NATIONAL BANK
OF GREECE

NBG Group

Interim Financial Statements

for the period ended 30 September 2021

November 2021

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Statement of Financial Position
as at 30 September 2021

€ million	Note	Group 30.09.2021	Group 31.12.2020
ASSETS			
Cash and balances with central banks		11,464	9,175
Due from banks		3,114	3,440
Financial assets at fair value through profit or loss		509	541
Derivative financial instruments		4,490	5,585
Loans and advances to customers	8	29,724	26,807
Investment securities	9	15,467	15,055
Investment property		92	125
Investments in subsidiaries		-	-
Equity method investments		22	22
Goodwill, software and other intangible assets		320	282
Property and equipment		1,633	1,663
Deferred tax assets		4,908	4,911
Current income tax advance		344	338
Other assets		2,330	2,282
Non-current assets held for sale	10	7,193	7,259
Total assets		**81,610**	**77,485**
LIABILITIES			
Due to banks	11	13,917	12,724
Derivative financial instruments		3,014	3,321
Due to customers	12	51,089	48,504
Debt securities in issue		913	910
Other borrowed funds		60	60
Deferred tax liabilities		12	14
Retirement benefit obligations		289	300
Current income tax liabilities		3	2
Other liabilities		2,677	2,632
Liabilities associated with non-current assets held for sale	10	3,923	3,939
Total liabilities		**75,897**	**72,406**
SHAREHOLDERS' EQUITY			
Share capital	14	2,744	2,744
Share premium account	14	13,866	13,866
Less: treasury shares	14	-	(1)
Reserves and retained earnings		(11,197)	(11,876)
Amounts recognised directly in equity relating to non-current assets held for sale		279	326
Equity attributable to NBG shareholders		**5,692**	**5,059**
Non-controlling interests		21	20
Total equity		**5,713**	**5,079**
Total equity and liabilities		**81,610**	**77,485**

Athens, 25 November 2021

THE CHAIRMAN OF THE BOARD OF DIRECTORS	THE CHIEF EXECUTIVE OFFICER	THE CHIEF FINANCIAL OFFICER
GIKAS A. HARDOUVELIS	PAVLOS K. MYLONAS	CHRISTOS D. CHRISTODOULOU

The notes on pages 10 to 38 form an integral part of these interim financial statements

Income Statement
for the period ended 30 September 2021

		Group	
		9-month period ended	
€ million	Note	30.09.2021	30.09.2020
Continuing Operations			
Interest and similar income		1,012	1,017
Interest expense and similar charges		(115)	(162)
Net interest income		**897**	**855**
Fee and commission income		303	268
Fee and commission expense		(94)	(80)
Net fee and commission income		**209**	**188**
Net trading income / (loss) and results from investment securities		219	356
Gains / (losses) arising from the derecognition of financial assets measured at amortised cost		247	517
Net other income / (expense)		(54)	(44)
Total income		**1,518**	**1,872**
Personnel expenses		(403)	(386)
General, administrative and other operating expenses		(143)	(139)
Depreciation and amortisation on investment property, property & equipment and software & other intangible assets		(116)	(112)
Credit provisions and other impairment charges	4	(37)	(656)
Restructuring costs	5	(86)	(98)
Profit before tax		**733**	**481**
Tax benefit / (expense)	6	(11)	(11)
Profit for the period from continuing operations		**722**	**470**
Discontinued Operations			
Profit for the period from discontinued operations	10	**46**	**(8)**
Profit for the period		**768**	**462**
Attributable to:			
Non-controlling interests		1	1
NBG equity shareholders		**767**	**461**
Earnings per share (Euro) - Basic and diluted from continuing operations	7	**€0.79**	**€0.51**
Earnings per share (Euro) - Basic and diluted from continuing and discontinued operations	7	**€0.84**	**€0.50**

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Statement of Comprehensive Income
for the period ended 30 September 2021

€ million	Note	Group 9-month period ended 30.09.2021	 30.09.2020
Profit for the period		**768**	**462**
Other comprehensive income / (expense):			
Items that may be reclassified subsequently to profit or loss:			
Available-for-sale securities, net of tax		(47)	40
Investments in debt instruments measured at fair value through other comprehensive income ("FVTOCI"), net of tax		(122)	(286)
Currency translation differences, net of tax		6	(10)
Cash flow hedge, net of tax		18	(17)
Total of items that may be reclassified subsequently to profit or loss		**(145)**	**(273)**
Items that will not be reclassified subsequently to profit or loss:			
Investments in equity instruments measured at FVTOCI, net of tax		11	(40)
Total of items that will not be reclassified subsequently to profit or loss		**11**	**(40)**
Other comprehensive income / (expense) for the period, net of tax	15	**(134)**	**(313)**
Total comprehensive income for the period		**634**	**149**
Attributable to:			
Non-controlling interests		1	1
NBG equity shareholders		**633**	**148**

Athens, 25 November 2021

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Income Statement
for the period ended 30 September 2021

€ million	Group 3 month period ended 30.09.2021	 30.09.2020
Continuing Operations		
Interest and similar income	342	356
Interest expense and similar charges	(36)	(52)
Net interest income	**306**	**304**
Fee and commission income	112	97
Fee and commission expense	(39)	(32)
Net fee and commission income	**73**	**65**
Net trading income / (loss) and results from investment securities	(17)	64
Net other income / (expense)	(21)	(21)
Total income	**341**	**412**
Personnel expenses	(167)	(126)
General, administrative and other operating expenses	(46)	(44)
Depreciation and amortisation on investment property, property & equipment and software & other intangible assets	(38)	(37)
Credit provisions and other impairment charges	139	(75)
Restructuring costs	(32)	(4)
Profit before tax	**197**	**126**
Tax benefit / (expense)	(6)	(3)
Profit for the period from continuing operations	**191**	**123**
Discontinued operations		
Profit / (Loss) for the period from discontinued operations	1	(22)
Profit for the period	**192**	**101**
Attributable to:		
NBG equity shareholders	**192**	**101**
Earnings / (losses) per share (Euro) - Basic and diluted from continuing operations	**€0.21**	**€0.13**
Earnings / (losses) per share (Euro) - Basic and diluted from continuing and discontinued operations	**€0.21**	**€0.11**

Athens, 25 November 2021

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Statement of Comprehensive Income
for the period ended 30 September 2021

€ million	Group 3 month period ended 30.09.2021	30.09.2020
Profit for the period	**192**	**101**
Other comprehensive income / (expense):		
Items that may be reclassified subsequently to profit or loss:		
Available-for-sale securities, net of tax	(1)	(40)
Investments in debt instruments measured at fair value through other comprehensive income ("FVTOCI"), net of tax	8	57
Cash flow hedge, net of tax	1	-
Total of items that may be reclassified subsequent to profit or loss	**8**	**17**
Items that will not be reclassified subsequent to profit or loss		
Investment in equity instruments at FVTOCI, net of tax	2	(4)
Total of items that will not be reclassified subsequent to profit or loss	**2**	**(4)**
Other comprehensive income/(expense) for the period, net of tax	**10**	**13**
Total comprehensive income/(expense) for the period	**202**	**114**
Attributable to:		
NBG equity shareholders	**202**	**114**

Athens, 25 November 2021

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Statement of Changes in Equity - Group

for the period ended 30 September 2021

€ million	Share capital	Share premium	Treasury shares	Securities at FVTOCI reserve	Currency translation reserve	Net investment hedge reserve	Cash flow hedge reserve	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 2019 and 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	-	-	-	(267)	(10)	-	(17)	-	-	**(294)**	-	**(294)**
Gains/(losses) from equity instruments at FVTOCI reclassified to retained earnings	-	-	-	(19)	-	-	-	-	19	**-**	-	**-**
Profit for the period	-	-	-	-	-	-	-	-	461	**461**	1	**462**
Total Comprehensive Income / (expense) for the period	**-**	**-**	**-**	**(286)**	**(10)**	**-**	**(17)**	**-**	**480**	**167**	**1**	**168**
Acquisitions, disposals & share capital increases of subsidiaries/associates	-	-	-	-	-	-	-	-	-	**-**	1	**1**
Balance at 30 September 2020	**2,744**	**13,866**	**(1)**	**335**	**60**	**(111)**	**(41)**	**(191)**	**(11,235)**	**5,426**	**20**	**5,446**
Movements to 31 December 2020	-	-	-	82	(1)	-	1	(20)	(429)	**(367)**	-	**(367)**
Balance at 31 December 2020 and at 1 January 2021	**2,744**	**13,866**	**(1)**	**417**	**59**	**(111)**	**(40)**	**(211)**	**(11,664)**	**5,059**	**20**	**5,079**
Other Comprehensive Income/ (expense) for the period	-	-	-	(159)	6	-	18	-	-	**(135)**	-	**(135)**
Gains/(losses) from equity instruments at FVTOCI reclassified to retained earnings	-	-	-	1	-	-	-	-	(1)	**-**	-	**-**
Profit for the period	-	-	-	-	-	-	-	-	767	**767**	1	**768**
Total Comprehensive Income / (expense) for the period	**-**	**-**	**-**	**(158)**	**6**	**-**	**18**	**-**	**766**	**632**	**1**	**633**
(Purchases)/ disposals of treasury shares	-	-	1	-	-	-	-	-	-	**1**	-	**1**
Balance at 30 September 2021	**2,744**	**13,866**	**-**	**259**	**65**	**(111)**	**(22)**	**(211)**	**(10,898)**	**5,692**	**21**	**5,713**

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Cash Flow Statement
for the period ended 30 September 2021

	Group	
	9-month period ended	
€ million	30.09.2021	30.09.2020
Cash flows from operating activities		
Profit / (loss) before tax	**799**	**483**
Adjustments for:		
Non-cash items included in income statement and other adjustments:	**72**	**(6)**
Depreciation and amortisation on property & equipment, intangibles and investment property	116	112
Amortisation of premiums /discounts of investment securities, debt securities in issue and other borrowed funds	79	25
Credit provisions and other impairment charges	145	812
Provision for employee benefits	8	10
Result from fair value and cash flow hedges	30	(34)
Dividend income from investment securities	(3)	(7)
Net (gain) / loss on disposal of property & equipment and investment property	(2)	(12)
Net (gain) / loss on disposal of investment securities	(131)	(401)
Gain on exchange of Greek Government Bonds	(209)	(515)
Accrued interest from financing activities and results from repurchase of debt securities in issue	2	(5)
Accrued interest of investment securities	35	-
Valuation adjustment on instruments designated at fair value through profit or loss	2	-
Other non-cash operating items	1	9
Net (increase) / decrease in operating assets:	**2,009**	**(2,529)**
Mandatory reserve deposits with Central Bank	8	17
Due from banks	671	(1,392)
Financial assets at fair value through profit or loss	31	24
Derivative financial instruments assets	1,073	(794)
Loans and advances to customers	274	(614)
Other assets	(47)	230
Net increase / (decrease) in operating liabilities:	**3,229**	**9,838**
Due to banks	1,192	8,258
Due to customers	2,510	1,433
Derivative financial instruments liabilities	(456)	408
Retirement benefit obligations	(16)	(23)
Insurance related reserves and liabilities	44	48
Income taxes (paid) / received	(24)	(19)
Other liabilities	(21)	(267)
Net cash from / (for) operating activities	**6,109**	**7,786**
Cash flows from investing activities		
Disposals of subsidiaries, net of cash disposed	-	55
(Acquisition) / Disposal of equity method investments	-	(14)
Dividends received from investment securities & equity method investments	3	7
Purchase of investment property, property & equipment and intangible assets	(113)	(114)
Proceeds from disposal of property & equipment and investment property	6	45
Purchase of investment securities	(10,359)	(11,830)
Proceeds from redemption and sale of investment securities	9,792	7,223
Net cash (used in) / provided by investing activities	**(671)**	**(4,628)**
Cash flows from financing activities		
Proceeds from debt securities in issue and other borrowed funds	-	51
Repayments of debt securities in issue, other borrowed funds and preferred securities	-	(16)
Principal elements of lease payments	(43)	(43)
Proceeds from disposal of treasury shares	13	13
Repurchase of treasury shares	(13)	(13)
Net cash from/ (for) financing activities	**(43)**	**(8)**
Effect of foreign exchange rate changes on cash and cash equivalents	(6)	(3)
Net increase / (decrease) in cash and cash equivalents	**5,389**	**3,147**
Cash and cash equivalents at beginning of period	9,784	4,148
Cash and cash equivalents at end of period	**15,173**	**7,295**

The notes on pages 10 to 38 form an integral part of these interim 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 in the UK, Cyprus and Egypt and subsidiaries in North Macedonia, Romania, Bulgaria, Cyprus, Malta and Luxembourg.

The Board of Directors ("BoD") consists of the following members:

The Non-Executive Chairman of the Board of Directors
Gikas A. Hardouvelis [1]

The Chief Executive Officer
Pavlos K. Mylonas

Executive Members
Christina T. Theofilidi

Independent Non-Executive Members
Claude Edgar L.G.Piret — Senior Independent Director
Avraam C. Gounaris
Anne Clementine L. Marion-Bouchacourt
Wietze J.P. Reehoorn
Elena Ana E.V. Cernat
Matthieu A. Kiss

Non-Executive Members
Aikaterini K. Beritsi
Jayaprakasa (JP) C.S. Rangaswami

Hellenic Financial Stability Fund representative
Periklis F. Drougkas

[1] On 30 July 2021, at the Bank's Annual General Meeting of the Shareholders, the term of Mr. Costas P. Michaelides expired. At the same date, Mr. Gikas A. Hardouvelis was elected as the Non-Executive Chairman of the Board of Directors in replacement of Mr. Costas P. Michaelides, for a maximum term of 3 years.

Furthermore, at the same Bank's Annual General Meeting of the Shareholders all the remaining members of the Board of Directors were elected for a maximum term of 3 years.

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 2024.

These Interim Financial Statements have been approved for issue by the Bank's Board of Directors on 25 November 2021.

NOTE 2: Summary of significant accounting policies

2.1 Basis of preparation

The condensed consolidated Interim Financial Statements as at and for the nine-month period ended 30 September 2021 (the "Interim Financial Statements") have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting". These Interim Financial Statements include selected explanatory notes and do not include all the information required for full Annual Financial Statements. Therefore, the Interim Financial Statements should be read in conjunction with the consolidated and separate Annual Financial Statements as at and for the year ended 31 December 2020, which have been prepared in accordance with International Financial Reporting Standards ("IFRSs") as endorsed by the European Union (the "EU").

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim period, except for the adoption of new and amended standards as set out in section 2.3 "*Adoption of International Financial Reporting Standards ("IFRS")*".

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 current period's presentation.

The Interim 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.

In connection with reviewing 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 30 September 2021, no significant impairments have been recorded and there have been no significant changes in fair values nor in the fair value hierarchy classifications (see Note 18 "Fair value of financial assets and liabilities").

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 30 September 2021 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 crisis (see Note 20 "Risks Related to the COVID-19 Outbreak"), 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 Interim Financial Statements is appropriate.

Liquidity

As at 30 September 2021, funding from the ECB increased by €1.1 billion through TLTROs to €11.6 billion (31 December 2020: €10.5 billion, solely $TLTRO_S$). As of 30 September 2021 the Bank's secure interbank transactions with foreign financial institutions amounted to €0.5 billion, while the Bank's liquidity buffer at cash values amounted to €22.3 billion, with the LCR and NSFR ratios well above 100%.

Capital adequacy

The Group's Common Equity Tier 1 ("CET1") and Total Capital ratios as at 30 September 2021 were 14.0% and 14.7% respectively, exceeding the 2020 OCR of 11.5% post capital relief measures (see Note 17 "Capital Adequacy").

Macroeconomic developments

The performance of the Greek economy exceeded expectations in 9M.2021, as revived consumer spending and tourism boosted business activity and led to a stronger-than-expected rebound in Gross Domestic Product ("GDP") in 2Q.2021, which appears to have been sustained in 3Q.2021. Greece's GDP grew by 16.2% year-over-year ("y-o-y") and by 3.4% on a seasonally adjusted quarterly basis in 2Q.2021 against a backdrop of declining uncertainty, the reopening of economic activities, strengthened domestic and external demand, and accelerating production. Notably, GDP components related to business activity (such as fixed capital formation and corporate profitability) recorded a coordinated rebound in 2Q.2021, exceeding their pre-COVID-19 level in 2Q.2019, on the back of increasing domestic spending – fueled by the activation of pent-up demand – rising exports and continued fiscal and liquidity support.

High-frequency information from business surveys, business turnover, industrial production, mobility and tourism data indicate that the strong momentum has continued into 3Q.2021. Tourism activity strengthened significantly in 3Q.2021, with tourism revenue in July-August 2021 reaching 70% of the respective 2019 level, up from 21% in 1H.2021 (134% y-o-y in 8M.2021), providing substantial boost to GDP and employment growth. Preliminary data for international arrivals by air in major Greek airports and international flights scheduled for the September-October 2021 period suggest that the favorable momentum has been maintained. The above factors, along with still supportive base effects, are estimated to lead to a new double-digit increase in economic activity in 3Q.2021.

In view of the economy's strong momentum built in 9M.2021, the Bank revised upwards its baseline forecast for FY.2021 GDP growth to 7.6% y-o-y from a previous estimate of 5.6%, with rating agencies and private forecasters also adopting an even more optimistic assessment of Greece's economic performance in FY.2021 in September-October 2021.

The State budget primary deficit declined by 15% y-o-y in 9M.2021 to a still sizeable €6.0 billion from €7.0 billion in 9M.2020 for the first time in 19 months, signalling the start of a gradual unwinding of the exceptional fiscal support, which exceeded €30 billion (gross amount of measures) cumulatively, in the period between March 2020 and September 2021. Nonetheless, fiscal policy will remain highly supportive in FY.2021, with the cyclically adjusted primary deficit estimated at 3.3% of GDP from 1.1% in FY.2020. Greece's gross government debt is expected to have peaked to 206.3% of GDP in 2020, a year earlier than previously anticipated, since the stronger GDP growth outcome in 2021 is expected to lead to a decline in the debt to GDP ratio to 197.9% in 2021, with the downward trend intensifying from 2023 onwards. Greek government bonds yields remained close to all-time lows in 3Q.2021, with the 10-year Greek government bond yield picking up slightly to above 1.0% in late-October, while the ECB's purchases of Greek government bonds under its PEPP Program have reached €32.2 billion up to September 2021.

Despite the gradual unwinding of extraordinary State support measures, the labor market exhibited remarkable responsiveness to the pick-up in activity, with the unemployment rate dropping to an 11-year low of 13.9% in August 2021, which reflected an accelerating growth in employment, especially in labor-intensive services activities. Accordingly, household disposable income increased by 7.0% y-o-y in 2Q.2021 (latest available data).

The real estate market showed remarkable resilience to the COVID-19 shock and gained additional traction during 1H.2021. House prices increased by 4.6% y-o-y in 2Q.2021 (+1.6% q-o-q) from +3.5% y-o-y in 1Q.2021 and an average of +4.4% y-o-y in FY.2020.

Consumer price inflation remained relatively subdued in the Greek economy in 9M.2021, but has shown clear signs of acceleration against a backdrop of rapidly rising prices globally. On that note, Greece's consumer price index ("CPI") increased to a 10-year high of 2.2% y-o-y in September 2021, with an increasing number of firms starting to be affected by rising production costs and input shortages or delivery delays. CPI inflation is expected to accelerate further in the remainder of the year, as a part of imported inflation (especially on energy products) and the potential pressure from disruptions in global supply chains is expected to trickle down to consumer prices. The government has already announced the implementation of a new set of measures to counteract the energy shock for households, but the business sector is likely to be significantly affected in the coming months. Moreover, the risk of a more persistent upsurge in inflation internationally starts to weigh on the markets' assessment of monetary policy developments after a prolonged period of ultra-expansionary stance. Government and private sector financing costs could rise in the event that major central banks and, especially the ECB, proceed to a more rapid unwinding of their extraordinary liquidity stimulus.

Looking forward, economic activity is expected to remain on an upward path with GDP exceeding its pre-COVID-19 level until 1H.2022, assuming that: a) the pandemic remains under control for the rest of the year and to 2022 through additional progress in vaccinations, with no significant recurrence of the disease due to virus mutations; b) the persistent positive effect of fiscal and monetary easing, in conjunction with pent-up demand, will continue to assist the recovery in most sectors of economic activity in the near term; c) the rally in energy prices and supply-side pressures worldwide will peak the end of 2021 or in the first quarter of 2022 and then will start to fade over; and d) sizeable inflows of EU funds, following the activation of the EU Recovery Fund, will increasingly support the country's economic performance in 2022. On that note, the first inflows of funding from the EU Recovery Fund amounting to €4.0 billion were disbursed in August 2021 – with more than €6.0 billion expected in the first semester of 2022 – providing additional impetus to public investment and business activity.

Downside risks to baseline scenario of continued robust recovery are mainly related to scarring effects of the pandemic and remaining health risks due to COVID-19 variants and insufficient immunization of the population as well as, to the evolving energy shock, which could possibly lead to a persistent difference in the speed of the recovery among business sectors according to their characteristics. In this respect, increased risks from the rapid reflation of the global economy and the sharp increase in energy prices could take a heavier-than-currently-anticipated toll on household disposable income and business activity, especially in 4Q.2021 and the 1Q.2022, despite the activation of additional fiscal support measures.

For a list of measures that have been adopted in 2021, in order to provide support to the European banking system and the Greek economy in dealing with COVID-19, see Note 20 "Risks Related to the COVID-19 Outbreak".

2.3 Adoption of International Financial Reporting Standards (IFRS)

Amendments to existing standards and the conceptual framework effective from 1 January 2021

-IFRS 16 (Amendment): COVID-19-Related Rent Concessions (effective for annual periods beginning on or after 1 June 2020 and effective for the consolidated 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 interim and annual financial statements from 1 January 2021. The adoption of this amendment did not have a material impact on the consolidated Interim Financial Statements.

-IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 (Amendment): Interest Rate Benchmark Reform — Phase 2 (effective for annual periods beginning on 1 January 2021). 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.

-IFRS 4 (Amendment): Extension of the Temporary Exemption from Applying IFRS 9 (effective for annual periods beginning on or after 1 January 2021). 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. The Bank's insurance subsidiary NIC which is a discontinued operation has adopted this amendment.

The amendments to existing standards and the Framework effective from 1 January 2021 have been endorsed by the EU.

New standards and amendments to existing standards effective after 2021

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 April 2021 and effective for the consolidated Financial Statements from 1 January 2022). The amendment extends the application period of the practical expedient in relation to rent concessions by one year to cover rental concessions that reduce leases due only on or before 30 June 2022.

-IFRS 3 (Amendments): Reference to the Conceptual Framework (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.

-IAS 16 (Amendments): Property, Plant and Equipment: Proceeds before Intended Use (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.

-IAS 37 (Amendments): Onerous Contracts: Cost of Fulfilling a Contract (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.

-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 was 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 Statement of Financial Position 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.

-IAS 12 (Amendments): Deferred Tax related to Assets and Liabilities arising from a Single Transaction (effective for annual reporting periods beginning on or after 1 January 2023). The amendments require companies to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. This will typically apply to transactions such as leases for the lessee and decommissioning obligations.

-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 and the Bank 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 2021 have been endorsed by the EU, except for the amendments to IAS 1 Presentation of Financial Statements; IAS 1 and IFRS Practice Statement 2; IAS 8 Accounting policies, Changes in Accounting Estimates and Errors; and IAS 12 Income Taxes, which have not 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 the Statement of Other Comprehensive Income, rather than in the Income Statement, 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") to 1 January 2023 (please see above).

As of 30 September 2021, NIC is classified as a discontinued operation and shall continue applying the requirements of IAS 39.

International Financial Reporting Interpretations Committee (IFRIC) Agenda

-**Decision-IAS 19 "Employee Benefits" - Attributing Benefit to Periods of Service:** An agenda decision was published in May 2021 by the IFRIC in relation to IAS 19 "employee benefits" and more specifically to how the applicable principles and requirements in IFRS Standards apply to attributing benefit to periods of service. The Group is currently evaluating the impact of this IFRIC agenda decision on the consolidated Financial Statements. The adoption of the agenda decision may result in a retrospective change in accounting policy.

2.4 Critical judgments and estimates

In preparing these Interim Financial Statements for the nine-month period ended 30 September 2021, the critical judgments and estimates made by Management in applying the Group's accounting policies and the key sources of estimation uncertainty were similar to those applied to the consolidated and separate Annual Financial Statements as at and for the year ended on 31 December 2020, except for:

New Definition of default

Following the financial crisis, the EBA established tighter standards around the definition of default (Capital Requirements Regulation "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, for more information please refer to Note 47 of the Annual Financial Statements for the year ended on 31 December 2020.

Forward-looking information

For the nine-month period ended 30 September 2021, the performance of the Greek economy exceeded expectations, as reviving consumer spending and tourism boosted business activity and led to a stronger-than-expected rebound in gross domestic product ("GDP") in the second quarter of 2021. Greece's GDP grew by 16.2% y-o-y in the second quarter of 2021 – compared with a 13.9% y-o-y contraction in the respective lockdown quarter in 2020 – against a backdrop of a reopening of economic activities, declining uncertainty, revived domestic and external demand, and accelerating production. GDP components related to business activity – such as fixed capital formation and corporate profitability – exceeded their pre-COVID-19 levels. Moreover, high-frequency information from business surveys, business turnover, industrial production, mobility and tourism data indicate that the strong momentum has continued into the third quarter of 2021, with annual GDP growth remaining at double-digit level.

Despite the unwinding of extraordinary State support measures, the labor market has showed remarkable resilience, with the unemployment rate dropping to an 11-year low in August 2021, which reflected an accelerating growth in employment, especially in labor-intensive services activities.

Nonetheless, a multiplicity of factors continues to affect the ECL allowance, with lagged effects from the pandemic shock being compounded by still significant pandemic risks for the remainder of the year in the presence of more infectious COVID-19 variants – since the vaccination coverage of the population remains lower than the EU average – and a faster-than-expected reflation of the global economy, accompanied by sharply increasing energy prices.

Greece's consumer price index ("CPI") increased to a 10-year high in September 2021, with an increasing number of firms starting to be affected by rising production costs and input shortages or delivery delays. CPI inflation is expected to accelerate further in the remainder of the year, as imported inflation (especially on energy products) and the potential pressure from disruptions in the global supply chain are expected to trickle down to consumer prices. The government has already announced the implementation of a new set of measures to counteract the energy shock for households, but the business sector is likely to be significantly affected in the coming months. Moreover, the risk of a more persistent upsurge in inflation internationally starts to weigh on the markets' assessment of monetary policy developments after a prolonged period of ultra-expansionary stance. Government and private sector financing costs could rise in the event that major central banks and, especially the ECB, proceed to a more rapid unwinding of the extraordinary liquidity stimulus.

Looking forward, economic activity is expected to remain on an upward path with GDP having returned at its pre-COVID-19 level until the first half of 2022, assuming that: a) the pandemic remains under control until end of 2021, through additional progress in vaccinations, with no significant recurrence of the disease due to virus mutations; b) the persistent positive effect of fiscal and monetary easing, in conjunction with pent-up demand, will continue to assist the recovery in most sectors of economic activity; c) the rally in energy prices and supply-side pressure worldwide will peak in the fourth quarter of 2021 and will start to fade over the course of 2022; and d) sizeable inflows of EU funds, following the activation of the EU Recovery Fund, will increasingly support the country's economic performance.

However, the intensity of the original COVID-19 shock, remaining health risks due to COVID-19 variants, insufficient immunization of the population and the evolving energy shock could possibly lead to a persistent difference in the speed of the recovery among business sectors according to their characteristics. In addition, increased risks from the rapid reflation of the global economy and the sharp increase in energy prices could take a heavier toll on household disposable income and business activity, especially in the fourth quarter of 2021 and the first quarter of 2022, despite the activation of supportive fiscal measures.

Under the baseline scenario GDP is expected to grow at a strong average annual pace of 4.1% in 2021-2025, bolstered, *inter alia*, by supportive base effects, the positive carryover from the stronger-than-anticipated performance of the Greek economy in the first nine months of 2021, the lagged impact from fiscal stimulus and credit impulse, and the upward revisions in GDP growth estimates for the euro area. The optimistic and the adverse scenarios envisage average annual GDP changes of 6.0% and 1.3%, respectively, in 2021-2025.

All three scenarios incorporate the effect of COVID-19 on the macroeconomic outlook, with differences mainly reflecting the assumptions regarding the strength of recovery in 2021. As a result, the probability weighting of the three forward-looking macroeconomic scenarios, i.e. baseline, optimistic and adverse, remained identical to those of 31 December 2020. Specifically, a probability weighting of 55%, 20% and 25% was assigned, respectively.

The macroeconomic variables utilized by the Bank relate to Greek economic factors, while the ECL allowance is mainly driven by the changes in GDP and House Price Index ("HPI"). The stronger GDP growth in the first nine months of 2021, directly or indirectly, affects the whole spectrum of the projected macro variables which are conditioned on the GDP path, including the HPI. HPI growth is exogenously assumed to remain zero in all three scenarios between the third and the fourth quarter of 2021, while the values corresponding to the optimistic scenario are equal to those of the baseline over the projection period beyond the first quarter of 2022, in view of the significant role of non-modelled factors affecting this market during this period, when COVID-19-related uncertainties still exist. The average annual HPI growth in the baseline and the optimistic scenarios over the 2021-2025 period is projected at 4.1%, compared with 1.8% in the same period under the adverse scenario.

The Group's approach for estimating the impairment charge for ECL of loans and advances to customers in the third quarter of 2021 included qualitative overlays to the IFRS 9 models' output as in the respective estimates for the second quarter of 2021. Overlays have been applied in response to the current economic uncertainty and exceptional circumstances not fully captured by the models, taking also into account the customer support measures implemented as a result of the COVID-19 pandemic.

The Group has exercised critical judgment in its best efforts to consider all reasonable and supportable information available at the time of the assessment with regard to the ECL allowance as at 30 September 2021 (see Note 8 "Loans and advances to customers"), given the restrictions posed by the unprecedented levels of uncertainty on the macroeconomic outlook due to the negative effects of COVID-19, which are unlikely to be fully reversed until, at least, the end of 2021.

There are still many unknowns, including the duration of the impact of COVID-19 on the economy and the results of the government fiscal and monetary actions of the ECB (see Note 20 "Risks Related to the COVID-19 Outbreak"). The Group will continue to evaluate the ECL allowance and the related economic outlook each quarter so that any changes arising from the uncertainty on the macroeconomic outlook can be timely captured.

NOTE 3: 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 10 "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 as at 30 September 2021 and 31 December 2020 comprise of NBG Cyprus Ltd and CAC Coral Ltd. The profit or losses from discontinued operations for the period ended 30 September 2021 and 30 September 2020, include NBG Cyprus Ltd and CAC Coral Ltd.

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.

Breakdown by business segment

9 month period ended 30.09.2021	Retail Banking	Corporate & Investment Banking	SAU	Global markets & Asset Management	Insurance	International Banking Operations	Other	Group
Net interest income	279	347	56	169	-	44	2	**897**
Net fee and commission income	109	68	2	16	-	10	4	**209**
Other	(20)	(1)	(16)	470	-	2	(23)	**412**
Total income	**368**	**414**	**42**	**655**	**-**	**56**	**(17)**	**1,518**
Direct costs	(234)	(28)	(2)	(16)	-	(30)	(159)	**(469)**
Allocated costs and provisions[1]	(49)	(21)	(75)	(25)	-	(9)	(137)	**(316)**
Profit / (loss) before tax	**85**	**365**	**(35)**	**614**	**-**	**17**	**(313)**	**733**
Tax benefit / (expense)								**(11)**
Profit for the period from continuing operations								**722**
Non-controlling interests								**(1)**
Profit/(loss) for the period from discontinued operations					45	-	1	**46**
Profit attributable to NBG equity shareholders								**767**
Depreciation and amortisation[1]	52	3	1	1	-	3	56	**116**
Credit provisions and other impairment charges	(89)	(3)	66	15	-	9	39	**37**

[1] *Includes depreciation and amortisation on investment property, property & equipment, software & other intangible assets.*

Notes to the Interim Financial Statements
Group

Breakdown by business segment

9 month period ended 30.09.2020	Retail Banking	Corporate & Investment Banking	SAU	Global markets & Asset Management	Insurance	International Banking Operations	Other	Group
Net interest income	264	337	66	143	-	44	1	**855**
Net fee and commission income	101	62	2	13	-	9	1	**188**
Other	(21)	4	(5)	875	-	-	(24)	**829**
Total income	**344**	**403**	**63**	**1,031**	**-**	**53**	**(22)**	**1,872**
Direct costs	(264)	(31)	(9)	(22)	-	(35)	(47)	**(408)**
Allocated costs and provisions[2]	(546)	(87)	(141)	(23)	-	(4)	(182)	**(983)**
Profit / (loss) before tax	**(466)**	**285**	**(87)**	**986**	**-**	**14**	**(251)**	**481**
Tax benefit / (expense)								**(11)**
Profit for the period from continuing operations								**470**
Non controlling interests								**(1)**
Profit / (loss) for the period from discontinued operations					(1)	(7)		**(8)**
Profit attributable to NBG equity shareholders								**461**
Depreciation, amortisation & impairment charges[2]	54	3	1	2	-	6	46	**112**
Credit provision and other impairment charges	428	65	126	16	-	4	17	**656**

[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 30 September 2021								
Segment assets	10,420	14,269	776	38,037	-	2,141	3,522	**69,165**
Current income tax advance and deferred tax assets								**5,252**
Non-current assets held for sale	2,383		310	-	3,875	601	24	**7,193**
Total assets								**81,610**
Segment liabilities as at 30 September 2021								
Segment liabilities	42,950	5,001	180	19,182	-	1,466	3,180	**71,959**
Current income and deferred tax liabilities								**15**
Liabilities associated with non-current assets held for sale	-	-	-	-	3,405	518	-	**3,923**
Total liabilities								**75,897**

	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	10,939	14,232	608	33,274	-	2,216	3,708	**64,977**
Current income tax advance and deferred tax assets								**5,249**
Non-current assets held for sale	2,308	25	572	-	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**

NOTE 4: Credit provisions and other impairment charges

	Group	
Continuing Operations	30.09.2021	30.09.2020
a. Impairment charge for ECL		
Loans and advances to customers at amortised cost	(5)	630
Net modification loss	13	10
	8	**640**
b. Impairment charge for securities		
Investment in debt instruments	15	16
	15	**16**
c. Other provisions and impairment charges		
Impairment of investment property, property and equipment, software & other intangible assets and other assets	6	(3)
Legal and other provisions	8	3
	14	**-**
Total	**37**	**656**

Impairment charge for ECL at 30 September 2021 includes a release of €0.2 billion relating to the Project Frontier, whereas the impairment charge for ECL at 30 September 2020 includes a provision charge of €0.4 billion relating to the impact of the COVID-19 pandemic.

NOTE 5: Restructuring costs

For the nine-month period ended 30 September 2021 restructuring costs for the Group include €83 million for the Exit Schemes and €3 million direct expenditure relating to the Transformation Program.

For the nine-month period ended 30 September 2020 restructuring costs for the Group include €90 million for the 2020 Voluntary Exit Scheme and €8 million direct expenditure relating to the Transformation Program.

NOTE 6: Tax benefit /(expense)

	Group	
Continuing Operations	30.09.2021	30.09.2020
Current tax	(11)	(8)
Deferred tax	-	(3)
Tax benefit / (expense)	**(11)**	**(11)**

The nominal corporation tax rate for the Bank for 2021 and 2020 is 29%. Following Greek Law 4646/2019, the withholding tax on dividends distributed from 1 January 2020 onwards was 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 19 "Group companies".

Based on Article 120 of Greek Law 4799/2021 (Government Gazette #A78/18.5.2021), effective from 2021, the corporate income tax rate for legal entities, other than credit institutions, was reduced to 22% from 24%.

NOTE 7: Earnings per share

	Group	
	9-month period ended	
	30.09.2021	30.09.2020
Profit for the period attributable to NBG ordinary shareholders from continuing operations	**721**	**469**
Profit / (loss) for the period from discontinued operations	46	(8)
Profit for the period attributable to NBG ordinary shareholders from continuing and discontinued operations	**767**	**461**
Weighted average number of ordinary shares outstanding for basic and diluted EPS	**914,571,309**	**914,544,895**
Earnings per share (Euro) - Basic and diluted from continuing operations	**0.79**	**0.51**
Earnings per share (Euro) - Basic and diluted from continuing and discontinued operations	**0.84**	**0.50**

NOTE 8: Loans and advances to customers

	Group	
	30.09.2021	31.12.2020
Loans and advances to customers at amortised cost		
Mortgage loans	8,740	9,144
Consumer loans	1,809	1,819
Credit cards	453	463
Small business lending	1,667	1,650
Retail lending	**12,669**	**13,076**
Corporate and public sector lending	19,318	16,369
Gross carrying amount of loans and advances to customers at amortised cost	**31,987**	**29,445**
ECL allowance on loans and advances to customers at amortised cost	(2,604)	(2,707)
Net carrying amount of loans and advances to customers at amortised cost	**29,383**	**26,738**
Loans and advances to customers mandatorily measured at FVTPL	**341**	**69**
Total Loans and advances to customers	**29,724**	**26,807**

As at 30 September 2021, the gross carrying amount of loans and advances to customers at amortised cost includes a short-term reverse repo of €3.0 billion. In addition, the loans and advances to customers mandatorily measured at FVTPL include the fair value of receivables from the sales of the non-performing loan portfolios completed on 12 February 2021 (Project Icon) and on 20 May 2021 (Project Danube), as further detailed in Note 10 “Assets and liabilities held for sale and discontinued operations”, which amount to €258 million and €23 million, respectively.

Loans and advances to customers at amortised cost and mandatorily measured at FVTPL | Group

As at 30 September 2021	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Credit impaired Lifetime ECL	Total
Loans and advances to customers at amortised cost				
Mortgage loans				
Gross carrying amount	4,909	2,792	1,039	8,740
ECL allowance	(30)	(87)	(405)	(522)
Net carrying amount	**4,879**	**2,705**	**634**	**8,218**
Consumer loans				
Gross carrying amount	1,243	260	306	1,809
ECL allowance	(19)	(36)	(191)	(246)
Net carrying amount	**1,224**	**224**	**115**	**1,563**
Credit cards				
Gross carrying amount	370	23	60	453
ECL allowance	(3)	(1)	(52)	(56)
Net carrying amount	**367**	**22**	**8**	**397**
Small business lending				
Gross carrying amount	561	648	458	1,667
ECL allowance	(10)	(62)	(313)	(385)
Net carrying amount	**551**	**586**	**145**	**1,282**
Corporate lending				
Gross carrying amount	16,124	827	1,882	18,833
ECL allowance	(106)	(62)	(1,204)	(1,372)
Net carrying amount	**16,018**	**765**	**678**	**17,461**
Public sector lending				
Gross carrying amount	441	12	32	485
ECL allowance	(6)	-	(17)	(23)
Net carrying amount	**435**	**12**	**15**	**462**
Total loans and advances to customers at amortised cost				
Gross carrying amount	23,648	4,562	3,777	31,987
ECL allowance	(174)	(248)	(2,182)	(2,604)
Net carrying amount of loans and advances to customers at amortised cost	**23,474**	**4,314**	**1,595**	**29,383**
Loans and advances to customers mandatorily measured at FVTPL				**341**
Total loans and advances to customers				**29,724**

As at 31 December 2020	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Credit impaired Lifetime ECL	Total
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**
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**
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**
Corporate lending				
Gross carrying amount	13,102	796	2,009	15,907
ECL allowance	(107)	(63)	(1,231)	(1,401)
Net carrying amount	**12,995**	**733**	**778**	**14,506**
Public sector lending				
Gross carrying amount	290	144	28	462
ECL allowance	(2)	(5)	(15)	(22)
Net carrying amount	**288**	**139**	**13**	**440**
Total loans and advances to customers at amortised cost				
Gross carrying amount	20,544	4,536	4,365	29,445
ECL allowance	(173)	(239)	(2,295)	(2,707)
Net carrying amount of loans and advances to customers at amortised cost	**20,371**	**4,297**	**2,070**	**26,738**
Loans and advances to customers mandatorily measured at FVTPL				**69**
Total loans and advances to customers				**26,807**

Movement of the ECL allowance on loans and advances to customers at amortised cost

Group	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Credit impaired Lifetime ECL	Total ECL allowance
ECL allowance at 1 January 2021	**173**	**239**	**2,295**	**2,707**
Transfers between Stages (net)	30	87	(117)	-
Impairment charge for ECL	(29)	(78)	102	(5)
Modification impact on ECL	-	-	(13)	(13)
Derecognition of loans	-	-	(39)	(39)
Write-offs	-	-	(182)	(182)
Change in the present value of the ECL allowance	-	-	(40)	(40)
Foreign exchange differences and other movements	-	-	(42)	(42)
Reclassified as Held For Sale	-	-	218	218
ECL allowance at 30 September 2021	**174**	**248**	**2,182**	**2,604**

Group	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Credit impaired Lifetime ECL	Total ECL allowance
ECL allowance at 1 January 2020	**150**	**326**	**5,285**	**5,761**
Transfers between Stages (net)	28	91	(119)	-
Impairment charge for ECL	1	45	1,011	1,057
Modification impact on ECL	-	-	(15)	(15)
Derecognition of loans	-	-	(35)	(35)
Write-offs	-	(72)	(624)	(696)
Change in the present value of the ECL allowance	-	-	(75)	(75)
Foreign exchange differences and other movements	(3)	9	(54)	(48)
Reclassified as Held For Sale	(3)	(160)	(3,079)	(3,242)
ECL allowance at 31 December 2020	**173**	**239**	**2,295**	**2,707**

NOTE 9: Investment securities

On 13 January 2021, the Greek Public Debt Management Agency ("PDMA") and the Bank carried out a Greek Government Bond ("GGB") exchange. The Bank exchanged bonds of €1.0 billion nominal value, carrying amount of €1.3 billion and settlement amount of €1.5 billion maturing at 20 March 2050, with a series of other Greek Government Bonds 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 realized a gain of €209 million in "Gains / (losses) arising from the derecognition of financial assets measured at amortised cost".

NOTE 10: 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 30 September 2021 and 31 December 2020 comprise 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 as of 30 September 2021 and Project Frontier, Project ICON and Project Danube as of 31 December 2020. The profit or losses from discontinued operations for the period ended 30 September 2021, comprises of NIC, NBG Cyprus Ltd and CAC Coral Ltd. The comparative profit or loss from discontinued operations includes NIC, NBG Cyprus Ltd, and CAC Coral Ltd.

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 transaction was approved by the Extraordinary General Meeting of NBG's Shareholders held on 21 April 2021. The equivalent nominal consideration corresponding to 100% of Ethniki amounted to €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.

Closing of the transaction is expected by Q2.2022 as it is subject to customary ongoing regulatory approvals, including from antitrust and regulatory authorities.

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 100.00% stake in CAC Coral Ltd. The transaction is currently expected to be concluded within the fourth quarter of 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 Net Book Value of €23 million on 20 May 2021, at the date of closing of the transaction.

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 contracts ("Project Icon") with Net Book Value of €258 million on 12 February 2021. The transaction has been 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 its NPE deleveraging strategy, NBG signed in October 2021 a definitive agreement with a consortium consisting of affiliates of Bain Capital, Fortress Investment Group and doValue Greece, for the sale of 95% of the Mezzanine and Junior notes from a rated securitization backed by a portfolio of Greek NPEs. The portfolio consists of secured Large Corporate, Small and Medium Enterprises ("SMEs"), Small Business Lending ("SBL"), Mortgages and Consumer Loans, accounting for €6.0 billion in terms of gross book value as of 30 June 2020. The portfolio's net book value as of 30 September 2021 amounted to €2.7 billion.

Upon the successful completion of the transaction (closing), which is expected to take place in December 2021, NBG will retain 100% of the Senior notes, utilizing the provisions of the Hellenic Asset Protection Scheme ("HAPS"), and 5% of the Mezzanine and Junior notes.

On 29 January 2021, the Bank submitted the HAPS application in accordance with the provisions of the Greek Law 4649/2019, which relates to the provision of a guarantee by the Greek State on the senior notes of an amount up to €3.3 billion.

Condensed Income Statement of discontinued operations [(1)]

	Group	
	9 month period ended	
€ million	30.09.2021	30.09.2020
Net interest income	41	41
Net fee and commission income	(8)	(8)
Earned premia net of claims and commissions	98	82
Net trading income / (loss) and results from investments securities	17	9
Other income	4	8
Total income	**152**	**132**
Operating expenses	(66)	(68)
Credit Provisions and other impairment charges	(20)	(62)
Profit before tax	**66**	**2**
Tax benefit/(expense)	(20)	(10)
Profit for the period from discontinued operations	**46**	**(8)**
Total profit for the period from discontinued operations (attributable to NBG equity shareholders)	**46**	**(8)**

[(1)] Includes NIC, NBG Cyprus Ltd and CAC Coral Limited.

€ million	30.09.2021	30.09.2020
Cash Flows from discontinued operations		
Net cash inflows/(outflows) from operating activities	122	84
Net cash inflows/(outflows) from investing activities	(154)	(152)
Net cash inflows/(outflows) from financing activities	124	-
Net Cash inflows /(outflows)	**92**	**(68)**

Analysis of non-current assets held for sale and liabilities associated with non-current assets held for sale

	Group	
ASSETS	30.09.2021[1]	31.12.2020
Cash and balances with central banks	124	138
Due from banks	97	82
Financial assets at fair value through profit or loss	26	26
Derivative financial instruments	1	1
Loans and advances to customers	3,004	3,218
Investment securities	3,390	3,290
Investment property	22	3
Goodwill, software and other intangible assets	4	-
Property and equipment	10	-
Deferred tax assets	11	8
Insurance related assets and receivables	450	435
Other assets	48	52
Non-current assets held for sale	6	6
Total assets	**7,193**	**7,259**
LIABILITIES		
Due to banks	12	12
Due to customers	483	557
Insurance related reserves and liabilities	2,538	2,495
Deferred tax liabilities	1	1
Retirement benefit obligations	64	61
Current income tax liabilities	3	9
Other liabilities	822	804
Total liabilities	**3,923**	**3,939**

[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 Interim Financial Statements of the Group have been amended retrospectively as if the NBG Egypt never qualified as held for sale and discontinued operations.

In May 2021, an official approval was received by the Central Bank of Egypt for the downsize and ultimately cease our operations in Egypt.

NOTE 11: Due to banks

Due to Banks mainly comprise of the Bank's participation in the TLTRO III operations which as at 30 September 2021 amounted to €11.6 billion (31 December 2020: €10.5 billion). During the nine-month period ended 30 September 2021, interest income recorded in respect to these transactions is presented in Net Interest Income and amounted to €84 million accrued at a rate of -1%. For more information regarding TLTRO III transactions please refer to Note 30 of the Annual Financial Statements as at and for the year ended 31 December 2020.

Due to Banks also include securities sold under agreements to repurchase with financial institutions of €0.5 billion and other deposits with financial institutions of €1.8 billion (31 December 2020: €0.5 billion and €1.7 billion, respectively).

NOTE 12: Due to customers

	Group	
	30.09.2021	31.12.2020
Deposits:		
Individuals	38,563	36,516
Corporate	10,733	9,421
Government and agencies	1,793	2,567
Total	**51,089**	**48,504**

	Group	
	30.09.2021	31.12.2020
Deposits:		
Savings accounts	27,581	24,453
Current & Sight accounts	13,961	12,845
Time deposits	8,589	10,198
Other deposits	958	1,008
Total	**51,089**	**48,504**

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 30 September 2021, these deposits amounted to €485 million (31 December 2020: €426 million).

NOTE 13: Contingent liabilities, pledged assets and commitments

a. Legal proceedings

The Group is a defendant in certain claims and legal actions arising in the ordinary course of business. For the cases for which a provision has not been recognized, Management is unable to estimate the possible losses because the proceedings may last for many years, many of the proceedings are in their early stages, there is uncertainty as to the likelihood of the final results and the outcome of pending appeals as well as other significant issues to be resolved. However, in the opinion of Management, after consultation with its legal counsel, the ultimate disposition of these matters is not expected to have a material adverse effect on the Group's Statement of Financial Position, Income Statement and Cash Flow Statement, taking into account that as at 30 September 2021 the Group has provided for cases under litigation an amount of €56 million (31 December 2020: €54 million).

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 was tax audited by PwC S.A. and the tax certificate, which was unqualified, was issued on 27 October 2021.

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 for those entities that have been tax audited by an independent auditor who has issued an unqualified tax audit certificate.

Therefore, the tax authorities may re-audit the tax books of the Bank for those years. However, the Bank does not expect any material effect on the Group Statement of Financial Position.

For the subsidiaries and associates regarding unaudited tax years refer to Note 19 "Group Companies".

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. The Group'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 uses the same credit policies in making commitments and conditional obligations as it does for on-balance sheet instruments.

	Group	
	30.09.2021	31.12.2020
Standby letters of credit and financial guarantees written	2,658	2,527
Commercial letters of credit	789	509
Total	**3,447**	**3,036**

In addition to the above, credit commitments also include commitments to extend credit which at 30 September 2021 amount to €8,374 million for the Group (31 December 2020: €7,621 million). Commitments to extend credit at 30 September 2021 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	
	30.09.2021	31.12.2020
Assets pledged as collateral	**16,051**	**14,234**

As at 30 September 2021, the Group has pledged mainly for funding purposes with the ECB and financial institutions, the following instruments:

- trading and investment debt instruments of €8,700 million (31 December 2020: €7,609 million);
- loans and advances to customers amounting to €5,754 million (31 December 2020: €5,307 million); and
- covered bonds of a nominal value of €1,597 million backed with mortgage loans of total value of €3,383 million (31 December 2020: €1,318 million backed with mortgage loans of total value of €1,914 million).

In addition to the pledged items presented above, as at 30 September 2021, the Group has pledged an amount of €313 million (31 December 2020: €315 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 Government Bond of €658 million (31 December 2020: €733 million) for trade finance transactions.

NOTE 14: Share capital, share premium and treasury shares

Share Capital – Ordinary Shares

The total number of ordinary shares as at 30 September 2021 and 31 December 2020 was 914,715,153, with a nominal value of 3.00 Euro per share.

Following the decision of the Annual General Meeting of the Bank's shareholders on 30 July 2021, to decrease the Bank's share capital by €1,829 million from €2,744 million, by reducing the nominal value of each common registered share from 3.00 Euros to 1.00 Euro (without any change in the total number of common registered shares), to set off equal cumulative accounting losses of previous years, on 26 October 2021, the Ministry of Development and Investments (Decision No 2420390/26.10.2021), approved the decision. For further information, please see Note 21 "Events after the reporting period".

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 2020	**300,123**	**1**
Purchases	12,259,613	17
Sales	(12,223,918)	(17)
At 31 December 2020	**335,818**	**1**
Purchases	5,371,530	13
Sales	(5,548,122)	(14)
At 30 September 2021	**159,226**	**-**

NOTE 15: Tax effects relating to other comprehensive income / (expense) for the period

Group	9 month period ended 30.09.2021			9 month period ended 30.09.2020		
	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	(49)	19	(30)	82	(21)	61
Reclassification adjustments on investments in available-for-sale included in the income statement	(18)	1	(17)	(34)	6	(28)
Impairment loss recognized on investments in available-for-sale	-	-	-	9	(2)	7
Unrealised gains / (losses) on investments in debt instruments measured at FVTOCI	(28)	-	(28)	84	-	84
(Gains) / losses on investments in debt instruments measured at FVTOCI reclassified to profit or loss on disposal	(90)	-	(90)	(371)	-	(371)
ECL impairment recognised to profit or loss	(4)	-	(4)	1	-	1
Investments in debt instruments	**(189)**	**20**	**(169)**	**(229)**	**(17)**	**(246)**
Currency translation differences	**6**	**-**	**6**	**(10)**	**-**	**(10)**
Cash flow hedge	**18**	**-**	**18**	**(17)**	**-**	**(17)**
Total of items that may be reclassified subsequently to profit or loss	**(165)**	**20**	**(145)**	**(256)**	**(17)**	**(273)**
Items that will not be reclassified subsequently to profit or loss:						
Gains / (losses) on investments in equity instruments measured at FVTOCI	10	-	10	(21)	-	(21)
(Gains)/losses on investments in equity instruments designated as at FVTOCI transferred to retained earnings upon disposal	1	-	1	(19)	-	(19)
Total of items that will not be reclassified subsequently to profit or loss	**11**	**-**	**11**	**(40)**	**-**	**(40)**
Other comprehensive income / (expense) for the period	**(154)**	**20**	**(134)**	**(296)**	**(17)**	**(313)**

NOTE 16: Related party transactions

The nature of the significant transactions entered into by the Group with related parties during the 9-month period ended 30 September 2021 and 30 September 2020 and the significant balances outstanding as at 30 September 2021 and 31 December 2020 are presented below.

a. Transactions with members of the Board of Directors and management

The Group 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 collaterals, 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 “General Information”.

As at 30 September 2021, loans and advances to customers, deposits/liabilities and letters of guarantee, at Group level, amounted to €3 million, €6 million and NIL respectively (31 December 2020: €3 million, €5 million and NIL respectively).

Total compensation to related parties for the period ended 30 September 2021, amounted to €7 million (30 September 2020: €7 million) for the Group, mainly relating to short-term benefits, in particular salaries and social security contributions.

b. Transactions with subsidiaries, associates and joint ventures

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	
	30.9.2021	31.12.2020
Assets	9	9
Liabilities	16	14
Letters of guarantee, contingent liabilities and other off balance sheet accounts	3	2

	9 month period ended	
	30.9.2021	30.9.2020
Interest, commission and other income	-	-
Interest, commission and other expense	2	2

c. Transactions with other related parties

The total receivables of the Group from the employee benefits related funds as at 30 September 2021, amounted to €747 million (31 December 2020: €747 million). For these receivables the Group recognized a provision of €740 million (31 December 2020: €742 million).

The total payables of the Group to the employee benefits related funds as at 30 September 2021, amounted to €108 million (31 December 2020: €102 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 17: 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	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	1.7%	1.7%	1.7%	3.0%	3.0%	3.0%
Capital Conservation Buffer	-	2.5%	2.5%	-	2.5%	2.5%
O-SII Buffer	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%
Total	**6.7%**	**9.2%**	**9.2%**	**11.5%**	**14.0%**	**14.0%**

The capital adequacy ratios for the Group are presented in the table below:

	Group		
	30.09.2021	30.09.2021 Pro-forma[1]	31.12.2020
Common Equity Tier 1	**14.0%**	**16.4%**	**15.7%**
Tier 1	**14.0%**	**16.4%**	**15.7%**
Total	**14.7%**	**17.0%**	**16.7%**

[1] Pro-forma figures have been calculated including profit for the period.

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 30 September 2021, the amount of DTAs that were eligible for conversion to a receivable from the Greek State subject to the DTC Law was €4.2 billion (31 December 2020: €4.3 billion). The conditions for conversion rights were not met in the year ended 31 December 2020 and no conversion rights are deliverable in 2021.

2021 EU-wide Stress Test

On 29 January 2021 the European Banking Authority ("EBA") launched the 2021 EU-wide stress test exercise following the postponement of the 2020 EU wide stress test-exercise, due to the COVID-19 pandemic. The exercise was led by the European Central Bank (ECB), under the common methodological rules defined by the European Banking Authority (EBA) and the macroeconomic and market scenario assumptions published on the same date.

The European Central Bank ("ECB") published on 30 July 2021 the results of the 2021 stress test, which show that the euro area banking system is resilient to adverse economic developments. The stress test is not a pass or fail exercise and no threshold is set to define the failure or success of banks for the purpose of the exercise. Instead, the findings of the stress test will be part of the ongoing supervisory dialogue.

The Stress Test Exercise was based on a Static balance sheet approach, thus factoring in the Group financial and capital position of 31 December 2020 as a starting point, conducting a 3-year horizon stress simulation (2021-2023), under a Baseline and an Adverse scenario.

Under the baseline scenario the Fully Loaded ("FL") CET 1 ratio, reached to 15.5% in 2023 from 12.8% in 2020 (starting point), while under the adverse the FL CET 1 ratio, reached to 6.4% in 2023.

Given the Static balance sheet methodology, the 2021 SSM Stress Test does not incorporate capital accretive results post 31 December 2020.

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 ((Please refer to section "*Response to COVID-19 crisis - Response to COVID-19 crisis from Greek and European authorities*" of the Board of Directors Report in the Annual Financial Report for the year ended 31 December 2020 and to the additional measures announced after the approval of the 31 December 2020 Annual Financial Statements on 24 March 2021, as disclosed in Note 20 "*Risks Related to the COVID-19 Outbreak*").

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.

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%).

NOTE 18: Fair value 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 Statement of Financial Position at fair value and the fair value is materially different from the carrying amount.

	Carrying amount	Fair value
Group	30.09.2021	30.09.2021
Financial Assets		
Loans and advances to customers	29,383	29,307
Investment securities at amortised cost	11,657	12,169
Financial Liabilities		
Due to customers	50,604	50,652
Debt securities in issue	913	988

	Carrying amount	Fair value
Group	31.12.2020	31.12.2020
Financial Assets		
Loans and advances to customers	26,738	26,676
Investment securities at amortised cost	12,173	12,678
Financial Liabilities		
Due to customers	48,078	48,123
Debt securities in issue	910	937

The following methods and assumptions were used to estimate the fair values of the above financial instruments at 30 September 2021 and 31 December 2020:

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: The fair value of debt securities in issue 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 Statement of Financial Position as at fair value by fair value measurement level at 30 September 2021 and 31 December 2020:

Group

As at 30 September 2021	Fair value measurement using			
	Level 1	Level 2	Level 3	Total at fair value
Financial Assets				
Financial assets at fair value through profit or loss	295	83	-	378
Financial assets mandatorily at fair value through profit or loss	89	24	359	472
Derivative financial instruments	3	4,481	6	4,490
Investment securities at fair value through other comprehensive income	2,142	1,640	27	3,809
Total	**2,529**	**6,228**	**392**	**9,149**
Financial Liabilities				
Due to customers designated as at fair value through profit or loss	-	485	-	485
Derivative financial instruments	4	3,004	6	3,014
Total	**4**	**3,489**	**6**	**3,499**

As at 31 December 2020	Fair value measurement using			
	Level 1	Level 2	Level 3	Total 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**

The tables below present the fair values for the assets and liabilities classified as held-for-sale in the Group's Statement of Financial Position and measured at fair value for 30 September 2021 and 31 December 2020:

Held for Sale Operations - Financial instruments measured at fair value | Group

As at 30 September 2021	Fair value measurement using			
	Level 1	Level 2	Level 3	Total 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	1,567	1,657	-	3,224
Insurance related assets and receivables	150	115	-	265
Total	**1,723**	**1,793**	**-**	**3,516**

As at 31 December 2020	Fair value measurement using			
	Level 1	Level 2	Level 3	Total 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**

Transfers between Level 1 and Level 2

As at 30 September 2021, certain fair value through profit or loss securities issued by European Financial Stability Facility ("EFSF") 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 30 September 2021 was €34 million.

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.

All transfers between levels are assumed to happen at the end of the reporting period.

Level 3 financial instruments

Level 3 financial instruments at 30 September 2021 and 31 December 2020 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 credit value adjustment ("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) Mandatorily at fair value through profit or loss items, include securities 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. Additionally, they include receivables resulted from the disposal of loan portfolios through Project ICON and project Danube (please refer to Note 10: "Assets and liabilities held for sale and discontinued operations"). The main part of these receivables relates to an unconditional consideration to be received at a predetermined future date while the remaining part relates to a contingent consideration to be received based on the achievement of predetermined collection targets. The valuation of the contingent consideration incorporates a range of unobservable inputs, hence the Group assesses the whole receivable to be classified in the lowest level of the fair value hierarchy.

(c) Equity securities at fair value through other comprehensive income and at fair value through profit and loss, 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 period ended 30 September 2021 and the year ended 31 December 2020, 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 periods ended 30 September 2021 and 31 December 2020, transfers from Level 2 into Level 3 include derivative financial instruments for which the bilateral CVA is significant to the base fair value of the respective instruments. Transfers from Level 3 into Level 2 include derivative financial instruments for which the bilateral CVA is no longer significant to the base fair value of the respective instruments.

Movement of Level 3 financial instruments

	2021		
Group	Net derivative financial instruments	Investment securities at FVTOCI	Mandatorily at FVTPL
Balance at 1 January	**13**	**26**	**78**
Gain/(loss) included in Income Statement	(10)	-	(7)
Gain/(loss) included in OCI	-	1	-
Purchases/Additions	-	-	289
Settlements	(1)	-	(2)
Transfer into/(out of) level 3	(2)	-	-
Balance at 30 September	**0**	**27**	**358**

	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**

For the period ended 30 September 2021, 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, amounting to €(8) million for the Group (31 December 2020: €(1) million), as well as to net derivative financial instruments amounting to €(9) million for the Group (31 December 2020: €8 million).

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 | 30 September 2021

Financial Instrument	Fair Value	Valuation Technique	Significant Unobservable Input	Range of Inputs	
				Low	High
Investment securities mandatorily at fair value through profit or loss	9	Price Based	Price	102.00	102.00
	1	Discounted Cash Flows	Credit Spread	780 bps	780 bps
	8	Income and market approach	n/a[1]	n/a[1]	n/a[1]
Interest Rate Derivatives	(1)	Discounted Cash Flows, Internal Model (for CVA/DVA)	Credit Spread	171 bps	443 bps
Other Derivatives	1	Discounted Cash Flows, Internal Model (for CVA/DVA)	Credit Spread	307 bps	443 bps
Investment Securities at fair value through other comprehensive income	27	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	62	Discounted Cash Flows	Credit Spread	200 bps	650 bps
Loans and advances to customers, mandatorily at fair value through profit or loss	280	Discounted Cash Flows	n/a[2]	n/a[2]	n/a[2]

[1] Equity securities at FVTPL and at FVTOCI include equity securities which are not traded in active markets. In the absence of an active market the fair value of these securities is estimated 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.

[2] The valuation of the contingent part of the receivables from the loan portfolio sales, has been performed using a discounted cash flow methodology under the income approach and includes a wide range of unobservable inputs, for which is not practicable to quote a relevant range of unobservable inputs, for disclosure purposes.

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 FVTOCI include equity securities which are not traded in active markets. In the absence of an active market the fair value of these securities is estimated 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 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 financial instruments.

For loans and advances to customers mandatorily measured at fair value through profit or loss, the valuation includes a parameter which is not observable in the market, i.e. the credit spread of the customer. A reasonable increase in the respective credit spreads used would not have a significant effect on their fair value for the Group.

The valuation of the contingent part of the receivables from sales of loan portfolios, mandatorily measured at fair value through profit or loss, includes a range of unobservable inputs. A reasonable change in the unobservable inputs used would not result in a significant change in the fair value of these receivables.

NOTE 19: Group companies

Subsidiaries	Country	Tax years unaudited	Group 30.09.2021	Group 31.12.2020
National Securities S.A.	Greece	2015-2020	100.00%	100.00%
NBG Asset Management Mutual Funds S.A.	Greece	2015-2020	100.00%	100.00%
Ethniki Leasing S.A.	Greece	2010-2020	100.00%	100.00%
NBG Property Services Single Member S.A.	Greece	2015-2020	100.00%	100.00%
Pronomiouhos Single Member S.A. Genikon Apothikon Ellados	Greece	2010-2020	100.00%	100.00%
Ethniki Hellenic General Insurance S.A. (2)	Greece	2015-2020	100.00%	100.00%
KADMOS S.A.	Greece	2010-2020	100.00%	100.00%
DIONYSOS S.A.	Greece	2010-2020	99.91%	99.91%
EKTENEPOL Construction Company Single Member S.A.	Greece	2010-2020	100.00%	100.00%
Mortgage, Touristic PROTYPOS Single Member S.A.	Greece	2010-2020	100.00%	100.00%
Hellenic Touristic Constructions S.A.	Greece	2010-2020	78.14%	78.14%
Ethniki Ktimatikis Ekmetalefsis Single Member S.A.	Greece	2010-2020	100.00%	100.00%
Ethniki Factors S.A.	Greece	2015-2020	100.00%	100.00%
I-Bank Direct S.A.	Greece	2015-2020	100.00%	100.00%
Probank Leasing S.A.	Greece	2010-2020	100.00%	100.00%
NBG Insurance Brokers S.A.	Greece	2015-2020	100.00%	100.00%
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	2016-2020	100.00%	100.00%
Bankteco E.O.O.D.	Bulgaria	2016-2020	100.00%	100.00%
NBG Leasing S.R.L.	Romania	2016-2020	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%
NBG Greek Fund Ltd	Cyprus	2016-2020	100.00%	100.00%
National Bank of Greece (Cyprus) Ltd(2)	Cyprus	2012-2020	100.00%	100.00%
National Securities Co (Cyprus) Ltd (1)	Cyprus	-	100.00%	100.00%
NBG Management Services Ltd	Cyprus	2016-2020	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%
NBG Asset Management Luxemburg S.A.	Luxembourg	2020	100.00%	100.00%
NBG International Ltd	U.K.	2003-2020	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%
NBG Finance (Dollar) Plc(1)	U.K.	2008-2020	100.00%	100.00%
NBG Finance (Sterling) Plc(1)	U.K.	2008-2020	100.00%	100.00%
SINEPIA Designated Activity Company (Special Purpose Entity)(3)	Ireland	-	-	-
NBG International Holdings B.V.	The Netherlands	2020	100.00%	100.00%

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 10: Assets and liabilities held for sale and discontinued operations).

(3) The liquidation of the entity was completed on 16 April 2021. The entity dissolved on 29 July 2021.

The Group's equity method investments are as follows:

	Country	Tax years unaudited	Group 30.09.2021	Group 31.12.2020
Social Security Funds Management S.A.	Greece	2015-2020	20.00%	20.00%
Larco S.A.	Greece	2010-2020	33.36%	33.36%
Eviop Tempo S.A.	Greece	2015-2020	21.21%	21.21%
Teiresias S.A.	Greece	2010-2020	39.93%	39.93%
Planet S.A.	Greece	2015-2020	36.99%	36.99%
Pyrrichos Real Estate S.A.	Greece	2010-2020	21.83%	21.83%
SATO S.A.	Greece	2015-2020	23.74%	23.74%
Olganos S.A.	Greece	2010-2020	33.60%	33.60%
Perigenis Business Properties S.A.	Greece	-	28.50%	28.50%

NOTE 20: Risks Related to the COVID-19 Outbreak

In the first quarter of 2020, the World Health Organization ("WHO") declared the outbreak of COVID-19 a pandemic. The COVID-19 pandemic 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 the spread and impact of COVID-19, 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, starting on 7 November 2020, up to early May 2021. 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 are partly offset by a set of measures provided in 2020 and continued in 2021. Please refer to section "*Response to COVID-19 crisis - Customers Support measures in response to COVID-19 crisis*" & "*Response to COVID-19 crisis - Response to COVID-19 crisis from Greek and European authorities*" of the Board of Directors Report in the Annual Financial Report for the year ended 31 December 2020 and to the additional measures announced after the approval of the 31 December 2020 Annual Financial Statements on 24 March 2021, as described below ("*Customers Support measures in response to COVID-19 crisis in 2021*" & "*Response to COVID-19 crisis from Greek and European authorities in 2021*").

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 30 September 2021, no significant impairments have been recorded for the Group, and there have been no significant changes in fair values and in fair value hierarchy classifications.

Customers Support measures in response to COVID-19 crisis in 2021

COVID-19 moratoria

Extension of moratoria, offered to NBG's customers within the context of EBA guidelines, government and sector initiatives, for capital or instalment payments for:

- performing Small Businesses.
- businesses with performing exposures as at 30 September 2020 and not included, so far, in moratoria for capital or instalment payments that have been proven to be affected by the COVID-19 pandemic, were eligible to apply for their inclusion in a relevant program by 31 March 2021 and for a maximum duration of up to nine months from the date of inclusion in the moratorium.
- businesses affected by the COVID-19 pandemic and have already been included in moratoria for capital or instalment payments, were eligible to apply by 31 March 2021 for an extension of their instalment suspension program, provided that their total participation in the program does not exceed the period of nine months.

COVID-19 support schemes

- **Interest subsidy program II** offered by the Ministry of Development for the period 1 January 2021 to 31 March 2021, applicable to SMEs i) holding a loan or revolving credit line prior to 1 January 2021 and less than 90 days in arrears by 30 September 2020 or by the day of the application to the program; and ii) turnover decline of more than 20% in 2020 compared to 2019.
- **"Gefyra II" program**, initiated in April 2021, aims to support small and medium-sized enterprises that have been proven to be affected by the COVID-19 pandemic, i.e., suffered a 20% reduction in turnover in 2020 compared to 2019. It also provides a State subsidy of up to 90% of the loan instalments for business loans, for a period of 8 months.
- **State Guarantee working capital Program** with the participation of Hellenic Development Bank S.A. ("HDB"), exclusively for very small businesses with turnover up to 200,000 Euros: 80% of the loan is guaranteed by HDB, with a total duration of up to five years, and the amount can reach the lesser of the following, 50,000 Euros or 25% of 2019 turnover.

  Starting from 15 October 2021, the perimeter of the program was expanded to include small businesses with turnover up to €1 million while the amount currently can reach the lesser of the following: 250,000 Euros or 25% of 2019 turnover (other terms remain the same).
- **Loan Guarantee Program –EaSI COVID-19** for very small businesses with the participation of European Investment Fund ("EIF") up to 50,000 Euros. The 68.8% of the loan is guaranteed by EIF.
- **Loan Guarantee Program - COSME COVID-19** with the participation of European Investment Fund ("EIF") for up to 150,000 Euros: 80% is guaranteed by EIF, up to 10 years total duration.
- **Co-financing working capital loans with Interest Rate Subsidy** with the HDB for working capital financing up to 50,000 Euros to small and very small businesses, operating in the Western Macedonia region ("Development Fund of Western Macedonia" or "TADYM").
- **State Guarantee working capital Program** with the participation of HDB through the "Guarantee Fund HDB –Engineers and Public Works Contractors Fund (EPWCF)", applicable to SMEs: 80% of the loan is guaranteed by HDB, with a total duration of up to five years, and the amount can reach the lesser of the following, 200,000 Euros or 25% of 2019 turnover or two times the total annual payroll of 2019.
- **Extension of 30 days according to emergency legislation for cheques.** The said measure addressed cheques of qualifying entities maturing from 1 April to 30 April 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.

Response to COVID-19 crisis from Greek and European authorities in 2021

In response to the economic and market conditions resulting from the COVID-19 pandemic as continued in 2021, the Greek government and European authorities have further provided, among others, the following measures:

Greek authorities

Financial state aid measures

The measures for the qualifying businesses include:

- The granting of a new State loan ("Repayable Advance") which is conditioned upon turnover loss in March until August 2020, where the total amount that was granted for the first three phases amounted to €3.5 billion. Phase 4 took place during November and December 2020 and amounted to €2.2 billion. Phases 5 and 6 took place during 1Q.2021 and amounted to €0.8 billion. Phase 7 took place during May 2021 and amounted to €0.2 billion.
- Financial aid of €25 million to aquaculture businesses.
- Providing public service contracts up to €50 million to short sea shipping companies affected from COVID-19 from 23 December 2020 to 30 May 2021.
- Financial aid of €20 million to businesses relating to pigs, black pigs and honey.
- Financial aid of €24 million to agricultural businesses.

Tax measures

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

- Extension of tax obligation payments until 31 December 2021.
- Extension of Value Added Tax ("VAT") payments due during November 2020 until 30 April 2021.
- 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 2021.
- Relief from import duties and VAT exemption on importation granted for goods needed to combat the effects of COVID-19 until 31 December 2021 for legal persons or individuals, provided, however, that such items shall be made available free of charge to beneficiaries specified in decision.
- Extension of payment of tax and Social Security Contributions («SSC») due in April 2021 for qualifying businesses.
- Subsidy of fixed costs incurred from 1 April 2020 to 31 December 2020 for qualifying businesses, which can be used to repay tax or SSC obligations for 2021 due from 1 July to 31 December 2021.
- Extension of tax obligation payments settlement instalments due on 31 May, 30 June and 31 July 2021, for qualifying businesses and qualifying employees.
- Extension of one month for the deadlines of all monthly instalments of SSC settlements for qualifying businesses due on 30 June 2021 onwards.

Labor protection measures

- Special allowance given to: a) tour guides for March, April and May 2021, b) artists extension for May, June and July 2021 and c) increased special allowance for qualifying small and very small businesses for April 2021.
- Special allowance of 400 Euros for self-employed and freelancer scientists, such as engineers, lawyers, economists etc., meeting specified criteria announced in April 2021.
- Extension of unemployment benefit for April 2021 and May 2021.

The European Central Bank

The following prudential measures have also been implemented by ECB:

- ECB's Governing Council issues opinion confirming that exceptional circumstances warranting leverage ratio relief still exist. Banks may exclude central bank exposures from leverage ratio as exceptional macroeconomic circumstances continue. Banks benefit from relief measure until end-March 2022. Banks which decide to exclude central bank exposures must recalibrate this 3% leverage ratio requirement in such a way that only the central bank exposures newly accumulated since the beginning of the pandemic effectively benefit from the leverage ratio relief. (18 June 2021).
- ECB decided not to extend, beyond September 2021, its recommendation to banks to not distributing any cash dividends, or conducting share buy-backs, or to limit such distributions. Instead, supervisors will assess the capital and distribution plans of each bank, as part of the regular supervisory process. (23 July 2021).

The European Commission

The European Commission announced the following additional measures:

- The European Commission issued a €17.0 billion inaugural social bond under the EU Support to mitigate Unemployment Risks in an Emergency ("SURE") instrument to help protect jobs and keep people employed. SURE has an overall firepower of up to €100.0 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). Overall, the Commission has proposed that 19 EU countries will receive €94.3 billion in financial support under SURE, which includes a total of €5.2 billion to Greece. (30 March 2021).

- The European Commission has taken steps to ensure that borrowing under the temporary recovery instrument NextGenerationEU will be financed on the most advantageous terms for EU Member States and their citizens. The European Commission will use a diversified funding strategy to raise up to around €800.0 billion in current prices until 2026. This approach, which will be in line with the best practices of sovereign issuers, will enable the Commission to raise the needed volumes in a smooth and efficient way. This will also attract investors to Europe and strengthen the international role of the euro. (14 April 2021).
- The European Commission has approved, under EU State Aid rules, a €500 million Greek support scheme to support food service companies affected by the coronavirus outbreak. The scheme was approved under the State Aid Temporary Framework. The scheme is co-financed by European Regional Development Fund ("ERDF") and will be open to companies of all sizes that experienced a turnover decline of more than 30% over 2020, compared to 2019. The aid will take the form of direct grants, with each grant amounting to up to 7% of the beneficiary's annual turnover. (11 May 2021).
- The European Commission has disbursed €14.1 billion to 12 EU Member States in the seventh instalment of financial support under the SURE instrument. As part of these operations, Greece has received €2.5 billion. (25 May 2021).
- The European Commission has approved, under EU State aid rules, a €800 million Greek scheme to support companies active in tourism affected by the coronavirus outbreak. The scheme was approved under the State aid Temporary Framework. (1 June 2021).
- Following the approval of the Own Resources Decision by all EU Member States, the Commission can start raising resources to finance Europe's recovery through NextGenerationEU. To that end, the European Commission announced its estimates to issue €80.0 billion of long-term bonds in 2021, to be topped up by tens of billions of euros of short-term EU-Bills to cover the remaining financing requirements. The exact amount of both EU-Bonds and EU-Bills will depend on the precise funding needs, and the Commission will revise today's assessment in the autumn. In this way, the Commission will be able to fund, over the second half of the year, all planned grants and loans to Member States under the Recovery and Resilience Facility, as well as cover the needs of the EU policies that receive NextGenerationEU funding. (1 June 2021).
- The European Commission has, in its first NextGenerationEU transaction, raised a €20.0 billion via a ten-year bond due on 4 July 2031 to finance Europe's recovery from the coronavirus crisis and its consequences. This is the largest-ever institutional bond issuance in Europe, the largest-ever institutional single tranche transaction and the largest amount the EU has raised in a single transaction. (15 June 2021).
- European Commission endorses Greece's €30.5 billion recovery and resilience plan. The European Commission adopted a positive assessment of Greece's recovery and resilience plan. This is an important step towards disbursing €17.8 billion in grants and €12.7 billion in loans under the Recovery and Resilience Facility (RRF) over the period 2021-2026. This financing will support the implementation of the crucial investment and reform measures outlined in Greece's recovery and resilience plan. It will play a key role in enabling Greece emerge stronger from the COVID-19 pandemic. (17 June 2021).
- The Commission has disbursed €800 million in payments under NextGenerationEU, the temporary instrument to finance Europe's recovery and foster a greener, more digital and resilient economy after the pandemic. The payments are going to 41 national and regional programmes in 16 Member States including Greece. The funds under the REACT-EU constitute additional resources for existing Cohesion policy programmes. (28 June 2021).
- The European Commission has, in its second NextGenerationEU transaction, raised €15.0 billion to finance Europe's recovery from the coronavirus crisis and its consequences. This was a dual-tranche transaction, consisting of a €9.0 billion 5-year bond due on 6 July 2026 and a €6.0 billion 30-year bond due on 6 July 2051. (29 June 2021).
- The European Commission issued a further €10.0 billion to support Europe's recovery from the coronavirus crisis and its consequences, in a third NextGenerationEU bond since the start of the programme in mid-June. The Commission issued a 20 year bond due on 4 July 2041, which was welcomed by the market with a very strong interest, with books close to €100.0 billion. (13 July 2021).
- The European Commission has disbursed €4.0 billion to Greece in pre-financing, equivalent to 13% of the country's grant and loan allocation under the Recovery and Resilience Facility ("RRF"). Greece is one of the first countries receiving a pre-financing payment under the RRF. The pre-financing will help to kick-start the implementation of the crucial investment and reform measures outlined in Greece's recovery and resilience plan. (9 August 2021).
- The European Commission has approved a Greek scheme to support the uncovered fixed costs of companies affected by the coronavirus outbreak. The scheme was approved under the State aid Temporary Framework and has an estimated budget of up to €500 million. (27 August 2021).
- Since the outbreak of COVID-19 in early 2020, the EU, EU Member States and European financial institutions, as Team Europe,

have disbursed €34.0 billion in support to partner countries in addressing the pandemic and its consequences, delivering on its promises with concrete results. This disbursement already exceeds by far the initial €20.0 billion Team Europe support package pledged in spring 2020, which has now increased to €46.0 billion. (16 September 2021).

- The Commission took stock of the implementation of the Recovery Assistance for Cohesion and the Territories of Europe (REACT-EU). With €34.1 billion approved and €3.5 billion already paid out in just four months, REACT-EU was the very first instrument of NextGenerationEU to make payments for the recovery of Member States. (11 October 2021).
- The Commission adopted its 2022 Work Programme, setting out the next steps in its bold and transformative agenda towards a post-COVID-19 Europe that is greener, fairer, more digital and more resilient. This Commission Work Programme contains 42 new policy initiatives across all six headline ambitions of President von der Leyen's Political Guidelines, building on her 2021 State of the Union speech. It also reflects the lessons learnt from the unprecedented crisis caused by the pandemic, while paying particular attention to our young generation thanks to the proposed European Year of Youth 2022. (19 October 2021).
- The European Commission has adopted a review of EU banking rules (the Capital Requirements Regulation and the Capital Requirements Directive). These new rules will ensure that EU banks become more resilient to potential future economic shocks, while contributing to Europe's recovery from the COVID-19 pandemic and the transition to climate neutrality. (27 October 2021).

NOTE 21: Events after the reporting period

Events after the reporting period relate to the following:

Share capital decrease with equal set off of cumulative accounting losses

The Annual General Meeting of the Bank's shareholders on 30 July 2021, decided the decrease in the Bank's share capital by €1,829 million from €2,744 million, by reducing the nominal value of each common registered share from 3.00 Euros to 1.00 Euro (without any change in the total number of common registered shares), to set off equal cumulative accounting losses of previous years. Following the decrease, the Bank's total share capital amounts to €915 million divided into 914,715,153 common shares of a nominal value of €1.00 each.

On 26 October 2021, the Ministry of Development and Investments (Decision No 2420390/26.10.2021), approved the decision.

The Athens Exchange Corporate Actions Committee at its meeting held on 18 November 2021 was informed about the reduction of the nominal value of the Bank's shares. Following this, Monday 22 November 2021, is determined as the date of change of the nominal value of the Bank's share to 1.00 Euro.

COVID-19 developments after the reporting period

For measures taken by the authorities after the reporting period relating to COVID-19 please see Note 20 "Risks and responses related to COVID-19 outbreak".