NATIONAL BANK
OF GREECE

NBG Group

Interim Financial Statements

for the period ended 31 March 2021

May 2021

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Statement of Financial Position
as at 31 March 2021

€ million	Note	Group 31.03.2021	Group 31.12.2020
ASSETS			
Cash and balances with central banks		10,461	9,175
Due from banks		2,990	3,440
Financial assets at fair value through profit or loss		468	541
Derivative financial instruments		4,686	5,585
Loans and advances to customers	8	26,841	26,807
Investment securities	9	16,365	15,055
Investment property		124	125
Equity method investments		22	22
Goodwill, software and other intangible assets		284	282
Property and equipment		1,657	1,663
Deferred tax assets		4,912	4,911
Current income tax advance		337	338
Other assets		2,241	2,282
Assets classified as held for sale	10	6,938	7,259
Total assets		**78,326**	**77,485**
LIABILITIES			
Due to banks	11	13,789	12,724
Derivative financial instruments		2,865	3,321
Due to customers	12	48,150	48,504
Debt securities in issue		922	910
Other borrowed funds		60	60
Deferred tax liabilities		14	14
Retirement benefit obligations		288	300
Current income tax liabilities		3	2
Other liabilities		2,786	2,632
Liabilities associated with assets classified as held for sale	10	3,951	3,939
Total liabilities		**72,828**	**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		(11,408)	(11,876)
Amounts recognised directly in equity relating to non-current assets held for sale		275	326
Equity attributable to NBG shareholders		**5,477**	**5,059**
Non-controlling interests		21	20
Total equity		**5,498**	**5,079**
Total equity and liabilities		**78,326**	**77,485**

Athens, 27 May 2021

THE CHAIRMAN OF THE BOARD OF DIRECTORS	THE CHIEF EXECUTIVE OFFICER	THE CHIEF FINANCIAL OFFICER
COSTAS P. MICHAELIDES	PAVLOS K. MYLONAS	CHRISTOS D. CHRISTODOULOU

The notes on pages 8 to 35 form an integral part of these Interim Financial Statements

Income Statement
for the period ended 31 March 2021

€ million	Note	Group 3-month period ended 31.03.2021	31.03.2020
Continuing Operations			
Interest and similar income		334	337
Interest expense and similar charges		(40)	(59)
Net interest income		**294**	**278**
Fee and commission income		91	90
Fee and commission expense		(24)	(24)
Net fee and commission income		**67**	**66**
Net trading income / (loss) and results from investment securities		264	269
Gains / (losses) arising from the derecognition of financial assets measured at amortised cost		247	517
Net other income / (expense)		(20)	(11)
Total income		**852**	**1,119**
Personnel expenses		(118)	(133)
General, administrative and other operating expenses		(47)	(50)
Depreciation and amortisation on investment property, property & equipment and software & other intangible assets		(40)	(38)
Credit provisions and other impairment charges	4	(83)	(499)
Restructuring costs	5	(54)	(93)
Profit before tax		**510**	**306**
Tax benefit / (expense)	6	(3)	(4)
Profit for the period from continuing operations		**507**	**302**
Discontinued Operations			
Profit for the period from discontinued operations	10	**51**	**3**
Profit for the period		**558**	**305**
Attributable to:			
Non-controlling interests		1	1
NBG equity shareholders		**557**	**304**
Earnings per share (Euro) - Basic and diluted from continuing operations	7	**€0.55**	**€0.33**
Earnings per share (Euro) - Basic and diluted from continuing and discontinued operations	7	**€0.61**	**€0.33**

Athens, 27 May 2021

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Statement of Comprehensive Income
for the period ended 31 March 2021

€ million	Note	Group 3-month period ended 31.03.2021	31.03.2020
Profit for the period		**558**	**305**
Other comprehensive income / (expense):			
Items that may be reclassified subsequently to profit or loss:			
Available-for-sale securities, net of tax		(52)	(84)
Investments in debt instruments measured at fair value through other comprehensive income ("FVTOCI"), net of tax		(113)	(300)
Currency translation differences, net of tax		7	(4)
Cash flow hedge, net of tax		12	(13)
Total of items that may be reclassified subsequently to profit or loss		**(146)**	**(401)**
Items that will not be reclassified subsequently to profit or loss:			
Investments in equity instruments measured at FVTOCI, net of tax		6	(23)
Total of items that will not be reclassified subsequently to profit or loss		**6**	**(23)**
Other comprehensive income / (expense) for the period, net of tax	15	**(140)**	**(424)**
Total comprehensive income for the period		**418**	**(119)**
Attributable to:			
Non-controlling interests		1	1
NBG equity shareholders		**417**	**(120)**

Athens, 27 May 2021

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Statement of Changes in Equity - Group
for the period ended 31 March 2021

	Attributable to equity holders of the parent company											
€ million	Share capital	Share premium	Treasury shares	Securities at FVTOCI reserve	Currency translation reserve	Net investment hedge	Cash flow hedge	Defined benefit plans	Other reserves & Retained earnings	Total	Non-controlling Interests	Total
	Ordinary shares	Ordinary shares										
Balance at 1 January 2020	**2,744**	**13,866**	**(1)**	**621**	**70**	**(111)**	**(24)**	**(191)**	**(11,715)**	**5,259**	**18**	**5,277**
Other Comprehensive Income/ (expense) for the period	-	-	-	(407)	(4)	-	(13)	-	-	**(424)**	-	**(424)**
Gains/(losses) from equity instruments at FVTOCI reclassified to retained earnings	-	-	-	(19)	-	-	-	-	19	**-**	-	**-**
Profit for the period	-	-	-	-	-	-	-	-	304	**304**	1	**305**
Total Comprehensive Income / (expense) for the period	**-**	**-**	**-**	**(426)**	**(4)**	**-**	**(13)**	**-**	**323**	**(120)**	**1**	**(119)**
(Purchases)/ disposals of treasury shares	-	-	1	-	-	-	-	-	-	**1**	-	**1**
Balance at 31 March 2020	**2,744**	**13,866**	**-**	**195**	**66**	**(111)**	**(37)**	**(191)**	**(11,392)**	**5,140**	**19**	**5,159**
Movements to 31 December 2020	-	-	(1)	222	(7)	-	(3)	(20)	(272)	**(81)**	1	**(80)**
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)	7	-	12	-	-	**(140)**	-	**(140)**
Profit for the period	-	-	-	-	-	-	-	-	557	**557**	1	**558**
Total Comprehensive Income / (expense) for the period	**-**	**-**	**-**	**(159)**	**7**	**-**	**12**	**-**	**557**	**417**	**1**	**418**
(Purchases)/ disposals of treasury shares	-	-	1	-	-	-	-	-	-	**1**	-	**1**
Balance at 31 March 2021	**2,744**	**13,866**	**-**	**258**	**66**	**(111)**	**(28)**	**(211)**	**(11,107)**	**5,477**	**21**	**5,498**

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Cash Flow Statement
for the period ended 31 March 2021

	Group	
	3-month period ended	
€ million	31.03.2021	31.03.2020
Cash flows from operating activities		
Profit / (loss) before tax	**570**	**308**
Adjustments for:		
Non-cash items included in income statement and other adjustments:	**50**	**(191)**
Depreciation and amortisation on property & equipment, intangibles and investment property	40	38
Amortisation of premiums /discounts of investment securities, debt securities in issue and borrowed funds	24	6
Credit provisions and other impairment charges	122	598
Provision for employee benefits	3	4
Result from fair value and cash flow hedges	38	(17)
Dividend income from investment securities	-	(1)
Net (gain) / loss on disposal of property & equipment and investment property	1	(10)
Net (gain) / loss on disposal of investment securities	(111)	(310)
Gain on exchange of Greek Government Bonds	(209)	(515)
Accrued interest from financing activities and results from repurchase of debt securities in issue	12	15
Accrued interest of investment securities	128	-
Valuation adjustment on financial instruments designated at fair value through profit or loss	-	(1)
Other non-cash operating items	2	2
Net (increase) / decrease in operating assets:	**1,653**	**(1,424)**
Mandatory reserve deposits with Central Bank	6	14
Due from banks	497	(1,181)
Financial assets at fair value through profit or loss	63	13
Derivative financial instruments assets	876	(548)
Loans and advances to customers	195	(206)
Other assets	16	484
Net increase / (decrease) in operating liabilities:	**567**	**4,939**
Due to banks	1,065	2,807
Due to customers	(328)	1,682
Derivative financial instruments liabilities	(310)	444
Retirement benefit obligations	(14)	(17)
Insurance related reserves and liabilities	(4)	20
Income taxes (paid) / received	(4)	4
Other liabilities	162	(1)
Net cash from / (for) operating activities	**2,840**	**3,632**
Cash flows from investing activities		
Dividends received from investment securities & equity method investments	-	1
Purchase of investment property, property & equipment and intangible assets	(25)	(25)
Proceeds from disposal of property & equipment and investment property	1	27
Purchase of investment securities	(5,886)	(4,042)
Proceeds from redemption and sale of investment securities	4,169	2,503
Net cash (used in) / provided by investing activities	**(1,741)**	**(1,536)**
Cash flows from financing activities		
Proceeds from debt securities in issue and other borrowed funds	-	8
Repayments of debt securities in issue, other borrowed funds and preferred securities	-	(14)
Principal elements of lease payments	(13)	(15)
Proceeds from disposal of treasury shares	5	4
Repurchase of treasury shares	(4)	(3)
Net cash from/ (for) financing activities	**(12)**	**(20)**
Effect of foreign exchange rate changes on cash and cash equivalents	(6)	2
Net increase / (decrease) in cash and cash equivalents	**1,081**	**2,078**
Cash and cash equivalents at beginning of period	9,784	4,148
Cash and cash equivalents at end of period	**10,865**	**6,226**

The notes on pages 8 to 35 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 and subsidiaries in UK, North Macedonia, Romania, Bulgaria, Cyprus, Malta, Egypt and Luxembourg.

The Board of Directors consists of the following members:

The Non-Executive Chairman of the Board of Directors
Costas P. Michaelides

The Chief Executive Officer
Pavlos K. Mylonas

Executive Members
Christina T. Theofilidi

Independent Non-Executive Members

Claude Edgar L.G. Piret [1]	Senior Independent Director
Gikas A. Hardouvelis	
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] During the Board of Directors session held on 22 April 2021, the Board decided that until the Annual General Meeting of Shareholders 2021, Mr. Claude Edgar L.G.Piret shall be discharging the duties of Senior Independent Director.

The Board of Directors members are elected by the Bank's General Meeting of Shareholders for a maximum term of 3 years and may be re-elected. The term of the above members expires at the Annual General Meeting of the Bank's Shareholders in 2021.

These Interim Financial Statements have been approved for issue by the Bank's Board of Directors on 27 May 2021.

NOTE 2: Summary of significant accounting policies

2.1 Basis of preparation

The condensed consolidated interim financial statements as at and for the three-month period ended 31 March 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 reviewed fair values of financial instruments that are carried at fair value. Based upon our review as of 31 March 2021 no significant impairments have been recorded and there have been no significant changes in fair values nor in the fair value hierarchy classifications.

2.2 Going concern

Going concern conclusion

After considering (a) the current level of European Central Bank ("ECB") funding solely from Targeted Long-term Refinancing Operations ("TLTROs") and the current access to the Eurosystem facilities with significant collateral buffer and Liquidity Coverage Ratio ("LCR") and Net Stable Funding Ratio ("NSFR") which is well above 100% (b) the Group's Common Equity Tier 1 ("CET1") ratio at 31 March 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 and responses 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 31 March 2021, funding from the ECB increased by €1.1 billion through TLTROs at €11.6 billion (31 December 2020: €10.5 billion, solely $TLTRO_S$). As of 31 March 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 stood at €18.8 billion, with the LCR and NSFR ratios well above 100%.

Capital adequacy

The Group's Common Equity Tier 1 ("CET1") and Total Capital ratios at 31 March 2021 were 14.4% and 15.4% respectively, exceeding the 2021 OCR of 11.5% post capital relief measures (see Note 17 "Capital Adequacy").

Macroeconomic developments

The COVID-19 pandemic and the enforcement of containment measures to control the spread of the disease continued to weigh significantly on the Greek macroeconomic conditions in FY.2020 and 1Q.2021. Greek Gross Domestic Product ("GDP") declined by 8.0% year-over-year ("y-o-y") in 2020 (seasonally adjusted data), against a backdrop of recurrent surges of the pandemic and repeated tightening of restrictions on mobility and economic activities. State support measures remained the key instrument for mitigating the fallout of the health crisis on the labor market and for providing support to COVID-19 affected businesses.

The worsening of key health indicators in late-January 2021 led to a new tightening of restrictions in Attica and some other regions of the country, from 30 January 2021 until mid-April 2021, when a gradual easing of restrictions started. This tightening is estimated to have led to a new contraction in 1Q.2021 GDP. However, the latest conjunctural indicators data for 1Q.2021 show that the decline in activity is slowing – retail sales volume decreased by 1.7% y-o-y in 2M.2021 against -4.0% y-o-y, on average, in FY.2020 and manufacturing production increased by 2.6% y-o-y in 1Q.2021 following an annual drop of 1.6% in 2020.

The labor market remains resilient, supported by the extension of protective measures, such as additional payments for allowances to the affected employees and businesses, coverage of social security contributions and support for the unemployed.

A closer look at the available high frequency data of macroeconomic indicators for March and April 2021 points to a pick-up in activity, on a monthly basis, which is more evident in the sectors, where the easing of protective restrictions already started, namely retail trade and part of the services sector. The manufacturing sector shows additional signs of resilience, with the PMI (Purchasing Managers' Index for manufacturing) entering expansion territory since March (54.4 in April 2021), whereas construction confidence increased to a 15-year high in April, due to the positive prospects regarding the contribution of the Recovery Fund. Moreover, the measures helped cushion the recession, providing considerable support to the labor market. The unemployment rate increased modestly to 17.0% in 2Q.2020 – decreasing to 16.7% in 3Q.2020 and 16.1% in 4Q.2020 – and averaged to 16.5% in FY.2020 compared with 17.3% in FY.2019, whereas employment decreased by 0.9% y-o-y in FY.2020.

The persistence of the pandemic led to the activation of additional fiscal support measures of more than €6.0 billion for 1Q.2021, following €18.0 billion of fiscal and liquidity measures activated in FY.2020. Inevitably, the General Government primary deficit (ESA 2010) surged to €11.2 billion (or -6.7% of GDP) in FY.2020, from a primary surplus of €7.6 billion in 2019. Greece's Stability Programme for the period 2021-2024 submitted to the EU Commission in April 2021, indicates that fiscal policy will remain supportive in FY.2021, with the primary deficit increasing to 7.2% of GDP, as a significant part of support measures remains in place in H1.2021 and additional targeted stimulus is provided through the suspension of the special solidarity surcharge in personal income tax and the reduction of the social security contributions rates for employers and employees by 3.0 percentage points. Nonetheless, supportive cyclical factors and the non-renewal of support measures is expected to lead to a rebalancing of the fiscal position, with the primary deficit declining to 0.3% of GDP in 2022 and turning to surpluses of 2.0% and 2.9% of GDP in 2023 and 2024, respectively.

General Government debt increased to 205.6% of GDP in 2020, it is anticipated to decline slightly to 204.8% of GDP in 2021 and return on a steady downward trend from 2022 onwards. All major rating agencies acknowledged that the significant size of the Greek State's cash buffer (about 8.0% of gross public debt), along with the very long maturity of the debt (c. 20 years) and affordable debt-servicing terms, offset the risks from the temporary increase in the debt ratio to GDP due to the COVID-19 pandemic. Accordingly, the expectations of a rapid improvement in Greece's economic and budgetary performance as the adverse impacts of the COVID-19 pandemic subside, along with EU fiscal support and Greece's creditworthiness based on the government's significant fiscal buffers and the favourable government debt structure, led major rating agencies to upgrade the Hellenic Republic's sovereign rating. Specifically, Moody's upgraded Greece's sovereign rating by one notch, to "Ba3" from "B1", on 6 November 2020, maintaining a stable outlook for the country, while S&P upgraded Greece's sovereign credit rating by one notch, to "BB" from "BB-", on 23 April 2021, with a positive outlook (from stable), bringing the country's long-term sovereign rating 2-3 notches away from an "investment grade" rating.

Looking forward, activity is expected to accelerate rapidly during the final three quarters of 2021 to 9.0% y-o-y, on average. The main catalysts will be: (i) the gradual easing of restrictions on economic activities, compounded by strong base effects starting from 2Q.2021, ii) the continued fiscal support, including rollover effects from 2020, (iii) the latent demand and the built-up of liquidity buffers related to accumulated household savings and increased corporate borrowing, and (iv) the gradual recovery in tourism as vaccinations begin to stem the pandemic, with an opening started on 15 May 2021. Moreover, the first inflows of funding from the EU Recovery Fund are expected to begin in the summer of 2021, amounting to c. €4.0 billion, providing additional impetus to public investment and business activity from 3Q.2021 onwards, with the impact on GDP growth peaking in 2022.

Although the COVID-19 pandemic is still ongoing in 2Q.21 and restrictions apply to a significant part of economic activities, the speeding-up of the vaccination program in Greece bodes well for an effective containment of the pandemic spread by end-2Q.21 and a gradual normalization of most economic activities during 2021.

Against this backdrop, the EU Commission (European Commission 2021, Spring Forecast) projects that Greece's GDP will increase by 5.1% y-o-y, on average, in 2021-2022, incorporating, for the first time, an estimate of the direct impact of the inflows from the EU Recovery Fund starting in 2021.

However, uncertainty remains significant, reflecting, *inter alia*, the risks surrounding the effectiveness of the vaccination process in the presence of COVID-19 mutations globally and divergences in the pace of the pandemic control internationally, which could delay the normalization of international mobility, thus weakening the improvement in the tourism sector. Furthermore, the inability of smaller and less efficient firms to compete effectively with larger firms, which take advantage of their more developed digital sales channels, implies that the continued contraction in overall turnover in Q1.2021 could widen the gap in business performance (depending on the size, efficiency and specific segment in which firms operate). The said divergences are likely to widen further during the rest of 2021, due to the varying speeds of recovery in demand across the sectors of the economy. These risks could be partly offset by the extension of fiscal measures.

The activation of the "Recovery Plan for Europe" ("NGEU") could act as an important catalyst for Greece's economic recovery. Greece is among the top beneficiaries of the plan, with the maximum amount of grants under the NGEU reaching €17.8 billion in 2021-2026 (c. 1.5% of GDP, on average, per annum in 2021-2026) while loans could amount up to €12.7 billion (c. 1.0% of GDP, on average, per annum in 2021-2026).

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 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, as issued by the International Accounting Standards Board ("IASB"). The amendments introduce a practical expedient for modifications required by the reform, clarify that hedge accounting is not discontinued solely because of the IBOR reform, and introduce disclosures that allow users to understand the nature and extent of risks arising from the IBOR reform to which the entity is exposed to and how the entity manages those risks as well as the entity's progress in transitioning from IBORs to alternative benchmark rates, and how the entity is managing this transition. The adoption of these amendments did not have a material effect on the Group's hedging relationships.

-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 Ethniki Hellenic General Insurance S.A. ("NIC") which is presented under Discontinued operations held for sale 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 of 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 of the Group is presented on a liquidity basis, this amendment makes clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

-IAS 1 and IFRS Practice Statement 2 (Amendments): Disclosure of Accounting Policies (effective for annual reporting periods beginning on or after 1 January 2023). The amendments require that an entity discloses its material accounting policies, instead of its significant accounting policies. Further amendments explain how an entity can identify a material accounting policy. Examples of when an accounting policy is likely to be material are added. To support the amendment, the Board has also developed guidance and examples to explain and demonstrate the application of the 'Four-Step Materiality Process'.

-IAS 8 (Amendment): Definition of Accounting Estimates (effective for annual reporting periods beginning on or after 1 January 2023). The amendment replaces the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The amendments clarify that a change in accounting estimate that results from new information or new developments is not the correction of an error.

-Annual Improvements to IFRS Standards 2018–2020 Cycle (effective for annual periods beginning on or after 1 January 2022, as issued by the IASB). The amendments applicable to the Group are:

> **IFRS 9 Financial Instruments: Fees in the '10 per cent' test for derecognition of financial liabilities.** The amendment clarifies which fees an entity includes when it applies the '10 per cent' test in assessing whether to derecognize a financial liability. Only fees paid or received between the entity (the borrower) and the lender are included, including fees paid or received by either the entity or the lender on the other's behalf.
>
> **IFRS 16: Lease Incentives.** The amendment to Illustrative Example 13 accompanying IFRS 16 removes from the example the illustration of the reimbursement of leasehold improvements by the lessor, in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives are illustrated in that example.

The amendments to existing standards effective after 2021 have not yet 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, NIC, as allowed by Commission Regulation (EU) 2017/1988 to the adoption date of IFRS 17 from 1 January 2018 to 1 January 2021. If the EU endorses the Amendment to IFRS 4 Extension of the Temporary Exemption from Applying IFRS 9, then the Group may choose to defer the provisions of IFRS 9 for its insurance subsidiary, NIC, to 1 January 2023.

As of 31 March 2021, NIC was classified as a discontinued operation and shall continue applying the requirements of IAS 39.

2.4 Critical judgments and estimates

In preparing these Interim Financial Statements for the three-month period ended 31 March 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 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 three-month period ended on 31 March 2021, economic conditions remained very challenging, following an unprecedented deterioration in the economic outlook related to the COVID-19 pandemic and the application of strict containment measures throughout 2020, most of which remained in place in the first quarter of 2021. The significant contraction in economic activity along with the increased pressure on the labor market, mainly affect the Expected Credit Losses ("ECL") allowance, with key economic factors showing a sharp, albeit transitory, deterioration, according to consensus and official sector forecasts.

Greek GDP contracted by 8.0% y-o-y in FY.2020, against a backdrop of recurrent surges of the pandemic and repeated tightening of restrictions on mobility and economic activities. State measures remained the key instrument for mitigating the fallout of the health crisis on the labor market and for providing support to COVID-19-affected businesses.

The worsening of key health indicators in late-January 2021 led to a new tightening of restrictions in Attica and some other areas of the country from 30 January until mid-April, when a gradual easing of restrictions started. This tightening is expected to have led to a new contraction in GDP in the first quarter of 2021 (-8.5% y-o-y).

Looking forward, activity is expected to accelerate significantly during the last three quarters of 2021. The main catalysts will be: (i) the gradual easing of restrictions on economic activities, compounded by strong base effects starting from the second quarter of 2021, (ii) the continued fiscal support, including rollover effects from 2020, (iii) the latent demand and the built-up of a liquidity buffer related to accumulated household savings and increased corporate borrowing, and (iv) the gradual recovery in tourism as vaccinations begin to stem the pandemic.

More specifically, under the baseline scenario, GDP is expected to grow at a strong average annual pace of 3.6% in 2021-2025, bolstered, inter alia, by supportive base effects, deferred spending of the private sector and increasing investments financed through the EU Recovery Fund in the period 2021-2026. The optimistic and the adverse scenarios envisage average annual GDP changes of +4.7% and -0.1%, 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 pessimistic, 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”). GDP contraction in 2020, 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 first 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, 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 period 2021-2025 is projected at +2.8%, compared with -0.5% in the same period under the pessimistic scenario.

The Group’s approach for estimating the impairment charge for ECL of loans and advances to customers in the first quarter of 2021 included qualitative overlays to the IFRS 9 models’ output. These overlays aim at reducing the excessive procyclicality embedded in the models, due to the unprecedented volatility created by the pandemic shock, which primarily affects the annual growth rates of macroeconomic variables in 2021, through positive “base effects” from the comparison with the respective values of the same variables in the previous year when the COVID-19 impact peaked. Furthermore, 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 31 March 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 expected to remain significant 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 and responses 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 classified as 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. Assets classified as held for sale at 31 March 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 31 March 2021, include NBG Cyprus Ltd and CAC Coral Ltd. The comparative profit or loss from discontinued operations includes NBG Cyprus Ltd and CAC Coral Ltd and excludes NBG Egypt (which was reclassified as continuing operations in June 2020).

Other

Includes proprietary real estate management, warehousing business as well as unallocated income and expense of the Group (interest expense of subordinated debt, loans to personnel etc.) and intersegment eliminations.

Notes to the interim financial statements

Group

3 month period ended 31 March 2021	Retail Banking	Corporate & Investment Banking	SAU	Global markets & Asset Management	Insurance	International Banking Operations	Other	Group
Net interest income	94	113	18	54	-	14	1	**294**
Net fee and commission income	35	21	1	6	-	3	1	**67**
Other	(7)	(3)	(2)	510	-	1	(8)	**491**
Total income	**122**	**131**	**17**	**570**	**-**	**18**	**(6)**	**852**
Direct costs	(77)	(9)	(1)	(6)	-	(10)	(91)	**(194)**
Allocated costs and provisions[1]	(106)	(5)	(19)	(5)	-	(2)	(11)	**(148)**
Profit / (loss) before tax	**(61)**	**117**	**(3)**	**559**	**-**	**6**	**(108)**	**510**
Tax benefit / (expense)								**(3)**
Profit for the period from continuing operations								**507**
Non-controlling interests								**(1)**
Profit/(loss) for the period from discontinued operations					52	(1)	-	**51**
Profit attributable to NBG equity shareholders								**557**
Depreciation and amortization[1]	17	1	-	1	-	1	20	**40**
Credit provisions and other impairment charges	59	(3)	16	2	-	2	7	**83**

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

Breakdown by business segment

3 month period ended 31 March 2020	Retail Banking	Corporate & Investment Banking	SAU	Global markets & Asset Management	Insurance	International Banking Operations	Other	Group
Net interest income	89	114	22	39	-	14	-	**278**
Net fee and commission income	36	21	1	5	-	3	-	**66**
Other	(7)	5	(4)	790	-	1	(10)	**775**
Total income	**118**	**140**	**19**	**834**	**-**	**18**	**(10)**	**1,119**
Direct costs	(84)	(10)	(3)	(7)	-	(10)	(35)	**(149)**
Allocated costs and provisions[2]	(405)	(48)	(84)	(20)	-	(2)	(105)	**(664)**
Profit / (loss) before tax	**(371)**	**82**	**(68)**	**807**	**-**	**6**	**(150)**	**306**
Tax benefit / (expense)								**(4)**
Profit for the period from continuing operations								**302**
Non controlling interests								**(1)**
Profit / (loss) for the period from discontinued operations					4	(1)		**3**
Profit attributable to NBG equity shareholders								**304**
Depreciation, amortization & impairment charges[2]	12	-	-	-	-	1	25	**38**
Credit provision and other impairment charges	363	40	78	18	-	2	(2)	**499**

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

Breakdown by business segment

	Retail Banking	Corporate & Investment Banking	SAU	Global Markets & Asset Management	Insurance	International Banking Operations	Other	Group
Segment assets as at 31 March 2021								
Segment assets	10,602	14,373	829	34,589	-	2,241	3,505	**66,139**
Current income tax advance and deferred tax assets								**5,249**
Assets classified as held for sale	2,254	25	316	-	3,693	647	3	**6,938**
Total assets								**78,326**
Segment liabilities as at 31 March 2021								
Segment liabilities	40,446	4,236	174	18,794	-	1,506	3,704	**68,860**
Current income and deferred tax liabilities								**17**
Liabilities associated with assets classified as held for sale	-	-	-	-	3,333	618	-	**3,951**
Total liabilities								**72,828**

	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**
Assets classified as 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 assets classified as held for sale	-	-	-	-	3,342	597	-	**3,939**
Total liabilities								**72,406**

NOTE 4: Credit provisions and other impairment charges

	Group	
Continuing Operations	31.03.2021	31.03.2020
a. Impairment charge for ECL		
Loans and advances to customers at amortised cost	72	483
Net modification loss	5	3
	77	**486**
b. Impairment charge for securities		
Investment in debt instruments	2	18
	2	**18**
c. Other provisions and impairment charges		
Impairment of investment property, property and equipment, software & other intangible assets and other assets	4	-
Legal and other provisions	-	(5)
	4	**(5)**
Total	**83**	**499**

Impairment charge for ECL at 31 March 2020 includes €416 million relating to the deterioration of GDP and HPI macro forecasts as a result of the COVID-19 pandemic.

NOTE 5: Restructuring costs

For the period ended 31 March 2021 restructuring costs for the Group include €53 million for Exit Schemes and €1 million direct expenditure relating to the Transformation Program.

For the period ended 31 March 2020 restructuring costs for the Group include €90 million for the 2020 Voluntary Exit Scheme and €3 million direct expenditure relating to the Transformation Program.

NOTE 6: Tax benefit /(expense)

	Group	
Continuing Operations	31.03.2021	31.03.2020
Current tax	(3)	(3)
Deferred tax	-	(1)
Tax benefit / (expense)	**(3)**	**(4)**

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 is decreased from 10% to 5%.

The unaudited tax years of the Group's investments accounted for by applying the equity method of accounting and subsidiaries are presented in Note 24.

In accordance with 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	
	3-month period ended	
	31.03.2021	31.03.2020
Profit for the period attributable to NBG ordinary shareholders from continuing operations	**506**	**301**
Profit for the period from discontinued operations	51	3
Profit for the period attributable to NBG ordinary shareholders from continuing and discontinued operations	**557**	**304**
Weighted average number of ordinary shares outstanding for basic and diluted earnings per share	**914,638,086**	**914,641,263**
Earnings per share (Euro) - Basic and diluted from continuing operations	**0.55**	**0.33**
Earnings per share (Euro) - Basic and diluted from continuing and discontinued operations	**0.61**	**0.33**

NOTE 8: Loans and advances to customers

	Group	
	31.03.2021	31.12.2020
Loans and advances to customers at amortised cost		
Mortgage loans	8,999	9,144
Consumer loans	1,802	1,819
Credit cards	438	463
Small business lending	1,676	1,650
Retail lending	**12,915**	**13,076**
Corporate and public sector lending	16,469	16,369
Gross carrying amount of loans and advances to customers at amortised cost	**29,384**	**29,445**
ECL allowance on loans and advances to customers at amortised cost	(2,684)	(2,707)
Net carrying amount of loans and advances to customers at amortised cost	**26,700**	**26,738**
Loans and advances to customers mandatorily measured at FVTPL	**141**	**69**
Total Loans and advances to customers	**26,841**	**26,807**

Notes to the interim financial statements
Group

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

As at 31 March 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	4,811	2,838	1,350	8,999
ECL allowance	(32)	(84)	(429)	(545)
Net carrying amount	**4,779**	**2,754**	**921**	**8,454**
Consumer loans				
Gross carrying amount	1,184	287	331	1,802
ECL allowance	(22)	(41)	(218)	(281)
Net carrying amount	**1,162**	**246**	**113**	**1,521**
Credit cards				
Gross carrying amount	354	39	45	438
ECL allowance	(2)	(1)	(41)	(44)
Net carrying amount	**352**	**38**	**4**	**394**
Small business lending				
Gross carrying amount	639	540	497	1,676
ECL allowance	(9)	(55)	(369)	(433)
Net carrying amount	**630**	**485**	**128**	**1,243**
Corporate lending				
Gross carrying amount	13,193	852	1,949	15,994
ECL allowance	(113)	(59)	(1,189)	(1,361)
Net carrying amount	**13,080**	**793**	**760**	**14,633**
Public sector lending				
Gross carrying amount	412	35	28	475
ECL allowance	(4)	(2)	(14)	(20)
Net carrying amount	**408**	**33**	**14**	**455**
Total loans and advances to customers at amortised cost				
Gross carrying amount	20,593	4,591	4,200	29,384
ECL allowance	(182)	(242)	(2,260)	(2,684)
Net carrying amount of loans and advances to customers at amortised cost	**20,411**	**4,349**	**1,940**	**26,700**
Loans and advances to customers mandatorily measured at FVTPL				**141**
Total loans and advances to customers				**26,841**

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)	11	28	(39)	-
Impairment charge for ECL	(2)	(25)	99	72
Modification impact on ECL	-	-	(5)	(5)
Write-offs	-	-	(17)	(17)
Change in the present value of the ECL allowance	-	-	(14)	(14)
Foreign exchange differences and other movements	-	-	(18)	(18)
Reclassified as Held for Sale	-	-	(41)	(41)
ECL allowance at 31 March 2021	**182**	**242**	**2,260**	**2,684**

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 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 classified as held for sale and discontinued operations

A. Non-Current Assets and Disposal Groups classified as held for sale and discontinued operations

Non-current assets held for sale at 31 March 2021 and 31 December 2020 comprise of NIC, NBG Cyprus Ltd and CAC Coral Ltd. The profit or losses from discontinued operations for the period ended 31 March 2021, comprises of NIC, NBG Cyprus Ltd and CAC Coral Ltd. Non-current assets held for sale also include loan portfolio contemplated disposals mainly relating to Projects Frontier and Project Danube as of 31 March 2021 and Project Frontier, Project ICON and Project Danube as of 31 December 2020. 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 Directorate General for the Competition of the European Commission (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 the end of 2021 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% stake in CAC Coral Ltd. The transaction is currently expected to be concluded by the end of the third 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 Gross Book Value of €174 million and Net Book Value of €25 million. The closing of the transaction took place on 20 May 2021.

Project ICON

As part of the implementation of the NBG Transformation Program the Bank, on 5 June 2020, announced that it has entered into a definite agreement with the Investment Firm Bain Capital Credit ("Bain Capital) for the disposal of a portfolio of c. 2,800 non-performing, predominantly secured, corporate loan contracts ("Project Icon") with total principal amount of €1.6 billion as of 30 June 2019 and Net

Book Value of €274 million as of 31 December 2020. The transaction 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 deleveraging its NPEs through inorganic actions, the Bank launched in December 2020 a large-scale transaction for the disposal of a portfolio of Greek NPEs in the form of a rated securitization, under the project name "Frontier", which aims to utilize the provisions of the Hellenic Asset Protection Scheme ("HAPS"). The envisaged transaction comprises a portfolio of secured Large Corporate, Small and Medium Enterprises ("SME"), Small Business Lending ("SBL") and Mortgage loans, accounting for €6.0 billion in terms of gross book value as of 30 June 2020. The Net Book Value as of 31 December 2020 amounted to €2.6 billion. On 29 January 2021, the Bank announced the submission of application under the Hercules Asset Protection Scheme, according to the provisions of Greek Law 4649/2019, for the securitization of Project Frontier. The application relates to the provision of a guarantee by the Greek State on the senior notes of an amount up to €3.3 billion.

Upon the successful completion of the Transaction, NBG expects to retain 100% of the senior and 5% of the mezzanine and junior notes, while disposing up to 95% of the latter to the market through a competitive process, which is expected to be completed (Signing and Closing) in the third quarter of 2021.

Condensed Income Statement of discontinued operations [(1)]

	Group	
	3 month period ended	
€ million	31.03.2021	31.03.2020
Net interest income	14	14
Net fee and commission income	(1)	(3)
Earned premia net of claims and commissions	48	13
Net trading income / (loss) and results from investments securities	5	5
Other income	1	3
Total income	**67**	**32**
Operating expenses	(22)	(22)
Credit Provisions and other impairment charges	15	(8)
Profit before tax	**60**	**2**
Tax benefit/(expense)	(9)	1
Total profit for the period from discontinued operations (attributable to NBG equity shareholders)	**51**	**3**

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

€ million	31.03.2021	31.03.2020
Cash Flows from discontinued operations		
Net cash inflows/(outflows) from operating activities	61	10
Net cash inflows/(outflows) from investing activities	(43)	(23)
Net Cash inflows /(outflows)	**18**	**(13)**

Analysis of assets classified as held for sale and liabilities associated with assets classified as held for sale

	Group	
ASSETS	31.03.2021[1]	31.12.2020
Cash and balances with central banks	126	138
Due from banks	117	82
Financial assets at fair value through profit or loss	25	26
Derivative financial instruments	1	1
Loans and advances to customers	2,910	3,218
Investment securities	3,271	3,290
Investment property	3	3
Deferred tax assets	21	8
Insurance related assets and receivables	416	435
Other assets	42	52
Assets classified as held for sale	6	6
Total assets	**6,938**	**7,259**
LIABILITIES		
Due to banks	12	12
Due to customers	582	557
Insurance related reserves and liabilities	2,491	2,495
Deferred tax liabilities	1	1
Retirement benefit obligations	62	61
Current income tax liabilities	15	9
Other liabilities	788	804
Total liabilities	**3,951**	**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.

On 2 May 2019, the Bank signed a definitive agreement to sell certain assets and liabilities of NBG Egypt to Bank Audi SAE. 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 late January 2021, NBG submitted an official application to the Central Bank of Egypt to wind-down its operations in Egypt.

NOTE 11: Due to banks

Due to Banks mainly consists of the Bank’s participation in the TLTRO III operations which as at 31 March 2021 amounted to €11.6 billion (31 December 2020: €10.5 billion). During the three month period ended 31 March 2021, interest income recorded in respect to these transactions is presented in Net Interest Income and amounted to €26 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.

Also included are securities sold under agreements to repurchase with financial institutions of €0.5 billion and other deposits with financial institutions of €1.7 billion (31 December 2020: €0.5 billion and €1.7 billion, respectively).

NOTE 12: Due to customers

	Group	
	31.03.2021	31.12.2020
Deposits:		
Individuals	37,183	36,516
Corporate	9,342	9,421
Government and agencies	1,625	2,567
Total	**48,150**	**48,504**

	Group	
	31.03.2021	31.12.2020
Deposits:		
Savings accounts	25,407	24,453
Current & Sight accounts	11,898	12,845
Time deposits	9,891	10,198
Other deposits	954	1,008
Total	**48,150**	**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 31 March 2021, these deposits amounted to €467 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 early stages, there is uncertainty of the likelihood of the final result, there is uncertainty as to the outcome of the pending appeals and there are 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 31 March 2021 the Group have provided for cases under litigation the amount of €54 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 is currently being tax audited by PWC S.A., however; it is not expected to have a material effect on the Group Statement of Financial Position.

On 31 December 2020, the right of the tax authorities to issue a deed for re-calculation of income tax for the years up to and including year 2013 expired. For the years 2014 onwards, in accordance with the Ministerial Decision 1006/2016 there is no exception from tax audit by the tax authorities to those entities that have been tax audited by the independent auditor and its tax audit certificate was unqualified.

Therefore, the tax authorities may re-audit the tax books of the Bank. However, it is not expected to have a material effect on the Group 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 and the Bank. 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	
	31.03.2021	31.12.2020
Standby letters of credit and financial guarantees written	2,612	2,527
Commercial letters of credit	566	509
Total	**3,178**	**3,036**

In addition to the above, credit commitments also include commitments to extend credit which as at 31 March 2021 amount to €7,342 million for the Group (31 December 2020: €7,621 million). Commitments to extend credit as at 31 March 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	
	31.03.2021	31.12.2020
Assets pledged as collateral	**16,137**	**14,234**

As at 31 March 2021, the Group has pledged mainly for funding purposes with the ECB and financial institutions, the following instruments:

- trading and investment debt instruments of €8,590 million (31 December 2020: €7,609 million);
- loans and advances to customers amounting to €5,924 million (31 December 2019: €5,307 million); and
- covered bonds of a nominal value of €1,623 million backed with mortgage loans of total value of €3,388 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 31 March 2021, the Group has pledged an amount of €314 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 Treasury bills of €653 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 31 March 2021 and 31 December 2020 was 914,715,153, with a nominal value of 3.00 Euro per share.

Treasury shares

Treasury shares transactions are conducted by the Group subsidiary, NBG Securities S.A. and are summarized as follows:

	Group	
	No of shares	€ million
At 1 January 2020	**300,123**	**1**
Purchases	12,259,613	17
Sales	(12,223,918)	(17)
At 31 December 2020	**335,818**	**1**
Purchases	2,012,527	4
Sales	(2,251,257)	(5)
At 31 March 2021	**97,088**	**-**

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

Group	3 month period ended 31.03.2021			3 month period ended 31.03.2020		
	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	(58)	12	(46)	(76)	5	(71)
Reclassification adjustments on investments in available-for-sale included in the income statement	(6)	-	(6)	(22)	3	(19)
Impairment loss recognized on investments in available-for-sale	-	-	-	7	(1)	6
Unrealised gains / (losses) on investments in debt instruments measured at FVTOCI	(37)	-	(37)	(12)	-	(12)
(Gains) / losses on investments in debt instruments measured at FVTOCI reclassified to profit or loss on disposal	(72)	-	(72)	(286)	-	(286)
ECL impairment recognised to profit or loss	(4)	-	(4)	(2)	-	(2)
Investments in debt instruments	**(177)**	**12**	**(165)**	**(391)**	**7**	**(384)**
Currency translation differences	**7**	**-**	**7**	**(4)**	**-**	**(4)**
Cash flow hedge	**12**	**-**	**12**	**(13)**	**-**	**(13)**
Total of items that may be reclassified subsequently to profit or loss	**(158)**	**12**	**(146)**	**(408)**	**7**	**(401)**
Items that will not be reclassified subsequently to profit or loss:						
Gains / (losses) on investments in equity instruments measured at FVTOCI	6	-	6	(42)	-	(42)
(Gains)/losses on investments in equity instruments designated as at FVTOCI transferred to retained earnings upon disposal	-	-	-	19	-	19
Total of items that will not be reclassified subsequently to profit or loss	**6**	**-**	**6**	**(23)**	**-**	**(23)**
Other comprehensive income / (expense) for the period	**(152)**	**12**	**(140)**	**(431)**	**7**	**(424)**

NOTE 16: Related party transactions

The nature of the significant transactions entered into by the Group with related parties during the 3-month period ended 31 March 2021 and 31 March 2020 and the significant balances outstanding as at 31 March 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 collateral, as those prevailing at the time for comparable transactions with other persons, and (iii) did not involve more than the normal risk of collectability or present other unfavourable features.

The members of the Board of Directors of the Bank are disclosed in Note 1.

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

Total compensation to related parties for the period ended 31 March 2021, amounted to €2 million (31 March 2020: €3 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	
	31.3.2021	31.12.2020
Assets	9	9
Liabilities	15	14
Letters of guarantee, contingent liabilities and other off balance sheet accounts	2	2
	3 month period ended	
	31.3.2021	31.3.2020
Interest, commission and other income	-	-
Interest, commission and other expense	1	1

c. Transactions with other related parties

The total receivables of the Group, from the employee benefits related funds as at 31 March 2021 amounted to €747 million (31 December 2020: €747 million). For these receivables the Group recognized a provision of €741 million (31 December 2020: €742 million).

The total payables of the Group to the employee benefits related funds as at 31 March 2021, amounted to €105 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[(1)]	**2021**	**2020**	**2020 & 2021 post capital relief measures**	**2021**	**2020**
Pillar 1	4.5%	4.5%	4.5%	8.0%	8.0%	8.0%
Pillar 2	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Capital Conservation Buffer	-	2.5%	2.5%	-	2.5%	2.5%
O-SII Buffer	0.5%	0.75%	0.5%	0.5%	0.75%	0.5%
Total	**8.0%**	**10.75%**	**10.50%**	**11.50%**	**14.25%**	**14.00%**

(1) CET1 threshold of 8.0% is further potentially reduced to 6.69%, given that the Bank is allowed to partially use Additional Tier 1 or Tier 2 instruments, to meet the Pillar 2 Requirements ("P2R")

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

	Group		
	31.03.2021	31.03.2021	31.12.2020
		Pro-forma[1]	
Common Equity Tier 1	**14.4%**	**16.1%**	**15.7%**
Tier 1	**14.4%**	**16.1%**	**15.7%**
Total	**15.4%**	**17.1%**	**16.7%**

(1) Pro-forma figures have been calculated including profits 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 31 March 2021, the amount of DTAs that were eligible for conversion to a receivable from the Greek State subject to the DTC Law was €4.3 billion (31 December 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. Following the postponement of the 2020 EU wide stress test-exercise, due to the COVID-19 pandemic, this year's EU-wide stress test will provide valuable input for assessing the resilience of the European banking sector. Accordingly, the adverse scenario is based on a narrative of a prolonged COVID-19 scenario in a 'lower for longer' interest rate environment, in which negative confidence shocks would prolong the economic contraction.

The 2021 EU-wide stress test is conducted on a sample of 50 EU banks and the EBA expects to publish the results of the exercise by 31 July 2021.

COVID 19 outbreak

ECB has announced a number of measures to ensure that its directly supervised banks can continue to fulfil their role in funding the real economy as the economic effects of the COVID-19 became apparent (see Note 20 "Risks and responses 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	31.03.2021	31.03.2021
Financial Assets		
Loans and advances to customers	26,700	26,651
Investment securities at amortised cost	13,107	13,223
Financial Liabilities		
Due to customers	47,683	47,722
Debt securities in issue	922	1,038

	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 31 March 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 at fair value by fair value measurement level at 31 March 2021 and 31 December 2020:

Group

As at 31 March 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	261	125	-	386
Financial assets mandatorily at fair value through profit or loss	50	23	150	223
Derivative financial instruments	1	4,679	6	4,686
Investment securities at fair value through other comprehensive income	1,722	1,510	26	3,258
Total	**2,034**	**6,337**	**182**	**8,553**
Financial Liabilities				
Due to customers designated as at fair value through profit or loss	-	467	-	467
Derivative financial instruments	1	2,858	6	2,865
Total	**1**	**3,325**	**6**	**3,332**

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 31 March 2021 and 31 December 2020:

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

As at 31 March 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	19	-	25
Derivative financial instruments	-	1	-	1
Investment securities at fair value through other comprehensive income	1,441	1,619	11	3,071
Insurance related assets and receivables	117	120	-	237
Total	**1,564**	**1,759**	**11**	**3,334**

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 31 March 2021, there were no transfers between Leve1 and Level 2.

As at 31 December 2020, certain fair value through profit or loss securities issued by European Stability Mechanism ("ESM") for which the Group determined that sufficient liquidity and trading existed as of that date, have been transferred from Level 2 to Level 1 according to the Group's fair value hierarchy policy. The carrying amount of the fair value through profit or loss securities transferred as at 31 December 2020 was €43 million.

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

Level 3 financial instruments

Level 3 financial instruments at 31 March 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) Securities mandatorily at fair value through profit or loss, for which the models used to estimate their fair value is based on unobservable credit spreads or which are price-based and the price is obtained from the issuers of the securities. They also include loans and advances to customers mandatorily measured at fair value through profit or loss, valued using discounted cash flow valuation techniques incorporating unobservable credit spreads.

(c) Equity securities at fair value through other comprehensive income, which are not traded in active markets and their fair value is estimated using an income or market approach, for which the main inputs used are not market observable.

The table below presents a reconciliation of all Level 3 fair value measurements for the period ended 31 March 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 period ended 31 March 2021, transfers from Level 3 into Level 2 include derivative instruments for which the bilateral CVA adjustment is no longer significant to the base fair value of the respective instruments.

For the year ended 31 December 2020 transfers from Level 2 into Level 3 include derivative instruments for which the bilateral CVA adjustment is significant to the base fair value of the respective instruments. Transfers from Level 3 into Level 2 include derivative instruments for which the bilateral CVA adjustment is no longer significant to the base fair value of the respective instruments.

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	(6)	-	2
Purchases / Additions	-	-	71
Settlements	(1)	-	(1)
Transfer into/(out of) level 3	(6)	-	-
Balance at 31 March	**-**	**26**	**150**

	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 31 March 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 €2 million for the Group (31 March 2020: €0 million), as well as to net derivative financial instruments amounting to €(4) million for the Group (31 March 2020: €5 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 | 31 March 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	8	Price Based	Price	98.47	102.00
	1	Discounted Cash Flows	Credit Spread	798 bps	798 bps
Interest Rate Derivatives	(1)	Discounted Cash Flows, Internal Model (for CVA/DVA)	Credit Spread	416 bps	416 bps
	1	Discounted Cash Flows	Constant Maturity Swap correlation between different tenors	72.80%	100.00%
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	141	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.

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.

NOTE 19: Group companies

Subsidiaries	Country	Tax years unaudited	Group 31.03.2021	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 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 S.A.	Greece	2010-2020	100.00%	100.00%
Mortgage, Touristic PROTYPOS S.A.	Greece	2010-2020	100.00%	100.00%
Hellenic Touristic Constructions S.A.	Greece	2010-2020	78.14%	78.14%
Ethniki Ktimatikis Ekmetalefsis 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	2015-2020	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	2019-2020	-	-
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 classified as held for sale and discontinued operations").

[(3)] The liquidation of the entity was completed on 16 April 2021. The company will be dissolved three months after the final meeting forms have been registered by the Companies Registration Office (CRO).

The Group's equity method investments are as follows:

	Country	Tax years unaudited	Group 31.03.2021	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 and responses 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 GDP growth in 2021 and could amplify the recessionary hit on households and businesses. These risks will be 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 of 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*" & "*Response to COVID-19 crisis from Greek and European authorities*").

The Group also evaluated its assets, including intangibles and equity investments, for potential impairment, and reviewed fair values of financial instruments that are carried at fair value. Based upon our review as of 31 March 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

Additional 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 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., that have suffered a 20% reduction in turnover in 2020 compared to 2019. It also provides a State subsidy for business loans, for 8 months, at a rate up to 90%.

- **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.
- **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.
- **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.
- **Extension of moratoria** 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.

Response to COVID-19 crisis from Greek and European authorities

The Greek government and European authorities have further provided, among others, the following measures:

Greek authorities

Financial state aid measures

- 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 Q1.2021 and amounted to c. €0.8 billion. Phase 7 took place during May 2021 and amounted to €0.2 billion.

Tax measures

- 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.

Labor protection measures

- Special allowance of 400 Euros for self-employed and freelancer scientists, such as engineers, lawyers, economists etc., meeting specified criteria announced in April 2021.

The European Commission

- 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 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 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).

NOTE 21: Events after the reporting period

Events after the reporting period relate to the following:

Corporation tax rate changes

For more information on events after the reporting period on corporation tax rate changes please see Note 6 "Tax benefit / (expense)".

Project Danube

For more information on closing of the transaction of the Project Danube, please see Note 10 "Assets and liabilities classified as held for sale and discontinued operations".

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".