current assets held for sale in 2019 include the acquisition cost of CAC Coral Limited (see Note 29).

The acquisition of additional interest / share capital increase in existing subsidiaries includes the following:

	Bank	
	2020	2019
Share capital increase in Ethiniki Leasing S.A.	-	150
Share capital increase in Mortgage, Touristic PROTYPOS S.A.	2	-
Share capital increase in Ektenepol Construction Company S.A.	1	1
Total	**3**	**151**

NOTE 44: Group companies

			Group		Bank	
Subsidiaries	**Country**	**Tax years unaudited**	**31.12.2020**	**31.12.2019**	**31.12.2020**	**31.12.2019**
National Securities S.A.	Greece	2015-2020	100.00%	100.00%	100.00%	100.00%
NBG Asset Management Mutual Funds S.A.	Greece	2015-2020	100.00%	100.00%	100.00%	100.00%
Ethniki Leasing S.A.	Greece	2010-2020	100.00%	100.00%	100.00%	100.00%
NBG Property Services S.A.	Greece	2015-2020	100.00%	100.00%	100.00%	100.00%
Pronomiouhos Single Member S.A. Genikon Apothikon Ellados	Greece	2010-2020	100.00%	100.00%	100.00%	100.00%
Ethniki Hellenic General Insurance S.A. [(2)]	Greece	2015-2020	100.00%	100.00%	100.00%	100.00%
KADMOS S.A.	Greece	2010-2020	100.00%	100.00%	100.00%	100.00%
DIONYSOS S.A.	Greece	2010-2020	99.91%	99.91%	99.91%	99.91%
EKTENEPOL Construction Company S.A.	Greece	2010-2020	100.00%	100.00%	100.00%	100.00%
Mortgage, Touristic PROTYPOS S.A.	Greece	2010-2020	100.00%	100.00%	100.00%	100.00%
Hellenic Touristic Constructions S.A.	Greece	2010-2020	78.14%	78.09%	78.14%	78.09%
Ethniki Ktimatikis Ekmetalefsis S.A.	Greece	2010-2020	100.00%	100.00%	100.00%	100.00%
Ethniki Factors S.A.	Greece	2015-2020	100.00%	100.00%	100.00%	100.00%
Probank M.F.M.C [(3)]	Greece	-	-	100.00%	-	95.00%
I-Bank Direct S.A.	Greece	2015-2020	100.00%	100.00%	99.90%	99.90%
Probank Leasing S.A. [(4)]	Greece	2010-2020	100.00%	99.87%	100.00%	99.87%
NBG Insurance Brokers S.A.	Greece	2015-2020	100.00%	100.00%	99.90%	99.90%
NBG Malta Holdings Ltd	Malta	2006-2020	100.00%	100.00%	-	-
NBG Bank Malta Ltd	Malta	2005-2020	100.00%	100.00%	-	-
ARC Management Two EAD (Special Purpose Entity)	Bulgaria	2014-2020	100.00%	100.00%	-	-
Bankteco E.O.O.D.	Bulgaria	2016-2020	100.00%	100.00%	100.00%	100.00%
NBG Leasing S.R.L.	Romania	2015-2020	100.00%	100.00%	100.00%	100.00%
S.C. Garanta Asigurari S.A.[(2)]	Romania	2003-2020	94.96%	94.96%	-	-
ARC Management One SRL (Special Purpose Entity)	Romania	2013-2020	100.00%	100.00%	-	-
Stopanska Banka A.D.-Skopje	North Macedonia	2014-2020	94.64%	94.64%	94.64%	94.64%
NBG Greek Fund Ltd	Cyprus	2015-2020	100.00%	100.00%	100.00%	100.00%
National Bank of Greece (Cyprus) Ltd[(2)]	Cyprus	2012-2020	100.00%	100.00%	100.00%	100.00%
National Securities Co (Cyprus) Ltd [(1)]	Cyprus	-	100.00%	100.00%	-	-
NBG Management Services Ltd	Cyprus	2015-2020	100.00%	100.00%	100.00%	100.00%
Ethniki Insurance (Cyprus) Ltd[(2)]	Cyprus	2004-2020	100.00%	100.00%	-	-
Ethniki General Insurance (Cyprus) Ltd[(2)]	Cyprus	2004-2020	100.00%	100.00%	-	-
National Insurance Agents & Consultants Ltd[(2)]	Cyprus	2008-2020	100.00%	100.00%	-	-
CAC Coral Limited[(2)]	Cyprus	2019-2020	100.00%	100.00%	100.00%	100.00%
NBG Asset Management Luxemburg S.A.	Luxembourg	2020	100.00%	100.00%	94.67%	94.67%
NBG International Ltd	U.K.	2003-2020	100.00%	100.00%	100.00%	100.00%
NBGI Private Equity Ltd[(1)]	U.K.	2003-2020	100.00%	100.00%	-	-
NBG Finance Plc	U.K.	2003-2020	100.00%	100.00%	100.00%	100.00%
NBG Finance (Dollar) Plc[(1)]	U.K.	2008-2020	100.00%	100.00%	100.00%	100.00%
NBG Finance (Sterling) Plc[(1)]	U.K.	2008-2020	100.00%	100.00%	100.00%	100.00%
SINEPIA Designated Activity Company (Special Purpose Entity)[(1)]	Ireland	2019-2020	-	-	-	-
NBG International Holdings B.V.	The Netherlands	2020	100%	100.00%	100%	100%

Notes:

[(1)] Companies under liquidation.

[(2)] Ethniki Hellenic General Insurance S.A. and its subsidiaries, National of Bank Greece (Cyprus) Ltd, and CAC Coral Ltd, have been reclassified as Non-current assets held for sale (See Note 29).

[(3)] Probank M.F.M.C liquidation completed in December 2020.

[(4)] The Squeeze out of Probank Leasing S.A. was completed in December 2020.

The table below provides details of the significant subsidiaries of the Group:

Name of subsidiary	Principal Activity	Voting power held by the Group	
		31.12.2020	31.12.2019
National Securities S.A.	Brokerage services	100.00%	100.00%
Ethniki Leasing S.A.	Leasing	100.00%	100.00%
Ethniki Factors	Factoring services	100.00%	100.00%
Ethniki Hellenic General Insurance S.A.	Insurance services	100.00%	100.00%
National Bank of Greece (Cyprus) Ltd.	Credit Institution	100.00%	100.00%
Stopanska Banka A.D. - Skopje	Credit Institution	94.64%	94.64%
NBG Bank Malta Ltd	Credit Institution	100.00%	100.00%

The table below provides details of non-wholly -owned subsidiaries of the Group that have material non-controlling interests:

Name of subsidiary	Place of incorporation and operation	Proportion of ownership interest and voting rights held by non-controlling interests		Total comprehensive income allocated to non-controlling interests		Accumulated non-controlling interests	
		31.12.2020	31.12.2019	31.12.2020	31.12.2019	31.12.2020	31.12.2019
NBG Pangaea REIC	Greece	-	-	-	16	-	-
Individually subsidiaries immaterial with non-controlling interests	-	-	-	2	2	20	18
Total		-	-	**2**	**18**	**20**	**18**

NBG Pangaea REIC was disposed in May 2019.

NOTE 45: Independent auditor's fees

On 30 June 2020, the Annual General Meeting of the Bank's Shareholders appointed PricewaterhouseCoopers S.A. as the principal independent auditor for the year ended 31 December 2020. The following table presents the aggregate fees for professional audit services, audit-related and other services rendered for the years ended 31 December 2020 and 31 December 2019 by the Group's principal independent auditor PricewaterhouseCoopers S.A., which is a member firm of PwC Network, other member firms of the Network and their respective affiliates (collectively, "PwC").

	Group		Bank	
	2020	2019	2020	2019
Audit fees	3	3	2	2
Audit-related fees	-	1	-	-
Non-audit related fees	1	1	-	1
Total	**4**	**5**	**2**	**3**

It is noted that the fees of the independent auditor "PricewaterhouseCoopers Greece" for non-audit related fees in 2020 amounted to €1 million for the Group and NIL for the Bank.

NOTE 46: Restructuring Plan

Restructuring Plan

The Group is subject to European Commission rules on European Union ("EU") State aid in light of the aid received from the Hellenic Financial Stability Fund ("HFSF") and the Hellenic Republic. These rules are administered by the Directorate-General for the Competition of the European Commission (the "DG Competition"). Under these rules, the Bank's operations are monitored and limited to the operations included in the 2019 Revised Restructuring Plan, which aims to ensure the Bank's return to long term viability. The 2019 Revised Restructuring Plan was approved on 10 May 2019, by the European Commission (the "2019 Revised Restructuring Plan Commitments").

The 2019 Revised Restructuring Plan includes a number of commitments to implement certain measures and actions that have to be completed during the period 2019-2020 The 2019 Revised Restructuring Plan Commitments relate both to domestic and foreign operations of the Group. Differentiations to the 2015 Restructuring Plan which expired on 31 December 2018 relate to the deepening of the Bank's operational restructuring, some amendments on the commitments and deadlines, as well as a commitment to sell the remaining stake (32.66%) in NBG Pangaea REIC (currently Prodea Investments S.A.) in substitution for the commitment to dispose of Stopanska Banka A.D.-Skopje.

For domestic operations, the 2019 Revised Restructuring Plan Commitments relate to constraining operating expenses, including the number of personnel and branches. In particular, the Commitments include the following:

- A further reduction of the number of branches in Greece to 420 (at the end of 2019) and 390 (by the end of 2020). As at 31 December 2020, the Bank had reduced its branches to 365.
- A further reduction of the number of employees in Greece to 8,600 as at 31 December 2019 and 8,000 as at 31 December 2020. As at 31 December 2020, the Bank had reduced the number of employees at domestic level to 7,762 (excluding NIC).
- A further reduction of total operating expenses in Greece to €845 million as at 31 December 2019 and €800 million as at 31 December 2020. As at 31 December 2020 such costs amounted to €768 million (excluding NIC).
- Divestment of domestic non-banking activities: In May 2019 the Bank completed the sale of its remaining stake in NBG Pangaea REIC (currently Prodea Investments S.A.) (see Note 43) and has to dispose at least 80% of NIC. See Note 29 for a description of the status of this Commitment.
- Divestment from international operations: The Bank reduced its international activities, by disposing of certain subsidiaries in the years 2016 – 2019. On 23 January 2020, the Bank completed the sale of 99.28% of Romaneasca to EximBank (see Note 43).
- The only incomplete divestment from international operations relate to the subsidiary NBG Cyprus, as for the branch network in Egypt in January 2021, an official application was submitted to the Central Bank of Egypt to downside and ultimate cease its operations in Egypt, (see Note 29).

Lastly, the 2019 Revised Restructuring Plan provides for prolongation of the 2015 Restructuring Plan's Commitments on corporate governance, commercial operations, acquisitions and advertising.

The implementation of the 2019 Revised Restructuring Plan Commitments is monitored by the Monitoring Trustee.

NOTE 47: Events after the reporting period

Events after the reporting period relate to the following:

New Definition of Default

The objective of the European Banking Authority (EBA) published Guidelines on the application of the definition of default under Article 178 of Regulation (EU) No. 575/2013 (EBA/GL/2016/07), applicable from 1 January 2021, and Regulation (EU) 2018/1845 of the European Central Bank (ECB) in relation to the threshold for assessing the materiality of credit obligations past due is to harmonise the definition of default across the European Union, thus contributing to improving consistency in the way EU banks apply regulatory requirements to their capital positions.

In particular, they clarify all aspects relating to the application of the definition of default, including conditions for a return to non-defaulted status (introduction of a probation period for non-forborne exposures), explicit criteria for classification of restructured loans as defaulted, and the introduction of specific materiality thresholds (absolute and relative) to count the days past due and to identify a default event.

The Group, under the standardised approach, will implement these new provisions from 1 January 2021, from which date onwards the calculation of expected credit losses will be adjusted.

Classification in Stage 3 under new definition of default

The new definition of default results in classification of loans into Stage 3 according to the following main criteria:

a) Unpaid payments of over 100 euros for Retail (500 euros for Non-retail) for more than 90 consecutive days, representing at least 1% of the total exposure of the customer. For the Corporate portfolio, the assessment takes place at obligor level across the Group, as opposed to a facility level assessment for Retail exposures. Only missed payments related to business litigations, specific contractual features or IT failures (i.e. 'technical past due' situations) may avoid automatic transfer into Stage 3 after 90 days.

b) A 3-month probation period for non-forborne exposures, during which no default trigger applies.

c) Identification of other criteria that evidence, even in the absence of missed payments, that it is unlikely that the counterparty could meet all its financial obligations (UTPs), including indicatively the following:

   - the granting of concessions towards debtors facing or about to face difficulties in meeting their financial commitments that result in a decrease in the present value of cash flows of more than 1% of its initial value (a distressed restructuring resulting in a diminished financial obligation);

   - the partial or full sale of credit obligations at a material credit-related economic loss, i.e. >5%;

   - losses recognised in the profit or loss account for instruments measured at fair value that represent credit risk impairment.

The Group's preliminary assessments indicate that the changes brought about by the implementation of these new regulatory default provisions will not have a material effect on the consolidated or separate Financial Statements.

Exchange of Greek Government Bonds

For more information on exchange of Greek Government Bonds that took place in January 2021 please see Note 22.

Assets and liabilities held for sale and discontinued operations

For more information on events after the reporting period on assets and liabilities held for sale and discontinued operations please see Note 29.

Covered Bonds

For more information on events after the reporting period on covered bonds please see Note 21.

COVID-19 developments

For measures taken by the authorities after the reporting period relating to COVID-19 please see “Response to COVID-19 crisis” in the Board of Directors Report”.

Disclosures of Greek Law 4261/2014 Art. 81

Country-by-country reporting in accordance with article 81 of Greek Law 4261/2014 for the year ended 31 December 2020

	Turnover[(1)] *€ in million*	Profit before tax *€ in million*	Income tax *€ in million*	Employees number	Subsidies *€ in million*
Greece [(2)]	2,591	54	(23)	8,822	2
Malta	9	4	(3)	33	-
Bulgaria	3	-	-	35	-
Romania [(2)]	2	(3)	-	156	-
North Macedonia	71	40	(3)	1,006	-
Cyprus [(2)]	27	4	(3)	340	-
Luxembourg	1	-	-	4	-
UK	5	(20)	-	24	-
Egypt	2	(7)	-	243	-
Total	**2,711**	**72**	**(32)**	**10,663**	**2**

[(1)] Turnover: Includes a) net interest income, b) net fee and commission income, c) earned premia net of claims and commissions, d) net trading income / (loss) and results from investment securities, e) net other income / (expense) and f) share of profit / (loss) of equity method investments
[(2)] Including discontinued operations

Country-by-country reporting in accordance with article 81 of Greek Law 4261/2014 for the year ended 31 December 2020

Company	Country	Business activities
National Bank of Greece S.A. (Parent Company)	Greece	Banking institution
National Securities S.A.	Greece	Capital Markets & Investment Services
NBG Asset Management Mutual Funds S.A.	Greece	Mutual Fund Management
Ethniki Leasing S.A.	Greece	Leasing
NBG Property Services S.A.	Greece	Property Services
Pronomiouhos Single Member S.A. Genikon Apothikon Ellados	Greece	Warehousing services
Ethniki Hellenic General Insurance S.A. (1)	Greece	Insurance Services
KADMOS S.A.	Greece	Real Estate Services
DIONYSOS S.A.	Greece	Real Estate Services
EKTENEPOL Construction Company S.A.	Greece	Construstion Company
Mortgage, Touristic PROTYPOS S.A.	Greece	Real Estate Services
Hellenic Touristic Constructions S.A.	Greece	Real Estate Services
Ethniki Ktimatikis Ekmetalefsis S.A.	Greece	Real Estate Services
Ethniki Factors S.A.	Greece	Factoring
Probank M.F.M.C (2)	Greece	Mutual Fund Management
i-Bank Direct S.A.	Greece	Financial Services
Probank Leasing S.A.(3)	Greece	Leasing
NBG Insurance Brokers S.A.	Greece	Insurance Brokerage
NBG Malta Holdings Ltd	Malta	Holding Company
NBG Bank Malta Ltd	Malta	Banking institution
ARC Management Two EAD (Special Purpose Entity)	Bulgaria	Special Purpose Entity
Bankteco E.O.O.D	Bulgaria	Information Technology Services
NBG Leasing S.R.L.	Romania	Leasing
S.C. Garanta Asigurari S.A. (1)	Romania	Insurance - Reinsurance Services
ARC Management One SRL (Special Purpose Entity)	Romania	Special Purpose Entity
Stopanska Banka A.D.-Skopje	North Macedonia	Banking institution
NBG Greek Fund Ltd	Cyprus	Fund Investment Company
National Bank of Greece (Cyprus) Ltd (1)	Cyprus	Banking institution
National Securities Co (Cyprus) Ltd (4)	Cyprus	Capital Markets Services
NBG Management Services Ltd	Cyprus	Management Services
Ethniki Insurance (Cyprus) Ltd (1)	Cyprus	Insurance Services
Ethniki General Insurance (Cyprus) Ltd (1)	Cyprus	Insurance Services
National Insurance Agents & Consultants Ltd (1)	Cyprus	Insurance Brokerage
CAC Coral Limited (1)	Cyprus	Credit Acquiring Company
NBG Asset Management Luxemburg S.A.	Luxembourg	Asset Management Company
NBG International Ltd	U.K.	Financial Services
NBGI Private Equity Ltd (4)	U.K.	Private Equity
NBG Finance Plc	U.K.	Financial Services
NBG Finance (Dollar) Plc (4)	U.K.	Financial Services
NBG Finance (Sterling) Plc (4)	U.K.	Financial Services
SINEPIA Designated Activity Company (Special Purpose Entity) (4)	Ireland	Special Purpose Entity
NBG International Holdings B.V.	The Netherlands	Holding Company
NBG London Branch	U.K.	Branch of Greek banking Institution
NBG Cyprus Branch	Cyprus	Branch of Greek banking Institution
NBG Cairo Branch	Egypt	Branch of Greek banking Institution

(1) Ethniki Hellenic General Insurance S.A. and its subsidiaries, National Bank of Greece (Cyprus) Ltd and CAC Coral Limited have been reclassified to Non-current Assets held for sale.
(2) Liquidation of Probank M.F.M.C was completed on 9 December 2020.
(3) The squeeze out of Probank Leasing S.A. was completed in December 2020.
(4) Companies under liquidation.

Disclosures of Greek Law 4261/2014 Art. 82

Greek Law 4261/5.5.2014 article 82, which incorporated into Greek legislation the article 90 of Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013, established the requirement to disclose the total return on assets of financial institutions. This ratio for the Group and the Bank for the year ended 31 December 2020 amounted to 0.1% and 0.0%, respectively (2019: -0.4% and 0.0% respectively).

Disclosures of Greek Law 4374/2016 Art. 6

Disclosures on a group level of article 6 of Greek Law 4374/2016

TABLE 1: PAYMENTS FOR PROMOTION AND ADVERTISING EXPENSES TO MEDIA ENTITIES (ACCORDING TO PAR. 1 ARTICLE 6 OF LAW 4374/2016)

Name of Media entity	Net amount 2020 (in €)
1984 PRODUCTIONS S.A.	6,500.00
24 MEDIA S.A.	23,600.00
A.S.M. PUBLICATIONS P.C.	4,000.00
ABP P.C.	8,500.00
ADWEB LTD	3,000.00
AGRO BROKERS LTD	3,800.00
AIRLINK S.A.	9,199.38
ALPHA EDITIONS S.A.	1,000.00
ALPHA SATELLITE TELEVISION S.A.	444,224.06
ALPHA RADIO S.A.	8,899.97
AUTO TRITI S.A.	2,500.00
BANKINGNEWS S.M. S.A.	71,900.00
BUTTERFLY THE AD EFFECT	9,300.00
CONCEPT GIFT COMMUNICATION S.A.	3,000.00
CRISIS CINEMA NPO	240.00
CRISIS MONITOR	2,000.00
DG NEWSAGENCY S.A.	8,100.00
DIGITAD PC LTD	527.88
DIMERA PUBLISHING S.P. S.A.	87,400.00
DPG DIGITAL MEDIA S.A.	12,500.00
ENERGYCOMM LTD	1,500.30
ETHOS MEDIA S.A	25,429.46
EUROMEDIA ACTION S.A.	5,200.44
EXIT BEE	5,000.00
FAROSNET S.A.	7,300.00
FAST RIVER CREATIVE CONCEPT PUBLISHING LTD	6,000.00
FINANCIAL MARKETS VOICE S.A.	9,001.20
FLY-BROADCASTING CORPORATIONS	927.00
FORTHNET MEDIA S.A.	33,442.74
FREED S.A.	15,600.00
FRONTSTAGE ENTERTAINMENT S.A	13,415.96
G PUBLISHING P.C.	1,055.75
GATEWORK S.A.	3,500.00
GRATIA PUBLISHING LTD	2,250.00
GREEN BOX PUBLISHING S.A.	6,000.00
GURU PUBLISHING	3,000.00
HAZLIS AND RIVAS COMMUNICATIONS LTD	176,600.00
HT PRESS ONLINE S.P. P.C.	8,583.63
HTTPOOL S.P. P.C.	33,730.81
ICAP S.A.	8,440.00
ICAP GROUP S.A.	3,500.00
IDENTITY S.A.	3,900.00
INTELLIGENT MEDIA LTD	17,250.00
INTERNATIONAL RADIO NETWORKS S.A.	11,658.88
IROK S.P P.C.	200.00
ISERVICES KAPSALIS GEORGIOS	1,000.00
ISOBAR IPROSPECT S.P. S.A.	43,253.60
J.O. INFOCENT COMMUNICATIONS P.C.	2,000.00
K.E.D. HEALTH G.P.	68,454.54
KEYWE BUSINESS SOLUTION P.C.	5,000.00
KISS MEDIA S.A.- KISS ENTERPRISES	1,836.00
KONTRA P.C.	4,000.00
KONTRA MEDIA S.A.	14,309.07
KOOLWORKS S.A.	7,300.00
LIQUID MEDIA S.A.	50,700.00
MARKETING AND MEDIA SERVICES S.P. P.C.	1,700.00
MEDIA MATRIX S.M.P.C	1,000.20

Disclosures on a group level of Greek Law 4374/2016 Art. 6

Name of Media entity	Net amount 2020 (in €)
MEDIA2DAY PUBLISHING S.A.	76,500.00
MEDSTEM SERVICES	1,000.00
MINDSUPPORT P.C.	2,000.00
Monocle Media Lab - Mononews P.C.	67,486.50
MORAX MEDIA PUBLISHING S.A.	3,226.13
MPAM MEDIA P.C.	3,800.00
NEW MC & Co L.P.	4,850.00
NEW MEDIA NETWORK SYNAPSIS S.A.	76,000.00
NEW TIMES PUBLISHING P.C.	21,000.00
NEW YORK TIMES FRANCE-KATHIMERINI S.A.	5,600.00
NEWPOST PRIVATE COMPANY	9,500.00
NEWSIT LTD	78,000.00
NK MEDIA GROUP LTD	27,750.00
NOTICE CONTENT AND SERVICES S.M. P.C.	650.00
OLIVE MEDIA S.A.	5,000.00
ON ACTIVE L.P.	9,500.00
PERFECT MEDIA ADVERTISING S.M.P.C.	54,500.00
PREMIUM S.A.	22,000.00
PREMIUMMEDIA P.C.	2,000.00
PRESS LOCAL AUTHORITIES P.C.	1,400.00
PRIME APPLICATIONS S.A.	29,000.00
R MEDIA PUBLISHING L.P.	1,650.00
R. MEDIA S.P. LTD	19,500.00
RADIO PLAN BEE P.C.	13,816.00
REAL MEDIA S.A.	114,650.00
RENDER MEDIA P.C.	4,000.00
REPORT PRIVATE COMPANY	1,500.00
SABD PUBLISHING S.A.	45,790.00
SBD P.C.	57,424.78
SFERA RADIO BROADCASTING S.A.	5,493.42
SLEED P.C.	499,060.00
SPORT TV- RADIOTELEVISION BROADCASTING S.A.	4,751.15
SPORTNEWS INTERNET SERVICES S.A.	9,500.20
SPOT G.P.- APOSTOLOS ELLINAS	927.00
STAR SA CENTRAL GREECE'S BROADCASTING CORPORATION	1,050.00
START NOUVEAU SP G.P.	12,500.00
TELIA COMMUNICATIONS S.A.	5,000.00
THE TOC DIGITAL MEDIA SERVICES S.A.	18,500.00
TLIFE LTD	22,000.00
TYPOS MEDIA S.A.	6,800.00
U MEDIA ADVERTISING SERVICES P.C.	3,563.30
VICTORY S.P.LTD	2,055.75
VITO PR & EVENTS	3,500.00
VOTE POSITIVE CRITERION COMMUNICATIONS LTD	3,500.00
W.S.F. WALL STREET FINANCE P.C.	5,200.00
WORLD TWENTY FOUR SEVEN L.P.	13,100.10
ZOUGLA.GR S.A.	42,208.34
AGROTYPOS S.A.	760.00
ADESMEFTI ENIMEROSI P.C.	3,300.00
ATHANASIADIS P. & CO S.A. – NAFTEMPORIKI	66,523.40
ATHANASIOU DAMIANOS	370.00
ATHENS VOICE PUBLISHING S.A.	29,600.00
ATHENS NEWS AGENCY - MACEDONIAN PRESS AGENCY S.A.	5,000.00
ALEXIOU G. & CO SA	1,622.25
ALEVRITIS TRIFON S.P. LTD	3,000.00
REALFM S.A.	208,001.00
ALTER EGO MEDIA S.A.	707,929.09
INDEPENDENT MEDIA S.A.	35,500.00
ANTENNA TV S.A.	714,395.35
NEW TECHNOLOGIES & INTERNET APPLICATIONS R&D S.A.	51,000.00
ARGO PUBLISHING AND ADVERTISING S.P.LTD	1,700.00
ARETI-ANNA TZALA & CO L.P.	150.00
ASPROUDAS FOTIOS	330.00
ACHAIKI RADIO PUBLISHING S.A.	1,344.16
V. SKOUTARAS S.A.	4,171.50

Disclosures on a group level of Greek Law 4374/2016 Art. 6

Name of Media entity	Net amount 2020 (in €)
VAROUXIS DIONYSIOS & CO G.P.	380.00
VERGINA S.A.	5,685.00
VORIA INFORMATIVE SA	3,000.00
G. SIMANTONIS & CO G.P.	3,000.00
GARANTONAKIS EMMANOUIL	1,019.70
GENERAL RADIOTELEVISION ENTERPRISES S.A.	4,822.00
GNOMI S.P.LTD	315.00
D. ROUCHOTAS & CO G.P.	17,306.47
DEILONGOS GREGORIOS	520.00
DELTA TELEVISION SA	336.00
DESMI PUBLISHING ADVERTISING RADIO & INTERNET APPLICATIONS S.A.	4,500.00
DIMITRIADIS TH. & CO P.C.	7,940.00
JUDICIAL NEWS AGENCY S.A.	1,700.20
DIOGENIS NPO	1,500.00
DIONISIOS MPOURAS & L.P.	11,557.05
DIFONO BROADCASTING S.A.	2,388.00
DOUSIS ANASTASIOS & CO L.P.	6,500.00
DYADIKH INFORMATION L.P.	17,969.00
DIO DEKA PUBLISHING COMPANY S.A.	34,600.00
I.DRAKATOU-M.DRAKATOU G.P. – PRIVATE INSURANCE	2,932.48
E.SPYROU-G.K.SPYROU G.P.	15,000.00
THE NATIONAL HERALD OF NEW YORK HELLAS LTD	8,812.88
DOT COM NEWS S.A.	574,696.70
SPECIAL ACCOUNT FOR RESEARCH GRANTS	3,000.00
PUBLICATIONS INFONEWS P.C.	14,861.50
KARAMANOGLOU PRINTING MATERIAL PUBLICATIONS L.T.D.	1,000.00
INVESTMENT PUBLISHING S.A.	5,500.00
EPIKAIRA PUBLISHING S.A.	1,200.00
KERKYRA PUBLICATIONS S.A.	1,000.00
NEO CHRIMA PUBLISHING S.A.	24,000.00
PROTO THEMA PUBLISHING S.A.	440,607.35
REVMATA PUBLICATIONS S.A.	6,800.00
NORTH SUBURB PUBLICATIONS S.P. PC.	1,000.00
ELEFTHERIA S.A.	330.00
ELEFTHERIA TIPOU PUBLISHING S.A.	144,700.00
GREEK SHIPPING PUBLISHING LTD	1,000.00
ELNAVI LTD	800.00
ENIKOS S.A.	14,000.00
ENTYPOEKDOTIKI INDUSTRIAL & COMMERCIAL S.A.	19,100.00
EXPLORER S.A.	26,000.00
AEGEAN COMMUNICATION SA	150.00
ERINYA NEWS S.P P.C.	3,750.00
ERMIDI GEORGIA	1,125.00
ES KASSETAMEDIA S.P. P.C.	1,500.00
ESTIA MEDIA INVESTMENTS SA	24,784.50
EVAGGELOS SPYROU LTD	18,150.81
EVDOXIA CHATZIGEORGIOU & CO L.P.	1,500.00
EFSTATHOPOULOS DHMHTRIOS	527.88
ESTIA NEWSPAPER S.A.	102,259.00
ZOUGRIS DIMITRIOS & CO L.P.	1,500.00
AVGI PUBLISHING S.A.	10,000.00
H EPOCHI COOPERATIVE	1,900.00
HERODOTUS RADIO P.C.	612.00
ICHOS & RITHMOS S.A.	16,062.77
THAROS PUBLICATIONS LTD	240.00
THEMA RADIO S.P S.A.	2,683.35
THESSALIKI BROADCASTING SA	567.00
I. N. LEOUSIS – ADVERTISING COMMERCIAL S.A.	1,000.00
IKAROS RADIOTELEVISION COMPANY S.A.	15,809.00
INSTITUTE OF RESEARCH & STUDIES OF CENTRAL UNION OF HELLENIC CHAMBERS OF COMMERCE	3,490.00
IONIAN BROADCASTING CORPORATIONS	630.00
I. DIONATOS & CO L.P.	12,000.00
IOANNIS KIRIAKOPOULOS & CO L.P.	2,500.00
IOANNIDIS PHAIDON - GEORGIOS I.	150.00
IOANNINA TV S.A.	270.00

Disclosures on a group level of Greek Law 4374/2016 Art. 6

Name of Media entity	Net amount 2020 (in €)
K.M. CHATZIILIADIS & CO L.P.	2,703.28
KAZANTZIDIS CHR. CHARALAMPOS	5,612.90
KATHIMERINES PUBLICATIONS S.P. S.A.	456,135.00
KANTZIOS GR S.A.	2,000.00
CAPITAL.GR S.A.	151,100.00
KARAMITSOS ANASTASIOS & PARTNERS	4,608.00
KARAHALIOS ANTONIOS	1,000.00
KATSATOU PINELOPI & CO S.A.	11,500.00
SOCIAL COOPERATIVE ENTERPRISE	1,600.00
KOLOKAS D. & CO G.P. IONION FM RADIO STATION	1,019.70
KOSMATOU S. THEODORA	834.30
CRETAN NEWS PAPADAKIS MICHALIS	1,000.00
KIRIAZIDOU DIMOSTH. ANNA	1,158.75
KONSTANTAKOS ANTONIOS S.P P.C.	1,000.00
KONSTANTOPOULOS D. & CO L.P.	370.00
LAMPROPOULOU A. - MASOURAS CH. G.P.	150.00
LAMPSI RADIO & PUBLISHING COMPANIES S.A.	25,128.37
LEFKOFRIDOU ZOI P.C.	1,050.00
LEOTSAKOS-BOUSBOURELIS G.P.	7,900.00
LYKAVITOS PUBLICATIONS S.P. P.C.	8,400.00
M. KONSTANTINIDOU & CO G.P.	2,000.00
MACEDONIA TV SA	18,541.28
MACEDONIA MEDIA S.A.	5,000.00
MALTEZOS DIMITRIOS	295.00
MAMA 365 INTERNET COMPANIES LTD	8,000.00
MANESIOTIS NIK-PSOMIADIS CON. G.P.	21,902.28
MARIA VASILAKI PUBLICATIONS S.P.C.	4,500.90
MASMANIDES I. THEOFILOS	834.30
ME ODIGO TO DIABHTH NPO	800.00
METRODEAL S.P.C.	7,669.35
MIHELAKIS IOANNIS & Co L.D.	3,000.00
MOUSIKES SYCHNOTITES S.P.C.	927.00
BAKI DIM. DIMITRA	1,158.76
BABILI EVLAMPIA	1,200.24
BERDESIS A.-TSAMIS K. G.P.	400.00
BOUSIAS COMMUNICATIONS LTD	3,900.00
NASTOULIS EV. GEORGIOS	330.00
NEA TELEORASI S.A.	555,574.76
NEW RADIO OF JOURNALISTS LTD	84,500.00
NOISIS P.C.	5,500.00
XIPOLITAKIS K. PANTELIS	927.00
OKTAS MEDIA P.C.	1,000.00
OPINION POST DIGITAL PUBLICATIONS S.A.	4,500.00
SPORT FM MEDIA ORGANIZATION S.A.	2,448.00
ORESTIDA S.A.	630.00
OTE S.A.	22,871.96
OYZOYNIDOY D. SOFIA	200.00
P.D. PUBLICATIONS L.TD.	15,938.63
PALO LTD – DIGITAL TECHNOLOGIES	5,001.60
PANAGIOTIS DOUKAS	2,100.00
PAPAGIANNIS M. IOANNIS	5,055.75
PAPADOPOULOS ALEXANDROS	650.00
PAPADOPOULOS ARISTIDES	1,000.00
PAPALIOS CONSTANTINOS & CO L.P. "DIRECTION BUSSINESS NETWORK"	9,314.00
PAPAMICHALAKIS KONSTANTINOS	1,000.00
PAPOULIDES THEODOROS S.P. P.C.	1,000.00
PARA ENA INTERNET SERVICES S. LTD	109,468.71
PARAPOLITIKA PUBLISHING S.A.	24,000.00
PAVLOPOULOS S. - INTERNET & SOCIALMEDIA	3,500.00
PELOPAS SA	926.00
PELOPONNESE PATRON EDITIONS S.A.	7,500.00
POULOPOULOS G. ATHANSIOS	315.00
PROTAGON S.A.	14,969.00
RADIO THESSALONIKI S.A.	15,964.04
RADIOTELEVISION GREEK PUBLISHING MEDIA S.A.	4,000.40

Disclosures on a group level of Greek Law 4374/2016 Art. 6

Name of Media entity	Net amount 2020 (in €)
BROADCASTING ENTERPRISES S.A.	37,817.65
RADIOTELEVISION S.A.	130,467.27
RADIO NORTH 98 FM P.C. LTD	25,599.86
RADIO PRODUCTIONS SA	680.00
RADIO COMMUNICATION S.P. S.A.	8,229.07
RAFTOPOULOS TH. & M G.P.	1,900.00
S. TSOPANAKI - I. KOTIADES SONS G.P.	400.00
S. GAVRIILIDES-TH. CHRISTAKIS G.P.	933.19
SAVOPOULOS ALEX. IOANNI	400.00
SELANA S.A.	4,000.00
SERRES MEDIA CULTURAL COMMUNICATION SA	870.00
SIADIMAS GEORGIOS	1,000.00
SIMOUSI L.P.	9,500.00
CINE NEWS S.A.	20,895.00
SKLAVOUNAKIS EMANOUIL	695.25
SKOULIKA KLE. VASILIKI	240.00
SOFIANNA S.A.	2,521.52
SOFOS P. STYLIANOS	170.00
STEFANIS I. EMANOUIL	150.00
SICHRONI EPOCHI PUBLISHING I.C.S.A.	14,000.00
SYMEON & CO G.P.	220.00
ALLIANCE FOR GREECE	5,500.00
SIRGANI LAM. PARASKEVI	1,000.00
SCHIMA COOPERATIVE JOINT VENTURE	150.00
TO MANIFESTO P.C.	4,000.00
TOULA G. MARINA & CO S.A.	1,150.00
TRAPEZIKOS AGONAS TOMELITOU I. KASTORINI	1,500.00
TSANTZALOS LAMPROS	834.30
TSINIARAKIS MANOUSOS & CO L.P.	2,086.00
YPAITHROS CHORA S.A.	700.00
PHILELEFTHEROS PUBLISHING S.A.	9,600.00
PHILELEFTHEROS TYPOS S.A.	75,600.00
FOTAGOGOS LTD	1,527.88
FOTINOS FOTIOS	2,000.00
XRISI EFKERIA S.A.	6,500.00
TOTAL	**8,257,692.18**

Note:

Additional disbursements related to the above payments have been made, in compliance with the existing legislative, fiscal and regulatory framework, for VAT, tax and levies on TV and radio advertisements and other charges, amounting to €2,116,389.40.

Disclosures on a group level of Greek Law 4374/2016 Art. 6

TABLE 2: PAYMENTS FOR DONATIONS, GRANTS AND SPONSORSHIPS (ACCORDING TO PAR. 2 ARTICLE 6 OF LAW 4374/2016)

Legal Entities

Beneficiary	Net amount 2020 (in €)
"MELISSA" FEMALE ORPHANAGE	2,896.00
1ST PRIMARY SCHOOL OF MAGOULA	1,395.12
2ND PRIMARY SCHOOL OF MAGOULA	837.00
ACT FOR ART MAKE	350.00
ATHENS DEMOCRACY FORUM	10,000.00
COEURS POUR TOUS HELLAS	10,000.00
DELPHI ECONOMIC FORUM NPO	16,000.00
EKI ENERGY SERVICES LTD	1,699.05
EXCELLENSEAS: «SEAS OF EXCELLENCE OF PASTRA CRETONAXIOSA NPO»	6,000.00
FLOWER POWER JOINT VENTURE	1,100.00
HEAVEN LIVE S.P. LTD	70,000.00
MINDVIEW FINANCIAL AND RESEARCH CONSULTANTS	375.00
PAROS ANIMAL WELFARE SOCIETY PAWS	20,000.00
THE LONDON SCHOOL OF ECONOMICS AND POLITICAL SCIENCE (LSE)	17,534.73
ATHLETIC AND CULTURAL ASSOCIATION OF LAWYERS IN RHODES " KOLOSSOS"	500.00
ATHLETIC ASSOCIATION ELEFSINAS	463.99
ANATOLIA	35,000.00
NATIONAL CANCER HOSPITAL OF THESSALONIKI THEAGENEIO	60,000.00
AXANA	10,000.00
APOSTOLI NON PROFIT ORGANIZATION	80,000.00
ARISTOTLE UNIVERSITY OF THESSALONIKI	26,000.00
GENERAL POLICE DIRECTORATE OF ATTICA	15,391.90
GENERAL HOSPITAL OF AMFISSA	2,883.00
GENERAL HOSPITAL OF KIMI	1,953.00
GENERAL HOSPITAL OF LAMIA	4,278.00
GENERAL HOSPITAL OF NEA IONIA "KONSTANTOPOULEIO"	155,000.00
GENERAL CHILDREN'S HOSPITAL OF ATHENS "AGIA SOFIA"	164,000.00
GENERAL HOSPITAL OF CHALKIDA	2,637.00
GENERAL HOSPITAL OF LARISA	8,500.00
GENERAL HOSPITAL OF LIVADIA	3,646.00
DOCTORS WITHOUT BORDERS	1,090.00
GENERAL HOSPITAL OF LAKONIA	2,103.20
GENERAL HOSPITAL EVAGGELISMOS	34,998.81
GYMNASTIC AND ATHLETIC ASSOCIATION OF CHOLARGOS	5,000.00
MUNICIPALITY OF ATHENS	17,000.00
MUNICIPALITY OF EASTERN SAMOS	300.00
MUNICIPALITY OF HOLY CITY MESOLOGGI	2,000.00
MUNICIPALITY KROPIAS	25,000.00
MUNICIPALITY OF MARATHON	2,000.00
MUNICIPALITY OF PAIONIA	5,000.00
MUNICIPALITY OF PYLOS-NESTOROS	4,000.00
MUNICIPALITY OF CHAIDARI	4,000.00
MUNICIPAL THEATER OF PIRAEUS	20,000.00
DIAZOMA	20,000.00
INTERNATIONAL CHAMBER OF COMMERCE	20,000.00
THESSALONIKI INTERNATIONAL FAIR S.A.	85,000.00
INTERNATIONAL SOCIAL SERVICE	11,000.00
ROUTE OF TRUCE	150.01
GREEK NATIONAL OPERA	140,000.00
NATIONAL VOLLEYBALL TEAM	35,000.00
NATIONAL AND KAPODISTRIAN UNIVERSITY OF ATHENS	5,939.48
NATIONAL THEATER	35,000.00
NATIONAL HELLENIC RESEARCH FOUNDATION	19,000.00
NATIONAL HISTORICAL MUSEUM	15,000.00
NATIONAL PUBLIC HEALTH ORGANIZATION (NPHO)	9,826.84

Disclosures on a group level of Greek Law 4374/2016 Art. 6

Beneficiary	Net amount 2020 (in €)
GREEK NATIONAL HEALTH SERVICE ORGANISATION EOPYY	11,345.68
SCHOOL OF WEST GREECE	10,000.00
ELEPAP & TOGETHER FOR CHILDREN	7,000.00
ATHEX GROUP-ATHENS STOCK EXCHANGE	25,000.00
HELLENIC POLICE	100,214.22
HELLENIC ASSOCIATION FOR ENERGY ECONOMICS (HAEE)	55,000.00
SENOLOGIC HELLENIC SOCIETY	2,000.00
ELEPAP-GREEK REHABILITATION FOR THE DISABLED	84,206.85
GREEK COMPANY OF LOGISTICS	300.00
GREEK SOCIETY FOR AUTISTIC PERSONS (GSPAP)	250.00
HELLENIC PARALYMPIC COMMITTEE	40,000.00
HELLENIC INTITUTION OF INTERNAL AUDITORS	3,000.00
GREEK CHILDREN'S MUSEUM	1,342.41
"HERMES 1877" SPORTS CLUB	20,000.00
HELLENIC WORLD	60,000.00
AMERICAN HELLENIC CHAMBER OF COMMERCE	20,500.00
GERMAN HELLENIC CHAMBER OF INDUSTRY AND COMMERCE	15,000.00
ASSOCIATION OF GREEK LAWYERS E THEMIS	2,000.00
TOGETHER FOR CHILDREN	10,000.00
HELLENIC CHAMBER OF COMMERCE OF DODECANESE	2,000.00
HELLENIC CHAMBER OF COMMERCE OF CHIOS	1,000.00
COMMITTEE "GREECE 2021"	530,000.00
AMYKLES RESEARCH PROJECT	5,000.00
DEVELOPMENT FIRM FOR BUSINESS PARK Thess INTEC S.A.	30,000.00
LABOR AND SOCIAL SECURITY LAW COMPANY (EDEKA)	2,000.00
CEREBRAL PALSY GREECE	8,722.69
SOCIETY FOR THE PROMOTION OF EDUCATION AND LEARNING OF ATHENS	10,000.00
"PAMMAKARISTOS" FOUNDATION	5,150.85
FOUNDATION OF GEORGIOS AND AIKATERINH XATZHKONSTA	4,344.00
FOUNDATION OF STATE SCHOLARSHIPS IKY	20,000.00
FOUNDATION OF THE HELLENIC WORLD	39,578.00
MICHAEL CACOYANNIS FOUNDATION	35,000.00
FOUNDATION FOR THE MUSEUM OF THE MACEDONIAN STRUGGLE	10,000.00
FOUNDATION FOR ECONOMIC AND INDUSTRIAL RESEARCH	7,500.00
HOME SHELTER FOR FEMALES "AGIOS ALEXANDROS"	9,000.00
FOUNDATION FOR THE SUPPORT OF THE ECUMENICAL PATRIARCHATE	120,000.00
HOLY METROPOLIS OF SYROS ARCHBISHOP CIRCUMFERENCE OF HOLY ISLAND OF THNOS	325.80
INSTITUTE AGAINST FRAUD	3,750.00
ROAD SAFETY INSTITUTE "PANOS MYLONAS" (I.O.A.S)	1,937.42
MAKE A WISH GREECE	3,000.00
KENTRO AGAPIS ELEFSINAS	224.00
CENTER FOR INDIVIDUALS WITH SPECIAL NEEDS "HARA"	3,039.78
RESEARCH CENTRE FOR THE HUMANITIES	10,000.00
UNIVERSITY OF PIRAEUS RESEARCH CENTRE	9,000.00
OPERATIONS CENTER AND COMPETITIVENESS S.P P.C.	5,140.00
HEALTH CENTER OF AIGIO	10,000.00
HEALTH CENTER OF KRESTENA	10,000.00
HEALTH CENTER OF LEYKIMMH	10,000.00
HEALTH CENTER OF NEAPOLIS	6,232.00
HEALTH CENTER OF SXIMATARI	10,000.00
CENTER FOR RECEPTION AND SOLIDARITY OF MUNICIPALITY OF ATHENS (KYADA)	9,903.17
ARK OF THE WORLD NPO	4,000.00
SOCIAL CARE MOSHATOU	3,000.00
ENTREPRENEURSHIP CLUB	12,000.00
MOLECULAR CONTROLS AND PROTOCOLS FOR COVID-19	33,589.00
NATIONAL BANK OF GREECE CULTURAL FOUNDATION	2,100,000.00
EDUCATIONAL AND CULTURAL ASSOCIATION "ANTHOS"	250.00
BENAKI MUSEUM	69,000.00
MYSEUM OF COLLECTING AGRICULTURAL TOOLS	2,000.00

Disclosures on a group level of Greek Law 4374/2016 Art. 6

Beneficiary	Net amount 2020 (in €)
HOSPITAL AGIOS ANDREAS	6,725.00
HOSPITAL OF PIRAEUS METAXA	9,000.00
FRIENDS OF THE CHILD	20,000.00
ATHENS UNIVERSITY OF ECONOMICS AND BUSINESS -DEPARTMENT OF INTERNATIONAL AND EUROPEAN ECONOMIC STUDIES	12,000.00
OLYMPIC MUSEUM OF THESSALONIKI	10,354.17
HELLENIC FEDERATION OF THE DEAF	30,000.00
MEGARON OF ATHENS CONCERT HALL	45,179.25
PAIDI KAI DHMIOURGIA HELLENIC ASSOCIATION FOR CHILDREN WITH HAEMATOLOGICAL DISORDERS AND DOWN SYNDROME	3,000.00
SOS CHILDREN 'S VILLAGE OF GREECE	13,507.42
HELLENIC CENTER FOR ECOLOGICAL RESEARCHES	4,000.00
PANHELLENIC ASSOCIATION OF PARENTS AND GUARDIANS "AMIMONI"	30,000.00
PANHELLENIC ASSOCIATION OF INSURANCE ADVISORS	6,000.00
PANHELLENIC ASSOCIATION OF INSURANCE ADVISORS (PSSAS)	1,350.00
UNIVERSITY OF THE PELOPONNESE	1,000.00
PARK OLYMPIA NPO	1,000.00
GALLERY OF CORFU	11,615.00
PLATFORM EVENT PLANNING COMPANY	3,000.00
ARCHIPELAGOS CIVIL NON-PROFIT COMPANY	20,000.00
PRESIDENCY OF THE HELLENIC REPUBLIC	2,100.00
SPECIAL OLYMPICS INTERNATIONAL-GREECE	50,000.00
STANFORD ALUMNI CLUB OF GREECE	3,000.00
FOREST FIREFIGHTERS VOLUNTEERS OF ATTICA	645.71
TINOS FOOD PATHS ASSOCIATION OF COMPANIES OF HEALTH CONCERN TINOU	500.00
ASSOCIATION "EF ZO ME TON KARKINO"	450.00
ASSOCIATION OF FRIENDS OF CHILDREN WITH CANCER "STORGI"	5,000.00
ASSOCIATION OF FRIENDS OF PATRIARCHAL GREAT SCHOOL OF THE NATION	13,412.00
FEDERATION OF OLYMPIA NPO	150.01
FEDERATION OF INDUSTRIES OF GREECE	15,000.00
FEDERATION OF REPRESENTATIVES OF INSURANCE COMPANIES (SESAE)	3,496.00
FEDERATION OF GREEK INSURANCE AGENTS (SEMA)	4,032.26
HELLENIC AMATEUR ATHLETIC ASSOCIATION (SEGAS)	23,500.00
HELLENIC FEDERATION OF ENTERPRISES	20,000.00
ASSOCIATION OF NATIONAL BANK OF GREECE SHAREHOLDERS	9,000.00
SECONDARY EDUCATION SCHOOL COMMITTEE	3,000.00
SCOUTS OF GREECE	2,200.00
BOARD OF PROFESSORS OF ATHENS UNIVERSITY	8,400.00
SANTA RUN CHANIA ASSOCIATION	720.00
ASSOCIATION OF PARENTS AND GUARDIANS OF DISABLED CHILDREN OF ARGOS KALYMNOS	991.62
FUND OF ARCHAELOGICAL MEANS AND EXPROPRIATIONS (TAPA)	160,086.64
FUND OF SUPPLEMENTARY INSURANCE AND WELFARE OF LAW ENFORCEMENT AGENCIES (TEAPASA)	97,500.00
MUTUAL HEALTH FUND OF NATIONAL BANK OF GREECE PERSONNEL	152,974.65
OPENING CEREMONY FOR ACTIONS 1821	3,355.37
TECHNICAL CHAMBER OF GREECE (TCG)	10,000.00
MINISTRY OF EDUCATION	30,000.00
MINISTRY OF HEALTH	191,100.00
THE SMILE OF THE CHILD	130.00
TOTAL	**5,908,169.10**

Individuals

Number of individuals	Net amount 2020 (in €)
11	261,029.00

Note:

Additional disbursements related to the above payments have been made, in compliance with the existing legislative, fiscal and regulatory framework, for VAT and other charges, amounting to €497,619.36.

Availability of the Annual Financial Report

The Annual Financial Report, which includes:

- Certifications by the Members of the Board of Directors
- The Board of Directors' Report
- The Supplementary Report
- The Independent Auditor's Report
- The Annual Financial Statements of the Group and the Bank
- Disclosures of Greek Law 4261/2014 Art. 81
- Disclosures of Greek Law 4261/2014 Art. 82
- Disclosures on a group level of Greek Law 4374/2016 Art. 6

is available on the website address: http://www.nbg.gr