



**Pillar III Disclosures  
on a consolidated basis**

**December  
2023**

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## INTRODUCTION &amp; GENERAL INFORMATION

## 1 INTRODUCTION & GENERAL INFORMATION

National Bank of Greece S.A. (hereinafter “NBG” or the “Bank”) is a financial institution subject to Greek and EU banking legislation. It was founded in 1841 and operated both as a commercial bank and as the official state currency issuer until 1928, when Bank of Greece was established. NBG has been listed on the Athens Stock Exchange since 1880.

The Bank focuses on complying fully with the regulatory requirements and ensures that these requirements are strictly and consistently met in all countries where NBG Group (the “Group”) operates.

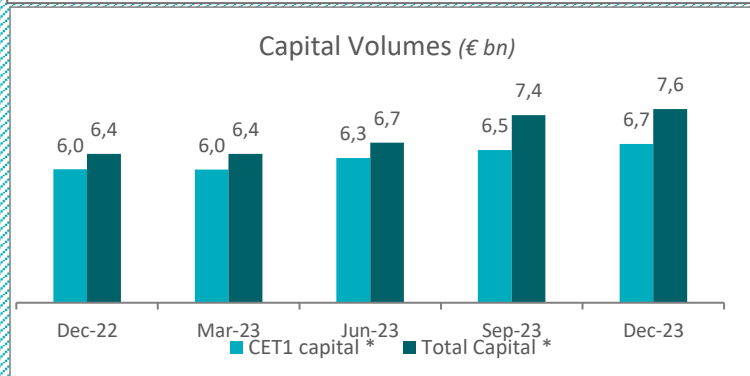
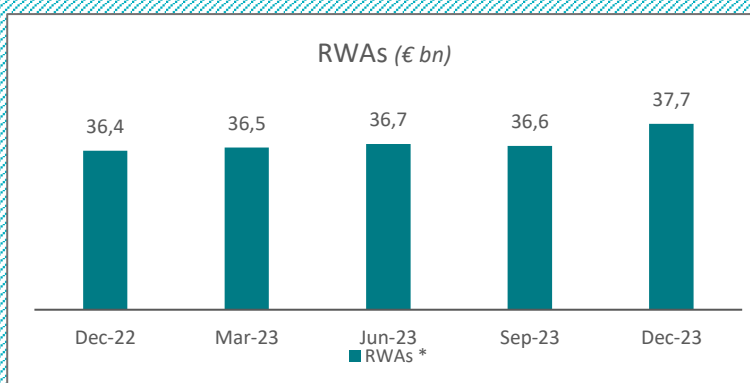
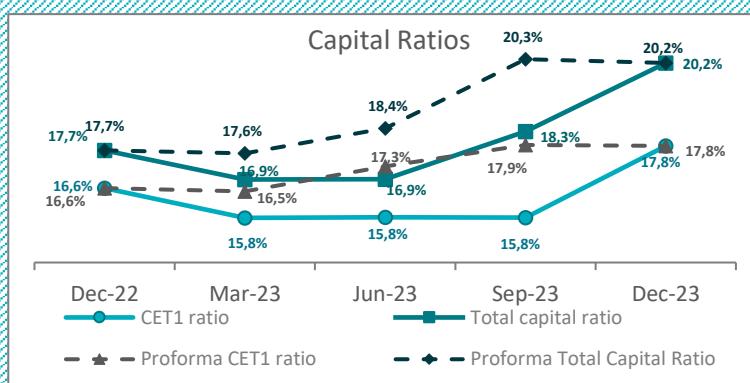
In its 183 years of operation, the Bank has expanded on its commercial banking business by entering into related business areas.

The Group operates mainly in Greece but also abroad through its subsidiaries in North Macedonia, Cyprus, Luxembourg and U.K.<sup>1</sup>

The Bank, as an organization operating in a rapidly growing and changing environment, acknowledges exposure to banking risks and the need for these risks to be managed effectively. Risk management forms an integral part of the Group’s commitment to pursue sound returns for its shareholders, maintaining the right balance between risks and reward in the Group’s day-to-day operations, in its balance sheet and in the Group’s capital structure management.

### Highlights

- 4Q23 CET1 at 17.8%, Total Capital ratio at 20.2%;
- CET1 ratio increased by an impressive +c220bps yoy to 17.8%, reflecting the strong profitability, comfortably accommodating credit expansion and regulatory thresholds;
- Total Capital ratio up by +c350bps yoy



\* Including profits for the period

<sup>1</sup> Following the respective Bank’s decision in 2021, the Group ceased its operation in Egypt, Malta and NBG London Branch.

## 1.1 Pillar III Disclosure Policy

Pillar III complements the minimum regulatory capital requirements (Pillar I) and the Internal Capital and Liquidity Adequacy Assessment Processes (ICAAP/ILAAP, i.e. Pillar II). NBG is committed to publicly disclose information in compliance with EU Regulation 575/2013 of the European Parliament and of the Council, as well as all applicable additional EU Regulations and EBA Guidelines, and to have adequate internal processes and systems in place to meet these disclosure requirements.

The Bank has established a Pillar III Disclosures Policy that describes the scope, the principles and the content of public disclosures under Pillar III. Moreover, the Policy defines the relevant disclosures' governance, including the assessment of the appropriateness of the disclosures, their verification and frequency. Disclosures on a consolidated basis provide (inter alia) information on capital structure, capital adequacy, risk profile, and the processes in place for assessing and managing risks.

The Bank is firmly committed to best practices regarding public disclosures and recognizes that Pillar III provides an additional layer of market information and transparency, hence contributing to financial stability. Additional information for investors and other stakeholders (regarding e.g. the members of the management body, the Corporate Governance Code etc) is to be found in the Bank's website [www.nbg.gr](http://www.nbg.gr).

The objectives of the Pillar III Disclosures are:

- To provide investors and other stakeholders with the appropriate, complete, accurate and timely information that they reasonably need to make investment decisions and informed judgements of NBG Group;
- To foster and facilitate compliance with all applicable legal and regulatory requirements.

The Pillar III Disclosures Policy:

- Formulates the disclosure framework, including frequency, location, monitoring and verification process for disclosures;
- Defines the authorities and responsibilities for the management of the Pillar III process;
- Articulates the principles for identifying information that is material, confidential and proprietary;
- Raises awareness of the Bank's approach to disclosure among the Board of Directors, Senior Management and Employees.

## 1.2 Pillar III Written attestation

Pursuant to article 431(3) of Part Eight of CCR2, this document is prepared in accordance with the formal internal policies and processes, systems and controls.

NBG's Board of Directors has approved this Pillar III Disclosures Report on 23rd of April 2024 and acknowledges that the Group's risk management arrangement is adequate and well adapted to its business model, risk appetite and capital position.

It should be also noted that:

- all amounts, unless otherwise specified, are expressed in millions of euro, (therefore, the amounts lower than €0.5 million are reported with "0");
- data refer to the prudential scope of consolidation;
- any discrepancy between data disclosed in this document is solely due to the effect of rounding;
- the amounts reported are coherent with the most recent submissions of the regulatory reporting for each period; as a result, some amounts may differ from those disclosed in previous publications;
- the disclosures to be provided by NBG are published on its website.

## 2 REGULATORY FRAMEWORK & RECENT DEVELOPMENTS

### 2.1 Regulatory Framework

#### 2.1.1 The Main Pillars

Several steps have been made towards the European Banking Union (mandatory for all euro area States). The following are the Banking Union's constituent elements:

- A. The **Single Supervisory Mechanism** that places the ECB as the central prudential supervisor of financial institutions in the euro area. Since November 2014 NBG Group's supervision is assigned directly to the ECB, as NBG is classified as one of the significant banking groups of the Eurozone;
- B. The **Single Resolution Mechanism ("SRM")** that implements the EU-wide Bank Recovery and Resolution Directive (BRRD – see next paragraph) in the euro area. The centralized decision-making is built around the Single Resolution Board ("SRB") and the relevant National Resolution Authorities;
- C. The **Single Rulebook**, a single set of harmonized prudential rules for institutions throughout the EU. Its three basic legal documents are:
  - **CRD IV**: Directive 2013/36/EU of the European Parliament and Council "on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms", transposed into Greek legislation by virtue of Law 4261/2014;
  - **CRR** (Capital Requirements Regulation): Regulation (EU) No. 575/2013 of the European Parliament and Council "on prudential requirements for credit institutions and investment firms", which is legally binding and directly applicable in all Member States; and
  - **BRRD**: Directive 2014/59/EU of the European Parliament and Council "establishing a framework for the recovery and resolution of credit institutions and investment firms", transposed into Greek legislation by virtue of article 2 of Law 4335/2015.

These documents are complemented by numerous Implementing Technical Standards (ITS), Regulatory Technical Standards (RTS), Guidelines (GL) and Recommendations issued by the European Banking Authority, which specify particular aspects of the CRD IV, the CRR and the BRRD and aim at ensuring harmonization in specific areas. EBA's Technical Standards have to be endorsed by the European Commission (EC) and become EU Regulations in order to be legally binding and directly applicable in all Member States.

The CRD IV and the CRR constitute the "Basel III" regulatory framework in the EU.

- D. **Deposit Guarantee Schemes**: Directive 2014/49/EU of the European Parliament and Council "on deposit guarantee schemes" (DGSD), transposed into Greek legislation by virtue of Law 4370/2016. A common

European Deposit Insurance Scheme (EDIS) is intended to be a pillar of the Banking Union.

#### 2.1.2 EU package of Risk Reduction Measures: CRR2 / CRD5 / BRRD2 / SRMR2

The Banking Package includes prudential standards adopted by the Basel Committee on Banking Supervision and by the Financial Stability Board (FSB), while its main objective is to reduce risk in the EU banking system.

It comprises two regulations and two directives, relating to:

- bank capital requirements (amendments to regulation 575/2013 and directive 2013/36/EU);
- the recovery and resolution of banks in difficulty (amendments to directive 2014/59/EU and regulation 806/2014).

The Banking Package strengthens bank capital requirements and reduces incentives for excessive risk taking, by including a binding leverage ratio, a binding net stable funding ratio and setting risk sensitive rules for trading in securities and derivatives. In addition, it contains measures to improve banks' lending capacity and facilitate a greater role for banks in the capital markets, such as:

- reducing the administrative burden for smaller and less complex banks, linked in particular to reporting and disclosure requirements;
- enhancing the capacity of banks to lend to SMEs and to fund infrastructure projects.

It also contains a framework for the cooperation and information sharing among various authorities involved in the supervision and resolution of cross-border banking groups.

This marks a milestone in the completion of the Banking Union, in the finalization of the post-crisis regulatory agenda, and in the implementation of international standards. Building on the existing rules, this set of adopted measures addresses the remaining challenges to financial stability, while strengthening the global competitiveness of the EU banking sector. This package had already made subject of an agreement during the inter-institutional negotiations with the Council of the EU.

The main focus areas of Risk Reduction Measures Package are illustrated below:

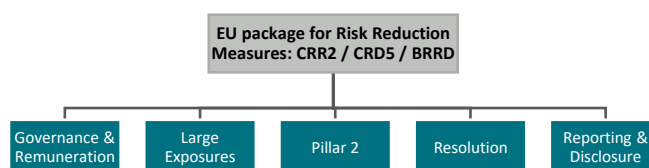


Figure 1: EU package of Risk Reduction Measures



## REGULATORY FRAMEWORK &amp; RECENT DEVELOPMENTS

The approved agreement on the package of reforms implements components of the Basel III framework, including the following key aspects:

- Proposal for CRR 2 covers the leverage ratio, the net stable funding ratio, requirements for own funds and eligible liabilities, the Standardized Approach for counterparty credit risk (SA-CCR), market risk and the fundamental review of the trading book (FRTB), exposures to central counterparties, exposures to collective investment undertakings, large exposures, reporting and disclosure requirements, and amends European Market Infrastructure Regulation (EMIR or EU Regulation No 648/2012).
- Proposal for CRD 5 is on exempted entities, financial holding companies, mixed financial holding companies, remuneration, supervisory measures and powers, and capital conservation measures.
- Proposal for SRMR 2 is about loss-absorbing and recapitalization capacity for credit institutions and investment firms.
- Proposal for BRRD 2 is on loss-absorbing and recapitalization capacity of credit institutions and investment firms and it amends Directive 98/26/EC, Directive 2002/47/EC, Directive 2012/30/EU, Directive 2011/35/EU, Directive 2005/56/EC, Directive 2004/25/EC, and Directive 2007/36/EC.

However, it excludes the package of Basel reforms that was agreed on 7 December 2017 by the Basel Committee on Banking Supervision (BCBS) often referred to as 'Basel IV' (see relevant section [2.2.2 Basel III framework, monitoring and implementation progress](#)).

## 2.2 Regulatory Developments 2023

### 2.2.1 Supervisory Priorities for 2023-2024

ECB Banking Supervision, in cooperation with the national competent authorities, has performed a thorough assessment of the main risks and vulnerabilities faced by the significant institutions under its direct supervision and has set its strategic priorities for the next three years accordingly.

On December 19th, 2023, the European Central Bank (ECB) published the results of its Supervisory Review and Evaluation Process (SREP) for 2023 and its supervisory priorities for the years 2024-26. The main points were:

- SREP results show banks have solid capital and liquidity positions and increased profitability
- Internal governance, risk management and capital planning remain key areas for supervisory action in light of deteriorating risk outlook
- Overall average SREP score broadly unchanged; Pillar 2 requirements for CET1 capital set at 1.2% on average, compared with 1.1% in 2023
- Overall CET1 capital requirements and guidance increased from 10.7% to 11.1%, reflecting impact of macroprudential policies
- Supervisory priorities adjusted to focus on building resilience to short-term risk outlook, strengthening governance and climate and environmental risk management, and making further progress in digital transformation and operational resilience.

### 2.2.2 Basel III framework, monitoring and implementation progress

On September 26th, 2023 the Basel Committee on Banking Supervision issued its report on the impact of the Basel III framework, including the December 2017 finalisation of the Basel III reforms and the January 2019 finalisation of the market risk framework. On October 3d, 2023 the Basel Committee on Banking Supervision issued its progress update on the adoption of the Basel Framework. The update summary and monitoring dashboard set out the jurisdictional adoption status of the Basel III standards as of endSeptember 2023, covering the Basel III post-crisis reforms published by the Committee in December 2017 and the finalised minimum capital requirements for market risk of January 2019. The implementation date for these reforms began on January 1st 2023, as announced by the Group of Central Bank Governors and Heads of Supervision (GHOS) in March 2020, although its full adoption is expected to run until 2025 and the stages of implementation vary by country. On November 8th, 2023 BCBS published various technical amendments to the Basel Framework. The amendments relate to: (i) the standardised approach to operational risk; (ii) the disclosure standards for credit valuation adjustment (CVA) risk; (iii) the description of the calculation of indicator scores for global systemically important banks (G-SIBs); (iv) terminology used in the countercyclical capital buffer.

### 2.2.3 Securitisation

#### Securitisation prudential framework

On April 21st, 2023, the EBA launched a public consultation on its draft Guidelines on the criteria related to simplicity, standardisation and transparency and additional specific criteria for on-balancesheet securitisations (so-called STS criteria). These Guidelines will ensure a harmonised interpretation of these STS criteria, in alignment with the EBA Guidelines for traditional securitisations. The consultation run until July 7th 2023. On April 25th, 2023, the EBA published its final draft Regulatory Technical Standards (RTS) specifying the determination by originator institutions of the exposure value of synthetic excess spread (SES) in synthetic securitisations. These draft RTS clarify the calculation of the components that should be included in this exposure value taking into account the relevant losses expected to be covered by SES.

### 2.2.4 Liquidity

On June 15th, 2023, the EBA published its third Report on the monitoring of liquidity coverage ratio (LCR) and net stable funding ratio (NSFR) implementation in the EU. This Report assesses the potential impact on LCR and NSFR levels of the upcoming central bank funding repayment (mainly repayments of the targeted longerterm refinancing operations - TLTRO) as well as of a potential scenario of higher liquidity risk, particularly affecting government bonds, derivatives and repo markets, in the context of a higher interest rate environment, inflation and recession risks. On June 16th, the SRB published new guidance on liquidity in resolution data for 115 of Europe's largest banks. The guidance document targets the liquidity dimension of the SRB's previously issued "Expectations for banks" aiming at enhancing banks' resolvability and preparedness for a potential resolution.

## REGULATORY FRAMEWORK &amp; RECENT DEVELOPMENTS

### 2.2.5 EU-wide Stress Test

On January 31<sup>st</sup>, 2023 the EBA launched the 2023 EU-wide stress test and released the macroeconomic scenarios. This year's EU-wide stress test has been designed to provide valuable input for assessing the resilience of the European banking sector in the current uncertain and changing macroeconomic environment. The adverse scenario is based on a narrative of hypothetical heightened geopolitical tensions, with high inflation and higher interest rates having strong adverse effects on private consumption and investments, both domestically and globally. In terms of GDP decline, the 2023 adverse scenario is the most severe used in the EU wide stress up to now. The severe nature of the adverse scenario reflects a deliberate choice and reflects the purpose of the stress test exercise, which is to assess the resilience of the European banking system to a hypothetical severely deteriorated macro-environment. According to the results published at the end of July 2023, NBG's Fully Loaded FY22 CET1 ratio incurred a maximum capital depletion of just 271bps, an outcome that positions NBG as a top performer in the domestic banking space. At the EU wide level, considering the participation of 70 banks, NBG ranks 5th in terms of the Fully Loaded CET1 depletion over the 3 year period to 2025, which stood at just 136bps. NBG Fully Loaded CET1 ratio as at 30.06.23 stood at 17.3%, c150bps higher relative to the 31.12.22 starting point of the 2023 EU wide stress test. This outstanding result demonstrates NBG's resilience to shocks as well as the notable progress achieved over the past few years, in terms of strengthening our balance sheet and building up adequate capital and liquidity buffers, with the 3yr delta in our Fully Loaded CET1 capital ratio in the 2023 stress test standing at -136bps against -640bps in the 2021 exercise.

### 2.2.6 Reporting and Disclosure

#### Reporting

On March 10th, 2023 the EBA issued a revised list of validation rules for its reporting standards (Implementing Technical Standards, Regulatory Technical Standards and Guidelines), highlighting those which have been deactivated either for incorrectness or for triggering IT problems. Competent Authorities throughout the EU are informed that data submitted in accordance with these reporting standards should not be formally validated against the set of deactivated rules. On June 2nd, 2023, the EBA published the technical package for phase 1 of version 3.3 of its reporting framework. The technical package provides standard specifications and includes the validation rules, the Data Point Model (DPM) and the XBRL taxonomies for this phase of version 3.3. On June 12th, 2023, the EBA issued a revised list of validation rules in its Implementing Technical Standards (ITS) on supervisory reporting, highlighting those, which have been deactivated either for incorrectness or for triggering IT problems. Competent Authorities throughout the EU are informed that data submitted in accordance with these ITS should not be formally validated against the set of deactivated rules. On June 21st, 2023, the EBA published its final draft amending Implementing Technical Standards (ITS) on supervisory disclosures, which specify the format, structure, contents list and annual publication date of the supervisory information to be disclosed by competent authorities. The amended draft ITS incorporate the changes to the EU legal

framework, in particular the changes related to supervisory reporting and investment firms.

On September 11th, 2023 the EBA issued a revised list of validation rules in its Implementing Technical Standards (ITS) on supervisory reporting, highlighting those, which have been deactivated either for incorrectness or for triggering IT problems. On October 30th, 2023 the EBA published the technical package for phase 3 of version 3.3 of its reporting framework. This provides the standard specifications that include the validation rules, the Data Point Model (DPM) and the XBRL taxonomies to support the new reporting on Interest Rate Risk in the Banking Book (IRRBB).

On December 12th, 2023, the European Banking Authority (EBA) issued a revised list of validation rules in its Implementing Technical Standards (ITS) on supervisory reporting, highlighting those, which have been deactivated either for incorrectness or for triggering IT problems. Competent Authorities throughout the EU are informed that data submitted in accordance with these ITS should not be formally validated against the set of deactivated rules.

### 2.2.7 Transparency and Disclosures – EBA Pillar III Data Hub

#### EBA Pillar 3 data hub

On December 14th, 2023, the European Banking Authority (EBA) published a discussion paper on the Pillar 3 data hub processes and its possible practical implications. This project of centralising institutions' prudential disclosures and making prudential information readily available through a single electronic access point on the EBA website is part of the Banking Package laid down in the Capital Requirements Regulation (CRR3) and Capital Requirements Directive (CRD6). In the discussion paper, the EBA presents its initial ideas for the development of the Pillar 3 data hub and raises for discussion a number of aspects that are relevant for the implementation and functioning of the hub, also welcoming feedback both from institutions and users of Pillar 3 information. NBG is one of the participating banks across EU in the pilot exercise of EBA for Pillar III Data Hub, participating in meetings and providing feedback on all aspects of the implementation process.

#### Amendments to the Pillar 3 disclosure and supervisory reporting frameworks in the context of the implementation of the Basel III reforms in the EU

On December 14th, 2023, the European Banking Authority (EBA) launched a public consultation on two draft ITS amending Pillar 3 disclosures and supervisory reporting requirements. These consultation papers are a first step in the implementation of the Banking Package (Capital Requirements Regulation – CRR3 and Capital Requirements Directive – CRD6). With this early publication the EBA wants to support banks in their reporting and disclosure obligations linked to the implementation of the Basel III reforms from the application date, and to ensure that supervisors and market participants have the necessary information. The consultations run until 14 March 2024.

## REGULATORY FRAMEWORK &amp; RECENT DEVELOPMENTS

## 2.2.8 ESG Risks

The Publications Office of the European Union has developed tools and mechanisms during the latest years, for the integration of ESG factors into the EU banking prudential framework and into banks' business strategies and investment policies, setting forth a vast number of proposals, technical specifications, guidelines and statements to tackle ESG risks. On January 24th, 2023 the ECB published a first set of climate-related statistical indicators, to better assess the impact of climate-related risks on the financial sector and to monitor the development of sustainable and green finance, fulfilling another of the commitments of its climate action plan. On March 13th, 2023 the ESAs, together with the ECB, published a Joint Statement on climate-related disclosure for structured finance products which encourages the development of disclosure standards for securitised assets through harmonised climate-related data requirements.

#### Enhancements to the Pillar 1 framework to capture environmental and social risks

On October 12th, 2023 the EBA published a report on the role of environmental and social risks in the prudential framework of credit institutions and investment firms. Taking a risk-based approach, the Report assesses how the current prudential framework captures environmental and social risks. It recommends targeted enhancements to accelerate the integration of environmental and social risks across the Pillar 1. The proposed enhancements aim to support the transition towards a more sustainable economy, while ensuring that the banking sector remains resilient.

#### ESG Disclosures

Disclosure of information on ESG risks is a vital tool to promote market discipline, allowing stakeholders to assess banks' ESG related risks and sustainable finance strategy. The EBA ESG Pillar 3 package helps to address shortcomings of institutions' current ESG disclosures at EU level by setting mandatory and consistent disclosure requirements, including granular templates, tables and associated instructions. It will also help establish best practices at an international level. The EBA has integrated proportionality measures that should facilitate institutions' disclosures, including transitional periods and the use of estimates. The first and second partial disclosures took place in early 2023 and September 2023 for the disclosure reference dates as of the end of December 2022 and June 2023 respectively and contained only but a part of the information required due to the phase-in of the guidelines. The current disclosure refers to 31.12.2023 containing also GAR related information.

On July 6th, 2023 the EBA published its decision concerning the ad-hoc collection by competent authorities to the EBA of institutions' ESG data and amendment of the Annex to EUCLID Decision. This approach is only an interim solution for the EBA to collect the quantitative ESG risks data from the competent authorities, as, following the amendment of Regulation (EU) No575/2013 (CRR3), institutions will be required to report information on their exposures to ESG risks as part of the supervisory reporting framework. The ESG ad-hoc collection under this decision shall continue until this data will be available under the ITS on supervisory reporting.

The first collection, with disclosure reference date 31 December 2023, follows a phase-in approach with two templates already submitted to EBA on 15 March 2024, while the full set of ESG disclosed templates will be submitted subsequently by 30 June 2024.

On November 17<sup>th</sup>, 2023, the European Banking Authority (EBA) published the final templates that will be used to collect climate-related data from EU banks in the context of the one-off Fit-for-55 climate risk scenario analysis. The templates are accompanied by a template guidance, which includes definitions and rules for compiling the templates. Furthermore, the EBA is also disclosing the list of banks participating in the exercise.

## 2.2.9 Recovery &amp; Resolution

On January 13, 2022 the EBA published its final Guidelines for institutions and resolution authorities on improving banks' resolvability. These Guidelines represent a significant step in complementing the EU legal framework in the field of resolution based on international standards and leveraging on EU best practices. The **resolvability Guidelines**, taking stock of the best practices developed so far by EU resolution authorities on resolvability topics, set-out requirements to improve resolvability in the areas of operational continuity in resolution, access to financial market infrastructure, funding and liquidity in resolution, bail-in execution, business reorganisation and communication. These Guidelines are addressed to both authorities and institutions in the EU so as to ensure consistent progress on resolvability for all institutions and facilitate resolvability work for cross-border groups and its monitoring in resolution colleges. Institutions and authorities should comply with these Guidelines in full by 1 January 2024. In order to complement the EBA resolvability guidelines as regards resolution tools other than bail-in, the EBA published on September 27<sup>th</sup> 2022, guidelines on transferability ("transferability guidelines") aiming at assessing the feasibility and credibility of transfer strategies and encompass requirements relating to the implementation of transfer tools when considered as the preferred or variant strategies for institutions. These guidelines deal with the transfer perimeter definition, separability and operational transfer of this perimeter. These guidelines, complementing the EBA resolvability guidelines in order to cover more precisely separability in the context of the application of transfer tools, should be read together with them.

In June 2022, the SRB published its updated approach to setting a Minimum Requirement for Own Funds and Eligible Liabilities (MREL). The policy takes into account new regulatory developments, such as the end of the supervisory leverage relief measures of the European Central Bank, changes to the Capital Requirement Regulation (CRR) recently agreed by the EU co-legislators on the indirect holding of internal MREL (iMREL) and the MREL calibration for banks with a multiple point-of-entry resolution strategy. On May 15<sup>th</sup> 2023, the Single Resolution Board (SRB) decided to maintain its policy on the calibration of MREL (total and subordinated component) with minimal changes, aiming to provide a stable regulatory environment in a phase where some banks are still building up their MREL stock ahead of January 1<sup>st</sup> 2024.

## REGULATORY FRAMEWORK &amp; RECENT DEVELOPMENTS

The policy has also further enlarged the coverage of entities under internal MREL and made the subordination policy more dynamic, taking into account evolving balance sheets prior to resolution. It also complements the SRB approach to internal MREL waiver applications in a new annex.

On July 19th, 2023 the EBA published Final Guidelines on the overall recovery capacity (ORC) in recovery planning. The Guidelines aim to achieve an harmonised approach to the determination and assessment of the ORC. The Guidelines are composed of two sections. The first is addressed to institutions, providing them with guidance on setting the framework for the determination of the ORC. The second complements the framework by supporting competent authorities in their assessment of the institutions' ORC as part of the overall assessment of the recovery plans.

On July 13th, 2023 the EBA published its Guidelines addressed to institutions and resolution authorities on resolvability testing. The Guidelines aim to set-out a framework to ensure that resolvability capabilities developed to comply with the resolvability and transferability Guidelines are fit for purpose and effectively maintained.

On December 20th, 2023, the EBA published its final draft Implementing Technical Standards (ITS) on amendments to disclosure and reporting of the minimum requirement for MREL and TLAC. These amendments reflect the new requirement to deduct investments in eligible liabilities instruments of entities belonging to the same resolution group, the so called 'daisy chain' framework, and other changes to the prudential framework. The amendments will apply for the reference date of June 2024.

### 2.2.10 Capital buffers

On December 19th, 2023, the Bank of Greece informed that it shall keep the countercyclical capital buffer rate for Greece unchanged at "zero percent" (0%) in the first quarter of 2024, with effect from January 1st 2024.

### 2.2.11 External Credit Assessment Institutions

On November 13th, 2023 the Joint Committee of the three European Supervisory Authorities (EBA, EIOPA and ESMA – the ESAs) published two amended Implementing Technical Standards (ITS) on the mapping of credit assessments of External Credit Assessment Institutions (ECAIs). The amendments reflect the outcome of a monitoring exercise on the adequacy of existing mappings, and the deregistration of three credit rating agencies (CRAs).

### 2.2.12 Final standards for Supervisors assessing new market risk internal models

On November 21st, 2023, the EBA published its final draft Regulatory Technical Standards (RTS) on the assessment methodology under which competent authorities verify institutions' compliance with the requirements applicable to their internal models under the Fundamental Review of the Trading Book (FRTB) rules. These RTS are part of the phase 4 deliverables of the EBA roadmap on market risk and counterparty credit risk approaches.



### 3 NBG's TRANSFORMATION PROGRAM

Following a clear mandate from NBG's Board of Directors, NBG launched a rigorous Transformation Program in the second half of 2018, committing to the delivery of aspiring financial and operational targets. Through more than 5 years of implementation, the Transformation Program has enabled the delivery of impressive results in terms of core profitability – fully in line with the Bank's financial and business targets – and tangible improvements to NBG's business and operating model.

NBG's Transformation Program has been designed and is being delivered across Workstreams, each led by a senior executive of the Bank. While Workstreams broadly coincide with the accountable executives' functional areas, cross-functional collaboration is strongly encouraged and enabled by the Transformation Program. The Board Strategy & Transformation Committee and the Board of Directors are updated on a regular basis, and closely monitor and oversee the Program's progress, key developments and plans, providing strategic direction as appropriate.

During 2023, the Program was structured along specific Workstreams as follows:

- **Best Bank for our Clients:** Boosting revenue generation through an increased focus on cross-selling and fee generation opportunities in Retail banking, and through deepening large client relationships and broadening the Mid-Cap and SME client base in Corporate banking; market leadership in digital business and expansion of offering through strategic partnerships.
- **Specialized Asset Solutions:** Completion of the NPE clean-up, resolution of legacy balance sheet issues and leveraging of internal capabilities in NPE management to capture new revenue generation opportunities in the emerging ecosystem of investors & servicers (e.g., acquisition financing, REOCo financing).
- **Efficiency & Agility:** Enhancement of efficiency and productivity, through continuous improvements in the Bank's business and operating model and reducing areas of high external spend such as real estate.
- **Technology & Processes:** Modernisation of technology infrastructure, including the replacement of the Core Banking System (CBS), and reengineering of core processes through centralisation and automation.
- **People, Organization & Culture:** Development, motivation and reward of our people through a modern HR framework, and enhancement of our culture in line with our purpose and values.
- **Climate & Environment (ESG):** Incorporation of climate and environment-related considerations in the Bank's risk management framework and its business strategy, including setting specific targets with respect to our direct and indirect GHG emissions as disclosed in our ESG report and capturing business opportunities in green, sustainable and transition finance.
- **Special Projects:** In the fourth quarter of 2023, a Special Projects workstream was introduced to provide a dedicated framework for the execution of key projects, the successful delivery of which warrants cross-functional steering. In this context, a dedicated special project was introduced to oversee the operationalization of the Bank's strategic partnership with EpsilonNet.

#### Transformation Program priorities for 2024

During 2024, the Bank is pursuing the following strategic priorities:

- **Best Bank for our Clients:** Boosting revenue generation through an increased focus on cross-selling and fee generation opportunities in Retail banking, and through deepening large client relationships and broadening the SME client base in Corporate banking:
  - In the case of Retail banking, continuing to strengthen our relationship managers' frontline (primarily for the Small Business and Premium segments), as well as our operating model for the individuals segment, with a stronger focus on fee-generating products (e.g., investment products, cards and bancassurance), and further enhancement of sales capacity through digital channels and third-party partnerships (e.g., retailers, e-commerce, agents).
  - In the case of Corporate & Investment banking, strengthening the relationship managers' frontline with a comprehensive set of commercial tools, enabling them to spend more time on sales of lending and non-lending products (including new innovative solutions) in collaboration with the Corporate Transaction Banking (CTB) unit. Moreover, completing the centralization of corporate client servicing in the new Corporate Service Unit (CSU).
  - Across Corporate and Retail, enhancing our range of solutions to enable the transition of businesses and households to a more sustainable model. Apart from a market-leading franchise in the financing of renewable energy projects, a core part of our strategy remains to offer solutions for investments in the context of green transition, incl. in the real estate and transport ecosystems.
- **Technology & Processes:**
  - Completing the implementation of the new Core Banking System (CBS) to enable revenue generation and cost efficiencies in the medium term, enhancing digital and data infrastructure, as well as migrating to a cloud-enabled environment.
  - Rolling out the required infrastructure to transition to a paperless operating model across the organisation and continuing with origination workflow platforms' replacement program.
  - Further optimizing core processes (both customer-facing and internal) through simplification, centralization, and automation levers (incl. the application of new technologies, such as RPAs, AI and OCR).
- **ESG:**
  - Capturing business opportunities in green, sustainable and transition finance in line with our Net Zero targets



## NBG's TRANSFORMATION PROGRAM

- for 2030 and continuing targeted actions to reduce our own emissions.
- Managing the risks emanating from climate and environment change, in line with supervisory expectations and best practices, as well as adhering to the highest disclosure standards.
- Enhancing NBG's social strategy, setting relevant targets and implementing high-impact social initiatives.
- Special Projects:** Accelerating the operationalization and commercial impact of the Bank's strategic partnerships (e.g., EpsilonNet) and of other key priorities.

Since its launch, the Transformation Program has been structured into semi-annual Seasons. This setup helped gain the necessary pace in the early years and ensured that the Bank remained focused to the targets. From 2022 onwards, recognizing the increased maturity and ownership of the involved employees, the Transformation Program transitioned to an annual planning horizon.

The Bank maintains its agility as new initiatives can be introduced to the Transformation Program, while existing ones are adapted, or withdrawn throughout the year, in line with business developments and strategic priorities.

Table 1: ESG related Transformation Program initiatives

| Initiative                                                                                 | Objectives                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|--------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Net Zero ambition</b>                                                                   | <b>Net Zero target setting</b> <ul style="list-style-type: none"> <li>Net Zero targets agreed for rest of NZBA priority sectors</li> <li>Transition plans for priority sectors submitted to NZBA</li> </ul> <b>Data remediations &amp; improvements</b> <ul style="list-style-type: none"> <li>Improvement actions for recording &amp; monitoring of own footprint related data agreed</li> </ul> <b>Subsidiaries</b> <ul style="list-style-type: none"> <li>Roadmap agreed to address data gaps and enhance group ESG reporting process through necessary automations</li> <li>Standardised process/templates completed to address ESG Reporting requirements for NBG Leasing and NBG Factoring</li> </ul>                                                |
| <b>Own emissions reduction actions</b>                                                     | <b>Studies / Tenders</b> <ul style="list-style-type: none"> <li>Studies completion for boiler removal and heat-pump installation for <b>15</b> selected buildings</li> </ul> <b>Implementations</b> <ul style="list-style-type: none"> <li>Implementation of boilers removal and heat-pump installation for <b>10</b> buildings</li> </ul> <b>Energy efficiency upgrades</b> <ul style="list-style-type: none"> <li>Replacement of <b>6</b> Air Handling Units (out of 17 old/existing in total) with new technology AHUs in Central HQs complex (Aeolou/Sofokleous)</li> <li>Completion of cabling infrastructure for Building Energy Management System (BEMS) in Central HQs complex (Aeolou/Sofokleous)</li> </ul>                                      |
| <b>C&amp;E Scenario Analysis &amp; Stress testing</b>                                      | <b>ST scenario analysis</b> <ul style="list-style-type: none"> <li>In line with expectation 2.1 of the ECB Guide, develop scenario analysis to determine the climate risk impacts and use during the business planning cycle: <ul style="list-style-type: none"> <li>for at least one sector and for drivers other than macro,</li> <li>quantify impact in the short and medium term.</li> </ul> </li> </ul> <i>(For example, a sensitivity addressing execution risks referring to the NZ targets for 2030 due to shortcomings in borrowers transition plans.)</i> <b>ST infrastructure</b> <ul style="list-style-type: none"> <li>Partial automation of data sourcing for C&amp;E models' inputs (all pre-existing solvency Stress Test data)</li> </ul> |
| <b>Environmental Risk management practices</b><br><b>*NEW</b>                              | <ul style="list-style-type: none"> <li>Further enhancement of the Environmental risk identification methodology, focusing on location related data</li> <li>Issue a first dedicated Environmental Risk Monitoring Dashboard, with a first set of environmental risk KRIs, for Risk Monitoring and Reporting process (phased in approach)</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>EU Taxonomy implementation &amp; Sustainable Financing Framework operationalization</b> | <b>Transaction assessment</b> <ul style="list-style-type: none"> <li>Sustainable Financing Framework (SFF) operationalization (i.e. governance, tools, processes &amp; policy documents/ frameworks) for the prioritized (Corporate) Business Processes/ Portfolios to address the EU Taxonomy and NBG Sustainable Lending Criteria: <ul style="list-style-type: none"> <li>Update of the Bank's current ESG Transaction Assessment tool</li> </ul> </li> </ul> Update of the Bank's internal documents related to sustainable financing.                                                                                                                                                                                                                  |
| <b>ESG Reporting Platform</b>                                                              | <b>Emissions measurement enhancements &amp; Net Zero Target Setting monitoring</b> <ul style="list-style-type: none"> <li>Pursue further automations incl external files (shipping, REO data)</li> <li>Incorporate Obligor Assessment selected fields and scoring outcome in ESG360</li> </ul> <b>Regulatory KPIs/reporting requirements</b> <ul style="list-style-type: none"> <li>Implement Banking Book Taxonomy Alignment Ratio (BTAR) calculation in alignment with current practices of the Bank (proxies)</li> <li>Assess feasibility of integrating subsidiaries' ESG data in 360 platform with priority on Leasing and Factors</li> </ul>                                                                                                         |
| <b>C&amp;E Pillar 3 Disclosures</b>                                                        | <b>Pillar III as of 30.06.2024 (incl. climate, transition risk change)</b> <ul style="list-style-type: none"> <li>Apply assumptions to complete 'Alignment metrics - Climate change transition risk' calculation according to current practices of the Bank (proxies) following GAP analysis</li> <li>Phase III submission in line with regulatory timeline as well as the H1 '24 Financial results and no later than end of Sept, phasal infusion of functionalities for target state for C&amp;E Pillar III reporting requirements (4th submission with data as of 30.06.24)</li> </ul>                                                                                                                                                                  |
| <b>C&amp;E Combined Risk reporting</b>                                                     | <b>Risk reporting infrastructure</b> <ul style="list-style-type: none"> <li>Set up <b>C&amp;E risk analytics structure</b> (considering governance, BCBS239 and operational requirements for risk monitoring and control)</li> <li>Fully <b>automated data feeds</b> of C&amp;E data into the ALM Datamart</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Financial Literacy and Inclusion Initiative</b>                                         | <b>Financial literacy execution</b> <ul style="list-style-type: none"> <li>Launch of NBG Financial Literacy initiative (presentations, podcasts, articles, <a href="#">explainer videos</a>) targeted for the selected customer segments</li> <li>Implementation of actions agreed in cooperation with selected partner(s), as per approved roadmap/ quick wins</li> </ul> <b>Communication of financial literacy initiative</b> <ul style="list-style-type: none"> <li>Launch of the Financial Literacy initiative/ program communication plan</li> </ul>                                                                                                                                                                                                 |

## 4 RISK MANAGEMENT FRAMEWORK

### 4.1 Basic Principles and governance structure of the Group risk management

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

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

#### Group Risk Management Governance Framework

The Group Risk Management Function operates independently, in accordance with the Bank's internal policies, procedures and control framework.

The Board of Directors bears the ultimate accountability for the Group's risk position. It signs off on the risk strategy and risk appetite and monitors the effectiveness of risk governance and management advised by the Board Risk Committee ("BRC") or any other Board specialised Committee, depending on the topic per case. The Bank's Senior Executive Committee and other Executive Committees supporting the Senior Executive Committee are in charge of daily management actions and steer of the business. The Group Chief Risk Officer ("CRO") is a member of the Senior Executive Committee. The CRO has direct access to the Board of Directors, has delegated decision-authority for executive matters over risk and leads the Group Risk Management Function.

The Group Risk Management Function has specialized teams per risk type. The teams conduct day-to-day risk management activities according to policies and procedures as approved by the BRC, the Senior Executive Committee and other Executive Committees. The perimeter is based on the industry standard "Three Lines of Defence" model (please see "Three Lines of defence" model in the Group's risk management). The Group Risk Management Function's activities are supported by underlying systems and infrastructure. Finally, risk culture is viewed as a core component of effective risk management, with the tone and example set by the Board of Directors and Senior Management. The Bank's objective is to establish a consistent Risk Culture across all Units.

Hence, there are four layers relevant to Risk Management, all rolling up into the Board of Directors:

#### 1. Oversight and approval

At the top of the house, the members of the Board are responsible for oversight and approval on governance structures of NBG, ensuring the right frameworks and policies are in place to ensure the bank can be effectively managed.

#### 2. Executive management actions & sign-off

The Executive management layer (ExCo and other executive committees) decides on management actions, signs off on materials produced and reported, and actively steers the bank.

#### 3. Methodology and framework

Procedures and methodologies are in place to guide risk management, e.g. credit approval procedures, model development and validation, product assessments.

#### 4. Execution and analysis

The execution layer is in charge of implementing the frameworks, models and policies set forth by the aforementioned layers, and provide the Board and the executive committees with relevant analyses and results to base their decisions upon.

#### The Board Risk Committee

The Group has clearly defined its risk appetite and has established a risk strategy and risk management policies. Ultimately responsible for the development and application of this general framework of risk management at a Group level is the Board of Directors (the Board) supported by the Board Risk Committee (BRC).

The BRC reviews and proposes to the Board on an annual basis, or more frequently if necessary, the Bank's risk strategy and risk appetite for approval, and ensures that the Bank's risk appetite and risk strategy are clearly communicated throughout the Bank and form the basis on which risk policies and risk limits are established at group, business and/or regional level. It also reviews and is accountable to approve all risk management frameworks, methodologies and policies for identifying, measuring, evaluating, monitoring, reporting and mitigating risks, including frameworks, methodologies and policies related to credit risk (inclusive of material aspects of the credit rating systems), market risk, liquidity risk, interest rate risk in the banking book, operational risk, model risk and model validation and propose their endorsement to the Board of Directors. The BRC has the responsibility to review reports and evaluate the overall risk exposure of the Bank and the Group on a regular basis, taking into account the approved risk strategy and the business plan of the Group, to draft proposals and recommend corrective actions to the Board where it ascertains that the implementation of the risk strategy adopted by the Bank is not feasible or that actual implementation diverges from planned implementation thereof. The proposals to the BRC are submitted by the Group Chief Risk Officer (CRO).

The Committee has competence over matters relevant to Risk Management, as well as Non-Performing Loans/Exposures (NPLs/NPEs).

Within the context of the Board Working Model of the Bank, topics related to areas of responsibility of the Committee shall also be discussed at the Board of Directors level as this may be required particularly as regards issues pertaining to important matters which shall be discussed at Board of Directors level.

## RISK MANAGEMENT FRAMEWORK

The BRC convenes regularly at least on a monthly basis, and on an ad hoc basis whenever the Committee Chair deems fit.

During 2023, the Board Risk Committee convened twelve times. In the context of its responsibilities and during the course of the year, key workings of the Committee included:

- Review and update of ICAAP/ILAAP Annual Review and Update of ICAAP/Stress Test Frameworks, Risk Appetite Framework with additions among others in the area of Commercial Real Estate (CRE), Climate and Environment (C&E).
- Enhancements in risk reporting (e.g., disclosure of C&E qualitative and quantitative figures on Pillar III reporting).
- Ongoing-monthly updates on Risk Management issues and ad hoc briefings on developments.
- Review of Operational Risk KRI Dashboard, Risk & Control Self-Assessment (RCSA) process, Operational Risk training activity.
- Submission of ICAAP, ILAAP, C&E, NPE Plan & NPE Strategy Implementation report and Recovery Plan.
- Review of Annual Regulatory reports and disclosures (Pillar III Disclosures, Annual Report to the Bank of Greece on Risk Management Function activity, Annual Operational Risk Report).
- Review and approval of policies that fall under its responsibilities.
- Regular updates on Security posture.
- Review of Credit Risk Models used.
- Introduction of Annual Stress Testing Plan, Briefings and monitoring of results of 2023 EU-wide EBA Solvency Stress Test and of Internal Cybersecurity Stress Test.
- Review of Stress scenarios & sensitivity as part of the regular BP approval process, including Budget approval for 2024 and the CRO Opinion on the BP 2024-26.
- Review of Contingency Funding Plan governance, NII hedging Strategy, NBG's AAA CLO Portfolio, capital impact analysis for Basel IV.
- Review/Deep dive on C&E risk materiality assessment, ECB C&E Thematic Review.
- Update on the Group's outsourcing arrangements and their compliance status (jointly with the CECC).
- Review of Critical Accounting Judgments and Estimates (jointly with the AC).

The BRC shall be composed exclusively of non-executive Board members. One member shall be the HFSF Representative at the Board of Directors. Committee members shall be at least three in number, the majority of which (excluding the HFSF representative), including the Chair, shall be independent non-executive members of the Board, in accordance with the definition of director independence included in NBG's Corporate Governance Code and in any case according to the provisions of the legal and regulatory framework in force. The members of the Committee (including the Chair and Vice-Chair) are appointed by the Board of the Bank, following recommendation by the Board's Corporate Governance and Nominations Committee. The Committee is currently composed of four non-executive Members, of which three are independent and one is the HFSF Representative at the Board of Directors. The Committee members shall be appointed for a term of one year, which shall be automatically renewed for successive one-year renewal terms, unless otherwise decided. In any case, the mandates of

the Committee members shall automatically expire if they cease to be members of the NBG Board of Directors.

The Committee Charter was last revised by the Board on 26 May 2023, effective as of 26 October 2023, and is available on the Bank's website at [www.nbg.gr](http://www.nbg.gr) (<https://www.nbg.gr/en/group/esg/corporate-governance/bodcommittees/risk-committee>)

### “Three Lines of defence” model in the Group's risk management

The Group's risk management is spread on three different levels, in order to create Three Lines of Defense, as follows:

- **First line:** The risk taking units (e.g. credit originating departments, Treasury) are responsible for assessing and minimizing risks for a given level of expected return by establishing and implementing internal rules and controls to the on-going business.
- **Second line:** The Group Risk Management Function oversees, monitors, controls and quantifies risks; provides appropriate tools and methodologies, coordination and assistance to lines of business; provides input towards the measurement of risk adjusted performance across business line; participates in the credit approval process for the Group's corporate banking, retail banking and subsidiaries portfolios; performs independent assessment of credit risk undertaking in respect of each portfolio and has the right of veto; proposes appropriate risk mitigation measures, supported by local Risk Management (for subsidiaries) and specialized units (for the Bank):
  - Additionally, under the Second line, the Group Compliance Function ensures that all front line Units meet regulatory and other compliance requirements, through monitoring, advising and training.
  - Moreover, the Group Risk Management Function cooperates with the Organization & Planning Division, the Group Internal Control Function, the Group CyberSecurity Division, the Group Security Division and the Legal Division. These Divisions provide support, advice, appropriate tools and methodologies, acting as control units for specific Operational Risk Themes (e.g. Legal risk, Information & Communication Technology (ICT) risk) as well as ensuring the Bank's business continuity and mitigation of physical threats.
- **Third line:** The Internal Audit function of the Group, which reports directly to the Board of Directors through the Audit Committee, complements the risk management framework, acting as an independent reviewer, focusing on the effectiveness of the risk management framework and control environment.

The duties and responsibilities of all lines of defense are clearly identified and separated, and the relevant Units are sufficiently independent.

### The Group Risk Management Function

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

## RISK MANAGEMENT FRAMEWORK

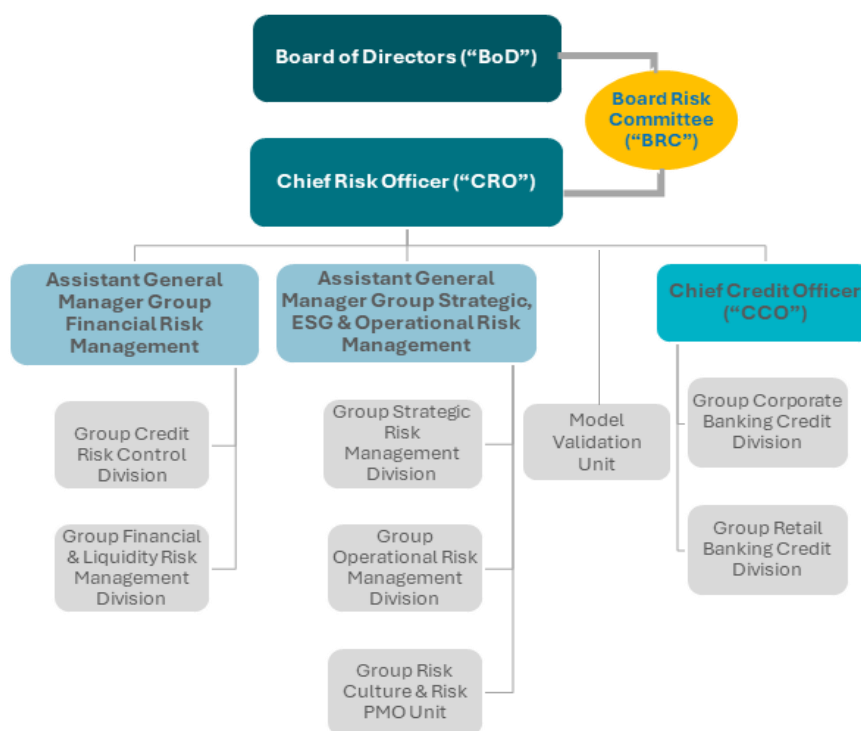


Figure 2: Organizational Chart of Risk Function

The CRO reports to the Board of Directors through the Board Risk Committee. The Assistant General Manager Group Financial Risk Management supervises Group Credit Risk Control Division (GCRCD) and the Group Financial & Liquidity Risk Management Division (GFLRMD) and the Assistant General Manager Group Strategic, ESG & Operational Risk Management supervises the Group Strategic Risk Management Division (GSRMD), the Group Operational Risk Management Division (GORMD), and the Group Risk Culture & Risk PMO Unit (GRCRPMOU).

The CCO, operates under the CRO and supervises two Credit Divisions, as set out in the diagram above, which are involved in the credit approval process for the Group's corporate banking, retail banking and subsidiaries' portfolios.

### Group Risk Management

The Bank acknowledges the need for efficient risk management and has established four specialized Divisions and two Units: the Group Credit Risk Control Division (GCRCD), the Group Financial & Liquidity Risk Management Division (GFLRMD), the Group Operational Risk Management Division (GORMD), the Group Strategic Risk Management Division (GSRMD), the Group Risk Culture & Risk PMO Unit (GRCRPMOU) and the Model Validation Unit (MVU). They aim to properly identify, measure, analyze, manage and report the risks entailed in all of the Group's business activities. All risk management Units of the Group subsidiaries adequately report to the aforementioned Divisions/Units.

In addition, the two Credit Divisions, which are independent of the credit granting Units, are involved in the credit approval process for the Group's corporate banking, retail banking and subsidiaries portfolios. They perform an independent assessment of the credit risk undertaking in respect of each portfolio and have the right of veto (see [Section 4.2](#)).

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

### Group Credit Risk Control Division ("GCRCD")

The mission of the GCRCD is to:

- design, specify and implement the Bank's policy in matters of credit risk management (provision, identification, measurement, monitoring, control) and ensuring the Bank's capital adequacy, according to the guidelines set by the Bank's Board of Directors, emphasizing on rating systems, risk assessment models and risk parameters;
- establish guidelines for the development of methodologies for Expected Credit Loss ("ECL") and its components, i.e. Probability of Default ("PD"), Loss Given Default ("LGD") and Exposure at Default ("EAD") for each segment of corporate and retail asset class;
- implement a number of clearly defined and independent credit risk controls on credit risk models, which enable an effective oversight of risks emerging from credit activities at all levels. These controls are appropriately executed, and the results are documented and communicated to the business Units on a quarterly basis. GCRCD itself monitors these controls on a quarterly basis, assuring they are operating effectively and remain altogether sufficient for the purposes they were established and continue to mitigate the risk identified;
- provide regular assurance that models continue to perform adequately, thus complementing the periodic monitoring and usage reviews;
- assess the adequacy of methods and systems that aim to analyze, measure, monitor, control and report credit risk undertaken by the Bank and other financial institutions of the Group;



## RISK MANAGEMENT FRAMEWORK

- coordinate all involved units and stakeholders for the estimation of Internal Capital against all material risks (ICAAP), perform scenario and sensitivity analysis for specific credit risk cases, prepare and submit the required ICAAP package to the regulatory authorities;
- estimate Regulatory Capital required on a consolidated basis in respect with credit risk and prepare relevant regulatory reports related to Capital Adequacy;
- prepare credit risk reports, in collaboration, when required, with the relevant units, for the purpose of either internal evaluation and information to upper management (e.g. ExCo, BRC) or supervisory evaluation procedures;
- coordinate all involved Units and stakeholders during the review and update of the Risk Appetite Framework (“RAF”) document, provide significant input to the update of the RAF across RAF elements, including, in addition to RAF indicators and thresholds, governance arrangements, principles that govern the RAF, promptly inform the upper management for any threshold breach thereof; and
- provide advisory support to every other unit of the Bank and the Group in matters concerning the entire range of its responsibilities, through models, procedures and analyses.

The GCRCD consists of the :

- Credit Risk Control & Model Development Sector, which in turn consists of the Corporate Credit Risk Control Subdivision, the Retail Credit Risk Control Subdivision, the Corporate Credit Risk Model Development Subdivision, and the Retail Credit Risk Model Development Subdivision;
- Credit Risk Reporting (Regulatory & Internal) Sector, which in turn consists of the Credit Risk Regulatory Reporting Subdivision and Credit Risk Internal Reporting Subdivision;
- ICAAP & RAF Monitoring Subdivision.

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

The mission of the GFLRMD is to:

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

handle all issues pertaining to market, counterparty, liquidity and IRRBB risks, under the guidelines and specific decisions of the BRC, the ALCO and the SSM.

The GFLRMD consists of the:

- Market Risk & Counterparty Credit Risk Management Sector, which in turn consists of the:
  - Market Risk Management Subdivision
  - Counterparty Credit Risk Subdivision
  - Market Risk and Counterparty Credit Risk Stress-testing and ICAAP framework Monitoring Subdivision.
- IRRBB and Liquidity Risk Management Sector which in turn consists of the:
  - IRRBB Management Subdivision;
  - Liquidity Risk Management Subdivision;
  - ILAAP Framework Monitoring Subdivision;
  - IRRBB Stress-testing Subdivision.
- Financial Risks’ Models Development Subdivision.

#### Group Operational Risk Management Division (“GORMD”)

The mission of the GORMD is to:

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

The GORMD consists of the:

- Operational Risk Framework Implementation Sector, which in turn consists of the Operational Risk Program Implementation, the Information & Communication Technology (“ICT”) Risks Oversight and the Operational Risk Internal Events Collection Sub-divisions;
- Operational Risk Framework Development Subdivision;
- Operational Risk Reporting Subdivision; and
- Operational Risk Awareness and Training Subdivision.

#### Group Strategic Risk Management Division (“GSRMD”)

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

- monitor, analyse and evaluate risks that are evident or related to the Business Strategy of the Group and may negatively impact the profitability and the dynamic structure of the Balance Sheet for both the Bank and/or the Group;



## RISK MANAGEMENT FRAMEWORK

- analyze the hypothesis and assumptions embedded in the Strategic Planning, Business Planning (business model mapping) and Future Profitability;
- analyze risks related to the implementation of the Business Strategy;
- analyze risks and potential impacts measured via appropriate Key Risk Indicators (“KRIs”) and stemming from deviations in relation to the expressed targets set in the Business Strategy & Business Planning;
- develop scenarios and the execution of Stress Testing Exercises;
- perform sensitivity analyses related to the risks entailed in the dynamic profitability evolution and of the Asset & Liability Structure;
- monitor the development, execution, and revising of financial targets related to the Strategy of NPEs;
- select and use appropriate performance measures which are adjusted based on risk (risk-adjusted performance metrics) aiming to evaluate the Strategy Risks;
- execute industry wide Stress Test exercises according to regulatory demands and guidelines (EBA, SSM, etc) in cooperation with the involved units;
- execute modelling and sensitivity analyses under different scenarios;
- monitor the evolution of NPEs;
- monitor of the dynamic evolution of Assets & Liabilities (Dynamic Asset Liability Management (“ALM”)), and
- exercise a holistic overview on Climate and Environmental (“C&E”) risk management activities, being the central C&E reference point within Risk Management and the primary liaison between Risk Management and Business Strategy stakeholders for ESG matters, with a main focus on C&E aspects. It aims to align C&E risk management processes involving the different Risk Divisions and experts across risk types (including the C&E Stress testing). This approach is aligned with NBG’s Enterprise Risk Management (ERM) concept, which is also applicable for the C&E risk area.

The GSRMD consists of the:

- Business Strategy Risk Monitoring Sector which in turn consists of the Profitability Risk Monitoring Sub-division, the Business model Risk & Risk Adjusted Performance Monitoring Subdivision & the Strategic Risk Evaluation & Action Planning Sub-division;
- Scenario Planning & Analysis Sector which in turn consists of the NPE Monitoring Subdivision, the Stress Testing & Sensitivity Analysis Subdivision & the Integrated Forecasting & Stress Testing Platform Management & Strategic Risk Evaluation Tools Subdivision;
- Dynamic Modelling & Asset Liability Management Subdivision;
- C&E Risks Management - ESG Sub-division: a dedicated Unit has been established to oversee and coordinate the ESG-related risk management activities and provide a holistic view of such risks, across primary risk types.

#### ■ Group Risk Culture & Risk PMO Unit (“GRCRPMOU”)

The mission of the GRCRPMOU is to:

- measure, monitor, control and report the Group’s Risk Culture to Senior Management, as well as to develop and coordinate, in collaboration with the Risk Culture

stakeholders, the Risk awareness enhancement activities for the reinforcement of Risk Culture across the Group;

- coordinate project management activities related to Risk Management Function projects;
- support the Risk Management Function’s Units with regards to activities that fall under the responsibilities of the Segment Risk and Control Officer (“SRCO”).

The GRCRPMOU consists of the following :

- the Risk Culture Sub-division;
- the Risk PMO Sub-division;
- the Risk Segment Risk & Control Sub-division.

#### ■ Model Validation Unit (“MVU”)

MVU’s responsibility is to:

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

The MVU consists of the:

- Market Risk Models Validation Sub-division;
- Retail Credit Risk Models Validation Sub-division; and
- Corporate Credit Risk Models Validation Sub-division.

#### ■ Group Corporate Banking Credit Division (“GCBCD”)

The mission of the GCBCD is to participate in the independent function of credit risk management of the corporate portfolio of the Bank and its Subsidiaries and Branches outside Greece. GCBCDs key responsibilities are:

- participation in the Credit Committees for corporate clients with the right of veto;
- review all Corporate (incl. TAU) credit proposals, submitted for assessment and approval by the competent credit committees;
- review the outcome of the individual assessment for impairment of lending exposures performed by the Credit Granting units for the corporate portfolio of the Bank;
- participation in the formulation/revision of Corporate Credit Policies and Credit Procedures Manuals and other relative regulations;
- drafting and circulation of guidelines/instructions for the effective implementation of relevant policies and regulations;
- participation in the classification process of obligors;
- monitoring of the implementation and the timely management of the Early Warning alerts for each corporate client of the Bank as well as the outcome of relevant actions;
- monitoring, on a quarterly basis, the proper use of existing internal rating models for corporate clients of the Bank; and

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- monitoring on a monthly basis, the timely renewal of credit ratings and limits of corporate clients of the Bank.

#### Group Retail Banking Credit Division (“GRBCD”)

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

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

The GRBCD consists of the:

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

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

#### Risk Appetite Framework (“RAF”)

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

An effective RAF is fundamental to a strong risk management and governance framework. The RAF is not just a Key Performance Indicator (KPI) monitoring system; it constitutes an essential mechanism to support the Board of Directors’ oversight of the strategy execution within the risk boundaries that the Group is willing to operate. Through the RAF, overall aspirations of the Board of Directors are translated to specific statements and risk metrics, enabling planning and execution, while promoting firm-wide thinking. In 2023, the RAF was updated to reflect the latest developments and to get aligned with the new Business Plan of the Group.

NBG has in place an effective RAF that:

- is formed by both top-down Board of Directors guidance and leadership and bottom-up involvement of the Senior

Management and other Stakeholders, and understood and practiced across all levels of the Bank;

- incorporates quantitative risk metrics and qualitative Risk Appetite statements that are easy to communicate and assimilate;
- supports Group’s business strategy by ensuring that business objectives are pursued in a risk-controlled manner that allows to preserve earnings stability and protect against unforeseen losses;
- reflects the types and level of risk that the Bank is willing to operate within, based on its overall risk appetite and risk profile, sets the guidelines for new products development, as well as the maximum level of risk that the Group can withstand, through the risk capacity;
- contributes in promoting a risk culture across the Group;
- is aligned with other associated key processes of the Bank.

Within this context, the RAF allows:

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

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

During 2023 and specifically for concentration risk indicators, NBG has proceeded to several actions regarding the review on the definition of Groups of Connected Clients (GoCC), the Name as well as the Sectoral Concentration limit framework, while also it investigated business actions to mitigate concentration risk, such as single name credit insurance.

#### Risk Profile Assessment

The Bank has established a stand-alone Risk Taxonomy Framework document in order to define and outline risk types and ensure the full alignment in ICAAP and RAF.

The Group assesses the materiality of risks in a forward looking, dynamic approach. The process takes into account information collected from various sources and internal expertise, in order to address the full spectrum of risks which may have a material impact on its capital position. These sources include, but are not limited to, business and risk analyses, consultation with internal and external stakeholders, regulatory and supervisory analyses and publications and audit report findings. With regards to the risk identification and materiality assessment process, the Bank follows the gross approach, as suggested by the regulator, using a common (internal) definition of materiality across all the employed Business Units. On top of this, qualitative and quantitative criteria have been established. More specifically, a risk type is categorised as material, in case at least one of the following criteria is satisfied:

- **Quantitative:** a significant impact (specific threshold) is estimated in CET1 capital, upon the realization of these risks.

## RISK MANAGEMENT FRAMEWORK

- **Qualitative:** any risk that may affect the future profitability and capital adequacy of the Bank.

The outcome of the materiality assessment is used in the ICAAP exercise as described in the following section. The Risk Profile is also assessed through the RAF Dashboard that is reported on a monthly basis to the Senior Management, as well as in the ICAAP report where its forward-looking dimension is presented.

### Internal Capital Adequacy Assessment Process (“ICAAP”)

The guides on ICAAP and ILAAP published by the ECB, which are not legally binding, expect Banks to assess the risks they face, and ensure, in a forward-looking manner, that all material risks are identified, effectively managed and covered by adequate capital and liquidity levels at all times. The ICAAP and ILAAP are, above all, internal processes and remain the responsibility of individual institutions to implement in a proportionate manner. As the ICAAP and ILAAP are expected to play an even greater role in the SREP in the future, Banks are encouraged to continuously improve these processes, taking into consideration the seven ECB principles, below:

- **Principle 1:** The management body is responsible for the sound governance of the ICAAP/ILAAP.
- **Principle 2:** The ICAAP/ILAAP is an integral part of the overall management framework.
- **Principle 3:** The ICAAP/ILAAP contribute fundamentally to the continuity of the institution by ensuring its capital/liquidity adequacy from different perspectives.
- **Principle 4:** All material risks are identified and taken into account in the ICAAP/ILAAP.
- **Principle 5:** For ICAAP the internal capital is of high quality and clearly defined. For ILAAP the internal liquidity buffers are of high quality and clearly defined: the internal stable sources of funding are clearly defined.
- **Principle 6:** ICAAP/ILAAP risk quantification methodologies are adequate, consistent and independently validated.
- **Principle 7:** Regular stress testing aims at ensuring capital/liquidity adequacy in adverse circumstances.

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

ICAAP objectives are the:

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

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

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

- Group risk profile assessment;

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

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

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

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

Following the risk materiality assessment process, the material risk types are outlined below:

**Table 2: Risk Materiality Assessment**

| Risk Type (Level 1)                   | Action following materiality assessment                                 |
|---------------------------------------|-------------------------------------------------------------------------|
| <b>Credit Risk</b>                    | Calculation of internal capital / Assessment per business unit & entity |
| <b>Counterparty Credit Risk</b>       | Calculation of internal capital                                         |
| <b>Market Risk</b>                    | Calculation of internal capital                                         |
| <b>Operational Risk</b>               | Calculation of internal capital / Scenario Analysis                     |
| <b>Liquidity Risk</b>                 | Analytical assessment through the ILAAP exercise                        |
| <b>IRRBB</b>                          | Calculation of internal capital                                         |
| <b>Real Estate Risk</b>               | Calculation of internal capital                                         |
| <b>Country Risk (incl. Sovereign)</b> | Calculation of internal capital                                         |
| <b>Strategic/ Business Model Risk</b> | Scenario Analysis / Assessment of Bank’s actions to mitigate risk       |
| <b>Securitization Risk</b>            | Assessment of Bank’s action to mitigate risk                            |

Credit risk is considered as the most significant risk to capital, while market, operational, Strategic/Business Model risks and other risk types have also been identified as material.

Furthermore, the ICAAP process involves the evaluation of Strategic/Business Risk also from a solvency perspective, as their analysis includes forward looking scenarios, which

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primarily intend to inform the strategic planning and decision-making and increase the Bank's awareness of potential vulnerabilities in relation to its Business model/Strategy and sustainable profitability. In this respect, it is concluded that no additional internal capital is required to be held against Strategic/Business Model risk.

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

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

For 2023, the Bank implemented the ICAAP by estimating the relevant internal capital for all major risk types at Group level. Calculations were based on methodologies already developed in the ICAAP Framework. Moreover, the Group conducted a bank-wide macro Stress Test exercise, relating to the evolution of its CET 1 capital under adverse scenarios (so as to ensure relevance and adequacy of the outcome with a realistic and non-catastrophic forward-looking view of downside tail risks).

In addition to the institution-wide bottom-up solvency stress test, a number of Business risk and portfolio stress tests, reverse stress tests and sensitivity analysis were also performed, as well as an assessment and incorporation of C&E factors in the ICAAP 2023 aiming at increasing the Group's awareness of its vulnerabilities.

It should be noted that the Bank implements, monitors and uses the ICAAP aiming at achieving full compliance with the EBA and ECB guidelines and standards concerning ICAAP/ILAAP, the SREP and Stress Testing.

### Internal Liquidity Adequacy Assessment Process ("ILAAP")

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

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

### BCBS 239 – Risk Data Aggregation and Risk Reporting

In July 2023, the ECB published an initial version of the Guide that outlines prerequisites for effective risk data aggregation and risk reporting (RDARR). The Guide is part of a wider strategy intended to assist supervised banks in strengthening their risk data

aggregation capabilities as well as internal risk reporting practices, thus enhancing the group risk management and decision-making processes. To that end, the Guide intends to specify and reinforce supervisory expectations in this field, taking into account the Basel Committee on Banking Supervision's Principles for effective risk data aggregation and risk reporting (BCBS 239). More specifically, there are seven key areas that have been singled out:

- responsibilities of the management body;
- sufficient scope of application;
- effective data governance framework;
- integrated data architecture;
- Group-wide data quality management and standards;
- timeliness of internal risk reporting;
- effective implementation programs.

Although, the aforementioned Guide is expected to be finalized during the first semester of 2024, the Bank has already started its gap analysis regarding risk data aggregation in an effort to identify the areas that need improvement. As a next step, stakeholders within the Bank are to be defined and involved in a project with specific objectives leading to guidelines implementation.

### Risk Culture Program

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

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

The Group Risk Management Function has in place the Risk Culture Framework ("RCF"), with the objective to define and document the principles, processes and methodologies that pertain to the identification, measurement, monitoring and reporting of Risk Culture in NBG. The RCF is a key element for the establishment of a sound Risk Culture within the Group and it meets the Supervisory Authorities' expectations on efficient risk governance, based on common perception of risk culture-related issues.

### NBG has in place an effective RCF that:

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



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6. Establishes the governance arrangements for its update and monitoring.

## Risk Culture: Foundational Elements

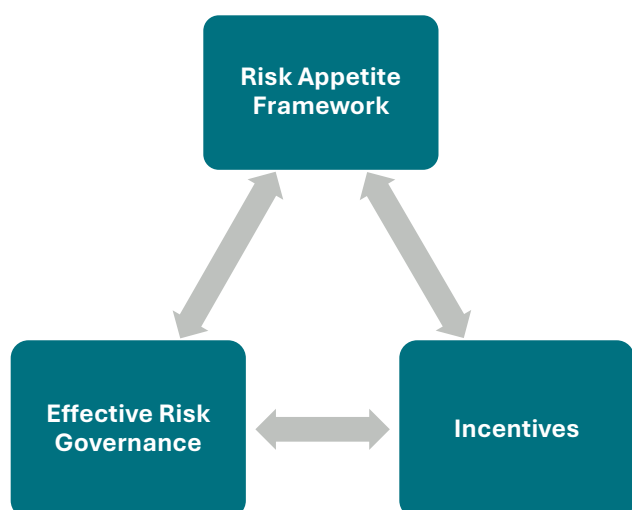


Figure 3: Elements of Risk Culture Program

## Risk Culture: Assessment Indicators



Figure 4: Risk Culture assessment indicators

## Risk Culture Program: Risk Awareness Enhancement Initiatives overview

Given NBG's objective to promote risk and control awareness, seeking that all employees are fully aware of the risks arising in the course of their work and have adequate skills for their management, including the establishment of adequate and efficient controls, the Risk Culture Stakeholders develop and implement, on an annual basis, Risk Awareness Enhancement Activities around the following:

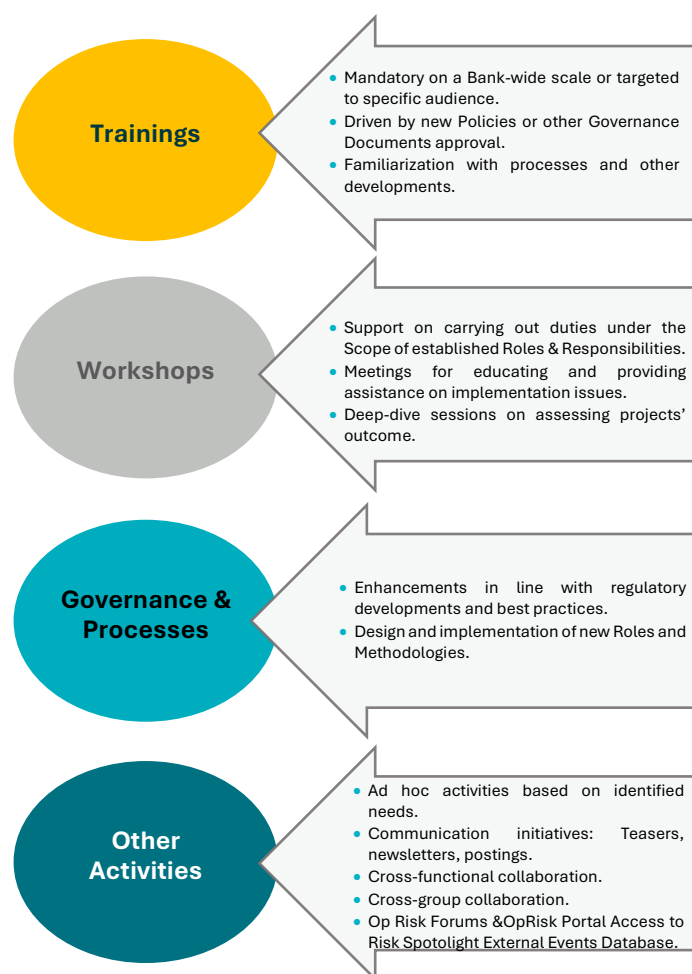


Figure 5: 2023 Risk awareness enhancement initiatives



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### NBG Risk Taxonomy

In order to integrate Enterprise Risk Management (“ERM”) practices and enhance the overall risk Group Management Framework, the Group has in place since 2022 the NBG Risk Taxonomy Framework.

The NBG Risk Taxonomy Framework aims to:

- establish a common language allowing for the effective classification and coverage of the entire range of the risks that NBG faces;
- describe the associated governance and review process;
- update and outline the Risk Types that the Group is exposed to, in order to serve as a unique point of reference for all relevant risk management processes.

The Bank recognizes ESG as transversal, cross-cutting risks rather than stand-alone risks and considers them as drivers of existing types of financial and non-financial risks. Moreover, for the Non-Financial Risks (Operational risk and Strategic risk), ESG risks are treated as distinct Risk Themes as per the table below.

The main objectives of the NBG Risk Taxonomy Framework are to improve:

- Risk identification by providing a benchmark that can be used as a prompt in determining the particular risks faced by the organization;
- Risk assessment by facilitating comparison and aggregation of related data and providing a basis for validation;
- Risk monitoring by providing a common frame of reference that enables meaningful analysis and oversight of the outputs generated by any risk management tool;
- Risk reporting by providing a consistent way of describing risks enabling comparison across different business entities, business lines and geographic regions.

NBG’s Risk Taxonomy comprises of Risk Types which support a multi-level tree categorization in which NBG’s risks are classified and of Risk Themes which are sub-categories of Non-Financial Risks, the inclusion of which in the NBG Risk Taxonomy Framework provides an additional dimension improving the overall risk classification. Risk Themes are also used in order to accommodate additional regulatory compliance requirements and internal risk analysis and reporting needs.

**Table 3: Risk Types**

| Risk Type Level 1                                     | Risk Type Level 2                                             |
|-------------------------------------------------------|---------------------------------------------------------------|
| <b>Credit Risk</b>                                    | Concentration Risk                                            |
|                                                       | Residual Risk                                                 |
|                                                       | Underwriting Risk                                             |
| <b>Counterparty Credit Risk</b>                       | Pre-settlement Risk                                           |
|                                                       | Settlement Risk                                               |
|                                                       | CVA Risk                                                      |
|                                                       | Wrong-way-Risk                                                |
|                                                       | Concentration Risk                                            |
| <b>Market Risk</b>                                    | Interest rate Risk                                            |
|                                                       | Equity Risk                                                   |
|                                                       | Foreign Exchange (FX) Risk                                    |
|                                                       | Commodity Risk                                                |
|                                                       | Vega Risk                                                     |
|                                                       | Market Liquidity Risk                                         |
|                                                       | Credit Spread Risk                                            |
|                                                       | Issuer Risk                                                   |
|                                                       | Concentration Risk                                            |
|                                                       | Correlation Risk                                              |
|                                                       | Underwriting Risk                                             |
| <b>Liquidity Risk</b>                                 | Funding Risk                                                  |
|                                                       | Asset Encumbrance Risk                                        |
|                                                       | Concentration Risk                                            |
| <b>Interest rate risk in the banking book (IRRBB)</b> | Gap Risk                                                      |
|                                                       | Basis Risk                                                    |
|                                                       | Option Risk                                                   |
|                                                       | Credit spread risk from non-trading book activities (“CSRBB”) |
| <b>Real Estate Risk</b>                               |                                                               |
| <b>Pension Risk</b>                                   |                                                               |
| <b>Country Risk</b>                                   | Sovereign Risk                                                |
|                                                       | Transfer Risk                                                 |
|                                                       | Convertibility Risk                                           |
| <b>Strategic/Business Model Risk</b>                  | Strategic Positioning Risk                                    |
|                                                       | Strategy Execution Risk                                       |
| <b>Securitization Risk</b>                            |                                                               |
| <b>Operational risk</b>                               | Internal Fraud                                                |
|                                                       | External Fraud                                                |
|                                                       | Employment Practices and Workplace Safety                     |
|                                                       | Clients, products and business practice                       |
|                                                       | Damage to Physical Assets                                     |
|                                                       | Business disruption and systems failure                       |
|                                                       | Execution, delivery and process management                    |

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**Risk Themes**

- Legal Risk
- Compliance Risk
- Financial Crime Risk
- Conduct Risk
- Model Risk
- ICT Risk
- ICT Failure
- Cyber-attack (internal & external)
- Data Quality Risk
- Vendor/3rd Party Risk
- Outsourcing Risk
- Environmental Risk
- Social Risk
- Business Continuity Risk
- Project Risk
- Human Resources Risk
- Reputational Risk

**New developments within 2023 and 2024 initiatives****Basel III reforms (Basel IV) and Relevant Projects**

The EBA and the ECB are about to enhance the resilience of the European Banking System and thus ensure European Banking efficiency to withstand future crises by finalising the globally agreed Basel III regulatory reforms (also known as Basel IV). To that end, in December 2023, EBA presented an updated version of CRR / CRD rules noting that the final framework will be effective from 1 January 2025.

**Credit Risk****❖ Implementation of Basel IV Updates**

The Bank has already calculated the capital impact of the above Basel IV Framework through the Basel III monitoring exercises and has preliminary outlined the business requirements upon finalization of the Basel IV agreement in the EU and the compliance of the relevant competent authorities.

Moreover, aiming to implement in its processes, systems and practices the updated Basel IV Framework accurately and timely, the Bank has already initiated the "Basel IV Project" within the Transformation Program with the following main objectives for Credit Risk:

- Gap analysis of the new Basel IV Framework for Credit Risk.
- Completion of business requirements analysis of the new Basel IV Framework for Credit Risk.
- Enhancement of interface files from Subsidiaries with additional requested fields for alignment with Basel IV.
- In-house implementation of the new Basel IV Framework for Credit Risk.
- User Acceptance Test of the aforementioned implementation for Credit Risk and apply on production data.

**❖ New Reporting Tool for Credit Risk Purposes**

The implementation of a new in-house module for the integration and combination of credit risk data is in progress. The aforementioned new module aims to carry out the automation of all credit risk reporting requirements according to the existing Basel III framework while it will be updated accordingly with the forthcoming rules of Basel IV, effective from 1 January 2025.

**❖ IT Infrastructure enhancement and changes for Subsidiaries**

In 2023, Group Risk initiated a process to enhance the information flow with the international subsidiaries, leveraging on the capabilities of the existing Enterprise Data Warehouse. The main target of this process is to facilitate key risk management processes and to be aligned with the requirements of the new regulatory Basel IV Framework.

**Market Risk**

The revised Market Risk framework under Basel III (i.e., the Fundamental Review of the Trading Book ("FRTB")) outlines two approaches for the calculation of the respective capital requirements:

1. The Standardized Approach ("SA-FRTB"), with the following key risk measures:
  - Sensitivity Based Risk Charge ("SBRC").
  - Default Risk Charge ("DRC").
  - Residual Risk Add-on ("RAAO").
2. The Internal Model Approach ("IMA-FRTB"), with the following key risk measures:
  - Expected Shortfall ("ES").
  - Default Risk Charge ("DRC").
  - Non-Modellable Risk Factors ("NMRFs").

SA-FRTB serves as a fallback approach and as a benchmark to the internal model outcome, thus it is compulsory for all banks.

Moreover, SA-FRTB came into effect for reporting purposes in 3Q.21.

**Counterparty Credit Risk ("CCR")**

NBG has fully implemented and applies the revised standardized approach for the calculation of CCR capital requirements ("SA-CCR") on the relevant module of NBG's market risk engine since 2Q.21.

**Operational Risk**

All existing approaches for the calculation of own funds requirements for Operational Risk are replaced by a single, non-model-based approach based on the following components:

- *Business Indicator*: A financial-statement-based proxy for operational risk, which comprises three components: (i) the interest, leases and dividend component, (ii) the services component, and (iii) the financial component.
- *Business Indicator Component* is calculated by multiplying the Business Indicator by a set of regulatory determined marginal coefficients.
- *Internal Loss multiplier*: A scaling factor based on a Bank's average historical losses incurred over the previous 10 years and the Business Indicator Component.

**Risk based Pricing, Early Warning System (EWS) and Credit Risk Models****Risk-based Pricing**

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

The Bank, in Q4.2022, initiated the revision and update of the components factored in the Risk-based Corporate & Retail Pricing tools, i.e. incorporating actual Funding cost curves,

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Operational Expenses & Credit Risk. The update was completed within 2023 and all relevant amendments will be incorporated in the Pricing Guidelines within 2024.

### Early Warning System (EWS)

Moreover, the Bank, since 2018, has in place an Early Warning System (EWS) that aims to identify, monitor, and manage obligors with credit deterioration at very early stages (even at 0 days past due).

In 2023, the Bank initiated the enhancement of the EWS Framework mainly in order to improve its responsiveness to adverse exogenous conditions (such as covid 19 pandemic, the geopolitical crisis and macroeconomic imbalances). The EWS Framework enhancement will be completed within 2024 and the relevant implementation phase will follow, along with the update of the underlying EWS process documents.

### Credit Risk Models

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

Following the previous years' re-development of the retail household application scorecards and development of customer level behavioral scores, in 1Q.23 a new suite of credit risk models (23 models) for the Small Business portfolio was successfully implemented in Bank's systems, while in 4Q.23 the models launched in production, following an extended use test period. The new models utilize a wide range of both company's and key owners' information, innovative transactional data (i.e. current accounts and credit cards transactions), as well as novel elements such as the ecosystem of the related companies (network models). The model outcome is combined with the existing Small Business behavioral model and the Retail behavioral model for company owners', resulting to enhanced predictive power, while optimizing the use of different models for different use scenarios: empowerment of credit approval process, targeted product offering to non-lending customers, cross selling and marketing campaigns.

With regards to the Retail Household scorecards, a new transformation project will be initiated in 1Q.24, focusing on the enhancement of the relevant modelling infrastructure utilizing novel transactional data.

With regards to the Corporate portfolio, the Bank has proceeded to optimization of its Project Finance scorecard, in alignment with the respective Regulatory Technical Standards and the best market practices. The systemic implementation in the Bank's rating platform (Moody's Credit Lens) and the launch on production is expected to be completed within 2024.

Moreover, in 2024, the Bank plans to develop a bespoke scorecard for the Commercial Real Estate (CRE) purpose loans, incorporating the specificities of this dynamic segment.

### IFRS 9 Models Review in 2023

#### ❖ IFRS 9 Corporate & SBL EAD models

During 2023, the Bank re-developed two new EAD (Exposure at default) models for the Corporate and SBL portfolio. The models follow a threefold segmentation approach per major product type (i.e. revolving facilities, overdrafts and LGs/LCs). The models, which tackle identified issues of the previous model versions, were implemented in the Bank's infrastructure and utilized in 4Q.23 for IFRS 9 purposes.

#### ❖ IFRS 9 Credit Cards PD

Within 2023, the Bank re-developed a new model for Credit Cards which is planned to be utilized within 2024 for IFRS 9 purposes. This fully re-designed new model introduces major improvements and handles various issues concerning the initial model version.

### IFRS 9 Models Review in 2024

In the context of IFRS 9 Models Review project, a re-development phase of Credit Cards LGD / EAD models will be initiated in 2024. Additionally, the finalization and systemic implementation of the newly developed IFRS 9 Credit Cards PD model is expected to be completed within 2024.

#### ❖ Update of Credit Risk Model Development Policy

In 2024, the Bank will finalize the update of the Model Development Policy which will be submitted for approval to the competent committees. The purpose of the respective Policy is to set out a coherent framework of principles and standards governing the development, and documentation of credit risk models, providing guidance for their quantitative monitoring. The policy applies to all models used for credit risk measurement purposes, including financial reporting and credit impairment calculation, regulatory, credit decision making, as well as Internal Capital Adequacy and Stress Testing purposes. The policy is in line with the requirements of the regulatory guidelines and market leading practices and ensures that credit risk models are "fit for purpose" taking into account their ability to generate accurate and consistent estimates for the measurement of credit risk on an on-going basis.

### Other developments per Risk Type

#### Market Risk and Counterparty Credit Risk

Given the Bank's continuous effort to enhance the robustness and completeness of its Market Risk and Counterparty Credit Risk management processes and in order to comply with the revised regulatory framework (Basel III), the key developments related to these risks within 2023 are summarized below:

- Inclusion of Vega risk in the VaR/sVaR calculations since 2 January 2023, based on ECB's approval letter.
- Update of Market Risk Policy and Methodology documents, to reflect the inclusion of Vega risk in the VaR model.
- Implementation of a revised PFE calculation methodology on a new simulation engine, which utilizes the existing Market and Counterparty Credit Risk infrastructure.

Moreover, the following actions are scheduled for 2024:

- Implementation of the revised standardized approach for the calculation of CVA capital charges under Basel III (BA-CVA), as well as of the current regulatory framework, in the same risk platform used for Counterparty Credit Risk capital requirements.
- Transition of accounting BCVA calculations to the new Monte Carlo simulation engine, utilizing the CCR implementation work completed in 2023.

#### Interest Rate Risk in the Banking Book

Policy interest rates have been increasing steadily during 2023, with the ECB announcing six rates' increases during that time. This upward trend has propagated to all major market interest rate benchmarks, with rate levels stabilizing at 4Q.23 and current

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market expectations suggesting an easing of monetary policy measures and subsequent interest rates' decrease during 2024. In this financial markets' environment, the Bank is re-examining Balance Sheet NII sensitivity under interest rates' decreasing scenarios and, to this extend, the IRRBB risk management function is actively monitoring key sensitivity indicators, as well as evaluating several what-if scenarios that aid the Bank's management bodies in making informed decisions on macro-hedging actions.

Additionally, the RAF update project, which is due to be completed in 1Q.24, will include substantial changes in the IRRBB NII sensitivity metrics, in order to align the Bank's Risk Appetite to new Regulatory Requirements regarding NII sensitivity.

Furthermore, GFLRMD further extended the coverage of Credit Spread Risk in the Banking Book, in order to include all securities in scope for this type of risk, in addition to Sovereign Securities.

Finally, GFLRMD developed a prototype for the evaluation of the Basis Risk component of IRRBB, a project that is due to be completed during 2024.

### Liquidity Risk

In the context of continuously improving its Liquidity Risk Management Framework and respond to the regulatory requirements, the Bank completed in 2023 the following exercises / enhancements:

- Redevelopment and update of the Bank's Contingency Funding Plan.
- Successful submission of all required deliverables in line with SRB's expectations, under the scope of "NBG Liquidity and Funding in Resolution".
- Implement the new guidelines for the supervisory Additional Liquidity Monitoring Metrics ("ALMM").
- Successful completion of the Joint SRB/ECB Liquidity exercise 2023 followed by the submission of the respective "Self-Assessment" to the SRB.

Moreover, several enhancements and new initiatives are planned to be implemented during 2024. More specifically:

- Review and update of the Liquidity Risk Management Policy, as per the supervisory requirements.
- Participate in the Joint SRB/ECB Liquidity exercise and submit the relevant self-assessment report.

### Operational Risk

In 2023 the Bank continued to drive the improvement of its OR management through a range of initiatives. Among these, the most significant are:

- As part of the **Enterprise Risk Management Project** which is part of the Bank's Transformation Plan, GORMD performed an analysis of the Outsourcing, Vendor/3d Party and Cyber Attack (Internal/External) Risk Themes, developing a RACI matrix of involved stakeholders, assessing adequacy of all related documents, designing/updating the reporting and monitoring procedures and identifying the maturity level of the organization.
- The development of new **KRI Dashboards** for major domestic (NBG Leasing S.A., NBG Factors S.A.) and foreign (NBG Cyprus Ltd, Stopanska Banka A.D. -Skopje) subsidiaries. Besides, all NBG's Dashboard KRIs were

reviewed and updated in order to further improve their relevancy and consistency with Bank's Risk Profile, whereas all KRIs thresholds were also reviewed and calibrated.

- GORMD continued with the ongoing monitoring of the **Outsourcing Risk** that includes, among others, the review of all Outsourcing Risk Assessments, the review and evaluation of the relevant Exit Plans, the contribution in the update of Outsourcing Arrangements Registry, the preparation of regular reporting to the Outsourcing Committee and the Board of Directors. Moreover, GORMD provided guidance and oversight of outsourcing risk related issues relevant to the Supervisory On-Site Inspection on Outsourcing that took place in Q4.23.
- The performance of a **Bank-wide stress test exercise in the area of "Cyber Risk"** in respect to potential operational risk losses that could occur over the next 10 and 50 years (long term) due to a network security breach, including a system outage, cyber fraud and data breach. The exercise was led by the Group Operational Risk Management and the Group Cyber Security Divisions with the support and participation of an external consultant, as well as the participation of relevant stakeholders from the 2nd & 1st lines of defense of the Bank.
- GORMD participated in the EBA 2023 EU-wide Stress Test exercise and the Business Plan (BP) 2024-26 cycle, including the extension of the BP horizon (2026) to a longer term (2030). In the context of the Group Recovery Plan, GORMD defined a Recovery Plan indicator regarding operational risk-related losses that may have a significant impact on the profit and loss statement of the institution, including but not limited to conduct-related issues, external (including cyber) and internal fraud and/or other events.
- The enhancement of the **operational risk monitoring and reporting process**. More specifically:
  - A project regarding the design and development of GRC reporting templates by utilizing Power BI capabilities was initiated and is planned to be finalized within 2024.
  - A deep dive analysis of data related to Phishing events, ATM robberies as well as Damage to Physical Assets from natural disasters was performed and presented to the Executive Management.
  - Trap points for the collection of operational risk losses were further enhanced by establishing a formal and consistent channel communication with the Finance Division of the Bank.
- The review of the internal loss database according to the regulatory requirements of the new Standardized Approach ('Basel IV') for Operational Risk.

Other projects which were completed in 2023 and are related to the enhancement of management of Operational Risk are the following:

- **The Risk & Control Self Assessment exercise**, which emphasises in the systematic identification and efficient mitigation of potential operational risk exposures, was completed throughout all Bank's Business Units and Group's Subsidiaries as per the Risk & Controls Self Assessment ("RCSA") plan.
- Aiming at the identification and measurement of potential future, significant operational risk exposures, the Bank's Executive and Senior Management conducted for a fifth



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consecutive year, an **evaluation of the Group's main risks (Top Operational Risks)** based on the Scenario Analysis Methodology.

- The consulting and monitoring of **ICT Risks**, including **Cyber and Business Continuity** focusing on related Projects, Risk Assessments and Initiatives, was an additional priority for Group Operational Risk in 2023. Besides, GORMD continued with consulting & advising on services delivered on Cloud, participating also in the Cloud Strategy Committee, as well as continued monitoring the COSMOS Project.
- GORMD reviewed and commented upon approximately 68 **Bank Policies**, as well as on **New and Updated Products and Services** designed and implemented by the Bank.
- Two projects were developed and implemented within the Internal Control Coordination Committee ("ICCC"):
  - The development of a financial impact scale for the risk assessment of the Group's Subsidiaries as part of the "NBG Group Common Principles for Operational Risk and Control Assessment" document.
  - The development of awareness initiatives relating to the role of the Unit Risk and Control Officer through a teaser message campaign as well as the organization of a forum that outlines the synergies of the Risk and Control functions and the Internal Audit.

Finally, and in order to establish and develop a number of Risk Culture initiatives, Group Operational Risk designed and provided throughout the Group training in the implementation of Operational Risk Programs, including training on outsourcing, as well as on the new enhancements in the Operational Risk Management Module of the Governance, Risk and Compliance ("GRC") platform. A new initiative was also the development of new e-learning courses for the Operational Risk Management Framework and the use of the GRC platform (RCSA, Key Risk Indicators and Internal Events) that were launched in Q4.23 in the Success Factors LMS training platform of the Bank.

In addition, GORMD launched Operational Risk Forums within Greece as well as for international subsidiaries and continued updating the Operational Risk Portal, which serves as a centralized access point for all relevant Operational Risk material.

## 4.2 Credit Risk

### 4.2.1 Credit granting processes and controls

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

The Group's credit granting processes include:

- Credit-granting criteria based on the particular target market, the borrower or counterparty, as well as the

purpose and structure of the credit and its source of repayment;

- Credit limits that aggregate in comparable and meaningful manner different types of exposures at various levels;
- Clearly established procedures for approving new credits as well as the amendment, renewal and re-financing of existing credits.

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

- Documented credit risk policies;
- Internal risk rating systems;
- Information systems and analytical techniques that enable measurement of credit risk inherent in all relevant activities.

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

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

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

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

### 4.2.2 Credit Policy for Corporate Portfolios

The Credit Policies for the Corporate portfolios of the Bank and its Subsidiaries ("the Subsidiaries") present the fundamental policies for the identification, measurement, approval and monitoring of credit risk related to the Corporate Portfolio and ensure equal treatment for all obligors.

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

The Credit Policy of each Subsidiary is approved by the competent local Boards/Committees, following a recommendation by the responsible Officers or Subsidiaries' Bodies, according to the decisions of the Bank and the provisions of the Credit Policies. Each proposal must bear the prior consent of the Group Chief Credit Officer (CCO) in cooperation with the Head of NBG's Group Credit Risk Control Division (GCRCD) for issues falling under their responsibility. The subsidiaries' Credit Policies are reviewed on an annual basis and revised whenever deemed necessary and in any case every two years.



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## 4.2.3 Credit Policy for Retail Banking

The Credit Policy for the Retail Portfolio (Credit Policy) sets out the fundamental principles and the minimum rules and conditions for the control (identification, measurement, approval, monitoring and generation of management information) of the credit risk deriving from retail financing, both at Bank and Group level.

The Credit Policy is designed in such a manner as to be an integral part of the Risk Appetite Framework, meeting the requirements of the current legal and regulatory framework and in any case, ensures equal treatment for all counterparties.

Its main scope is to enhance, guide and regulate the effective and adequate management of credit risk, thus achieving a viable balance between risk and return.

All credit risk control procedures, always in compliance with the Credit Policy, are set out in the Procedures and Management Regulation Manuals of the relevant Retail Divisions. These procedures are subject to amendments, which facilitate the Bank's alignment with the business environment.

The Retail Regulations are made to serve three basic objectives:

- to set the framework for basic credit criteria, policies and procedures;
- to consolidate Retail Credit policies of the Group; and
- to establish a common approach for managing Retail Banking risks.

The Credit Policy is approved by the Board of Directors of the Bank (BoD) upon the recommendation of the Board Risk Committee (BRC), following proposal by the General Manager of Group Risk Management (Chief Risk Officer), to the Executive Committee and the BRC. Credit policy is reviewed on an annual basis and revised whenever deemed necessary and in any case at least every two years.

The Retail Credit Policy of each Subsidiary is approved and can be amended or revised by the competent local Boards/Committees, following a recommendation by the responsible Officers or Subsidiaries' Bodies, according to the decisions of the Bank and the provisions of the Credit Policies. Each proposal must bear the prior consent of the Group CCO or the Head of NBG's Group Retail Credit Division in cooperation with the Head of NBG's Group Credit Risk Control Division for issues falling under their responsibility. The subsidiaries' Credit Policies are subject to periodical revision.

The NBG Group Retail Banking Credit Division reports directly to the Group CCO. Its main task is to evaluate, design and approve the credit policy that governs the retail banking products, both locally and abroad. Furthermore, the Division closely monitors the consistent implementation of both credit policy provisions and credit granting procedures.

Through the implementation of the Credit Policy, the evaluation and estimation of credit risk, for new as well as for existing products, are effectively facilitated. The ongoing assessment of the credit facilities is considered as an integral part of the credit risk monitoring.

NBG's Senior Management is regularly informed on all aspects regarding the Credit Policy. Remedial action plans are set to resolve the issues, whenever necessary, within the risk appetite and strategic orientation of the Bank.

## 4.2.4 Concentration Risk

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

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

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

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

## 4.3 Counterparty Credit Risk

Counterparty Credit Risk (CCR) arises from the potential failure of the obligor to meet its contractual obligations and stems from derivative and other interbank secured and unsecured funding transactions, as well as commercial transactions.

Complementary to the risk of the counterparty defaulting, CCR also includes the risk of loss due to the deterioration in the creditworthiness of the counterparty to a derivative transaction.

NBG's CCR predominantly stems from Over the Counter (OTC) and Exchange Traded (Listed) derivative products and, to a lesser extent, from interbank secured and unsecured funding transactions, as well as commercial transactions to which the Bank has limited CCR exposure.

The Group has established and maintains adequate measurement, monitoring, and control functions for counterparty credit risk, including:

- CCR measurement systems and methodologies that aim to capture and quantify all material sources of CCR, in ways that are consistent with the scope of the Group's activities.
- The calculation of the key CCR metrics, namely the Exposure at Default ("EAD"), the PFE and the Credit Valuation Adjustment ("CVA") relevant to the aforementioned transactions. These metrics are used for limits monitoring purposes, for the calculation of the CCR capital requirements, as well as for accounting valuation adjustment and collateral management purposes.

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- Back-testing procedures, which aim to assure the validity and robustness of the models used for the calculation of the PFE of derivative transactions.
- Adequate and effective processes and information systems for measuring, monitoring, controlling, and reporting CCR exposures.
- Related IT systems are sophisticated enough to capture the complexity of the trading activities of the Group. Reports must be provided on a timely basis to the Board of Directors, Senior Management and all other appropriate levels, as well as to the Regulatory Authorities.

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

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

All the methodologies and processes followed by NBG for the estimation, monitoring and management of the counterparty credit risk, both for internal purposes, as well as for regulatory compliance are detailed in the Counterparty Credit Risk Framework document.

#### 4.4 Market Risk

Market Risk is the current or prospective risk to earnings and capital arising from adverse movements in interest rates, equity and commodity prices and exchange rates, as well as, their levels of volatility. The main contributor to market risk in the Group is the Bank. NBG seeks to identify, estimate, monitor and effectively manage market risk through a robust framework of principles, measurement processes and a valid set of limits that apply to all the Treasury’s transactions. The most significant types of market risk to which the Bank is exposed are the following: interest rate risk, equity risk, foreign exchange risk and commodity risk.

- **Interest Rate Risk** is the risk arising from fluctuations of interest rates and/or their implied volatility. A principal source of interest rate risk stems from the Bank’s interest rate, over-the-counter (“OTC”) and exchange traded derivative transactions, as well as from the Trading and the Held to Collect and Sell (“HTCS”) bond portfolios.
- More specifically, the Bank maintains a material derivatives portfolio of mainly vanilla interest rate products, which are mostly cleared in Central Counterparties (“CCPs”) or managed through bilateral International Swaps and Derivatives Association (“ISDA”) and Credit Support Annexes (“CSAs”) agreements. Their main function is to hedge the IR risk of the bonds classified in the HTCS and Held to Collect (“HTC”) portfolios or the exposure of other derivative products in the Trading Book.
- Additionally, the Bank retains a significant securities portfolio, mainly comprising of Greek and other periphery sovereign bonds, which is primarily held in the Banking Book and predominantly in the HTC portfolio. Furthermore, NBG

holds a moderate portfolio of bonds issued by Greek and international banks and limited positions in corporate bonds.

- Overall, NBG has moderate exposure to interest rate risk in the Trading Book, while it enters into vanilla IRS transactions in order to mitigate the interest rate risk of the bonds and other items listed in the Banking Book.
- **Equity Risk** is the risk arising from fluctuations of equity prices or equity indices and/or their implied volatility. The Bank holds moderate positions in cash stocks traded in the Athens Stock Exchange and a limited position in equity-index linked exchange traded derivatives. The cash portfolio comprises of trading (i.e. short-term) and held to collect and sell (i.e. long-term) positions. The portfolio of equity derivatives is mainly used for the hedging of equity risk arising from the Group’s cash position and equity-linked products offered to customers and to a lesser extent for proprietary trading. Additionally, the Bank retains positions in mutual funds, through the embedded options in structured deposits sold to clients, along with their cash hedge.
- **Foreign Exchange Risk** is the risk arising from fluctuations of currency exchange rates and/or their implied volatility. The Open Currency Position (“OCP”) of the Bank primarily arises from foreign exchange spot and forward transactions, as well as from the mark-to-market of NBG’s OTC derivatives’ trades denominated in foreign currency. The OCP is distinguished between trading and structural. The structural OCP contains all of the Bank’s assets and liabilities in foreign currency (for example loans, deposits, etc.), along with the foreign exchange transactions performed by the Treasury Division. Apart from the Bank, the foreign exchange risk undertaken by the rest of the Group’s subsidiaries is insignificant. The Group trades in all major currencies, holding mainly short-term positions for trading purposes and for servicing its institutional /corporate, domestic and international customers.
- **Commodity Risk** is the risk arising from fluctuations of commodity prices or commodity indices and/or their implied volatility. The Bank has limited exposure to commodity risk, since the clients’ positions in commodity derivatives are mostly hedged with exchange traded commodity futures.

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

The Bank has also established a framework of VaR limits in order to control and manage the risks to which it is exposed in a more efficient way. These limits are based on the Bank’s Risk Appetite,

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

All key principles that govern the Bank's activities in the financial markets, along with the framework for the estimation, monitoring and management of market risk are incorporated in the Bank's Market Risk Policy ("Policy"). The Policy is established to evidence the Bank's commitment to develop and adhere to the highest standards for assessing, measuring, monitoring and controlling market risk arising from trading and non-trading activities. The Policy has been approved by the Board Risk Committee and is reviewed and updated on an annual basis, or when deemed necessary. Additionally, the VaR model as well as the processes followed by GFLRMD for the measurement and monitoring of Market Risk are described in the VaR/sVaR Model Methodology document, which is subordinate to the Market Risk Management Policy and is subject to changes, in accordance with amendments to the Policy.

The adequacy of the Market Risk Management Framework as a whole, as well as the appropriateness of the VaR model, were successfully reassessed twice by the SSM, in the context of the Targeted Review of Internal Models ("TRIM") and during the Internal Model Investigation ("IMI") for the inclusion of Vega risk in the VaR model. As per the ECB's Decision, NBG may continue calculating the own funds requirements for general market risk with the internal model approach, which verifies the robustness of the Bank's Market Risk management model. Furthermore, the Bank's independent Model Validation Unit (MVU) assesses the validity of the VaR model, on an annual basis, while the Internal Audit Division evaluates the effectiveness of the relevant controls, on a periodic basis.

NBG employs a three-line of defense framework, as per the NBG Risk Strategy, to monitor market risk and comply with market risk limits. The first line of defense is at the risk-taking level, where NBG's various market risk taking Business Lines are responsible to monitor and maintain compliance with the set market risk limits, on a continuous basis. GFLRM Division constitutes the second line of defense, and is responsible to monitor and report NBG's market risk exposures and market risk limits utilization. Finally, NBG's Internal Audit is responsible to validate that the Group, as a whole, as well as the various departments individually, are compliant with the set market risk policies and procedures.

Regarding NBG Group's subsidiaries, they have independent market risk management units and report their positions and other market risk metrics to NBG's Market Risk Management Subdivision on a daily basis. However, given the low materiality and limited market risk exposure of NBG's subsidiaries, these entities do not use internal models for market risk capital calculations. To this extent, NBG uses internal models for monitoring market risk and calculates capital requirements only

at a Bank level and subsequently consolidates the subsidiaries, at a Group level.

## 4.5 Operational Risk

### 4.5.1 Introduction

The Bank acknowledges its exposure to operational risk stemming from its day-to-day business activities. It also acknowledges the need for managing this type of risk, as well as the necessity for holding adequate capital in order to deal with any potential exceptional operational risk loss.

The Bank has established and maintains a group-wide, effective framework for the management of operational risk (Operational Risk Management Framework - ORMF). This Framework complies with regulatory requirements and is reviewed regularly.

### 4.5.2 Definition and objectives

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

The main Operational Risk subcategories cover the following Risk Themes as described in the NBG Risk Taxonomy Framework:

- **Legal Risk** is the risk of loss caused to a business, in this instance the Bank, which is mainly due to one of the following causes: i) irregular transaction, or ii) claim (including defence-claims or counterclaims) raised or any other event that follows and leads to the establishment of legal grounds for liability on the part of the credit institution or another kind of loss (e.g. because of termination of contract), or iii) failure to adopt the necessary measures for the protection of assets owned by the institution, or iv) change in the legislation.
- **Compliance risk** refers to the risk that NBG, in the course of conducting its business or risk management activities, may be found, in circumstances of a breach of the institution's guidelines/policies as well as the regulatory framework as defined in certain international, EU and Greek laws and regulations, as well as the risk deriving from legal or regulatory sanctions, material financial loss or loss of reputation the Bank might suffer as a result of such breach. Consequently, the Bank's reputation, business model and financial position are negatively affected.
- **Conduct risk** as the risk of loss arising from inappropriate supply of financial services including cases of wilful or negligent misconduct, e.g. mis-selling, conflicts of interest, pushed cross-selling, automatic renewals of products or exit penalties etc. It also relates to corruption risk, i.e. the risk deriving from abuse of entrusted power by the Group's executives or employees with the purpose of private gain.
- **Information & Communication Technology risk**, which is the risk of loss due to breach of confidentiality, failure of integrity of systems and data, inappropriateness or unavailability of systems and data or inability to change IT within a reasonable time and costs when the environment or business requirements change. This includes security risks resulting from inadequate or failed internal processes or

## RISK MANAGEMENT FRAMEWORK

internal/external cyber-attacks or inadequate physical security.

- **Model risk**, which is the potential loss an institution may occur as a consequence of decisions that could be principally based on the output of all models deployed, due to errors in the development, implementation or use of such models.
- **Financial Crime risk**, which is the risk that the Bank faces when an individual or legal entity/ties obtain financial advantage relating to the following offences and will cause Financial, Regulatory & reputational impact to the Bank: Money laundering, terrorist financing, bribery and corruption, tax evasion, misuse of sensitive information, evasion of economic or trade sanctions or any other violation of laws regulating these matters.
- **Environmental risk**, which is the risk of suffering an adverse consequence, or the potential threats of negative effects on the firm due to environmental factors, including factors resulting from the climate change and factors resulting from other environmental degradation.
- **Vendor/Third Party risk**, which is the risk that engaging a vendor/3rd party, by virtue of an arrangement of any form between the Group and a vendor/3rd party, which adversely impacts the Bank's performance and risk management.

Operational risk is inherent to all products, activities, processes and systems and is generated in all business and support areas. For this reason, all employees are responsible for managing and controlling OR generated in their sphere of action. Consequently, managers throughout the Group are accountable for operational risks related to their business area, and responsible for managing these risks within their risk appetite, in accordance with the ORMF.

The Bank's objective is to effectively identify, assess, monitor, control and mitigate its operational risk.

#### 4.5.3 Operational risk management framework

The ORMF has been approved by the Board Risk Committee, in order to effectively address operational risks and meet the regulatory requirements (CRR / CRD IV / Basel III).

In 2023 the ORMF was implemented in the Bank and its subsidiaries. The basic elements of the Bank's ORMF are the following:

- **The Risk and Control Self-Assessment (RCSA) process:** it is a recurring, forward looking process performed on an annual basis aiming at the identification and assessment of the operational risks faced by the Group. The scope of RCSA extends to all business lines, thereby to all business, support or specialized Units;
- **The Internal Events Management process:** NBG requires accurate and timely knowledge of operational risk related internal events and has therefore established an appropriate event management process that covers the event life cycle, comprising the event identification, categorization, analysis, on-going management, remediation actions and reporting;
- **The Key Risk Indicators definition and monitoring process:** NBG defines as Key Risk Indicator any simple or combined data variable, which allows the assessment of a

situation exposing the Bank to operational risk, as well as its trend, by monitoring/comparing its values over time. Therefore, KRIs are metrics providing early warning signs, preventing and detecting potential risks and vulnerabilities in the activities of the Bank;

- **The Scenario Analysis process:** NBG defines Risk Scenario as the creation of a potential event or consequence of events that expose the organization to significant operational risks and can lead to severe operational losses. Scenario Analysis is the process that reveals all the long term exposures to major and unusual operational risks which can have substantial negative impacts on the organization's profitability and reputation;
- **The Training Initiatives and Risk Culture awareness actions:** Group Operational Risk Management Division designs and implements training programs on operational risk and the ORMF, the use and implementation of programs, methods and systems as well as other actions aiming at knowledge sharing and the establishment of Operational Risk culture Group-wide.

#### 4.5.4 Governance

The ORMF is supported by an appropriate organizational structure with well-defined roles and responsibilities which is based on the three lines of defense model. The ORM Governance aims to ensure that all Bank's stakeholders, including the Board of Directors, Executive and Senior Management and Staff, manage operational risk within a formalized Framework that is aligned to business objectives and compliant with the regulatory requirements.

Governance responsibility for operational risk management resides in the Board Risk Committee (BRC). The BRC reviews and approves the Bank's operational risk appetite and tolerance, is informed on material risks and exposures and sets the tone and the expectations of the Board.

GORMD also reports to the Operational Risk Management Committee (ORCO), a sub-committee of the Executive Committee (ExCo). ORCO, that has the overview of the ORMF implementation, meets regularly on a quarterly basis, providing a semi-annual report to the ExCo. An Outsourcing Committee, responsible for overseeing the outsourcing arrangements' risk of the Group was established and operates in accordance with the applicable legal and regulatory framework.

The Chief Risk Officer (CRO) promotes the development and implementation of a consistent Group ORMF and provides overall vision and leadership for the function across the Group.

GORMD is responsible for overseeing and monitoring the risks assessments, providing appropriate tools and methodologies, coordination and assistance to the Business Units and proposing appropriate risk mitigation measures. Furthermore, it regularly reviews the ORM Framework in order to ensure that all relevant regulatory requirements are met.

The overall responsibility for the management of Operational Risk relies within the 1st Level of Defense Business Units, that are responsible and accountable for directly identifying, assessing, controlling and mitigating operational risk within their business activities in compliance with the Bank's standards and policies.

Segment and Unit Risk & Control Officer have been established and appointed in the main Business Functions/General Divisions



of NBG. They act as liaisons to the GORMD and are responsible for coordinating the ORMF implementation, assisting in the development of the culture of operational risk and communicating relevant information throughout to the GORMD.

## 4.6 Analysis and Reporting

NBG places great emphasis on achieving a high level of quality regarding its risk data and reporting. All Group Risk Management Divisions and the Independent Model Valuation Unit have developed a comprehensive framework of analysis and reporting, in order to provide the Bank's Board Risk Committee, Senior Management, regulatory authorities, the market and investors with consistent quantitative and qualitative information. Specialized applications are used to produce this analysis, collecting relevant data from the Bank's and Group's core systems (such as loans and credit limits systems, trading position-keeping systems, collateral management system etc.). NBG's software is fully configured to calculate Risk Weighted Assets for the entire Group according to the regulatory approach chosen for each portfolio, in accordance with the current CRR / CRD IV (Basel III) regulatory framework.

Among others, the following are analyzed and reported:

- Capital requirements for Credit Risk, Market Risk, Operational Risk and Counterparty Risk on a solo and on a Group basis;
- Large exposures on a solo and on a Group basis;
- Leverage exposure measure on a Solo and on a Group basis;
- Quality and vintage analysis of the Bank's and its subsidiaries portfolios;
- Benchmarking of the Bank's Market Risk internal models;
- Daily Liquidity Reports pertaining to the Bank's liabilities, liquidity structure, counterbalancing capacity, as well as subsidiary-funding;
- Quarterly report of the Bank's Value at Risk and P&L results for backtesting purposes;
- Data regarding RCSA results, Scenario Analysis Results, Actions mitigating OpRisk status, Key Risk Indicators status and Operational Risk losses;
- Cross border exposures.



## REGULATORY OWN FUNDS AND PRUDENTIAL REQUIREMENTS

## 5 REGULATORY OWN FUNDS & PRUDENTIAL REQUIREMENTS

### 5.1 Key metrics

The following table presents an overview of Group's prudential regulatory metrics.

Table 4: EU KM1 – Key metrics template

| Key Metrics                                                                                                                                            |                                                                                                  | € mio   |         |         |         |         |         |         |         |
|--------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|
|                                                                                                                                                        |                                                                                                  | Q4 23*  | Q3 23   | Q3 23*  | Q2 23   | Q2 23*  | Q1 23   | Q1 23*  | Q4 22*  |
| <b>Available own funds (amounts)</b>                                                                                                                   |                                                                                                  |         |         |         |         |         |         |         |         |
| 1                                                                                                                                                      | Common Equity Tier 1 (CET1) capital                                                              | 6,730   | 5,750   | 6,543   | 5,776   | 6,332   | 5,753   | 6,040   | 6,047   |
| 2                                                                                                                                                      | Tier 1 capital                                                                                   | 6,730   | 5,750   | 6,543   | 5,776   | 6,332   | 5,753   | 6,040   | 6,047   |
| 3                                                                                                                                                      | Total capital                                                                                    | 7,630   | 6,650   | 7,443   | 6,176   | 6,732   | 6,153   | 6,439   | 6,446   |
| <b>Risk-weighted exposure amounts</b>                                                                                                                  |                                                                                                  |         |         |         |         |         |         |         |         |
| 4                                                                                                                                                      | Total risk-weighted exposure amounts                                                             | 37,727  | 36,425  | 36,605  | 36,569  | 36,695  | 36,455  | 36,520  | 36,368  |
| <b>Capital ratios (as a percentage of risk-weighted exposure amount)</b>                                                                               |                                                                                                  |         |         |         |         |         |         |         |         |
| 5                                                                                                                                                      | Common Equity Tier 1 ratio (%)                                                                   | 17.84%  | 15.79%  | 17.87%  | 15.80%  | 17.26%  | 15.78%  | 16.54%  | 16.63%  |
| 6                                                                                                                                                      | Tier 1 ratio (%)                                                                                 | 17.84%  | 15.79%  | 17.87%  | 15.80%  | 17.26%  | 15.78%  | 16.54%  | 16.63%  |
| 7                                                                                                                                                      | Total capital ratio (%)                                                                          | 20.22%  | 18.26%  | 20.33%  | 16.89%  | 18.35%  | 16.88%  | 17.63%  | 17.72%  |
| <b>Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount)</b> |                                                                                                  |         |         |         |         |         |         |         |         |
| EU 7a                                                                                                                                                  | Additional own funds requirements to address risks other than the risk of excessive leverage (%) | 3.00%   | 3.00%   | 3.00%   | 3.00%   | 3.00%   | 3.00%   | 3.00%   | 3.00%   |
| EU 7b                                                                                                                                                  | of which: to be made up of CET1 capital (percentage points)                                      | 1.69%   | 1.69%   | 1.69%   | 1.69%   | 1.69%   | 1.69%   | 1.69%   | 1.69%   |
| EU 7c                                                                                                                                                  | of which: to be made up of Tier 1 (CET1 +AT1) capital (percentage points)                        | 2.25%   | 2.25%   | 2.25%   | 2.25%   | 2.25%   | 2.25%   | 2.25%   | 2.25%   |
| EU 7d                                                                                                                                                  | Total SREP own funds requirements (%)                                                            | 11.00%  | 11.00%  | 11.00%  | 11.00%  | 11.00%  | 11.00%  | 11.00%  | 11.00%  |
| <b>Combined buffer requirement (as a percentage of risk-weighted exposure amount)</b>                                                                  |                                                                                                  |         |         |         |         |         |         |         |         |
| 8                                                                                                                                                      | Capital conservation buffer (%)                                                                  | 2.50%   | 2.50%   | 2.50%   | 2.50%   | 2.50%   | 2.50%   | 2.50%   | 2.50%   |
| 9                                                                                                                                                      | Institution specific countercyclical capital buffer (%)                                          | 0.07%   | 0.07%   | 0.07%   | 0.03%   | 0.03%   | 0.03%   | 0.03%   | 0.03%   |
| EU 10a                                                                                                                                                 | Other Systemically Important Institution buffer                                                  | 1.00%   | 1.00%   | 1.00%   | 1.00%   | 1.00%   | 1.00%   | 1.00%   | 0.75%   |
| 11                                                                                                                                                     | Combined buffer requirement (%)                                                                  | 3.57%   | 3.57%   | 3.57%   | 3.53%   | 3.53%   | 3.53%   | 3.53%   | 3.28%   |
| EU 11a                                                                                                                                                 | Overall capital requirements (%)                                                                 | 14.57%  | 14.57%  | 14.57%  | 14.53%  | 14.53%  | 14.53%  | 14.53%  | 14.28%  |
| 12                                                                                                                                                     | CET1 available after meeting the total SREP own funds requirements (%)                           | 9.22%   | 7.26%   | 9.33%   | 5.89%   | 7.35%   | 5.88%   | 6.63%   | 6.72%   |
| <b>Leverage Ratio</b>                                                                                                                                  |                                                                                                  |         |         |         |         |         |         |         |         |
| 13                                                                                                                                                     | Total exposure measure                                                                           | 74,790  | 74,607  | 74,679  | 73,485  | 73,536  | 75,830  | 75,856  | 78,797  |
| 14                                                                                                                                                     | Leverage ratio (%)                                                                               | 9.00%   | 7.71%   | 8.76%   | 7.86%   | 8.61%   | 7.59%   | 7.96%   | 7.67%   |
| <b>Additional own funds requirements to address the risk of excessive leverage (as a percentage of total exposure measure)</b>                         |                                                                                                  |         |         |         |         |         |         |         |         |
| EU 14a                                                                                                                                                 | Additional own funds requirements to address the risk of excessive leverage (%)                  | 0.00%   | 0.00%   | 0.00%   | 0.00%   | 0.00%   | 0.00%   | 0.00%   | 0.00%   |
| EU 14b                                                                                                                                                 | of which: to be made up of CET1 capital (percentage points)                                      | 0.00%   | 0.00%   | 0.00%   | 0.00%   | 0.00%   | 0.00%   | 0.00%   | 0.00%   |
| EU 14c                                                                                                                                                 | Total SREP leverage ratio requirements (%)                                                       | 3.00%   | 3.00%   | 3.00%   | 3.00%   | 3.00%   | 3.00%   | 3.00%   | 3.00%   |
| <b>Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)</b>                                        |                                                                                                  |         |         |         |         |         |         |         |         |
| EU 14d                                                                                                                                                 | Leverage ratio buffer requirement (%)                                                            | 0.00%   | 0.00%   | 0.00%   | 0.00%   | 0.00%   | 0.00%   | 0.00%   | 0.00%   |
| EU 14e                                                                                                                                                 | Overall leverage ratio requirements (%)                                                          | 3.00%   | 3.00%   | 3.00%   | 3.00%   | 3.00%   | 3.00%   | 3.00%   | 3.00%   |
| <b>Liquidity Coverage Ratio</b>                                                                                                                        |                                                                                                  |         |         |         |         |         |         |         |         |
| 15                                                                                                                                                     | Total high-quality liquid assets (HQLA) (Weighted value - average)                               | 23,252  | 23,568  | 23,568  | 23,752  | 23,752  | 23,638  | 23,638  | 23,170  |
| EU 16a                                                                                                                                                 | Cash outflows - Total weighted value                                                             | 9,565   | 9,696   | 9,696   | 9,943   | 9,943   | 10,026  | 10,026  | 9,997   |
| EU 16b                                                                                                                                                 | Cash inflows - Total weighted value                                                              | 859     | 783     | 783     | 778     | 778     | 777     | 777     | 781     |
| 16                                                                                                                                                     | Total net cash outflows (adjusted value)                                                         | 8,706   | 8,913   | 8,913   | 9,166   | 9,166   | 9,249   | 9,249   | 9,217   |
| 17                                                                                                                                                     | Liquidity coverage ratio (%)                                                                     | 267.22% | 264.75% | 264.75% | 259.84% | 259.84% | 255.92% | 255.92% | 251.58% |
| <b>Net Stable Funding Ratio</b>                                                                                                                        |                                                                                                  |         |         |         |         |         |         |         |         |
| 18                                                                                                                                                     | Total available stable funding                                                                   | 58,630  | 57,478  | 57,478  | 57,289  | 57,289  | 56,223  | 56,223  | 56,275  |
| 19                                                                                                                                                     | Total required stable funding                                                                    | 38,997  | 39,155  | 39,155  | 38,383  | 38,383  | 38,550  | 38,550  | 38,673  |
| 20                                                                                                                                                     | NSFR ratio (%)                                                                                   | 150.35% | 146.80% | 146.80% | 149.25% | 149.25% | 145.85% | 145.85% | 145.52% |

\* including profit for the period

## REGULATORY OWN FUNDS AND PRUDENTIAL REQUIREMENTS

## 5.2 Reconciliation of regulatory own funds to balance sheet in the audited financial statements

The table below presents the reconciliation between the balance sheet prepared for statutory and regulatory scope of consolidation. References in this table link to the corresponding references in table

“EU CC1 - Transitional Own Funds”, identifying balances relating to own funds calculation.

**Table 5:** EU CC2- Reconciliation of regulatory own funds to balance sheet in the audited financial statements

| € mio                                                                                        | Ref  | 31 December 2023                                   |                                         | 30 June 2023                                       |                                         |
|----------------------------------------------------------------------------------------------|------|----------------------------------------------------|-----------------------------------------|----------------------------------------------------|-----------------------------------------|
|                                                                                              |      | Balance Sheet as in published financial statements | Under regulatory scope of consolidation | Balance Sheet as in published financial statements | Under regulatory scope of consolidation |
| ASSETS                                                                                       |      |                                                    |                                         |                                                    |                                         |
| Cash and balances with central banks                                                         |      | 9,015                                              | 9,015                                   | 7,551                                              | 7,551                                   |
| Due from banks                                                                               |      | 2,793                                              | 2,793                                   | 2,735                                              | 2,735                                   |
| Financial assets at fair value through profit or loss                                        |      | 707                                                | 676                                     | 718                                                | 718                                     |
| Derivative financial instruments                                                             |      | 2,074                                              | 2,074                                   | 1,905                                              | 1,905                                   |
| Loans and advances to customers                                                              |      | 34,223                                             | 34,223                                  | 34,976                                             | 34,976                                  |
| Investment securities                                                                        | d    | 16,494                                             | 16,494                                  | 15,114                                             | 15,114                                  |
| Investment property                                                                          |      | 60                                                 | 60                                      | 68                                                 | 68                                      |
| Associates and Joint Ventures accounted for equity method investments                        | c, d | 175                                                | 175                                     | 176                                                | 176                                     |
| Software                                                                                     | c    | 524                                                | 524                                     | 481                                                | 481                                     |
| Property and equipment                                                                       |      | 1,339                                              | 1,339                                   | 1,561                                              | 1,561                                   |
| Deferred tax assets (DTAs)                                                                   |      | 4,346                                              | 4,346                                   | 4,508                                              | 4,508                                   |
| of which: DTAs that rely on future profitability and arise from temporary differences        | e    | 637                                                | 637                                     | 701                                                | 701                                     |
| of which: DTAs that rely on future profitability and do not arise from temporary differences | f    | 3                                                  | 3                                       | 3                                                  | 3                                       |
| of which: DTAs that do not rely on future profitability                                      |      | 3,706                                              | 3,706                                   | 3,804                                              | 3,804                                   |
| Current tax asset                                                                            |      | 220                                                | 220                                     | 225                                                | 225                                     |
| Other assets                                                                                 |      | 1,919                                              | 1,919                                   | 2,388                                              | 2,388                                   |
| Non-current assets held for sale                                                             |      | 695                                                | 695                                     | 443                                                | 443                                     |
| Total assets                                                                                 |      | 74,584                                             | 74,553                                  | 72,849                                             | 72,849                                  |
| LIABILITIES                                                                                  |      |                                                    |                                         |                                                    |                                         |
| Due to banks                                                                                 |      | 3,800                                              | 3,800                                   | 3,374                                              | 3,374                                   |
| Derivative financial instruments                                                             |      | 1,414                                              | 1,414                                   | 1,883                                              | 1,883                                   |
| Due to customers                                                                             |      | 57,126                                             | 57,126                                  | 55,671                                             | 55,671                                  |
| Debt securities in issue                                                                     |      | 2,323                                              | 2,323                                   | 1,793                                              | 1,793                                   |
| Other borrowed funds                                                                         |      | 96                                                 | 96                                      | 69                                                 | 69                                      |
| Deferred tax liabilities                                                                     |      | 15                                                 | 15                                      | 15                                                 | 15                                      |
| Retirement benefit obligations                                                               |      | 248                                                | 248                                     | 225                                                | 225                                     |
| Current income tax liabilities                                                               |      | 6                                                  | 6                                       | 4                                                  | 4                                       |
| Other liabilities                                                                            |      | 1,876                                              | 1,845                                   | 2,731                                              | 2,731                                   |
| Liabilities associated with non-current assets held for sale                                 |      | 28                                                 | 28                                      | 25                                                 | 25                                      |
| Total liabilities                                                                            |      | 66,932                                             | 66,901                                  | 65,790                                             | 65,790                                  |
| SHAREHOLDERS' EQUITY                                                                         |      |                                                    |                                         |                                                    |                                         |
| Share capital                                                                                |      | 915                                                | 915                                     | 915                                                | 915                                     |
| Share premium account                                                                        |      | 3,542                                              | 3,542                                   | 3,542                                              | 3,542                                   |
| Less: treasury shares                                                                        |      | (2)                                                | (2)                                     | 0                                                  | 0                                       |
| Reserves and retained earnings                                                               |      | 3,171                                              | 3,171                                   | 2,578                                              | 2,578                                   |
| Equity attributable to NBG shareholders                                                      | a    | 7,626                                              | 7,626                                   | 7,035                                              | 7,035                                   |
| Non-controlling interests                                                                    | b    | 26                                                 | 26                                      | 24                                                 | 24                                      |
| Total equity                                                                                 |      | 7,652                                              | 7,652                                   | 7,059                                              | 7,059                                   |
| Total equity and liabilities                                                                 |      | 74,584                                             | 74,553                                  | 72,849                                             | 72,849                                  |

## REGULATORY OWN FUNDS AND PRUDENTIAL REQUIREMENTS

### 5.3 Balance sheet reconciliation between financial and regulatory reporting

The table below presents the differences between accounting and regulatory scopes of consolidation and the mapping of financial statement categories with regulatory risk categories. References in this table link to the corresponding references in table “Own Funds Structure”, identifying balances relating to own funds calculation.

**Table 6:** EU LI1 - Differences between accounting and regulatory scopes of consolidation and the mapping of financial statement categories with regulatory risk categories

| € mio                                                                                        | Ref  | a<br>Accounting<br>Balance<br>Sheet | b<br>Regulatory<br>Balance<br>Sheet | c<br>Subject to the<br>credit risk<br>framework | d<br>Subject to<br>the CCR<br>framework | e<br>Subject to the<br>securitization<br>framework | f<br>Subject to the<br>market risk<br>framework | g<br>Not subject to<br>capital<br>requirements or<br>subject to deduction<br>from capital |
|----------------------------------------------------------------------------------------------|------|-------------------------------------|-------------------------------------|-------------------------------------------------|-----------------------------------------|----------------------------------------------------|-------------------------------------------------|-------------------------------------------------------------------------------------------|
| <b>ASSETS</b>                                                                                |      |                                     |                                     |                                                 |                                         |                                                    |                                                 |                                                                                           |
| Cash and balances with central banks                                                         |      | 9,015                               | 9,015                               | 9,015                                           |                                         |                                                    |                                                 |                                                                                           |
| Due from banks <sup>(1), (2), (3)</sup>                                                      |      | 2,793                               | 2,793                               | 2,074                                           | 915                                     |                                                    | 534                                             |                                                                                           |
| Financial assets at fair value through profit or loss                                        |      | 707                                 | 676                                 | 6                                               |                                         |                                                    | 670                                             |                                                                                           |
| Derivative financial instruments <sup>(2), (3)</sup>                                         |      | 2,074                               | 2,074                               | 0                                               | 2,074                                   |                                                    | 1,975                                           |                                                                                           |
| Loans and advances to customers                                                              |      | 34,223                              | 34,223                              | 30,487                                          | 1,000                                   | 2,602                                              |                                                 | 134                                                                                       |
| Investment securities                                                                        | d    | 16,494                              | 16,494                              | 16,217                                          |                                         | 277                                                |                                                 |                                                                                           |
| Investment property                                                                          |      | 60                                  | 60                                  | 60                                              |                                         |                                                    |                                                 |                                                                                           |
| Associates and Joint Ventures accounted for equity method investments                        | c, d | 175                                 | 175                                 | 30                                              |                                         |                                                    |                                                 | 145                                                                                       |
| Software                                                                                     | c    | 524                                 | 524                                 | 164                                             |                                         |                                                    |                                                 | 360                                                                                       |
| Property and equipment                                                                       |      | 1,339                               | 1,339                               | 1,339                                           |                                         |                                                    |                                                 |                                                                                           |
| Deferred tax assets (DTAs)                                                                   |      | 4,346                               | 4,346                               | 4,343                                           |                                         |                                                    |                                                 | 3                                                                                         |
| of which: DTAs that rely on future profitability and arise from temporary differences        | e    | 637                                 | 637                                 | 637                                             |                                         |                                                    |                                                 |                                                                                           |
| of which: DTAs that rely on future profitability and do not arise from temporary differences | f    | 3                                   | 3                                   | 0                                               |                                         |                                                    |                                                 | 3                                                                                         |
| of which: DTAs that do not rely on future profitability                                      |      | 3,706                               | 3,706                               | 3,706                                           |                                         |                                                    |                                                 |                                                                                           |
| Current tax asset                                                                            |      | 220                                 | 220                                 | 220                                             |                                         |                                                    |                                                 |                                                                                           |
| Other assets                                                                                 |      | 1,919                               | 1,919                               | 1,466                                           |                                         |                                                    | 425                                             | 28                                                                                        |
| Non-current assets held for sale                                                             |      | 695                                 | 695                                 | 695                                             |                                         |                                                    |                                                 |                                                                                           |
| <b>Total assets <sup>(1), (2), (3)</sup></b>                                                 |      | <b>74,584</b>                       | <b>74,553</b>                       | <b>66,116</b>                                   | <b>3,989</b>                            | <b>2,879</b>                                       | <b>3,604</b>                                    | <b>670</b>                                                                                |

1. The fair value of OTC derivatives is presented under the Derivative Asset or Derivative Liability line in the Balance Sheet and Derivatives used for Hedge Accounting respectively while the fair value of derivatives with CCPs is netted with the respective cash collateral received or paid to the respective counterparty, and the net amount is presented in the Balance Sheet line “Due from Banks” (column b). On the other hand, in columns (d) and (f) the fair value of derivatives with CCPs is depicted.

Respectively for Repos and Reverse repos performed at the same date with the same counterparty and the same maturity date and for almost the same amount, we follow the same

netting approach in line with IAS 32 paragraph 42, in the Balance sheet line “Due from Banks”.

The latter approach is in line with the IFRS accounting framework and in particular with IAS 32 paragraph 42.

2. Items in the trading book portfolio are subject to both Market and Counterparty Credit Risk frameworks.
3. The derivative financial instruments that are subject to the Market Risk framework are those held with a trading intent, thus included in the daily, regulatory, VaR and stressed VaR calculations. The remaining derivative transactions are used either as economic hedges or they are part of an accounting hedge relationship of banking book items.

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**Table 6:** EU LI1 - Differences between accounting and regulatory scopes of consolidation and the mapping of financial statement categories with regulatory risk categories (*continued*)

| € mio                                                        | Ref      | a<br>Accounting<br>Balance<br>Sheet | b<br>Regulatory<br>Balance<br>Sheet | c<br>Subject to<br>the credit<br>risk<br>framework | d<br>Subject to<br>the CCR<br>framework | e<br>Subject to the<br>securitization<br>framework | f<br>Subject to<br>the market<br>risk<br>framework | g<br>Not subject to<br>capital<br>requirements<br>or subject to<br>deduction<br>from capital |
|--------------------------------------------------------------|----------|-------------------------------------|-------------------------------------|----------------------------------------------------|-----------------------------------------|----------------------------------------------------|----------------------------------------------------|----------------------------------------------------------------------------------------------|
| <b>LIABILITIES</b>                                           |          |                                     |                                     |                                                    |                                         |                                                    |                                                    |                                                                                              |
| Due to banks                                                 |          | 3,800                               | 3,800                               |                                                    | 110                                     |                                                    |                                                    |                                                                                              |
| Derivative financial instruments                             |          | 1,414                               | 1,414                               |                                                    | 1,413                                   |                                                    | 1,070                                              |                                                                                              |
| Due to customers                                             |          | 57,126                              | 57,126                              |                                                    |                                         |                                                    |                                                    |                                                                                              |
| Debt securities in issue                                     |          | 2,323                               | 2,323                               |                                                    |                                         |                                                    |                                                    |                                                                                              |
| Other borrowed funds                                         |          | 96                                  | 96                                  |                                                    |                                         |                                                    |                                                    |                                                                                              |
| Deferred tax liabilities                                     |          | 15                                  | 15                                  |                                                    |                                         |                                                    |                                                    |                                                                                              |
| Retirement benefit obligations                               |          | 248                                 | 248                                 |                                                    |                                         |                                                    |                                                    |                                                                                              |
| Current income tax liabilities                               |          | 6                                   | 6                                   |                                                    |                                         |                                                    |                                                    |                                                                                              |
| Other liabilities                                            |          | 1,876                               | 1,845                               |                                                    |                                         |                                                    |                                                    |                                                                                              |
| Liabilities associated with non-current assets held for sale |          | 28                                  | 28                                  |                                                    |                                         |                                                    |                                                    |                                                                                              |
| <b>Total liabilities</b>                                     |          | <b>66,932</b>                       | <b>66,901</b>                       | <b>0</b>                                           | <b>1,524</b>                            | <b>0</b>                                           | <b>1,070</b>                                       | <b>0</b>                                                                                     |
| <b>SHAREHOLDERS' EQUITY</b>                                  |          |                                     |                                     |                                                    |                                         |                                                    |                                                    |                                                                                              |
| Share capital                                                |          | 915                                 | 915                                 |                                                    |                                         |                                                    |                                                    | 915                                                                                          |
| Share premium account                                        |          | 3,542                               | 3,542                               |                                                    |                                         |                                                    |                                                    | 3,542                                                                                        |
| Less: treasury shares                                        |          | -2                                  | -2                                  |                                                    |                                         |                                                    |                                                    | -2                                                                                           |
| Reserves and retained earnings                               |          | 3,171                               | 3,171                               |                                                    |                                         |                                                    |                                                    | 3,171                                                                                        |
| <b>Equity attributable to NBG shareholders</b>               | <b>a</b> | <b>7,626</b>                        | <b>7,626</b>                        | <b>0</b>                                           | <b>0</b>                                | <b>0</b>                                           | <b>0</b>                                           | <b>7,626</b>                                                                                 |
| Non-controlling interests                                    | <b>b</b> | 26                                  | 26                                  |                                                    |                                         |                                                    |                                                    | 26                                                                                           |
| <b>Total equity</b>                                          |          | <b>7,652</b>                        | <b>7,652</b>                        | <b>0</b>                                           | <b>0</b>                                | <b>0</b>                                           | <b>0</b>                                           | <b>7,652</b>                                                                                 |
| <b>Total equity and liabilities</b>                          |          | <b>74,584</b>                       | <b>74,553</b>                       | <b>0</b>                                           | <b>1,524</b>                            | <b>0</b>                                           | <b>1,070</b>                                       | <b>7,652</b>                                                                                 |

**Table 7:** EU LI2 - Main sources of differences between regulatory exposure amounts and carrying values in financial statements

| € mio                                                                                            | a<br>Total    | b<br>Subject to the<br>credit risk<br>framework | c<br>Subject to the<br>CCR framework | d<br>Subject to the<br>securitization<br>framework | e<br>Subject to the<br>market risk<br>framework |
|--------------------------------------------------------------------------------------------------|---------------|-------------------------------------------------|--------------------------------------|----------------------------------------------------|-------------------------------------------------|
| <b>1 Assets carrying value amount under the scope of regulatory consolidation</b>                | <b>74,553</b> | <b>66,116</b>                                   | <b>3,989</b>                         | <b>2,879</b>                                       | <b>3,604</b>                                    |
| <b>2 Liabilities carrying value amount under the regulatory scope of consolidation</b>           | <b>66,901</b> |                                                 | <b>1,524</b>                         | <b>0</b>                                           | <b>1,070</b>                                    |
| <b>3 Total net amount under the regulatory scope of consolidation</b>                            | <b>7,652</b>  | <b>66,116</b>                                   | <b>2,465</b>                         | <b>2,879</b>                                       | <b>2,534</b>                                    |
| <b>4 Off-balance-sheet amounts</b>                                                               | <b>18,096</b> | <b>1,246</b>                                    |                                      |                                                    |                                                 |
| <b>5 Differences in valuations</b>                                                               |               |                                                 |                                      |                                                    |                                                 |
| <b>6 Differences due to different netting values, other than those already included in row 2</b> |               |                                                 |                                      |                                                    |                                                 |
| <b>7 Differences due to consideration of provisions</b>                                          |               | 0                                               |                                      |                                                    |                                                 |
| <b>8 Differences due to prudential filters</b>                                                   |               |                                                 |                                      |                                                    |                                                 |
| <b>9 Other adjustments related to credit risk mitigation techniques</b>                          |               | 1,778                                           |                                      | (2,548)                                            |                                                 |
| <b>10 Exposure amounts considered for regulatory purposes</b>                                    |               | <b>69,140</b>                                   |                                      | <b>331</b>                                         |                                                 |



## REGULATORY OWN FUNDS AND PRUDENTIAL REQUIREMENTS

## 5.4 Regulatory vs accounting consolidation

All Group subsidiaries (companies which the Bank controls either directly or indirectly, regardless of their line of business) are consolidated in accordance with International Financial Reporting Standards (IFRS). For further information please refer to Note 2.4 of the 2023 Annual Financial Report.

In accordance with the regulatory requirements for consolidation as defined by the CRR and CRD IV, Group subsidiaries that are classified as banks, financial institutions or supplementary service providers are consolidated under the regulatory scope of consolidation. In addition, subsidiaries that

are not fully consolidated for regulatory purposes (e.g. insurance entities) are required to be accounted by applying the equity method.

The table below provides information regarding the consolidation method applied for each entity within the accounting and the regulatory scopes of consolidation.

In addition, participations exceeding 10% in the share capital or voting rights in financial sector entities (including insurance companies) are deducted from Common Equity Tier I capital (CET1) if exceeding threshold rules set in CRR.

**Table 8: EU LI3 - Outline of the differences in the scope of consolidation**

| Name of entity                                             | Method of accounting consolidation | Method of regulatory consolidation | Description of the entity              |
|------------------------------------------------------------|------------------------------------|------------------------------------|----------------------------------------|
| National Bank of Greece (Cyprus) Ltd                       | Full                               | Full                               | Financial Institution                  |
| Merbolium Limited (Special Purpose Entity)                 | Full                               | Full                               | Special Purpose Entity                 |
| Cortelians Limited (Special Purpose Entity)                | Full                               | Full                               | Special Purpose Entity                 |
| Ovelicum Ltd (Special Purpose Entity)                      | Full                               | Full                               | Special Purpose Entity                 |
| Pacolia Holdings Ltd (Special Purpose Entity)              | Full                               | Full                               | Special Purpose Entity                 |
| NBG Malta Ltd <sup>(1)</sup>                               | Full                               | Full                               | Financial Institution                  |
| Stopanska Banka A.D. -Skopje                               | Full                               | Full                               | Financial Institution                  |
| Stopanska Leasing DOOEL Skopje                             | Full                               | Full                               | Financial Leasing                      |
| National Securities Single Member S.A.                     | Full                               | Full                               | Capital Markets & Investment Services  |
| National Securities Co (Cyprus) Ltd <sup>(1)</sup>         | Full                               | Full                               | Capital Markets Services               |
| EKTENEPOL Construction Company Single Member S.A.          | Full                               | Full                               | Construction Company                   |
| Ethniki Factors S.A.                                       | Full                               | Full                               | Factoring Company                      |
| Ethniki Leasing S.A.                                       | Full                               | Full                               | Financial Leasing                      |
| NBG Leasing S.R.L.                                         | Full                               | Full                               | Financial Leasing                      |
| Probank Leasing S.A. <sup>(2)</sup>                        | Full                               | Full                               | Financial Leasing                      |
| NBG Finance (Dollar) Plc <sup>(1)</sup>                    | Full                               | Full                               | Financial Services                     |
| NBG Finance (Sterling) Plc <sup>(1)</sup>                  | Full                               | Full                               | Financial Services                     |
| NBG Finance Plc                                            | Full                               | Full                               | Financial Services                     |
| NBG International Ltd                                      | Full                               | Full                               | Financial Services                     |
| NBG Greek Fund Ltd                                         | Full                               | Full                               | Fund Management                        |
| NBG Asset Management Luxembourg S.A.                       | Full                               | Full                               | Holding Company                        |
| NBG International Holdings B.V.                            | Full                               | Full                               | Holding Company                        |
| NBG Malta Holdings Ltd <sup>(1)</sup>                      | Full                               | Full                               | Holding Company                        |
| NBG Insurance Brokers S.A.                                 | Full                               | Full                               | Insurance Brokerage and Other Services |
| NBG Management Services Ltd                                | Full                               | Full                               | Management Services                    |
| NBG Asset Management Mutual Funds S.A.                     | Full                               | Full                               | Mutual Funds Management                |
| NBGI Private Equity Ltd <sup>(1)</sup>                     | Full                               | Full                               | Private Equity                         |
| DIONYSOS S.A.                                              | Full                               | Full                               | Real Estate Services                   |
| Ethniki Ktimatiki Ekmetalefsis Single Member S.A.          | Full                               | Full                               | Real Estate Services                   |
| Hellenic Touristic Constructions S.A.                      | Full                               | Full                               | Real Estate Services                   |
| KADMOS S.A.                                                | Full                               | Full                               | Real Estate Services                   |
| Mortgage Touristic PROTYPOS Single Member S.A.             | Full                               | Full                               | Real Estate Services                   |
| NBG Property Services Single Member S.A.                   | Full                               | Full                               | Real Estate Services                   |
| ARC Management One SRL                                     | Full                               | Full                               | Special Purpose Entity                 |
| ARC Management Two EAD                                     | Full                               | Full                               | Special Purpose Entity                 |
| Bankteco EOOD                                              | Full                               | Full                               | Information Technology Services        |
| Pronomiouchos Single Member S.A. Genikon Apothikon Ellados | Full                               | Full                               | Warehouse activities                   |
| GRECO YOTA SINGLE MEMBER S.A. <sup>(3)</sup>               | Full                               | Full                               | Real Estate Services                   |
| Social Securities Funds Management S.A.                    | Equity Method                      | Equity Method                      | Associate Company                      |
| Larco S.A.                                                 | Equity Method                      | Equity Method                      | Associate Company                      |
| Eviop Tempo S.A.                                           | Equity Method                      | Equity Method                      | Associate Company                      |
| Teiresias S.A.                                             | Equity Method                      | Equity Method                      | Associate Company                      |
| Planet S.A.                                                | Equity Method                      | Equity Method                      | Associate Company                      |
| Pyrrichos Real Estate S.A.                                 | Equity Method                      | Equity Method                      | Associate Company                      |
| Sato S.A.                                                  | Equity Method                      | Equity Method                      | Associate Company                      |
| Olganos S.A.                                               | Equity Method                      | Equity Method                      | Associate Company                      |
| NBG Pay S.M.S.A.                                           | Equity Method                      | Equity Method                      | Associate Company                      |
| Perigenis Business Properties S.A.                         | Equity Method                      | Equity Method                      | Associate Company                      |

<sup>(1)</sup> Under Liquidation.

<sup>(2)</sup> The entity has been reclassified to Non-current assets held for sale.

<sup>(3)</sup> On 1 August 2023 was completed, by NBG Group, the acquisition of 100% of the issued share capital of GRECO YOTA SINGLE MEMBER S.A. which is the owner of a building at 74, Piraeus Str.

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REGULATORY OWN FUNDS AND PRUDENTIAL REQUIREMENTS

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There is no NBG Group subsidiary or associate, which is proportionately consolidated for regulatory or accounting purposes.

Based on the current regulatory framework there is no substantial, practical or legal incapacity in capital transfers or payment of obligations between parent Bank and its subsidiaries. The time of full repayment of the subordinated loans, which have already been granted by the parent Bank to its subsidiaries, has been notified to the appropriate Supervisory Authorities and abides by the relative regulations of each country. Potential early prepayment of the above mentioned loans requires prior permission from appropriate Regulatory Authorities.

**I-Bank Direct S.A.**

The liquidation of the entity was completed during the year.

## REGULATORY OWN FUNDS AND PRUDENTIAL REQUIREMENTS

## 5.5 Structure of own funds

**Regulatory capital**, according to CRR rules falls into two categories: Tier 1 and Tier 2 capital. Tier 1 capital is further divided into Common Equity Tier 1 (CET1) capital and Additional Tier 1 capital.

**CET1 capital** includes the Bank's ordinary shareholders' equity, share premium, reserves and retained earnings and minority interest allowed in consolidated CET1.

The following items are deducted from the above:

- positive or negative adjustments in the fair value of financial derivatives used for cash flow hedging;
- fair value gains and losses arising from the institution's own credit risk related to derivative liabilities;

- prudent valuation adjustment calculated according to article 105 of Regulation (EU) No 575/2013
- goodwill and intangibles;
- deferred tax assets not arising from temporary differences;
- deferred tax assets arising from temporary differences; and significant investments that exceed 10%/17.65% of CET1 filter.

**Tier 2 capital** includes the issuance of a Tier 2 note, totalling €900 million.

The following table presents the analysis of NBG Group's regulatory capital structure.

Table 9: Own Funds Structure

| Group's Own Funds Structure (€ mio)                                                                               | Q4 23*       | Q3 23        | Q3 23*       |
|-------------------------------------------------------------------------------------------------------------------|--------------|--------------|--------------|
| <b>Shareholders' Equity per balance sheet</b>                                                                     | <b>7,626</b> | <b>7,263</b> | <b>7,263</b> |
| <b>Non-controlling interests</b>                                                                                  | <b>14</b>    | <b>13</b>    | <b>13</b>    |
| <i>Non-controlling interests per balance sheet</i>                                                                | 26           | 25           | 25           |
| <i>Non-controlling interests not recognized in CET1</i>                                                           | (12)         | (12)         | (12)         |
| <b>Regulatory Adjustments</b>                                                                                     | <b>(402)</b> | <b>(927)</b> | <b>(206)</b> |
| <i>Profit for the period not eligible</i>                                                                         | (332)        | (791)        | 0            |
| <i>IFRS9 transitional arrangements</i>                                                                            | 0            | 0            | 0            |
| <i>Own credit risk</i>                                                                                            | (29)         | (31)         | (31)         |
| <i>Prudent valuation adjustment</i>                                                                               | (10)         | (12)         | (12)         |
| <i>Cash flow hedging reserve</i>                                                                                  | (3)          | 1            | 1            |
| <i>Other regulatory adjustments</i>                                                                               | (28)         | (94)         | (164)        |
| <b>Deductions</b>                                                                                                 | <b>(508)</b> | <b>(599)</b> | <b>(527)</b> |
| <i>Goodwill and other intangibles</i>                                                                             | (505)        | (508)        | (508)        |
| <i>Deferred tax assets that rely on future profitability (excluding those arising from temporary differences)</i> | (3)          | (3)          | (3)          |
| <i>Deferred tax assets that rely on future profitability and arise from temporary differences</i>                 | 0            | (88)         | (16)         |
| <b>Common Equity Tier 1 Capital (CET1)</b>                                                                        | <b>6,730</b> | <b>5,750</b> | <b>6,543</b> |
| <b>Additional Tier 1 Capital (AT1)</b>                                                                            | <b>0</b>     | <b>0</b>     | <b>0</b>     |
| <b>Total Tier 1 Capital</b>                                                                                       | <b>6,730</b> | <b>5,750</b> | <b>6,543</b> |
| <b>Capital instruments and subordinated loans eligible as Tier 2 Capital</b>                                      | <b>900</b>   | <b>900</b>   | <b>900</b>   |
| <b>Deductions</b>                                                                                                 | <b>0</b>     | <b>0</b>     | <b>0</b>     |
| <b>Tier 2 Capital</b>                                                                                             | <b>900</b>   | <b>900</b>   | <b>900</b>   |
| <b>Total Regulatory Capital</b>                                                                                   | <b>7,630</b> | <b>6,650</b> | <b>7,443</b> |

\* including profit for the period

The main features of capital instruments issued by the Group are presented in the table below.

## REGULATORY OWN FUNDS AND PRUDENTIAL REQUIREMENTS

Table 10: EU CCA - Capital Instruments main features

| Capital instruments' main features template |                                                                                                               |                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | € mio                                                                                                                                                                                                               |
|---------------------------------------------|---------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1                                           | Issuer                                                                                                        | National Bank of Greece, S. A. (Greece)                                                                                                                                                                                                                     | National Bank of Greece S.A.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | National Bank of Greece S.A.                                                                                                                                                                                        |
| 2                                           | Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)                              | GRS003003035                                                                                                                                                                                                                                                | XS2028846363                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | XS2595343059                                                                                                                                                                                                        |
| 2a                                          | Public or private placement                                                                                   | Public                                                                                                                                                                                                                                                      | Public                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Public                                                                                                                                                                                                              |
| 3                                           | Governing law(s) of the instrument                                                                            | Greek                                                                                                                                                                                                                                                       | English law, save that subordination provisions applicable to the Notes and provisions on statutory loss absorption powers will be governed by, and construed in accordance with, the laws of the Hellenic Republic                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | English law, save that subordination provisions applicable to the Notes and provisions on statutory loss absorption powers will be governed by, and construed in accordance with, the laws of the Hellenic Republic |
| 3a                                          | Contractual recognition of write down and conversion powers of resolution authorities                         | N/A                                                                                                                                                                                                                                                         | Yes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Yes                                                                                                                                                                                                                 |
| 4                                           | Transitional CRR rules                                                                                        | Common Equity Tier 1                                                                                                                                                                                                                                        | Tier2                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Tier2                                                                                                                                                                                                               |
| 5                                           | Post-transitional CRR rules                                                                                   | Common Equity Tier 1                                                                                                                                                                                                                                        | Tier2                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Tier 2                                                                                                                                                                                                              |
| 6                                           | Eligible at solo/(sub-)consolidated/solo & (sub-)consolidated                                                 | Solo & Consolidated                                                                                                                                                                                                                                         | Solo & Consolidated                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Solo & Consolidated                                                                                                                                                                                                 |
| 7                                           | Instrument type (types to be specified by each jurisdiction)                                                  | Ordinary Shares                                                                                                                                                                                                                                             | Tier 2                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Tier 2                                                                                                                                                                                                              |
| 8                                           | Amount recognized in regulatory capital (currency in million, as of most recent reporting date)               | 915                                                                                                                                                                                                                                                         | 400                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 500                                                                                                                                                                                                                 |
| 9                                           | Nominal amount of instrument                                                                                  | 915 (914,715,153 shares @ €1.00 each)                                                                                                                                                                                                                       | 400                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 500                                                                                                                                                                                                                 |
| 9a                                          | Issue price                                                                                                   | -                                                                                                                                                                                                                                                           | 100%                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 100,057%                                                                                                                                                                                                            |
| 9b                                          | Redemption price                                                                                              | -                                                                                                                                                                                                                                                           | 100%                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 100%                                                                                                                                                                                                                |
| 10                                          | Accounting classification                                                                                     | Share Capital                                                                                                                                                                                                                                               | Liability                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Liability                                                                                                                                                                                                           |
| 11                                          | Original date of issuance                                                                                     | Various                                                                                                                                                                                                                                                     | 18/7/2019                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 3/10/2023                                                                                                                                                                                                           |
| 12                                          | Perpetual or dated                                                                                            | Perpetual                                                                                                                                                                                                                                                   | Dated                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Dated                                                                                                                                                                                                               |
| 13                                          | Original maturity date                                                                                        | -                                                                                                                                                                                                                                                           | 18/7/2029                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 3/1/2034                                                                                                                                                                                                            |
| 14                                          | Issuer call subject to prior supervisory approval                                                             | N/A                                                                                                                                                                                                                                                         | Yes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Yes                                                                                                                                                                                                                 |
| 15                                          | Optional call date, contingent call dates, and redemption amount                                              | N/A                                                                                                                                                                                                                                                         | 18/7/2024                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Any date during the period from (and including) 3/10/28 to (but excluding) the First Rest Date 3/1/2029                                                                                                             |
| 16                                          | Subsequent call dates, if applicable                                                                          | N/A                                                                                                                                                                                                                                                         | No                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | No                                                                                                                                                                                                                  |
| 17                                          | Coupons / dividends                                                                                           | N/A                                                                                                                                                                                                                                                         | Fixed Coupon                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Fixed Coupon                                                                                                                                                                                                        |
| 18                                          | Fixed or floating dividend/coupon                                                                             | N/A                                                                                                                                                                                                                                                         | 8.25% MS (-0.214%) + Reset Margin (+8.464%)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 8% MS (3.354%) + Reset Margin (+4.646%)                                                                                                                                                                             |
| 19                                          | Coupon rate and any related index                                                                             | N/A                                                                                                                                                                                                                                                         | No                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | No                                                                                                                                                                                                                  |
| 20                                          | Existence of a dividend stopper                                                                               | N/A                                                                                                                                                                                                                                                         | No                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | No                                                                                                                                                                                                                  |
| 20a                                         | Fully discretionary, partially discretionary or mandatory (in terms of timing)                                | partially discretionary                                                                                                                                                                                                                                     | Mandatory                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Mandatory                                                                                                                                                                                                           |
| 20b                                         | Fully discretionary, partially discretionary or mandatory (in terms of amount)                                | partially discretionary                                                                                                                                                                                                                                     | Mandatory                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Mandatory                                                                                                                                                                                                           |
| 21                                          | Existence of step up or other incentive to redeem                                                             | No                                                                                                                                                                                                                                                          | No                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | No                                                                                                                                                                                                                  |
| 22                                          | Noncumulative or cumulative                                                                                   | Non cumulative                                                                                                                                                                                                                                              | Non-Cumulative                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Non-Cumulative                                                                                                                                                                                                      |
| 23                                          | Convertible or non-convertible                                                                                | Non convertible                                                                                                                                                                                                                                             | Non-Convertible                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Non-Convertible                                                                                                                                                                                                     |
| 24                                          | If convertible, conversion trigger (s)                                                                        | N/A                                                                                                                                                                                                                                                         | N/A                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | N/A                                                                                                                                                                                                                 |
| 25                                          | If convertible, fully or partially                                                                            | N/A                                                                                                                                                                                                                                                         | N/A                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | N/A                                                                                                                                                                                                                 |
| 26                                          | If convertible, conversion rate                                                                               | N/A                                                                                                                                                                                                                                                         | N/A                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | N/A                                                                                                                                                                                                                 |
| 27                                          | If convertible, mandatory or optional conversion                                                              | N/A                                                                                                                                                                                                                                                         | N/A                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | N/A                                                                                                                                                                                                                 |
| 28                                          | If convertible, specify instrument type convertible into                                                      | N/A                                                                                                                                                                                                                                                         | N/A                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | N/A                                                                                                                                                                                                                 |
| 29                                          | If convertible, specify issuer of instrument it converts into                                                 | N/A                                                                                                                                                                                                                                                         | N/A                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | N/A                                                                                                                                                                                                                 |
| 30                                          | Write-down features                                                                                           | No                                                                                                                                                                                                                                                          | No                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | No                                                                                                                                                                                                                  |
| 31                                          | If write-down, write-down trigger (s)                                                                         | N/A                                                                                                                                                                                                                                                         | N/A                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | N/A                                                                                                                                                                                                                 |
| 32                                          | If write-down, full or partial                                                                                | N/A                                                                                                                                                                                                                                                         | N/A                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | N/A                                                                                                                                                                                                                 |
| 33                                          | If write-down, permanent or temporary                                                                         | N/A                                                                                                                                                                                                                                                         | N/A                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | N/A                                                                                                                                                                                                                 |
| 34                                          | If temporary write-down, description of write-up mechanism                                                    | N/A                                                                                                                                                                                                                                                         | N/A                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | N/A                                                                                                                                                                                                                 |
| 34a                                         | Type of subordination (only for eligible liabilities)                                                         | N/A                                                                                                                                                                                                                                                         | N/A                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | N/A                                                                                                                                                                                                                 |
| 34b                                         | Ranking of the instrument in normal insolvency proceedings                                                    | 1                                                                                                                                                                                                                                                           | 3                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 3                                                                                                                                                                                                                   |
| 35                                          | Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument) | Additional Tier 1                                                                                                                                                                                                                                           | <p>The Notes constitute direct, unsecured and subordinated obligations of the Issuer and rank at all times (i) pari passu without any preference among themselves and pari passu with all other present and future subordinated and unsecured obligations of the relevant Issuer which rank or are expressed to rank pari passu with the Subordinated Notes, (ii) junior to present and future obligations of the relevant Issuer in respect of Unsubordinated Notes and Unsubordinated MREL Notes (and all other present and future obligations of the relevant Issuer which rank or are expressed to rank pari passu with Unsubordinated Notes and Unsubordinated MREL Notes) and Senior Non-Preferred Notes (and all other present and future obligations of the relevant Issuer which rank or are expressed to rank senior to the Subordinated Notes, including (where the relevant Issuer is the Bank) deposits of the Bank and (iii) in priority to present and future subordinated and unsecured obligations of the relevant Issuer (A) which rank or are expressed to rank junior to the Subordinated Notes and (B) in respect of the share capital of such Issuer.</p> <p>The Subordinated Notes constitute direct, unsecured and subordinated obligations of the Issuer and rank at all times (i) subject to mandatory provisions of law, pari passu without any preference among themselves and pari passu with all other present and future subordinated and unsecured obligations of the Issuer which rank or are expressed to rank pari passu with the Subordinated Notes, (ii) junior to present and future obligations of the Issuer in respect of Unsubordinated Notes and Unsubordinated MREL Notes (and all other present and future obligations of the Issuer which rank or are expressed to rank pari passu with Unsubordinated Notes and Unsubordinated MREL Notes) and Senior Non-Preferred Notes (and all other present and future obligations of the Issuer which rank or are expressed to rank senior to the Subordinated Notes, including deposits of the Bank and (iii) in priority to present and future subordinated and unsecured obligations of the Issuer (A) which rank or are expressed to rank junior to the Subordinated Notes and (B) in respect of the share capital of the Issuer.</p> |                                                                                                                                                                                                                     |
| 36                                          | Non-compliant transitioned features                                                                           | No                                                                                                                                                                                                                                                          | No                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | No                                                                                                                                                                                                                  |
| 37                                          | If yes, specify non-compliant features                                                                        | N/A                                                                                                                                                                                                                                                         | N/A                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | N/A                                                                                                                                                                                                                 |
| 37                                          | Link to the full term and conditions of the instrument (signposting)                                          | <a href="https://www.nbg.gr/english/the-group/corporate-governance/regulations-principles/Documents/ARTICLES_OF_ASSOCIATION.pdf">https://www.nbg.gr/english/the-group/corporate-governance/regulations-principles/Documents/ARTICLES_OF_ASSOCIATION.pdf</a> | Medium Term Notes   NBG                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Medium Term Notes   NBG                                                                                                                                                                                             |

## REGULATORY OWN FUNDS AND PRUDENTIAL REQUIREMENTS

## 5.6 IFRS 9 impact on own funds

On 12 December 2017 the European Parliament and the Council of the European Union adopted Regulation (EU) 2017/2395 (the "Regulation"), which amended Regulation 575/2013 with Article 473a, allowing credit institutions to gradually apply the impact of the application of IFRS 9 to own funds.

In particular, upon adoption of IFRS 9, credit institutions were allowed to include in the Common Equity Tier 1 capital (CET1), a portion of the increased ECL provisions over a 5-year transitional period starting in 2018. The transitional period ended on 1 January 2023 and the full impact of IFRS9 is included in Q1.23 and onwards own funds.

In addition, according to the amendments of IFRS9 transitional arrangements due to CRR II "quickfix", transitional period was extended in order to mitigate the impact on own funds from the potential sudden increase in ECL allowance. More specifically,

the reference date for any increase in ECL allowance (the "dynamic component"), was moved to 1 January 2020 and the CET1 add-back percentages for the new ECL provisions recognized in 2020 were set to:

- 1.00 during the period from 01/01/2020 – 31/12/2021
- 0.75 during the period from 01/01/2022 – 31/12/2022
- 0.50 during the period from 01/01/2023 – 31/12/2023
- 0.25 during the period from 01/01/2024 – 31/12/2024.

Furthermore, the calculation of the RWAs according to the reduction of the ECL provisions by the scaling factor (sf) was replaced by the application of a standard risk weight of 100% to the amounts added back to CET1 capital.

The table below presents a comparison of own funds, capital ratios and leverage ratios with and without the application of transitional arrangements for IFRS 9 or analogous ECLs.

Table 11: IFRS 9 impact

| Comparison of own funds, capital ratios and leverage ratios with and without the application of transitional arrangements for IFRS 9 or analogous ECLs |        |        |        |        |        |        |        | € mio  |
|--------------------------------------------------------------------------------------------------------------------------------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|
|                                                                                                                                                        | Q4 23* | Q3 23  | Q3 23* | Q2 23  | Q2 23* | Q1 23  | Q1 23* | Q4 22* |
| <b>Available capital (amounts)</b>                                                                                                                     |        |        |        |        |        |        |        |        |
| Common Equity Tier 1 (CET1) capital                                                                                                                    | 6,730  | 5,750  | 6,543  | 5,776  | 6,332  | 5,753  | 6,040  | 6,047  |
| Common Equity Tier 1 (CET1) capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied                                      | 6,730  | 5,750  | 6,543  | 5,776  | 6,332  | 5,743  | 6,030  | 5,665  |
| Tier 1 capital                                                                                                                                         | 6,730  | 5,750  | 6,543  | 5,776  | 6,332  | 5,753  | 6,040  | 6,047  |
| Tier 1 capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied                                                           | 6,730  | 5,750  | 6,543  | 5,776  | 6,332  | 5,743  | 6,030  | 5,665  |
| Total capital                                                                                                                                          | 7,630  | 6,650  | 7,443  | 6,176  | 6,732  | 6,153  | 6,439  | 6,446  |
| Total capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied                                                            | 7,630  | 6,650  | 7,443  | 6,176  | 6,732  | 6,143  | 6,429  | 6,064  |
| <b>Risk-weighted assets (amounts)</b>                                                                                                                  |        |        |        |        |        |        |        |        |
| Total risk-weighted assets                                                                                                                             | 37,727 | 36,425 | 36,605 | 36,569 | 36,695 | 36,455 | 36,520 | 36,368 |
| Total risk-weighted assets as if IFRS 9 or analogous ECLs transitional arrangements had not been applied                                               | 37,727 | 36,425 | 36,605 | 36,569 | 36,695 | 36,445 | 36,510 | 36,188 |
| <b>Capital ratios</b>                                                                                                                                  |        |        |        |        |        |        |        |        |
| Common Equity Tier 1 (as percentage of risk exposure amount)                                                                                           | 17.84% | 15.79% | 17.87% | 15.80% | 17.26% | 15.78% | 16.54% | 16.63% |
| Common Equity Tier 1 (as percentage of risk exposure amount) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied             | 17.84% | 15.79% | 17.87% | 15.80% | 17.26% | 15.76% | 16.52% | 15.65% |
| Tier 1 (as percentage of risk exposure amount)                                                                                                         | 17.84% | 15.79% | 17.87% | 15.80% | 17.26% | 15.78% | 16.54% | 16.63% |
| Tier 1 (as percentage of risk exposure amount) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied                           | 17.84% | 15.79% | 17.87% | 15.80% | 17.26% | 15.76% | 16.52% | 15.65% |
| Total capital (as percentage of risk exposure amount)                                                                                                  | 20.22% | 18.26% | 20.33% | 16.89% | 18.35% | 16.88% | 17.63% | 17.72% |
| Total capital (as percentage of risk exposure amount) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied                    | 20.22% | 18.26% | 20.33% | 16.89% | 18.35% | 16.86% | 17.61% | 16.76% |
| <b>Leverage ratio</b>                                                                                                                                  |        |        |        |        |        |        |        |        |
| Leverage ratio total exposure measure                                                                                                                  | 74,790 | 74,607 | 74,679 | 73,485 | 73,536 | 75,830 | 75,856 | 78,797 |
| Leverage ratio                                                                                                                                         | 9.00%  | 7.71%  | 8.76%  | 7.86%  | 8.61%  | 7.59%  | 7.96%  | 7.67%  |
| Leverage ratio as if IFRS 9 or analogous ECLs transitional arrangements had not been applied                                                           | 9.00%  | 7.71%  | 8.76%  | 7.86%  | 8.61%  | 7.58%  | 7.95%  | 7.21%  |

\* Including profits for the period



## REGULATORY OWN FUNDS AND PRUDENTIAL REQUIREMENTS

## 5.7 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. In addition, in 2021 Greek Law 4831 further amended article 27 of Greek Law 4172/2013 (see Note 27 “Deferred tax assets and liabilities” of the Annual Financial Report for the year ended 31 December 2023).

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

As of 31 December 2023, the amount of DTAs that were eligible for conversion to a receivable from the Greek State subject to the DTC Law was €3.7 billion (31 December 2022: €3.9 billion). The conditions for conversion rights were not met in the year ended 31 December 2023 and no conversion rights are deliverable in 2024.

## 5.8 Transitional own funds disclosure template

The table below provides information regarding the amounts and nature of specific items on own funds during the IFRS9 transitional period, in accordance with Annex IV of the Commission Implementing Regulation (EU) No 1423/2013.

## REGULATORY OWN FUNDS AND PRUDENTIAL REQUIREMENTS

Table 12: EU CC1 - Transitional Own Funds 31.12.2023

| Transitional own funds disclosure template as of 31.12.20223              |                                                                                                                                                                                                                                                 | € mio         | ref      |
|---------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|----------|
| <b>Common Equity Tier 1 capital: Instruments and Reserves</b>             |                                                                                                                                                                                                                                                 |               |          |
| 1                                                                         | Capital instruments and the related share premium accounts                                                                                                                                                                                      | 4,455         | a        |
|                                                                           | <i>of which: ordinary shares</i>                                                                                                                                                                                                                | 4,455         |          |
| 2                                                                         | Retained earnings                                                                                                                                                                                                                               | 2,672         | a        |
| 3                                                                         | Accumulated other comprehensive income and other reserves                                                                                                                                                                                       | 484           | a        |
| EU-3a                                                                     | Funds for general banking risk                                                                                                                                                                                                                  | 15            | a        |
| 5                                                                         | Minority Interests (amount allowed in consolidated CET1)                                                                                                                                                                                        | 14            | b        |
| 6                                                                         | <b>Common Equity Tier 1 (CET1) capital before regulatory adjustments</b>                                                                                                                                                                        | <b>7,640</b>  |          |
| <b>Common Equity Tier 1 capital: Regulatory Adjustments</b>               |                                                                                                                                                                                                                                                 |               |          |
| 7                                                                         | Additional Value Adjustments                                                                                                                                                                                                                    | (10)          |          |
| 8                                                                         | Intangible assets (net of related tax liability)                                                                                                                                                                                                | (505)         | c        |
| 9                                                                         | Part of interim or year-end profit not eligible                                                                                                                                                                                                 | (332)         |          |
| 10                                                                        | Deferred tax assets that rely on future profitability excluding those arising from temporary differences                                                                                                                                        | (3)           | f        |
| 11                                                                        | Fair value reserves related to gain or losses on cash flow hedges                                                                                                                                                                               | (3)           |          |
| 14                                                                        | Gains or losses on liabilities valued at fair value resulting from changes in own credit standing                                                                                                                                               | 0             |          |
| 16                                                                        | Direct and indirect holdings by an institution of own CET1 instruments                                                                                                                                                                          | 0             |          |
| 19                                                                        | CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10% threshold)                                                                                                 | 0             |          |
| 21                                                                        | Deferred tax assets arising from temporary differences (amount above 10% threshold)                                                                                                                                                             | 0             | e        |
| 22                                                                        | Amount exceeding the 17.65% threshold                                                                                                                                                                                                           | 0             |          |
|                                                                           | <i>Of which: deferred tax assets arising from temporary differences</i>                                                                                                                                                                         | 0             |          |
| 27a                                                                       | Other regulatory adjustments                                                                                                                                                                                                                    | (57)          |          |
| 28                                                                        | <b>Total regulatory adjustments to Common equity Tier 1 (CET1)</b>                                                                                                                                                                              | <b>(910)</b>  |          |
| 29                                                                        | <b>Common Equity Tier 1 (CET1) capital</b>                                                                                                                                                                                                      | <b>6,730</b>  |          |
| <b>Additional Tier 1 (AT1) capital</b>                                    |                                                                                                                                                                                                                                                 |               |          |
| 36                                                                        | Additional Tier 1 (AT1) capital before regulatory adjustments                                                                                                                                                                                   | 0             |          |
| <b>Additional Tier 1 (AT1) capital: regulatory adjustments</b>            |                                                                                                                                                                                                                                                 |               |          |
| 43                                                                        | <b>Total regulatory adjustments to Additional Tier 1 (AT1) capital</b>                                                                                                                                                                          | <b>0</b>      |          |
| 44                                                                        | Additional Tier 1 (AT1) capital                                                                                                                                                                                                                 | 0             |          |
| 45                                                                        | <b>Tier 1 capital (T1 = CET1 + AT1)</b>                                                                                                                                                                                                         | <b>6,730</b>  |          |
| <b>Tier 2 (T2) capital</b>                                                |                                                                                                                                                                                                                                                 |               |          |
| 46                                                                        | Capital instruments and the related share premium accounts                                                                                                                                                                                      | 900           |          |
| 51                                                                        | <b>Tier 2 capital (T2) capital before regulatory adjustments</b>                                                                                                                                                                                | <b>900</b>    |          |
| <b>Tier 2 (T2) capital: Regulatory adjustments</b>                        |                                                                                                                                                                                                                                                 |               |          |
| 55                                                                        | Direct and indirect holdings by the institution of the T2 instruments and subordinated loans of financial sector entities where the institution has a significant investment in those entities                                                  | 0             |          |
| 57                                                                        | <b>Total regulatory adjustments to Tier 2 (T2) capital</b>                                                                                                                                                                                      | <b>0</b>      |          |
| 58                                                                        | <b>Tier 2 (T2) capital</b>                                                                                                                                                                                                                      | <b>900</b>    |          |
| 59                                                                        | <b>Total capital (TC = T1 + T2)</b>                                                                                                                                                                                                             | <b>7,630</b>  |          |
| 60                                                                        | <b>Total risk exposure amount</b>                                                                                                                                                                                                               | <b>37,727</b> |          |
| <b>Capital Adequacy Ratios</b>                                            |                                                                                                                                                                                                                                                 |               | <b>%</b> |
| 61                                                                        | <b>Common Equity Tier 1</b>                                                                                                                                                                                                                     | <b>17.84%</b> |          |
| 62                                                                        | <b>Tier 1</b>                                                                                                                                                                                                                                   | <b>17.84%</b> |          |
| 63                                                                        | <b>Total capital</b>                                                                                                                                                                                                                            | <b>20.22%</b> |          |
| 64                                                                        | Institution CET1 overall capital requirement                                                                                                                                                                                                    | 9.76%         |          |
| 65                                                                        | <i>of which: capital conservation buffer requirement</i>                                                                                                                                                                                        | 2.50%         |          |
| 66                                                                        | <i>of which: countercyclical capital buffer requirement</i>                                                                                                                                                                                     | 0.07%         |          |
| 67                                                                        | <i>of which: systemic risk buffer requirement</i>                                                                                                                                                                                               | 0.00%         |          |
| EU-67a                                                                    | <i>of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer</i>                                                                                                                   | 1.00%         |          |
| EU-67b                                                                    | <i>of which: additional own funds requirements to address the risks other than the risk of excessive leverage</i>                                                                                                                               | 1.69%         |          |
| 68                                                                        | <b>Common Equity Tier 1 available after meeting the minimum capital requirements</b>                                                                                                                                                            | <b>9.22%</b>  |          |
| <b>Amounts below the thresholds for deduction (before risk weighting)</b> |                                                                                                                                                                                                                                                 |               |          |
| 72                                                                        | Direct and indirect holdings of own funds and eligible liabilities of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions) | 261           | d        |
| 73                                                                        | Direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 17.65% thresholds and net of eligible short positions)  | 34            | d        |
| 75                                                                        | Deferred tax assets arising from temporary differences (amount below 17.65% threshold, net of related tax liability where the conditions in Article 38 (3) are met)                                                                             | 637           | e        |

\* Including profits for the period

## REGULATORY OWN FUNDS AND PRUDENTIAL REQUIREMENTS

Table 12: EU CC1 - Transitional Own Funds 30.06.2023

| Transitional own funds disclosure template as of 30.06.2023               |                                                                                                                                                                                                                                        | € mio          | € mio*        | ref      |
|---------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|---------------|----------|
| <b>Common Equity Tier 1 capital: Instruments and Reserves</b>             |                                                                                                                                                                                                                                        |                |               |          |
| 1                                                                         | Capital instruments and the related share premium accounts<br><i>of which: ordinary shares</i>                                                                                                                                         | 4,457          | 4,457         | <i>a</i> |
| 2                                                                         | Retained earnings                                                                                                                                                                                                                      | 2,102          | 2,102         | <i>a</i> |
| 3                                                                         | Accumulated other comprehensive income and other reserves                                                                                                                                                                              | 461            | 461           | <i>a</i> |
| 3a                                                                        | Funds for general banking risk                                                                                                                                                                                                         | 15             | 15            | <i>a</i> |
| 5                                                                         | Minority Interests (amount allowed in consolidated CET1)                                                                                                                                                                               | 12             | 12            | <i>b</i> |
| 6                                                                         | <b>Common Equity Tier 1 (CET1) capital before regulatory adjustments</b>                                                                                                                                                               | <b>7,047</b>   | <b>7,047</b>  |          |
| <b>Common Equity Tier 1 capital: Regulatory Adjustments</b>               |                                                                                                                                                                                                                                        |                |               |          |
| 7                                                                         | Additional Value Adjustments                                                                                                                                                                                                           | (12)           | (12)          |          |
| 8                                                                         | Intangible assets (net of related tax liability)                                                                                                                                                                                       | (493)          | (493)         | <i>c</i> |
| 9                                                                         | Part of interim or year-end profit not eligible                                                                                                                                                                                        | (530)          | 0             |          |
| 10                                                                        | Deferred tax assets that rely on future profitability excluding those arising from temporary differences                                                                                                                               | (3)            | (3)           | <i>f</i> |
| 11                                                                        | Fair value reserves related to gain or losses on cash flow hedges                                                                                                                                                                      | (1)            | (1)           |          |
| 14                                                                        | Gains or losses on liabilities valued at fair value resulting from changes in own credit standing                                                                                                                                      | 0              | 0             |          |
| 16                                                                        | Direct and indirect holdings by an institution of own CET1 instruments                                                                                                                                                                 | 0              | 0             |          |
| 19                                                                        | CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10% threshold)                                                                                        | 0              | 0             |          |
| 21                                                                        | Deferred tax assets arising from temporary differences (amount above 10% threshold)                                                                                                                                                    | (109)          | (58)          | <i>e</i> |
| 22                                                                        | Amount exceeding the 17.65% threshold<br><i>Of which: deferred tax assets arising from temporary differences</i>                                                                                                                       | 0              | 0             |          |
| 27a                                                                       | Other regulatory adjustments                                                                                                                                                                                                           | (123)          | (148)         |          |
| 28                                                                        | <b>Total regulatory adjustments to Common equity Tier 1 (CET1)</b>                                                                                                                                                                     | <b>(1,271)</b> | <b>(715)</b>  |          |
| 29                                                                        | <b>Common Equity Tier 1 (CET1) capital</b>                                                                                                                                                                                             | <b>5,776</b>   | <b>6,332</b>  |          |
| <b>Additional Tier 1 (AT1) capital</b>                                    |                                                                                                                                                                                                                                        |                |               |          |
| 36                                                                        | Additional Tier 1 (AT1) capital before regulatory adjustments                                                                                                                                                                          | 0              | 0             |          |
| <b>Additional Tier 1 (AT1) capital: regulatory adjustments</b>            |                                                                                                                                                                                                                                        |                |               |          |
| 43                                                                        | <b>Total regulatory adjustments to Additional Tier 1 (AT1) capital</b>                                                                                                                                                                 | <b>0</b>       | <b>0</b>      |          |
| 44                                                                        | Additional Tier 1 (AT1) capital                                                                                                                                                                                                        | 0              | 0             |          |
| 45                                                                        | <b>Tier 1 capital (T1 = CET1 + AT1)</b>                                                                                                                                                                                                | <b>5,776</b>   | <b>6,332</b>  |          |
| <b>Tier 2 (T2) capital</b>                                                |                                                                                                                                                                                                                                        |                |               |          |
| 46                                                                        | Capital instruments and the related share premium accounts                                                                                                                                                                             | 400            | 400           |          |
| 51                                                                        | <b>Tier 2 capital (T2) capital before regulatory adjustments</b>                                                                                                                                                                       | <b>400</b>     | <b>400</b>    |          |
| <b>Tier 2 (T2) capital: Regulatory adjustments</b>                        |                                                                                                                                                                                                                                        |                |               |          |
| 55                                                                        | Direct and indirect holdings by the institution of the T2 instruments and subordinated loans of financial sector entities where the institution has a significant investment in those entities                                         | 0              | 0             |          |
| 57                                                                        | <b>Total regulatory adjustments to Tier 2 (T2) capital</b>                                                                                                                                                                             | <b>0</b>       | <b>0</b>      |          |
| 58                                                                        | <b>Tier 2 (T2) capital</b>                                                                                                                                                                                                             | <b>400</b>     | <b>400</b>    |          |
| 59                                                                        | <b>Total capital (TC = T1 + T2)</b>                                                                                                                                                                                                    | <b>6,176</b>   | <b>6,732</b>  |          |
| 60                                                                        | <b>Total Risk Weighted Assets (RWAs)</b>                                                                                                                                                                                               | <b>36,569</b>  | <b>36,695</b> |          |
| <b>Capital Adequacy Ratios</b>                                            |                                                                                                                                                                                                                                        | <b>%</b>       |               |          |
| 61                                                                        | <b>Common Equity Tier 1</b>                                                                                                                                                                                                            | <b>15.80%</b>  | <b>17.26%</b> |          |
| 62                                                                        | <b>Tier 1</b>                                                                                                                                                                                                                          | <b>15.80%</b>  | <b>17.26%</b> |          |
| 63                                                                        | <b>Total capital</b>                                                                                                                                                                                                                   | <b>16.89%</b>  | <b>18.35%</b> |          |
| 64                                                                        | Institution CET1 overall capital requirement                                                                                                                                                                                           | 9.72%          | 9.72%         |          |
| 65                                                                        | <i>of which: capital conservation buffer requirement</i>                                                                                                                                                                               | 2.50%          | 2.50%         |          |
| 66                                                                        | <i>of which: countercyclical capital buffer requirement</i>                                                                                                                                                                            | 0.03%          | 0.03%         |          |
| 67                                                                        | <i>of which: systemic risk buffer requirement</i>                                                                                                                                                                                      | 0.00%          | 0.00%         |          |
| EU-67a                                                                    | <i>of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer</i>                                                                                                          | 1.00%          | 1.00%         |          |
| EU-67b                                                                    | <i>of which: additional own funds requirements to address the risks other than the risk of excessive leverage</i>                                                                                                                      | 1.69%          | 1.69%         |          |
| 68                                                                        | <b>Common Equity Tier 1 available after meeting the minimum capital requirements</b>                                                                                                                                                   | <b>5.89%</b>   | <b>7.35%</b>  |          |
| <b>Amounts below the thresholds for deduction (before risk weighting)</b> |                                                                                                                                                                                                                                        |                |               |          |
| 72                                                                        | Direct and indirect holdings of the capital of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)               | 286            | 286           |          |
| 73                                                                        | Direct and indirect holdings by the institution of CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 10% threshold and net of eligible short positions) | 35             | 35            | <i>d</i> |
| 75                                                                        | Deferred tax assets arising from temporary differences (amount below 10% threshold, net of related tax liability where the conditions in 38 (3) are met)                                                                               | 591            | 642           | <i>e</i> |

\* Including profits for the period

## REGULATORY OWN FUNDS AND PRUDENTIAL REQUIREMENTS

## 5.9 Capital requirements under Pillar I

The next table presents the risk exposure amounts (or Risk Weighted Assets - RWAs) and the capital requirements at Group level under Pillar I as of 31.12.2023 and 30.09.2023, according to the CRR/CRD IV regulatory framework. The capital requirements under Pillar I are equal to 8% of the risk exposure amounts.

Total RWAs are broken down in 86% Credit (including Counterparty Credit Risk), 4.4% Market and 9.6% Operational RWAs, respectively.

On a quarterly basis total Group RWAs increased to €37.7Bn. Concerning Credit RWAs the increase (+€0.5Bn) is attributed mainly to growth in Corporate portfolio (+€986mio) reflecting new disbursements. Market & Operational Risk RWAs increased by €198mio & €423mio, mainly due to changes in the exposures of the Trading Book (please see chapter 9 Market Risk), CVA increase & higher 2023 Gross Income, respectively.

Table 13: EU OV1 - Overview of RWAs

| Overview of RWAs |                                                                                                   | RWAs          |               | Minimum Capital Requirements |
|------------------|---------------------------------------------------------------------------------------------------|---------------|---------------|------------------------------|
|                  |                                                                                                   | 31.12.23      | 30.09.23      | 31.12.23                     |
| 1                | <b>Credit risk (excluding CCR)</b>                                                                | <b>31,520</b> | <b>30,983</b> | <b>2,522</b>                 |
| 2                | <i>Of which the standardised approach</i>                                                         | 31,520        | 30,983        | <b>2,522</b>                 |
| 3                | <i>Of which the foundation IRB (FIRB) approach</i>                                                |               |               |                              |
| 4                | <i>Of which: slotting approach</i>                                                                |               |               |                              |
| EU 4a            | <i>Of which: equities under the simple riskweighted approach</i>                                  |               |               |                              |
| 5                | <i>Of which the advanced IRB (AIRB) approach</i>                                                  |               |               |                              |
| 6                | <b>Counterparty credit risk – CCR</b>                                                             | <b>767</b>    | <b>645</b>    | <b>61</b>                    |
| 7                | <i>Of which the standardised approach</i>                                                         | 555           | 449           | 44                           |
| 8                | <i>Of which internal model method (IMM)</i>                                                       |               |               |                              |
| EU 8a            | <i>Of which exposures to a CCP</i>                                                                | 8             | 8             | 1                            |
| EU 8b            | <i>Of which credit valuation adjustment-CVA</i>                                                   | 200           | 187           | 16                           |
| 9                | <i>Of which other CCR</i>                                                                         | 4             | 0             | 0                            |
| 15               | <b>Settlement risk</b>                                                                            | <b>0</b>      | <b>0</b>      |                              |
| 16               | <b>Securitisation exposures in the non-trading book (after the cap)</b>                           | <b>175</b>    | <b>153</b>    | <b>14</b>                    |
| 17               | <i>Of which SEC-IRBA approach</i>                                                                 |               |               |                              |
| 18               | <i>Of which SEC-ERBA (including IAA)</i>                                                          | 98            | 78            | 1                            |
| 19               | <i>Of which SEC-SA approach</i>                                                                   | 77            | 75            | 6                            |
| EU 19a           | <i>Of which 1250% deduction</i>                                                                   |               |               |                              |
| 20               | <b>Position, foreign exchange and commodities risks (Market risk)</b>                             | <b>1,664</b>  | <b>1,466</b>  | <b>133</b>                   |
| 21               | <i>Of which the standardised approach</i>                                                         | 390           | 310           | 31                           |
| 22               | <i>Of which IMA</i>                                                                               | 1,274         | 1,156         | 102                          |
| EU 22a           | <b>Large exposures</b>                                                                            |               |               |                              |
| 23               | <b>Operational risk</b>                                                                           | <b>3,601</b>  | <b>3,178</b>  | <b>288</b>                   |
| EU 23a           | <i>Of which basic indicator approach</i>                                                          |               |               |                              |
| EU 23b           | <i>Of which standardised approach</i>                                                             | 3,601         | 3,178         | 288                          |
| EU 23c           | <i>Of which advanced measurement approach</i>                                                     |               |               |                              |
| 24               | <b>Amounts below the thresholds for deduction (subject to 250% risk weight) (For information)</b> | <b>1,677</b>  | <b>1,554</b>  | <b>134</b>                   |
| 29               | <b>Total</b>                                                                                      | <b>37,727</b> | <b>36,425</b> | <b>3,018</b>                 |

## REGULATORY OWN FUNDS AND PRUDENTIAL REQUIREMENTS

## 5.10 Overall Capital Requirement (OCR)

According to the ECB decision it is required for National Bank of Greece to maintain, on a consolidated basis, a total SREP capital requirement of 11%.

The TSCR of 11% includes:

- the minimum Pillar I own funds requirement of 8% to be maintained at all times in accordance with Article 92(1) of Regulation (EU) No 575/2013; and
- an additional Pillar II own funds requirement (P2R) of 3% to be maintained at all times in accordance with Article 16(2)(a) of Regulation (EU) No 1024/2013, to be covered at least by CET1 capital by 56.25% and by Tier 1 capital by 75%.

In addition to the TSCR, the Group is also subject to the Overall Capital Requirement (OCR). The OCR consists of the TSCR and the combined buffer requirement as defined in point (6) of Article 128 of Directive 2013/36/EU.

The combined buffer (CB) requirement is defined as the sum of:

- the Capital Conservation Buffer;
- the institution specific Countercyclical Capital Buffer (CCyB);
- the systemic risk; and
- the systemically important institutions buffer, as applicable.

The Capital Conservation Buffer stands at 2.5% for all banks in the EU.

The systemic risk is 0% and the systemically important institutions buffer for 2023 is 1.0% for all four systemically important banks in Greece, due to the imposition of such an O-SII buffer by the Bank of Greece.

The CCyB is implemented as an extension of the capital conservation buffer and has the primary objective of protecting the banking sector from periods of excess aggregate credit growth that have often been associated with the build-up of system-wide risk. It is calculated as the weighted average of the buffers in effect in the jurisdictions to which a bank has significant credit exposures.

Bank of Greece defined its methodology for determining the CCyB and set the CCyB at 0% for Greece throughout 2018-2023 according to its quarterly decisions. CCyB is also currently 0% in all other countries in which NBG Group has significant exposures with the exception of Great Britain and North Macedonia where the CCyB is currently set at 2% and 0.5%, respectively. for Q4 2023.

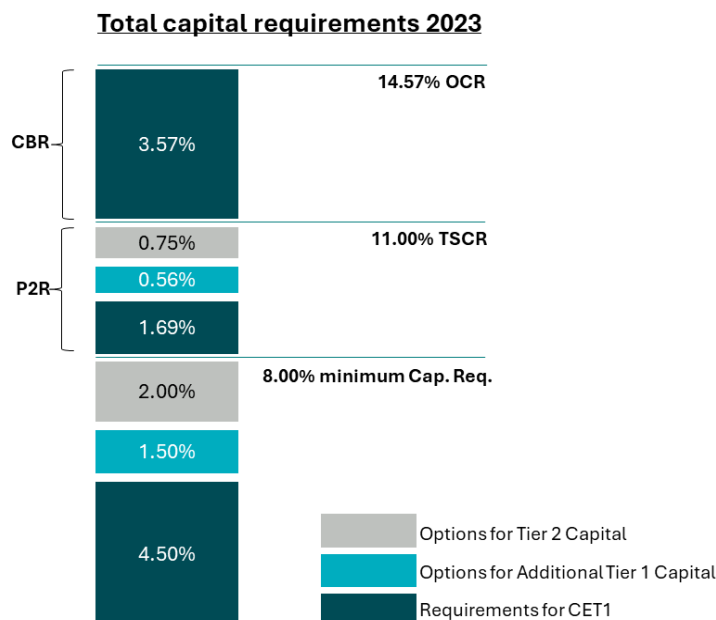
**Thus, the institution specific Countercyclical Capital Buffer for NBG Group is currently 0.07%, as depicted in the following table.**

**Table 14:** EU CCyB2 - Amount of institution-specific countercyclical capital buffer

|                                                                 | a      |
|-----------------------------------------------------------------|--------|
| Total risk exposure amount                                      | 37,727 |
| Institution specific countercyclical capital buffer rate        | 0.07%  |
| Institution specific countercyclical capital buffer requirement | 25     |

NBG's total capital requirement for 2023, taking into account the combined capital buffers, have been set to 14.57%.

The stacking order of the various own funds requirements for 2023 is shown in the figure below.



**Figure 6:** Stacking order of own funds requirements

On December 31, 2023, NBG Group's CET1 capital ratio and Total capital ratio stood at 17.8% and 20.2% respectively, well above the required capital requirement of 9.76% for CET1 Capital and of 14.57% for Total Capital.

The table below presents figures of credit and market exposures relevant for the calculation of the Countercyclical Capital Buffer for 31.12.2023 broken down by country.



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**Table 15:** EU CCyB1 - Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer 31.12.2023

|                      | a                                              | b                                     | c                                                                | d                                                   | e                                   | f                    | g                                            | h                                       | i                                                                            | j     | k                              | l                                 | m                                |
|----------------------|------------------------------------------------|---------------------------------------|------------------------------------------------------------------|-----------------------------------------------------|-------------------------------------|----------------------|----------------------------------------------|-----------------------------------------|------------------------------------------------------------------------------|-------|--------------------------------|-----------------------------------|----------------------------------|
|                      | General Credit Exposures                       |                                       | Relevant Credit exposures – Market Risk                          |                                                     | Securitisation exposures            | Total exposure value | Total exposure value                         |                                         |                                                                              |       | Risk-weighted exposure amounts | Own fund requirements weights (%) | Counter cyclical buffer rate (%) |
|                      | Exposure value under the standardised approach | Exposure value under the IRB approach | Sum of long and short positions of trading book exposures for SA | Value of trading book exposures for internal models | Exposure value for non-trading book |                      | Relevant credit risk exposures - Credit risk | Relevant credit exposures – Market risk | Relevant credit exposures – Securitisation positions in the non-trading book | Total |                                |                                   |                                  |
|                      |                                                |                                       |                                                                  |                                                     |                                     |                      |                                              |                                         |                                                                              |       |                                |                                   |                                  |
| Breakdown by country |                                                |                                       |                                                                  |                                                     |                                     |                      |                                              |                                         |                                                                              |       |                                |                                   |                                  |
| Greece               | 80,968                                         | 0                                     | 61                                                               | 0                                                   | 285                                 | 81,314               | 1,679                                        | 5                                       | 13                                                                           | 1,698 | 21,219                         | 84.64%                            | 0.00%                            |
| North Macedonia      | 1,587                                          | 0                                     | 0                                                                | 0                                                   | 0                                   | 1,587                | 79                                           | 0                                       | 0                                                                            | 79    | 985                            | 3.93%                             | 0.50%                            |
| Marshall Islands*    | 1,459                                          | 0                                     | 0                                                                | 0                                                   | 0                                   | 1,459                | 117                                          | 0                                       | 0                                                                            | 117   | 1,459                          | 5.82%                             | 0.00%                            |
| Liberia*             | 826                                            | 0                                     | 0                                                                | 0                                                   | 0                                   | 826                  | 66                                           | 0                                       | 0                                                                            | 66    | 826                            | 3.29%                             | 0.00%                            |
| Great Britain        | 426                                            | 0                                     | 0                                                                | 0                                                   | 46                                  | 472                  | 46                                           | 0                                       | 1                                                                            | 47    | 583                            | 2.32%                             | 2.00%                            |
| Total                | 85,266                                         | 0                                     | 61                                                               | 0                                                   | 331                                 | 85,659               | 1,987                                        | 5                                       | 14                                                                           | 2,006 | 25,071                         | -                                 | -                                |

\* Exposures to Marshall Islands and Liberia are related to ocean shipping only.

## 5.11 MREL Requirements

Under the Directive 2014/59 (Bank Recovery and Resolution Directive or (“BRRD”), as amended by Directive 2019/879 (BRRD II), banks in the European Union are required to maintain a Minimum Requirement for own funds and Eligible Liabilities (“MREL”), which ensures sufficient loss-absorbing capacity in resolution. MREL includes a risk- and a leverage-based dimension. MREL is therefore expressed as two ratios that both have to be met: (i) as a percentage of Total Risk Exposure Amount (“TREA”), (the “MREL-TREA”); and (ii) as a percentage of the Leverage Ratio Exposure (“LRE”), (the “MREL-LRE”).

Instruments qualifying for MREL are own funds (Common Equity Tier 1, Additional Tier 1 and Tier 2), as well as certain eligible liabilities (mainly senior unsecured bonds). Regulation (EU) No 806/2014 of the European Parliament and of the Council, as amended by Regulation (EU) No 877/2019 of the European Parliament and of the Council allows the Single Resolution Board (“SRB”) to set in addition to the MREL requirement, a “subordination” requirement, within MREL, against which only subordinated liabilities and own funds count.

The Bank is identified by the SRB as the Single Point of Entry (“SPE”) of the Group and the only entity required to maintain MREL capacity. On 21 December 2023, the Bank received the SRB’s decision, via the Bank of Greece, requiring it to meet the following targets by 31 December 2025: MREL of 24.22% plus CBR of TREA and LRE (leverage ratio exposure) of 5.91%. Both targets should be calculated on a consolidated basis. The interim annual targets until 31 December 2025 are informative and are calculated through linear interpolation/build-up between the two binding targets of 1 January 2022 and 31 December 2025. Therefore, the interim non-binding MREL target, which stood at 22.73% including CBR of 3.57% of TREA for 1/1/2024, moves to 25.26% including CBR of 3.57% of TREA for 1/1/2025. Finally, according to the SRB’s decision, for 2023 no subordination requirement is set for the Bank.

As at 31 December 2023, the Bank’s MREL ratio at consolidated level stands at 24.2% of TREA, which is significantly above the interim non - binding MREL target of 1/1/2024 and continues meeting the LRE requirement.

Moreover, in the context of the implementation of NBG’s strategy to ensure ongoing compliance with its MREL requirements, the Bank has successfully completed the below issuances:

- On 26 September 2023, the Bank completed the placement of €500 million Subordinated Tier II bonds in the international capital markets with a yield of 8.0%. The bond matures in 10,25 years and is callable in 5,25 years;
- On 22 January 2024, the Bank completed the placement of €600 million senior preferred bond in the international capital markets with a yield of 4.5%. The bond matures in five years and is callable in four years.

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## 5.12 Leverage Ratio

Leverage ratio is calculated in accordance with the methodology set out in article 429 of the regulation (EU) No 575/2013 of the European Parliament and of the Council, as amended by European Commission delegated Regulation 62/2015 of 10 October 2014. It is defined as an institution's capital measure divided by that institution's total leverage exposure measure and is expressed as a percentage. The Group submits to the competent authority the leverage ratio on a quarterly basis. The following table includes the summary of the Group's leverage ratio with reference dates 31.12.2023 and 30.09.2023 (amounts in € mio):

Table 16: Leverage ratio

| Leverage Ratio                | Q4 23*       | Q3 23        | Q3 23*       |
|-------------------------------|--------------|--------------|--------------|
| <b>Tier I</b>                 | 6,730        | 5,750        | 6,543        |
| <b>Total Exposure Measure</b> | 74,790       | 74,607       | 74,679       |
| <b>Leverage Ratio</b>         | <b>9.00%</b> | <b>7.71%</b> | <b>8.76%</b> |

\* including profit for the period

During the fourth quarter of 2023, the Group's leverage ratio, according to the transitional definition of Tier I and the EU Regulation 62/2015, increased by 1.29%, driven mainly by Tier 1 significant capital rise by €980mio, following the permission received from SSM to include yearly profits and provision for dividends, qoq along with Total Leverage exposures increase by €183mio, well above the proposed minimum threshold of 3%.

The following tables include the detailed disclosures on the Group's leverage ratio with reference date 31.12.2023 and 30.06.2023 (amounts in € mio):

Table 17: EU LR1, LRSum – Summary reconciliation of accounting assets and leverage ratio exposures as of 31.12.2023 and 30.06.2023

| € mio                                                                                                                                                                                                                               | Applicable amount Q4 23 | Applicable amount Q2 23 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| <b>1 Total assets as per published financial statements</b>                                                                                                                                                                         | 74,552                  | 72,849                  |
| 2 Adjustment for entities which are consolidated for accounting purposes but are outside the scope of regulatory consolidation                                                                                                      | -                       | 0                       |
| 3 (Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference)                                                                                                            | -                       | 0                       |
| 4 (Adjustment for temporary exemption of exposures to central bank (if applicable))                                                                                                                                                 | -                       | 0                       |
| 5 (Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting framework but excluded from the leverage ratio total exposure measure in accordance with point (i) of Article 429a(1) CRR) | -                       | 0                       |
| 6 Adjustment for regular-way purchases and sales of financial assets subject to trade date accounting                                                                                                                               | -                       | 0                       |
| 7 Adjustment for eligible cash pooling transactions                                                                                                                                                                                 | -                       | 0                       |
| 8 Adjustments for derivative financial instruments                                                                                                                                                                                  | (1,035)                 | (960)                   |
| 9 Adjustment for securities financing transactions (SFTs)                                                                                                                                                                           | 105                     | 303                     |
| 10 Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)                                                                                                               | 2,435                   | 2,529                   |
| 11 (Adjustment for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital)                                                                                                             | -                       | 0                       |
| EU-11a (Adjustment for exposures excluded from the leverage ratio total exposure measure in accordance with point (c) of Article 429a(1) CRR)                                                                                       | -                       | 0                       |
| EU-11b (Adjustment for exposures excluded from the leverage ratio total exposure measure in accordance with point (j) of Article 429a(1) CRR)                                                                                       | -                       | 0                       |
| 12 Other adjustments                                                                                                                                                                                                                | (1,267)                 | (1,236)                 |
| <b>13 Leverage ratio Total exposure measure</b>                                                                                                                                                                                     | <b>74,790</b>           | <b>73,485</b>           |

Table 18: EU LR3, LRSpl – Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures) as of 31.12.2023 compared to 30.06.2023

| CRR leverage ratio exposures                                                                                      | Q4 23         | € mio Q2 23   |
|-------------------------------------------------------------------------------------------------------------------|---------------|---------------|
| <b>Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:</b>          | <b>70,140</b> | <b>66,585</b> |
| EU-1 <b>Trading book exposures</b>                                                                                | 1,095         | 1,101         |
| EU-2 <b>Banking book exposures, of which:</b>                                                                     | 69,045        | 65,484        |
| EU-3 <b>Covered bonds</b>                                                                                         | -             | -             |
| EU-4 <b>Exposures treated as sovereigns</b>                                                                       | 32,821        | 31,172        |
| EU-5 <b>Exposures to regional governments, MDB, international organisations and PSE not treated as sovereigns</b> | 767           | 792           |
| EU-6 <b>Institutions</b>                                                                                          | 2,185         | 1,896         |
| EU-7 <b>Secured by mortgages of immovable properties</b>                                                          | 8,980         | 8,697         |
| EU-8 <b>Retail exposures</b>                                                                                      | 2,880         | 2,852         |
| EU-9 <b>Corporate</b>                                                                                             | 15,595        | 14,377        |
| EU-10 <b>Exposures in default</b>                                                                                 | 1,302         | 1,222         |
| EU-11 <b>Other exposures (eg equity, securitisations, and other non-credit obligation assets)</b>                 | 4,515         | 4,476         |

## REGULATORY OWN FUNDS AND PRUDENTIAL REQUIREMENTS

Table 19: EU LR2, LRCom –Leverage ratio common disclosure 31.12.2023

| CRR leverage ratio exposures                                       |                                                                                                                                                                                                                                                                                                   | €mio     |
|--------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|
|                                                                    |                                                                                                                                                                                                                                                                                                   | Q4 2023  |
| <b>On-balance sheet exposures (excluding derivatives and SFTs)</b> |                                                                                                                                                                                                                                                                                                   |          |
| 1                                                                  | On-balance sheet items (excluding derivatives, SFTs, but including collateral)                                                                                                                                                                                                                    | 71,234   |
| 2                                                                  | Gross-up for derivatives collateral provided, where deducted from the balance sheet assets pursuant to the applicable accounting framework                                                                                                                                                        | 0        |
| 3                                                                  | (Deductions of receivables assets for cash variation margin provided in derivatives transactions)                                                                                                                                                                                                 | (486)    |
| 4                                                                  | (Adjustment for securities received under securities financing transactions that are recognised as an asset)                                                                                                                                                                                      | 0        |
| 5                                                                  | (General credit risk adjustments to on-balance sheet items)                                                                                                                                                                                                                                       | 0        |
| 6                                                                  | (Asset amounts deducted in determining Tier 1 capital)                                                                                                                                                                                                                                            | (536)    |
| 7                                                                  | <b>Total on-balance sheet exposures (excluding derivatives and SFTs)</b>                                                                                                                                                                                                                          | 70,211   |
| <b>Derivative exposures</b>                                        |                                                                                                                                                                                                                                                                                                   |          |
| 8                                                                  | Replacement cost associated with SA-CCR derivatives transactions (ie net of eligible cash variation margin)                                                                                                                                                                                       | 168      |
| EU-8a                                                              | Derogation for derivatives: replacement costs contribution under the simplified standardised approach                                                                                                                                                                                             | 0        |
| 9                                                                  | Add-on amounts for potential future exposure associated with SA-CCR derivatives transactions                                                                                                                                                                                                      | 872      |
| EU-9a                                                              | Derogation for derivatives: Potential future exposure contribution under the simplified standardised approach                                                                                                                                                                                     | 0        |
| EU-9b                                                              | Exposure determined under Original Exposure Method                                                                                                                                                                                                                                                | 0        |
| 10                                                                 | (Exempted CCP leg of client-cleared trade exposures) (SA-CCR)                                                                                                                                                                                                                                     | 0        |
| EU-10a                                                             | (Exempted CCP leg of client-cleared trade exposures) (simplified standardised approach)                                                                                                                                                                                                           | 0        |
| EU-10b                                                             | (Exempted CCP leg of client-cleared trade exposures) (Original Exposure Method)                                                                                                                                                                                                                   | 0        |
| 11                                                                 | Adjusted effective notional amount of written credit derivatives                                                                                                                                                                                                                                  | 0        |
| 12                                                                 | (Adjusted effective notional offsets and add-on deductions for written credit derivatives)                                                                                                                                                                                                        | 0        |
| 13                                                                 | <b>Total derivatives exposures</b>                                                                                                                                                                                                                                                                | 1,039    |
| <b>Securities financing transaction (SFT) exposures</b>            |                                                                                                                                                                                                                                                                                                   |          |
| 14                                                                 | Gross SFT assets (with no recognition of netting), after adjustment for sales accounting transactions                                                                                                                                                                                             | 1,000    |
| 15                                                                 | (Netted amounts of cash payables and cash receivables of gross SFT assets)                                                                                                                                                                                                                        | 0        |
| 16                                                                 | Counterparty credit risk exposure for SFT assets                                                                                                                                                                                                                                                  | 105      |
| EU-16a                                                             | Derogation for SFTs: Counterparty credit risk exposure in accordance with Articles 429e(5) and 222 CRR                                                                                                                                                                                            | 0        |
| 17                                                                 | Agent transaction exposures                                                                                                                                                                                                                                                                       | 0        |
| EU-17a                                                             | (Exempted CCP leg of client-cleared SFT exposure)                                                                                                                                                                                                                                                 | 0        |
| 18                                                                 | <b>Total securities financing transaction exposures</b>                                                                                                                                                                                                                                           | 1,105    |
| <b>Other off-balance sheet exposures</b>                           |                                                                                                                                                                                                                                                                                                   |          |
| 19                                                                 | Off-balance sheet exposures at gross notional amount                                                                                                                                                                                                                                              | 16,997   |
| 20                                                                 | (Adjustments for conversion to credit equivalent amounts)                                                                                                                                                                                                                                         | (14,562) |
| 21                                                                 | (General provisions deducted in determining Tier 1 capital and specific provisions associated with off-balance sheet exposures)                                                                                                                                                                   | 0        |
| 22                                                                 | <b>Off-balance sheet exposures</b>                                                                                                                                                                                                                                                                | 2,435    |
| <b>Excluded exposures</b>                                          |                                                                                                                                                                                                                                                                                                   |          |
| EU-22a                                                             | (Exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) CRR)                                                                                                                                                                                          | 0        |
| EU-22b                                                             | (Exposures exempted in accordance with point (j) of Article 429a(1) CRR (on and off balance sheet))                                                                                                                                                                                               | 0        |
| EU-22c                                                             | (Excluded exposures of public development banks (or units) - Public sector investments)                                                                                                                                                                                                           | 0        |
| EU-22d                                                             | (Excluded exposures of public development banks (or units) - Promotional loans)                                                                                                                                                                                                                   | 0        |
| EU-22e                                                             | (Excluded passing-through promotional loan exposures by non-public development banks (or units))                                                                                                                                                                                                  | 0        |
| EU-22f                                                             | (Excluded guaranteed parts of exposures arising from export credits)                                                                                                                                                                                                                              | 0        |
| EU-22g                                                             | (Excluded excess collateral deposited at triparty agents)                                                                                                                                                                                                                                         | 0        |
| EU-22h                                                             | (Excluded CSD related services of CSD/institutions in accordance with point (o) of Article 429a(1) CRR)                                                                                                                                                                                           | 0        |
| EU-22i                                                             | (Excluded CSD related services of designated institutions in accordance with point (p) of Article 429a(1) CRR)                                                                                                                                                                                    | 0        |
| EU-22j                                                             | (Reduction of the exposure value of pre-financing or intermediate loans)                                                                                                                                                                                                                          | 0        |
| EU-22k                                                             | (Total exempted exposures)                                                                                                                                                                                                                                                                        | 0        |
| <b>Capital and total exposure measure</b>                          |                                                                                                                                                                                                                                                                                                   |          |
| 23                                                                 | <b>Tier 1 capital</b>                                                                                                                                                                                                                                                                             | 6,730    |
| 24                                                                 | <b>Total exposure measure</b>                                                                                                                                                                                                                                                                     | 74,790   |
| <b>Leverage ratio</b>                                              |                                                                                                                                                                                                                                                                                                   |          |
| 25                                                                 | Leverage ratio (%)                                                                                                                                                                                                                                                                                | 9.0%     |
| EU-25                                                              | Leverage ratio (excluding the impact of the exemption of public sector investments and promotional loans) (%)                                                                                                                                                                                     | 9.0%     |
| 25a                                                                | Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) (%)                                                                                                                                                                                          | 9.0%     |
| 26                                                                 | Regulatory minimum leverage ratio requirement (%)                                                                                                                                                                                                                                                 | 3.0%     |
| EU-26a                                                             | Additional own funds requirements to address the risk of excessive leverage (%)                                                                                                                                                                                                                   | 0.0%     |
| EU-26b                                                             | of which: to be made up of CET1 capital                                                                                                                                                                                                                                                           | 0.0%     |
| 27                                                                 | Leverage ratio buffer requirement (%)                                                                                                                                                                                                                                                             | 0.0%     |
| EU-27a                                                             | Overall leverage ratio requirement (%)                                                                                                                                                                                                                                                            | 3.0%     |
| <b>Choice on transitional arrangements and relevant exposures</b>  |                                                                                                                                                                                                                                                                                                   |          |
| EU-27b                                                             | Choice on transitional arrangements for the definition of the capital measure                                                                                                                                                                                                                     |          |
| <b>Disclosure of mean values</b>                                   |                                                                                                                                                                                                                                                                                                   |          |
| 28                                                                 | Mean of daily values of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivable                                                                                                                                 | 2,950    |
| 29                                                                 | Quarter-end value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables                                                                                                                                   | 1,000    |
| 30                                                                 | Total exposure measure (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables) | 76,740   |
| 30a                                                                | Total exposure measure (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables) | 76,740   |
| 31                                                                 | Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)         | 0        |
| 31a                                                                | Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)         | 0        |

## REGULATORY OWN FUNDS AND PRUDENTIAL REQUIREMENTS

Table 19: EU LR2, LRCOM –Leverage ratio common disclosure 31.12.2022

| CRR leverage ratio exposures                                       |                                                                                                                                                                                                                                                                                                   | €mio     |
|--------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|
|                                                                    |                                                                                                                                                                                                                                                                                                   | Q4 2022  |
| <b>On-balance sheet exposures (excluding derivatives and SFTs)</b> |                                                                                                                                                                                                                                                                                                   |          |
| 1                                                                  | On-balance sheet items (excluding derivatives, SFTs, but including collateral)                                                                                                                                                                                                                    | 72,697   |
| 2                                                                  | Gross-up for derivatives collateral provided, where deducted from the balance sheet assets pursuant to the applicable accounting framework                                                                                                                                                        | 0        |
| 3                                                                  | (Deductions of receivables assets for cash variation margin provided in derivatives transactions)                                                                                                                                                                                                 | (547)    |
| 4                                                                  | (Adjustment for securities received under securities financing transactions that are recognised as an asset)                                                                                                                                                                                      | 0        |
| 5                                                                  | (General credit risk adjustments to on-balance sheet items)                                                                                                                                                                                                                                       | 0        |
| 6                                                                  | (Asset amounts deducted in determining Tier 1 capital)                                                                                                                                                                                                                                            | (483)    |
| 7                                                                  | <b>Total on-balance sheet exposures (excluding derivatives and SFTs)</b>                                                                                                                                                                                                                          | 71,667   |
| <b>Derivative exposures</b>                                        |                                                                                                                                                                                                                                                                                                   |          |
| 8                                                                  | Replacement cost associated with SA-CCR derivatives transactions (ie net of eligible cash variation margin)                                                                                                                                                                                       | 89       |
| EU-8a                                                              | Derogation for derivatives: replacement costs contribution under the simplified standardised approach                                                                                                                                                                                             | 0        |
| 9                                                                  | Add-on amounts for potential future exposure associated with SA-CCR derivatives transactions                                                                                                                                                                                                      | 861      |
| EU-9a                                                              | Derogation for derivatives: Potential future exposure contribution under the simplified standardised approach                                                                                                                                                                                     | 0        |
| EU-9b                                                              | Exposure determined under Original Exposure Method                                                                                                                                                                                                                                                | 0        |
| 10                                                                 | (Exempted CCP leg of client-cleared trade exposures) (SA-CCR)                                                                                                                                                                                                                                     | 0        |
| EU-10a                                                             | (Exempted CCP leg of client-cleared trade exposures) (simplified standardised approach)                                                                                                                                                                                                           | 0        |
| EU-10b                                                             | (Exempted CCP leg of client-cleared trade exposures) (Original Exposure Method)                                                                                                                                                                                                                   | 0        |
| 11                                                                 | Adjusted effective notional amount of written credit derivatives                                                                                                                                                                                                                                  | 0        |
| 12                                                                 | (Adjusted effective notional offsets and add-on deductions for written credit derivatives)                                                                                                                                                                                                        | 0        |
| 13                                                                 | <b>Total derivatives exposures</b>                                                                                                                                                                                                                                                                | 951      |
| <b>Securities financing transaction (SFT) exposures</b>            |                                                                                                                                                                                                                                                                                                   |          |
| 14                                                                 | Gross SFT assets (with no recognition of netting), after adjustment for sales accounting transactions                                                                                                                                                                                             | 3,315    |
| 15                                                                 | (Netted amounts of cash payables and cash receivables of gross SFT assets)                                                                                                                                                                                                                        | 0        |
| 16                                                                 | Counterparty credit risk exposure for SFT assets                                                                                                                                                                                                                                                  | 324      |
| EU-16a                                                             | Derogation for SFTs: Counterparty credit risk exposure in accordance with Articles 429e(5) and 222 CRR                                                                                                                                                                                            | 0        |
| 17                                                                 | Agent transaction exposures                                                                                                                                                                                                                                                                       | 0        |
| EU-17a                                                             | (Exempted CCP leg of client-cleared SFT exposure)                                                                                                                                                                                                                                                 | 0        |
| 18                                                                 | <b>Total securities financing transaction exposures</b>                                                                                                                                                                                                                                           | 3,639    |
| <b>Other off-balance sheet exposures</b>                           |                                                                                                                                                                                                                                                                                                   |          |
| 19                                                                 | Off-balance sheet exposures at gross notional amount                                                                                                                                                                                                                                              | 18,026   |
| 20                                                                 | (Adjustments for conversion to credit equivalent amounts)                                                                                                                                                                                                                                         | (15,486) |
| 21                                                                 | (General provisions deducted in determining Tier 1 capital and specific provisions associated with off-balance sheet exposures)                                                                                                                                                                   | 0        |
| 22                                                                 | <b>Off-balance sheet exposures</b>                                                                                                                                                                                                                                                                | 2,540    |
| <b>Excluded exposures</b>                                          |                                                                                                                                                                                                                                                                                                   |          |
| EU-22a                                                             | (Exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) CRR)                                                                                                                                                                                          | 0        |
| EU-22b                                                             | (Exposures exempted in accordance with point (j) of Article 429a(1) CRR (on and off balance sheet))                                                                                                                                                                                               | 0        |
| EU-22c                                                             | (Excluded exposures of public development banks (or units) - Public sector investments)                                                                                                                                                                                                           | 0        |
| EU-22d                                                             | (Excluded exposures of public development banks (or units) - Promotional loans)                                                                                                                                                                                                                   | 0        |
| EU-22e                                                             | (Excluded passing-through promotional loan exposures by non-public development banks (or units))                                                                                                                                                                                                  | 0        |
| EU-22f                                                             | (Excluded guaranteed parts of exposures arising from export credits)                                                                                                                                                                                                                              | 0        |
| EU-22g                                                             | (Excluded excess collateral deposited at triparty agents)                                                                                                                                                                                                                                         | 0        |
| EU-22h                                                             | (Excluded CSD related services of CSD/institutions in accordance with point (o) of Article 429a(1) CRR)                                                                                                                                                                                           | 0        |
| EU-22i                                                             | (Excluded CSD related services of designated institutions in accordance with point (p) of Article 429a(1) CRR)                                                                                                                                                                                    | 0        |
| EU-22j                                                             | (Reduction of the exposure value of pre-financing or intermediate loans)                                                                                                                                                                                                                          | 0        |
| EU-22k                                                             | (Total exempted exposures)                                                                                                                                                                                                                                                                        | 0        |
| <b>Capital and total exposure measure</b>                          |                                                                                                                                                                                                                                                                                                   |          |
| 23                                                                 | <b>Tier 1 capital</b>                                                                                                                                                                                                                                                                             | 6,047    |
| 24                                                                 | <b>Total exposure measure</b>                                                                                                                                                                                                                                                                     | 78,797   |
| <b>Leverage ratio</b>                                              |                                                                                                                                                                                                                                                                                                   |          |
| 25                                                                 | Leverage ratio (%)                                                                                                                                                                                                                                                                                | 7.7%     |
| EU-25                                                              | Leverage ratio (excluding the impact of the exemption of public sector investments and promotional loans) (%)                                                                                                                                                                                     | 7.7%     |
| 25a                                                                | Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) (%)                                                                                                                                                                                          | 7.7%     |
| 26                                                                 | Regulatory minimum leverage ratio requirement (%)                                                                                                                                                                                                                                                 | 3.0%     |
| EU-26a                                                             | Additional own funds requirements to address the risk of excessive leverage (%)                                                                                                                                                                                                                   | 0.0%     |
| EU-26b                                                             | of which: to be made up of CET1 capital                                                                                                                                                                                                                                                           | 0.0%     |
| 27                                                                 | Leverage ratio buffer requirement (%)                                                                                                                                                                                                                                                             | 0.0%     |
| EU-27a                                                             | Overall leverage ratio requirement (%)                                                                                                                                                                                                                                                            | 3.0%     |
| <b>Choice on transitional arrangements and relevant exposures</b>  |                                                                                                                                                                                                                                                                                                   |          |
| EU-27b                                                             | Choice on transitional arrangements for the definition of the capital measure                                                                                                                                                                                                                     |          |
| <b>Disclosure of mean values</b>                                   |                                                                                                                                                                                                                                                                                                   |          |
| 28                                                                 | Mean of daily values of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivable                                                                                                                                 | 3,332    |
| 29                                                                 | Quarter-end value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables                                                                                                                                   | 3,315    |
| 30                                                                 | Total exposure measure (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables) | 78,814   |
| 30a                                                                | Total exposure measure (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables) | 78,814   |
| 31                                                                 | Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)         | 0        |
| 31a                                                                | Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)         | 0        |

## 6 CREDIT RISK

### 6.1 Definitions and general information

The Group has aligned the definition of default for financial reporting purposes, with the NPE definition used for regulatory purposes, as per the EBA ITS, thus a financial asset is considered as credit impaired, and is classified into Stage 3, when it is classified as NPE in accordance with the Group's NPE and Forbearance Classification Policy. Furthermore, EBA published the Final Guidelines (EBA/GL/2016/07) on the application of the definition of default under Article 178 of Regulation (EU) No. 575/2013 and Regulation (EU) 2018/1845 of the European Central Bank (ECB), in relation to the threshold for assessing the materiality of credit obligations past due, with the intention of harmonizing its application among European Financial institutions and improving consistency in the way these institutions estimate regulatory requirements to their capital positions, being applied from 1 January 2021.

The new definition of default results in classification of exposures (except for those held for trading or debt securities where the borrower has no other exposures with the Group) into Stage 3 according to the following main criteria:

- A. Unpaid payments of over €100 for Retail €500 for Non-retail for more than 90 consecutive days, representing at least 1% of the total exposure of the obligor. For the Corporate portfolio, the assessment takes place at obligor level across the Group, as opposed to a facility level assessment for Retail exposures. In case of credit cards, the exposure is considered non-performing in case of more than three (3) unpaid monthly instalments. Only missed payments related to business litigations, specific contractual features or IT failures (i.e., 'technical past due' situations) may avoid automatic transfer into Stage 3 after 90 days.
- B. A 3-month probation period for non-forborne exposures, during which no default trigger applies.
- C. Identification of other criteria that evidence, even in the absence of missed payments, that it is unlikely that the counterparty could meet all its financial obligations (UTPs), including indicatively the following:
  - the granting of concessions towards obligors facing or about to face difficulties in meeting their financial commitments that result in a decrease in the present value of cash flows of more than 1% of its initial value (a distressed restructuring resulting in a diminished financial obligation);
  - the partial or full sale of credit obligations at a material credit-related economic loss, i.e. >5%;
  - losses recognised in the Income Statement for instruments measured at fair value that represent credit risk impairment.

A commitment is regarded as NPE if, when withdrawn or otherwise used, it would lead to exposures that present a risk of not being paid back in full without realisation of collateral. Financial guarantees written by the Bank are regarded as NPE for their nominal value when the financial guarantee is at risk of being called by the holder of the guarantee, including, in particular, when the underlying guaranteed exposure meets the criteria to be considered as NPE.

A debt security is considered as credit impaired under an objective approach, and classified into Stage 3, when at least one payment of capital or interest is overdue by the issuer, based on the contractual terms of the instrument, irrespective of the days past due. In addition, a debt security is assessed as credit impaired if there is at least one external credit rating on the security or the issuer (if no external rating on the security is available) corresponding to Default or Selective Default.

### 6.2 Impairment - Expected credit losses

ECL are recognised for all financial assets measured at amortised cost, debt financial assets measured at FVTOCI, lease receivables, financial guarantees and certain loan commitments. ECL represent the difference between contractual cash flows and those that the Group expects to receive, discounted at the financial asset's EIR. For loan commitments and other credit facilities in scope of ECL, the expected cash shortfalls are determined by considering expected future drawdowns.

#### Recognition of expected credit losses

At initial recognition, an impairment allowance is required for ECL resulting from default events that are possible within the next 12 months (12-month ECL), weighted by the risk of a default occurring. Instruments in this category are referred to as instruments in Stage 1. For instruments with a remaining maturity of less than 12 months, ECL are determined for this shorter period.

In the event of a significant increase in credit risk ("SICR"), an ECL allowance is required, reflecting lifetime cash shortfalls that would result from all possible default events over the expected life of the financial instrument ("lifetime ECL"), weighted by the risk of a default occurring. Instruments in this category are referred to as instruments in Stage 2.

Lifetime ECL are always recognised on financial assets for which there is objective evidence of impairment, that is they are considered to be in default or otherwise credit-impaired. Such instruments are referred to as instruments in Stage 3.

#### Write-off

A write-off is made when the Group does not have a reasonable expectation to recover all or part of a financial asset. Write-offs reduce the principal amount of a claim and are charged against previously established allowances for credit losses. Recoveries, in part or in full, of amounts previously written off are generally credited to "Credit provisions and other impairment charges". Write-offs and partial write-offs represent derecognition or partial derecognition events.

#### Measurement of expected credit losses

The Group assesses on a forward-looking basis the ECL associated with all financial assets subject to impairment under IFRS 9. The Group recognises an ECL allowance for such losses at each reporting date. The measurement of ECL reflects:



The Group assesses on a forward-looking basis the ECL associated with all financial assets subject to impairment under IFRS 9. The Group recognises an ECL allowance for such losses at each reporting date. The measurement of ECL reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes. The Group uses three macroeconomic scenarios and estimates the ECL that would arise under each scenario. A weighting is allocated to each scenario, such that the weighted probabilities of all three scenarios are equal to one. The distribution of possible ECL may be non-linear, hence three distinct calculations are performed, where the associated ECLs are multiplied by the weighting allocated to the respective scenario. The sum of the three weighted ECL calculations represents the probability-weighted ECL.
- The time value of money.
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

For the purposes of measuring ECL, the estimate of expected cash shortfalls reflects the cash proceeds expected from collateral liquidation (if any) and other credit enhancements that are part of the contractual terms and are not recognised separately by the Group. The estimate of expected cash shortfalls on a collateralized loan exposure reflects the assumptions used regarding the amount and timing of cash flows that are expected from foreclosure on the collateral less the costs of obtaining and selling the collateral, irrespective of whether the foreclosure is probable or not.

The ECL calculations are based on the following factors:

- **Exposure at Default ("EAD"):** This is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, and expected drawdowns on committed facilities.
- **Probability of Default ("PD"):** Represents the likelihood of a borrower/issuer defaulting on its financial obligation, assessed on the prevailing economic conditions at the reporting date, adjusted to take into account estimates of future economic conditions that are likely to impact the risk of default either over the next 12 months for Stage 1 financial assets, or over the remaining lifetime, for Stage 2 financial assets.
- **Loss given default ("LGD"):** Represents the Group's expectation of the extent of loss on a defaulted exposure. The LGD varies by type of counterparty, type and seniority of claim and availability of collateral or other credit support. The determination of LGD takes into account expected future cash flows from collateral and other credit enhancements or expected payouts from bankruptcy proceedings for unsecured claims and, where applicable, time to realization of collateral and the seniority of claims. LGD is expressed as a percentage loss per unit of EAD.
- **Discount Rate:** The implied discount factor based on the original EIR of the financial asset or an approximation thereof.

The PD and LGD are determined for three different scenarios whereas EAD projections are treated as scenario independent.

The ECL is determined by projecting the PD, LGD and EAD for each time step between future cash flow dates and for each individual exposure or collective segment. These three components are multiplied together and adjusted for the likelihood of survival, if appropriate. This effectively calculates an ECL for each future period, which is then discounted back to the reporting date and added up.

The Group recognises an ECL allowance on irrevocable commitments to extend credit, financial guarantee contracts (LGs) and letters of credit (LCs), on the date that the Group becomes a party to the irrevocable commitment. No ECL allowance is recognised on revocable loan commitments, as such commitments do not meet the definition of a financial instrument. For revolving lending exposures (i.e. facilities that include both a loan and a revocable undrawn commitment component), the EAD represents the expected balance at default, taking into account any expected drawdowns, based on the Group's historical experience. The ECL allowance on financial guarantees and letters of credit written by the Group, is based on the Credit Conversion Factor ("CCF") applicable to the relevant financial instrument type, which converts the off-balance sheet amount to an EAD amount.

The Bank has initiated the process of enhancing its credit risk assessment process, incorporating climate and environmental factors for the purposes of evaluating borrower's risk of default and ultimately the ECL calculation. Acknowledging the importance and potential impact of Environmental, Social and Governance (ESG) risks, the Bank has proceeded with the identification and materiality assessment of such risks and their incorporation in the overall risk management framework, and is committed to monitoring, assessing and managing the particular risks going forward.

More specifically, taking into account the relevant supervisory expectations regarding the climate-related risk classification and in particular, the requirement to use granular information, evaluate and quantify how climate related risks affect credit risk (and effectively ECL) as well as the ECB's "Good Practices for climate-related and environmental Risk Management", the Bank:

1. has developed and implements bespoke ESG obligor assessment questionnaires (scorecards) in its credit approval process, in order to assess the performance of its corporate clientele on ESG factors, taking into account sector level characteristics and the significance of certain ESG factors for individual companies depending on their economic activity, and
2. is in the process to investigate the incorporation of Climate and Environmental ("C&E") risks to credit rating, by combining the outcome of ESG scorecards with the obligor's internal risk rating. Relevant analyses are underway and are expected to be further enhanced, as more historical data becomes available and methodological approaches mature.

In addition, the Bank has already incorporated the impact of physical and transition risks in the collateral valuation performed through physical inspection of real estate properties. The subsequent use of these valuations in the estimation of LGD and LTV (Loan-to-Value) practically affects the ECL calculation for the real estate collateralized exposures.

### Management adjustments to expected credit losses

Management adjustments may be performed to factor in certain conditions and circumstances prevailing at the reporting date which are not fully captured into the ECL models, based on management judgment. These relate to post-model adjustments ("PMAs") to the ECL model output which are calculated and allocated at a granular level following relevant risk assessment and analysis, resulting in either an increase or a decrease in the total ECL allowance, and to in-model adjustments to model inputs.

### Forward looking economic inputs

Forward looking information (FLI) is incorporated in the ECL measurement of collectively assessed loans and debt securities through the PD and LGD models. The expected recoveries (cash flow recoveries or liquidation of collateral) used in the ECL measurement of wholesale lending exposures individually assessed, takes into account FLI based on the Bank's forecasts of the relevant macroeconomic factors.

The Group applies three scenarios, i.e. baseline, optimistic, adverse, developed by the Bank's Economic Analysis Division ("EADN"). The macroeconomic scenarios used for measuring ECL are the same with the ones used for evaluating SICR.

The main macroeconomic variables utilized by the Group, affecting the level of ECL are the following:

- GDP growth rate
- House price index (HPI)

### Significant increase of credit risk

A financial asset is classified as Stage 2 when a SICR since its initial recognition has occurred and the financial asset does not meet the definition for Stage 3. At each reporting date, the Group performs the SICR assessment on the individual financial instrument level by comparing the risk of a default occurring over the remaining expected lifetime of the exposure with the expected risk of a default as estimated at origination.

The Group's process to assess SICR is multi-factor and has three main components:

- **a quantitative element**, i.e. reflecting a quantitative comparison of PD or credit rating at the reporting date versus the respective metric at initial recognition;
- **a qualitative element**, i.e. all Forborne Performing Exposures (FPE), in accordance with EBA ITS, internal watch list for corporate obligors; and
- **"backstop" indicators**: The Group applies on all lending exposures the IFRS 9 presumption that a SICR has occurred when the financial asset is more than 30 days past due. In addition, the EBA backstop indicator of the threefold increase in PD is applied as a rule for Stage 2 allocation for lending exposures.

## 6.3 Maturity classification of Credit exposures

The table below presents the remaining maturity of Loans and advances and Debt securities broken down by maturity buckets for 31.12.2023 and 30.06.2023.

**Table 20: EU CR1 A – Maturity of exposures 31.12.2023**

| Exposure Class     | a                  | b             | c                   | d             | e                  | f             |
|--------------------|--------------------|---------------|---------------------|---------------|--------------------|---------------|
|                    | Net exposure value |               |                     |               |                    | Total         |
|                    | On demand          | <= 1 year     | > 1 year <= 5 years | > 5 years     | No stated maturity |               |
| Loans and Advances | 875                | 5,764         | 11,395              | 18,645        | 0                  | 36,679        |
| Debt Securities    |                    | 6,648         | 1,086               | 8,660         | 0                  | 16,394        |
| <b>Total</b>       | <b>875</b>         | <b>12,412</b> | <b>12,481</b>       | <b>27,305</b> | <b>0</b>           | <b>53,073</b> |

**Table 20: EU CR1 A – Maturity of exposures 30.06.2023**

| Exposure Class     | a                  | b             | c                   | d             | e                  | f             |
|--------------------|--------------------|---------------|---------------------|---------------|--------------------|---------------|
|                    | Net exposure value |               |                     |               |                    | Total         |
|                    | On demand          | <= 1 year     | > 1 year <= 5 years | > 5 years     | No stated maturity |               |
| Loans and Advances | 859                | 5,630         | 12,572              | 18,449        |                    | 37,511        |
| Debt Securities    |                    | 5,923         | 978                 | 8,088         |                    | 14,988        |
| <b>Total</b>       | <b>859</b>         | <b>11,553</b> | <b>13,550</b>       | <b>26,537</b> |                    | <b>52,499</b> |

## 6.4 Non-performing and forborne exposures

The Bank continues to operate in a challenging economic environment as a result of the Greek financial crisis. Against this backdrop, the Bank is executing a well-developed strategy that aims to reduce its NPE ratio and maximize collections from the Bank's troubled assets portfolio. This strategy includes a set of detailed operational targets and Key Performance Indicators as well as a time-bound action plan for their implementation with a view to significantly reducing NPE stocks.

The strategy establishes realistic but sufficiently ambitious targets, and NBG assesses its effectiveness and adequacy on a regular basis. The strategy is both consistent with, and linked to, the Bank's business plan and the current ICAAP.

### 6.4.1 Disposal of NPE portfolios

#### Project "Frontier II"

In the context of deleveraging its NPEs through inorganic actions and according to its NPE Divestment Policy, the Bank decided the disposal of a portfolio of Greek NPEs in the form of a rated securitization that will utilize the provisions of Hellenic Asset Protection Scheme ("HAPS"), known as "Hercules III" (see Section 12 Securitization "Hellenic Republic Asset Protection Scheme" for more information on this Scheme).

The transaction was completed on 16 February 2024 following the receipt of all necessary approvals, including the provision of the State guarantee on the Senior notes.

#### ■ Project “Pronto”

The Bank decided the disposal of the non-Performing leasing exposures through: i) the sale of the shares of the Probank Leasing S.A. and ii) the sale of the Bank’s leasing portfolio (ex-FBB) and NBG Leasing S.A. (“NBGL”) leasing portfolio, with a total gross book value of €33 million as at 31 December 2023.

The transaction is estimated to be completed within the 1H.2024, subject to required approvals.

#### ■ Project “Solar”

In December 2021, the Bank decided to launch the divestment of the secured portfolio of SMEs (Project “Solar”) with a gross book value c. €170 million (as of the cut-off date 30 September 2021), through a joint securitization process with the other Greek financial institutions under HAPS.

On 1 November 2023, NBG together with the other Greek systemic banks entered into a definitive agreement with funds managed by Waterwheel Capital Management, L.P. for the sale of 95% of the Mezzanine and Junior notes. The banks will retain the 100% of the Senior notes and 5% of the Mezzanine and Junior notes for risk retention purposes.

The transaction is expected to be completed within the 1H.2024, subject to required approvals.

#### ■ Project “Frontier III”

In September 2023, the Bank decided the disposal of a portfolio of Greek NPEs in the form of a rated securitization aiming to utilize the provisions of HAPS estimated to be completed within 2024, subject to required approvals.

## CREDIT RISK

Table 21: EU CQ1 - Credit quality of forborne exposures 31.12.2023

|                                                              | a                                                                            | b                       | c                  | d                 | e                                | f                                    | g                                                                           | h                                                                                                           |
|--------------------------------------------------------------|------------------------------------------------------------------------------|-------------------------|--------------------|-------------------|----------------------------------|--------------------------------------|-----------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|
|                                                              | Gross carrying amount/ nominal amount of exposures with forbearance measures |                         |                    |                   | Accumulated impairment           |                                      | Collateral received and financial guarantees received on forborne exposures |                                                                                                             |
|                                                              | Performing forborne                                                          | Non performing forborne |                    |                   | On performing forborne exposures | On non-performing forborne exposures |                                                                             | Of which collateral and financial guarantees received on non-performing exposures with forbearance measures |
|                                                              |                                                                              |                         | Of which defaulted | Of which impaired |                                  |                                      |                                                                             |                                                                                                             |
| 005 Cash balances at central banks and other demand deposits | 0                                                                            | 0                       | 0                  | 0                 | 0                                | 0                                    | 0                                                                           | 0                                                                                                           |
| 010 Loans and advances                                       | 1,339                                                                        | 676                     | 676                | 676               | (124)                            | (304)                                | 1,381                                                                       | 346                                                                                                         |
| 020 Central Banks                                            | 0                                                                            | 0                       | 0                  | 0                 | 0                                | 0                                    | 0                                                                           | 0                                                                                                           |
| 030 General Governments                                      | 14                                                                           | 6                       | 6                  | 6                 | (6)                              | (4)                                  | 9                                                                           | 1                                                                                                           |
| 040 Credit Institutions                                      | 0                                                                            | 0                       | 0                  | 0                 | 0                                | 0                                    | 0                                                                           | 0                                                                                                           |
| 050 Other Financial Corporations                             | 11                                                                           | 1                       | 1                  | 1                 | (3)                              | 0                                    | 9                                                                           | 1                                                                                                           |
| 060 Non-Financial Corporations                               | 267                                                                          | 413                     | 413                | 412               | (45)                             | (215)                                | 301                                                                         | 180                                                                                                         |
| 070 Households                                               | 1,047                                                                        | 257                     | 257                | 257               | (70)                             | (84)                                 | 1,062                                                                       | 165                                                                                                         |
| 080 Debt Securities                                          | 0                                                                            | 0                       | 0                  | 0                 | 0                                | 0                                    | 0                                                                           | 0                                                                                                           |
| 090 Loan Commitments given                                   | 0                                                                            | 0                       | 0                  | 0                 | 0                                | 0                                    | 0                                                                           | 0                                                                                                           |
| 100 Total                                                    | 1,339                                                                        | 676                     | 676                | 676               | (124)                            | (304)                                | 1,381                                                                       | 346                                                                                                         |

Table 21: EU CQ1 - Credit quality of forborne exposures 30.06.2023

|                                                              | a                                                                            | b                       | c                  | d                 | e                                | f                                    | g                                                                           | h                                                                                                           |
|--------------------------------------------------------------|------------------------------------------------------------------------------|-------------------------|--------------------|-------------------|----------------------------------|--------------------------------------|-----------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|
|                                                              | Gross carrying amount/ nominal amount of exposures with forbearance measures |                         |                    |                   | Accumulated impairment           |                                      | Collateral received and financial guarantees received on forborne exposures |                                                                                                             |
|                                                              | Performing forborne                                                          | Non performing forborne |                    |                   | On performing forborne exposures | On non-performing forborne exposures |                                                                             | Of which collateral and financial guarantees received on non-performing exposures with forbearance measures |
|                                                              |                                                                              |                         | Of which defaulted | Of which impaired |                                  |                                      |                                                                             |                                                                                                             |
| 005 Cash balances at central banks and other demand deposits | 0                                                                            | 0                       | 0                  | 0                 | 0                                | 0                                    | 0                                                                           | 0                                                                                                           |
| 010 Loans and advances                                       | 1,796                                                                        | 832                     | 832                | 832               | (161)                            | (383)                                | 1,830                                                                       | 419                                                                                                         |
| 020 Central Banks                                            | 0                                                                            | 0                       | 0                  | 0                 | 0                                | 0                                    | 0                                                                           | 0                                                                                                           |
| 030 General Governments                                      | 19                                                                           | 6                       | 6                  | 6                 | (8)                              | (5)                                  | 12                                                                          | 1                                                                                                           |
| 040 Credit Institutions                                      | 0                                                                            | 0                       | 0                  | 0                 | 0                                | 0                                    | 0                                                                           | 0                                                                                                           |
| 050 Other Financial Corporations                             | 11                                                                           | 1                       | 1                  | 1                 | (3)                              | 0                                    | 8                                                                           | 1                                                                                                           |
| 060 Non-Financial Corporations                               | 350                                                                          | 473                     | 473                | 472               | (56)                             | (259)                                | 372                                                                         | 190                                                                                                         |
| 070 Households                                               | 1,417                                                                        | 353                     | 353                | 353               | (94)                             | (119)                                | 1,438                                                                       | 227                                                                                                         |
| 080 Debt Securities                                          | 0                                                                            | 0                       | 0                  | 0                 | 0                                | 0                                    | 0                                                                           | 0                                                                                                           |
| 090 Loan Commitments given                                   | 0                                                                            | 0                       | 0                  | 0                 | 0                                | 0                                    | 0                                                                           | 0                                                                                                           |
| 100 Total                                                    | 1,796                                                                        | 832                     | 832                | 832               | (161)                            | (383)                                | 1,830                                                                       | 419                                                                                                         |

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Table 22: EU CQ2 - Quality of forbearance 31.12.2023 and 30.06.2023

|                                                                                                 | a                                                     | a                                                     |
|-------------------------------------------------------------------------------------------------|-------------------------------------------------------|-------------------------------------------------------|
|                                                                                                 | Gross carrying amount of forbore exposures 31.12.2023 | Gross carrying amount of forbore exposures 30.06.2023 |
| 1 Loans and advances that have been forbore more than twice                                     | 814                                                   | 995                                                   |
| 2 Non-performing forbore loan and advances that failed to meet the non-performing exit criteria | 635                                                   | 791                                                   |

Table 23: EU CQ3 - Credit quality of performing and non-performing exposures by past due days 31.12.2023

|                                                             | a                                     | b                          | c   | d                                                              | e                           | f                          | g                         | h                          | i                          | j                 | k                  | l     |
|-------------------------------------------------------------|---------------------------------------|----------------------------|-----|----------------------------------------------------------------|-----------------------------|----------------------------|---------------------------|----------------------------|----------------------------|-------------------|--------------------|-------|
|                                                             | Gross carrying amount/ nominal amount |                            |     |                                                                |                             |                            |                           |                            |                            |                   |                    |       |
|                                                             | Performing exposures                  |                            |     | Non performing exposures                                       |                             |                            |                           |                            |                            |                   |                    |       |
|                                                             | Not past due or past due ≤30 days     | Past due >30 days ≤90 days |     | Unlikely to pay that are not past due or are past due ≤90 days | Past due >90 days ≤180 days | Past due >180 days ≤1 year | Past due >1 year ≤2 years | Past due >2 years ≤5 years | Past due >5 years ≤7 years | Past due >7 years | Of which defaulted |       |
| 05 Cash balances at central banks and other demand deposits | 8,476                                 | 8,476                      | 0   | 0                                                              | 0                           | 0                          | 0                         | 0                          | 0                          | 0                 | 0                  | 0     |
| 1 Loans and advances                                        | 36,479                                | 36,089                     | 389 | 1,290                                                          | 684                         | 69                         | 75                        | 99                         | 107                        | 245               | 11                 | 1,290 |
| 2 Central Banks                                             | 0                                     | 0                          | 0   | 0                                                              | 0                           | 0                          | 0                         | 0                          | 0                          | 0                 | 0                  | 0     |
| 3 General Governments                                       | 1,729                                 | 1,705                      | 24  | 15                                                             | 2                           | 0                          | 0                         | 0                          | 0                          | 13                | 0                  | 15    |
| 4 Credit Institutions                                       | 2,457                                 | 2,457                      | 0   | 0                                                              | 0                           | 0                          | 0                         | 0                          | 0                          | 0                 | 0                  | 0     |
| 5 Other Financial Corporations                              | 3,642                                 | 3,642                      | 0   | 1                                                              | 1                           | 0                          | 0                         | 0                          | 0                          | 0                 | 0                  | 1     |
| 6 Non-Financial Corporations                                | 19,725                                | 19,416                     | 309 | 857                                                            | 415                         | 23                         | 51                        | 73                         | 81                         | 207               | 8                  | 857   |
| 7 Of which SMEs                                             | 5,842                                 | 5,747                      | 96  | 378                                                            | 162                         | 15                         | 33                        | 31                         | 37                         | 92                | 8                  | 378   |
| 8 Households                                                | 8,926                                 | 8,869                      | 57  | 416                                                            | 265                         | 46                         | 24                        | 26                         | 26                         | 25                | 4                  | 416   |
| 9 Debt Securities*                                          | 16,446                                | 16,446                     | 0   | 0                                                              | 0                           | 0                          | 0                         | 0                          | 0                          | 0                 | 0                  | 0     |
| 10 Central Banks                                            | 0                                     | 0                          | 0   | 0                                                              | 0                           | 0                          | 0                         | 0                          | 0                          | 0                 | 0                  | 0     |
| 11 General Governments                                      | 14,313                                | 14,313                     | 0   | 0                                                              | 0                           | 0                          | 0                         | 0                          | 0                          | 0                 | 0                  | 0     |
| 12 Credit Institutions                                      | 668                                   | 668                        | 0   | 0                                                              | 0                           | 0                          | 0                         | 0                          | 0                          | 0                 | 0                  | 0     |
| 13 Other Financial Corporations                             | 1,207                                 | 1,207                      | 0   | 0                                                              | 0                           | 0                          | 0                         | 0                          | 0                          | 0                 | 0                  | 0     |
| 14 Non-Financial Corporations                               | 258                                   | 258                        | 0   | 0                                                              | 0                           | 0                          | 0                         | 0                          | 0                          | 0                 | 0                  | 0     |
| 15 Off-balance sheet exposures                              | 17,966                                |                            |     | 130                                                            |                             |                            |                           |                            |                            |                   |                    | 130   |
| 16 Central Banks                                            | 0                                     |                            |     | 0                                                              |                             |                            |                           |                            |                            |                   |                    | 0     |
| 17 General Governments                                      | 301                                   |                            |     | 0                                                              |                             |                            |                           |                            |                            |                   |                    | 0     |
| 18 Credit Institutions                                      | 2                                     |                            |     | 0                                                              |                             |                            |                           |                            |                            |                   |                    | 0     |
| 19 Other Financial Corporations                             | 683                                   |                            |     | 0                                                              |                             |                            |                           |                            |                            |                   |                    | 0     |
| 20 Non-Financial Corporations                               | 15,277                                |                            |     | 126                                                            |                             |                            |                           |                            |                            |                   |                    | 126   |
| 21 Households                                               | 1,703                                 |                            |     | 4                                                              |                             |                            |                           |                            |                            |                   |                    | 4     |
| 22 Total                                                    | 79,367                                | 61,011                     | 389 | 1,420                                                          | 684                         | 69                         | 75                        | 99                         | 107                        | 245               | 11                 | 1,420 |

\*Included only Debt securities classified as HTC



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Table 23: EU CQ3 – Credit quality of performing and non-performing exposures by past due days 31.12.2022

|                                       |                                                          | a                                 | b                          | c   | d                                                              | e                           | f                          | g                         | h                            | i                            | j                  | k                  | l     |
|---------------------------------------|----------------------------------------------------------|-----------------------------------|----------------------------|-----|----------------------------------------------------------------|-----------------------------|----------------------------|---------------------------|------------------------------|------------------------------|--------------------|--------------------|-------|
| Gross carrying amount/ nominal amount |                                                          |                                   |                            |     |                                                                |                             |                            |                           |                              |                              |                    |                    |       |
|                                       |                                                          | Performing exposures              |                            |     | Non performing exposures                                       |                             |                            |                           |                              |                              |                    |                    |       |
|                                       |                                                          | Not past due or past due ≤30 days | Past due >30 days ≤90 days |     | Unlikely to pay that are not past due or are past due ≤90 days | Past due >90 days ≤180 days | Past due >180 days ≤1 year | Past due >1 year ≤2 years | Past due > 2 years ≤ 5 years | Past due > 5 years ≤ 7 years | Past due > 7 years | Of which defaulted |       |
| 05                                    | Cash balances at central banks and other demand deposits | 13,711                            | 13,711                     |     |                                                                |                             |                            |                           |                              |                              |                    |                    |       |
| 1                                     | Loans and advances                                       | 37,952                            | 37,748                     | 204 | 1,793                                                          | 809                         | 86                         | 120                       | 143                          | 139                          | 478                | 18                 | 1,793 |
| 2                                     | Central Banks                                            |                                   |                            |     |                                                                |                             |                            |                           |                              |                              |                    |                    |       |
| 3                                     | General Governments                                      | 3,830                             | 3,826                      | 4   | 15                                                             | 2                           |                            |                           |                              |                              | 13                 |                    | 15    |
| 4                                     | Credit Institutions                                      | 2,673                             | 2,673                      |     |                                                                |                             |                            |                           |                              |                              |                    |                    |       |
| 5                                     | Other Financial Corporations                             | 3,908                             | 3,908                      |     | 6                                                              | 2                           | 1                          |                           |                              |                              | 1                  | 3                  | 6     |
| 6                                     | Non-Financial Corporations                               | 18,153                            | 17,994                     | 159 | 1,161                                                          | 499                         | 38                         | 47                        | 102                          | 78                           | 385                | 12                 | 1,161 |
| 7                                     | Of which SMEs                                            | 5,785                             | 5,690                      | 95  | 545                                                            | 174                         | 24                         | 33                        | 29                           | 38                           | 237                | 12                 | 545   |
| 8                                     | Households                                               | 9,387                             | 9,346                      | 41  | 611                                                            | 307                         | 47                         | 73                        | 40                           | 61                           | 80                 | 4                  | 611   |
| 9                                     | Debt Securities*                                         | 13,180                            | 13,180                     |     |                                                                |                             |                            |                           |                              |                              |                    |                    |       |
| 10                                    | Central Banks                                            |                                   |                            |     |                                                                |                             |                            |                           |                              |                              |                    |                    |       |
| 11                                    | General Governments                                      | 12,153                            | 12,153                     |     |                                                                |                             |                            |                           |                              |                              |                    |                    |       |
| 12                                    | Credit Institutions                                      | 476                               | 476                        |     |                                                                |                             |                            |                           |                              |                              |                    |                    |       |
| 13                                    | Other Financial Corporations                             | 306                               | 306                        |     |                                                                |                             |                            |                           |                              |                              |                    |                    |       |
| 14                                    | Non-Financial Corporations                               | 245                               | 245                        |     |                                                                |                             |                            |                           |                              |                              |                    |                    |       |
| 15                                    | Off-balance sheet exposures                              | 19,079                            |                            |     | 131                                                            |                             |                            |                           |                              |                              |                    |                    | 131   |
| 16                                    | Central Banks                                            |                                   |                            |     |                                                                |                             |                            |                           |                              |                              |                    |                    |       |
| 17                                    | General Governments                                      | 353                               |                            |     |                                                                |                             |                            |                           |                              |                              |                    |                    |       |
| 18                                    | Credit Institutions                                      | 2                                 |                            |     |                                                                |                             |                            |                           |                              |                              |                    |                    |       |
| 19                                    | Other Financial Corporations                             | 895                               |                            |     |                                                                |                             |                            |                           |                              |                              |                    |                    |       |
| 20                                    | Non-Financial Corporations                               | 16,392                            |                            |     | 126                                                            |                             |                            |                           |                              |                              |                    |                    | 126   |
| 21                                    | Households                                               | 1,436                             |                            |     | 4                                                              |                             |                            |                           |                              |                              |                    |                    | 4     |
| 22                                    | Total                                                    | 83,921                            | 64,639                     | 204 | 1,923                                                          | 809                         | 86                         | 120                       | 143                          | 139                          | 478                | 18                 | 1,923 |

\*Included only Debt securities classified as HTC

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Table 24: EU CR1 - Performing and non-performing exposures and related provisions 31.12.2023

|                                                          | a                                     | b                | c     | d                        | e                | f     | g                                                                                                    | h                | i                                                                                                                             | j                | k                | l     | m                              | n                                             | o                           |
|----------------------------------------------------------|---------------------------------------|------------------|-------|--------------------------|------------------|-------|------------------------------------------------------------------------------------------------------|------------------|-------------------------------------------------------------------------------------------------------------------------------|------------------|------------------|-------|--------------------------------|-----------------------------------------------|-----------------------------|
|                                                          | Gross carrying amount/ nominal amount |                  |       |                          |                  |       | Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions |                  |                                                                                                                               |                  |                  |       | Accumulated partial write-offs | Collaterals and financial guarantees received |                             |
|                                                          | Performing exposures                  |                  |       | Non performing exposures |                  |       | Performing exposures-accumulated impairment and provisions                                           |                  | Non-performing exposures-accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions |                  |                  |       |                                | On performing exposures                       | On non-performing exposures |
|                                                          | Of which stage 1                      | Of which stage 2 |       | Of which stage 2         | Of which stage 3 |       | Of which stage 1                                                                                     | Of which stage 2 |                                                                                                                               | Of which stage 2 | Of which stage 3 |       |                                |                                               |                             |
| Cash balances at central banks and other demand deposits | 8,476                                 | 8,476            | 0     | 0                        | 0                | 0     | 0                                                                                                    | 0                | 0                                                                                                                             | 0                | 0                | 0     | 0                              | 0                                             | 0                           |
| Loans and advances                                       | 36,479                                | 32,943           | 3,140 | 1,290                    | 0                | 1,281 | (440)                                                                                                | (215)            | (225)                                                                                                                         | (649)            | 0                | (643) | (137)                          | 18,857                                        | 538                         |
| Central Banks                                            | 0                                     | 0                | 0     | 0                        | 0                | 0     | 0                                                                                                    | 0                | 0                                                                                                                             | 0                | 0                | 0     | 0                              | 0                                             | 0                           |
| General Governments                                      | 1,729                                 | 1,686            | 43    | 15                       | 0                | 15    | (15)                                                                                                 | (8)              | (8)                                                                                                                           | (13)             | 0                | (13)  | 0                              | 179                                           | 2                           |
| Credit Institutions                                      | 2,457                                 | 2,457            | 0     | 0                        | 0                | 0     | 0                                                                                                    | 0                | 0                                                                                                                             | 0                | 0                | 0     | 0                              | 0                                             | 0                           |
| Other Financial Corporations                             | 3,642                                 | 3,247            | 11    | 1                        | 0                | 1     | (25)                                                                                                 | (22)             | (3)                                                                                                                           | 0                | 0                | 0     | 0                              | 2,648                                         | 1                           |
| Non-Financial Corporations                               | 19,725                                | 18,461           | 1,252 | 857                      | 0                | 848   | (241)                                                                                                | (131)            | (109)                                                                                                                         | (460)            | 0                | (455) | (93)                           | 9,136                                         | 333                         |
| Of which SMEs                                            | 5,842                                 | 5,179            | 663   | 378                      | 0                | 373   | (109)                                                                                                | (47)             | (62)                                                                                                                          | (170)            | 0                | (167) | (45)                           | 3,001                                         | 177                         |
| Households                                               | 8,926                                 | 7,092            | 1,834 | 416                      | 0                | 416   | (159)                                                                                                | (54)             | (106)                                                                                                                         | (175)            | 0                | (175) | (43)                           | 6,895                                         | 203                         |
| Debt Securities                                          | 16,446                                | 15,030           | 1,410 | 0                        | 0                | 0     | (52)                                                                                                 | (19)             | (33)                                                                                                                          | 0                | 0                | 0     | 0                              | 0                                             | 0                           |
| Central Banks                                            | 0                                     | 0                | 0     | 0                        | 0                | 0     | 0                                                                                                    | 0                | 0                                                                                                                             | 0                | 0                | 0     | 0                              | 0                                             | 0                           |
| General Governments                                      | 14,313                                | 12,903           | 1,410 | 0                        | 0                | 0     | (48)                                                                                                 | (15)             | (33)                                                                                                                          | 0                | 0                | 0     | 0                              | 0                                             | 0                           |
| Credit Institutions                                      | 668                                   | 666              | 0     | 0                        | 0                | 0     | (2)                                                                                                  | (2)              | 0                                                                                                                             | 0                | 0                | 0     | 0                              | 0                                             | 0                           |
| Other Financial Corporations                             | 1,207                                 | 1,203            | 0     | 0                        | 0                | 0     | (1)                                                                                                  | (1)              | 0                                                                                                                             | 0                | 0                | 0     | 0                              | 0                                             | 0                           |
| Non-Financial Corporations                               | 258                                   | 258              | 0     | 0                        | 0                | 0     | (1)                                                                                                  | (1)              | 0                                                                                                                             | 0                | 0                | 0     | 0                              | 0                                             | 0                           |
| Off-balance sheet exposures                              | 17,966                                | 17,171           | 796   | 130                      | 0                | 130   | (5)                                                                                                  | (4)              | (2)                                                                                                                           | (33)             | 0                | (33)  |                                | 66                                            | 0                           |
| Central Banks                                            | 0                                     | 0                | 0     | 0                        | 0                | 0     | 0                                                                                                    | 0                | 0                                                                                                                             | 0                | 0                | 0     |                                | 0                                             | 0                           |
| General Governments                                      | 301                                   | 285              | 16    | 0                        | 0                | 0     | 0                                                                                                    | 0                | 0                                                                                                                             | 0                | 0                | 0     |                                | 0                                             | 0                           |
| Credit Institutions                                      | 2                                     | 2                | 0     | 0                        | 0                | 0     | 0                                                                                                    | 0                | 0                                                                                                                             | 0                | 0                | 0     |                                | 0                                             | 0                           |
| Other Financial Corporations                             | 683                                   | 683              | 1     | 0                        | 0                | 0     | 0                                                                                                    | 0                | 0                                                                                                                             | 0                | 0                | 0     |                                | 0                                             | 0                           |
| Non-Financial Corporations                               | 15,277                                | 14,520           | 757   | 126                      | 0                | 126   | (5)                                                                                                  | (3)              | (1)                                                                                                                           | (33)             | 0                | (33)  |                                | 66                                            | 0                           |
| Households                                               | 1,703                                 | 1,681            | 22    | 4                        | 0                | 4     | 0                                                                                                    | 0                | 0                                                                                                                             | 0                | 0                | 0     |                                | 0                                             | 0                           |
| Total                                                    | 79,367                                | 73,620           | 5,346 | 1,420                    | 0                | 1,411 | (497)                                                                                                | (237)            | (260)                                                                                                                         | (682)            | 0                | (676) | (137)                          | 18,923                                        | 538                         |

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Table 24: EU CR1 - Performing and non-performing exposures and related provisions 30.06.2023

|                                                          | a                                     | b                | c                        | d                | e                | f                                                          | g                                                                                                    | h                                                                                                                             | i                | j | k                              | l                                            | m                           | n   | o |
|----------------------------------------------------------|---------------------------------------|------------------|--------------------------|------------------|------------------|------------------------------------------------------------|------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------|------------------|---|--------------------------------|----------------------------------------------|-----------------------------|-----|---|
|                                                          | Gross carrying amount/ nominal amount |                  |                          |                  |                  |                                                            | Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions |                                                                                                                               |                  |   | Accumulated partial write-offs | Collateral and financial guarantees received |                             |     |   |
|                                                          | Performing exposures                  |                  | Non performing exposures |                  |                  | Performing exposures-accumulated impairment and provisions |                                                                                                      | Non-performing exposures-accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions |                  |   |                                | On performing exposures                      | On non-performing exposures |     |   |
|                                                          | Of which stage 1                      | Of which stage 2 |                          | Of which stage 2 | Of which stage 3 | Of which stage 1                                           | Of which stage 2                                                                                     | Of which stage 2                                                                                                              | Of which stage 3 |   |                                |                                              |                             |     |   |
| Cash balances at central banks and other demand deposits | 7,008                                 | 7,008            |                          |                  |                  |                                                            |                                                                                                      |                                                                                                                               |                  |   |                                |                                              |                             |     |   |
| Loans and advances                                       | 37,133                                | 32,632           | 4,060                    | 1,822            | 1,800            | (486)                                                      | (207)                                                                                                | (278)                                                                                                                         | (958)            |   | (943)                          | (88)                                         | 18,414                      | 733 |   |
| Central Banks                                            |                                       |                  |                          |                  |                  |                                                            |                                                                                                      |                                                                                                                               |                  |   |                                |                                              |                             |     |   |
| General Governments                                      | 3,655                                 | 3,625            | 30                       | 14               | 14               | (17)                                                       | (7)                                                                                                  | (10)                                                                                                                          | (13)             |   | (13)                           |                                              | 159                         | 1   |   |
| Credit Institutions                                      | 2,534                                 | 2,534            |                          |                  |                  |                                                            |                                                                                                      |                                                                                                                               |                  |   |                                |                                              |                             |     |   |
| Other Financial Corporations                             | 3,747                                 | 3,308            | 12                       | 2                | 2                | (27)                                                       | (23)                                                                                                 | (4)                                                                                                                           | (1)              |   | (1)                            |                                              | 2,673                       | 1   |   |
| Non-Financial Corporations                               | 18,087                                | 16,486           | 1,588                    | 1,080            | 1,059            | (255)                                                      | (121)                                                                                                | (134)                                                                                                                         | (643)            |   | (627)                          | (44)                                         | 8,564                       | 365 |   |
| Of which SMEs                                            | 5,520                                 | 4,447            | 1,073                    | 534              | 515              | (140)                                                      | (45)                                                                                                 | (95)                                                                                                                          | (306)            |   | (293)                          | (18)                                         | 3,081                       | 203 |   |
| Households                                               | 9,110                                 | 6,680            | 2,430                    | 725              | 725              | (187)                                                      | (55)                                                                                                 | (132)                                                                                                                         | (301)            |   | (301)                          | (44)                                         | 7,019                       | 365 |   |
| Debt Securities                                          | 15,055                                | 13,644           | 1,406                    |                  |                  | (67)                                                       | (25)                                                                                                 | (41)                                                                                                                          |                  |   |                                |                                              |                             |     |   |
| Central Banks                                            |                                       |                  |                          |                  |                  |                                                            |                                                                                                      |                                                                                                                               |                  |   |                                |                                              |                             |     |   |
| General Governments                                      | 13,389                                | 11,984           | 1,406                    |                  |                  | (61)                                                       | (20)                                                                                                 | (41)                                                                                                                          |                  |   |                                |                                              |                             |     |   |
| Credit Institutions                                      | 527                                   | 525              |                          |                  |                  | (3)                                                        | (3)                                                                                                  |                                                                                                                               |                  |   |                                |                                              |                             |     |   |
| Other Financial Corporations                             | 920                                   | 917              |                          |                  |                  | (1)                                                        | (1)                                                                                                  |                                                                                                                               |                  |   |                                |                                              |                             |     |   |
| Non-Financial Corporations                               | 219                                   | 219              |                          |                  |                  | (2)                                                        | (2)                                                                                                  |                                                                                                                               |                  |   |                                |                                              |                             |     |   |
| Off-balance sheet exposures                              | 18,378                                | 17,550           | 828                      | 136              | 136              | (10)                                                       | (6)                                                                                                  | (5)                                                                                                                           | (38)             |   | (38)                           |                                              | 66                          |     |   |
| Central Banks                                            |                                       |                  |                          |                  |                  |                                                            |                                                                                                      |                                                                                                                               |                  |   |                                |                                              |                             |     |   |
| General Governments                                      | 351                                   | 345              | 6                        |                  |                  |                                                            |                                                                                                      |                                                                                                                               |                  |   |                                |                                              |                             |     |   |
| Credit Institutions                                      | 3                                     | 3                |                          |                  |                  |                                                            |                                                                                                      |                                                                                                                               |                  |   |                                |                                              |                             |     |   |
| Other Financial Corporations                             | 827                                   | 826              | 1                        |                  |                  |                                                            |                                                                                                      |                                                                                                                               |                  |   |                                |                                              |                             |     |   |
| Non-Financial Corporations                               | 15,640                                | 14,837           | 803                      | 132              | 132              | (10)                                                       | (5)                                                                                                  | (5)                                                                                                                           | (38)             |   | (38)                           | 65                                           |                             |     |   |
| Households                                               | 1,558                                 | 1,539            | 19                       | 4                | 4                |                                                            |                                                                                                      |                                                                                                                               |                  |   |                                | 1                                            |                             |     |   |
| Total                                                    | 77,575                                | 70,835           | 6,294                    | 1,958            | 1,936            | (563)                                                      | (238)                                                                                                | (325)                                                                                                                         | (997)            |   | (981)                          | (88)                                         | 18,480                      | 733 |   |

## CREDIT RISK

Table 25: EU CQ4 - Quality of non-performing exposures by geography 31.12.2023

|    |                                    | a                                     | b                       | c                  | d                              | e                       | f                                                                          | g                                                                                         |
|----|------------------------------------|---------------------------------------|-------------------------|--------------------|--------------------------------|-------------------------|----------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|
|    |                                    | Gross carrying amount/ nominal amount |                         |                    | Of which subject to impairment | Accumulated impairment* | Provisions on off-balance-sheet commitments and financial guarantees given | Accumulated negative changes in fair value due to credit risk on non-performing exposures |
|    |                                    |                                       | Of which non-performing | Of which defaulted |                                |                         |                                                                            |                                                                                           |
| 1  | <b>On-balance-sheet exposures</b>  | <b>54,214</b>                         | <b>1,290</b>            | <b>1,290</b>       | <b>53,804</b>                  | <b>(1,135)</b>          |                                                                            | <b>(5)</b>                                                                                |
| 2  | Greece                             | 38,982                                | 1,204                   | 1,204              | 38,589                         | (1,054)                 |                                                                            | (5)                                                                                       |
| 3  | Italy                              | 3,323                                 | 0                       | 0                  | 3,323                          | (4)                     |                                                                            | 0                                                                                         |
| 4  | Spain                              | 2,316                                 | 0                       | 0                  | 2,316                          | (1)                     |                                                                            | 0                                                                                         |
| 5  | North Macedonia                    | 1,846                                 | 62                      | 62                 | 1,846                          | (60)                    |                                                                            | 0                                                                                         |
| 6  | Germany                            | 1,562                                 | 0                       | 0                  | 1,562                          | 0                       |                                                                            | 0                                                                                         |
| 7  | Marshall Islands**                 | 1,442                                 | 0                       | 0                  | 1,442                          | (2)                     |                                                                            | 0                                                                                         |
| 8  | Cyprus                             | 717                                   | 23                      | 23                 | 717                            | (12)                    |                                                                            | 0                                                                                         |
| 9  | United Kingdom                     | 511                                   | 0                       | 0                  | 511                            | 0                       |                                                                            | 0                                                                                         |
| 10 | Other countries**                  | 3,516                                 | 0                       | 0                  | 3,498                          | (2)                     |                                                                            | 0                                                                                         |
| 11 | <b>Off-balance-sheet exposures</b> | <b>18,096</b>                         | <b>130</b>              | <b>130</b>         |                                |                         | <b>38</b>                                                                  |                                                                                           |
| 12 | Greece                             | 17,181                                | 119                     | 119                |                                |                         | 36                                                                         |                                                                                           |
| 13 | Italy                              | 0                                     | 0                       | 0                  |                                |                         | 0                                                                          |                                                                                           |
| 14 | Spain                              | 0                                     | 0                       | 0                  |                                |                         | 0                                                                          |                                                                                           |
| 15 | North Macedonia                    | 334                                   | 11                      | 11                 |                                |                         | 3                                                                          |                                                                                           |
| 16 | Germany                            | 0                                     | 0                       | 0                  |                                |                         | 0                                                                          |                                                                                           |
| 17 | Marshall Islands**                 | 5                                     | 0                       | 0                  |                                |                         | 0                                                                          |                                                                                           |
| 18 | Cyprus                             | 526                                   | 0                       | 0                  |                                |                         | 0                                                                          |                                                                                           |
| 19 | United Kingdom                     | 0                                     | 0                       | 0                  |                                |                         | 0                                                                          |                                                                                           |
| 20 | Other countries**                  | 51                                    | 0                       | 0                  |                                |                         | 0                                                                          |                                                                                           |
| 21 | <b>Total</b>                       | <b>72,310</b>                         | <b>1,420</b>            | <b>1,420</b>       | <b>53,804</b>                  | <b>(1,135)</b>          | <b>38</b>                                                                  | <b>(5)</b>                                                                                |

\* Accumulated impairment is not reported for off balance-sheet exposures

\*\* Exposures to Marshall Islands are related to ocean shipping. The same applies for Other Countries that include exposures to Liberia.

Table 25: EU CQ4 - Quality of non-performing exposures by geography 30.06.2023

|    |                                    | a                                     | b                       | c                  | d                              | e                       | f                                                                          | g                                                                                         |
|----|------------------------------------|---------------------------------------|-------------------------|--------------------|--------------------------------|-------------------------|----------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|
|    |                                    | Gross carrying amount/ nominal amount |                         |                    | Of which subject to impairment | Accumulated impairment* | Provisions on off-balance-sheet commitments and financial guarantees given | Accumulated negative changes in fair value due to credit risk on non-performing exposures |
|    |                                    |                                       | Of which non-performing | Of which defaulted |                                |                         |                                                                            |                                                                                           |
| 1  | <b>On-balance-sheet exposures</b>  | <b>54,010</b>                         | <b>1,822</b>            | <b>1,822</b>       | <b>53,543</b>                  | <b>(1,495)</b>          |                                                                            | <b>(15)</b>                                                                               |
| 2  | Greece                             | 40,469                                | 1,701                   | 1,701              | 40,007                         | (1,395)                 |                                                                            | (15)                                                                                      |
| 3  | Italy                              | 3,190                                 |                         |                    | 3,190                          | (4)                     |                                                                            |                                                                                           |
| 4  | Spain                              | 1,996                                 |                         |                    | 1,996                          | (2)                     |                                                                            |                                                                                           |
| 5  | North Macedonia                    | 1,832                                 | 90                      | 90                 | 1,832                          | (76)                    |                                                                            |                                                                                           |
| 6  | Marshall Islands**                 | 1,181                                 |                         |                    | 1,181                          |                         |                                                                            |                                                                                           |
| 7  | Germany                            | 785                                   |                         |                    | 785                            |                         |                                                                            |                                                                                           |
| 8  | Cyprus                             | 684                                   | 29                      | 29                 | 684                            | (15)                    |                                                                            |                                                                                           |
| 9  | United Kingdom                     | 581                                   |                         |                    | 581                            |                         |                                                                            |                                                                                           |
| 10 | Other countries**                  | 3,293                                 | 2                       | 2                  | 3,288                          | (3)                     |                                                                            |                                                                                           |
| 11 | <b>Off-balance-sheet exposures</b> | <b>18,514</b>                         | <b>136</b>              | <b>136</b>         |                                |                         | <b>49</b>                                                                  |                                                                                           |
| 12 | Greece                             | 17,622                                | 124                     | 124                |                                |                         | 48                                                                         |                                                                                           |
| 13 | Italy                              |                                       |                         |                    |                                |                         |                                                                            |                                                                                           |
| 14 | Spain                              |                                       |                         |                    |                                |                         |                                                                            |                                                                                           |
| 15 | North Macedonia                    | 360                                   | 11                      | 11                 |                                |                         |                                                                            |                                                                                           |
| 16 | Marshall Islands**                 |                                       |                         |                    |                                |                         |                                                                            |                                                                                           |
| 17 | Germany                            |                                       |                         |                    |                                |                         |                                                                            |                                                                                           |
| 18 | Cyprus                             | 531                                   |                         |                    |                                |                         |                                                                            |                                                                                           |
| 19 | United Kingdom                     |                                       |                         |                    |                                |                         |                                                                            |                                                                                           |
| 20 | Other countries**                  | 1                                     | 1                       | 1                  |                                |                         | 1                                                                          |                                                                                           |
| 21 | <b>Total</b>                       | <b>72,524</b>                         | <b>1,958</b>            | <b>1,958</b>       | <b>53,543</b>                  | <b>(1,495)</b>          | <b>49</b>                                                                  | <b>(15)</b>                                                                               |

\* Accumulated impairment is not reported for off balance-sheet exposures

\*\* Exposures to Marshall Islands are related to ocean shipping. The same applies for Other Countries that include exposures to Liberia.

## CREDIT RISK

Table 26: EU CQ5 - Credit quality of loans and advances by industry 31.12.2023

|                                                                  | a                     | b                       | c                  | d                                                 | e                      | f                                                                                         |
|------------------------------------------------------------------|-----------------------|-------------------------|--------------------|---------------------------------------------------|------------------------|-------------------------------------------------------------------------------------------|
|                                                                  | Gross carrying amount |                         |                    | Of which loans and advances subject to impairment | Accumulated impairment | Accumulated negative changes in fair value due to credit risk on non-performing exposures |
|                                                                  |                       | of which non-performing | of which defaulted |                                                   |                        |                                                                                           |
| 1 Agriculture, forestry and fishing                              | 348                   | 9                       | 9                  | 348                                               | (14)                   | 0                                                                                         |
| 2 Mining and quarrying                                           | 94                    | 2                       | 2                  | 93                                                | (2)                    | 0                                                                                         |
| 3 Manufacturing                                                  | 4,283                 | 290                     | 290                | 4,277                                             | (237)                  | (3)                                                                                       |
| 4 Electricity, gas, steam and air conditioning supply            | 2,633                 | 9                       | 9                  | 2,633                                             | (25)                   | 0                                                                                         |
| 5 Water supply                                                   | 52                    | 1                       | 1                  | 52                                                | (1)                    | 0                                                                                         |
| 6 Construction                                                   | 486                   | 22                      | 22                 | 486                                               | (20)                   | 0                                                                                         |
| 7 Wholesale and retail trade                                     | 3,272                 | 241                     | 241                | 3,271                                             | (168)                  | 0                                                                                         |
| 8 Transport and storage                                          | 4,334                 | 15                      | 15                 | 4,320                                             | (28)                   | (2)                                                                                       |
| 9 Accommodation and food service activities                      | 1,800                 | 139                     | 139                | 1,800                                             | (79)                   | 0                                                                                         |
| 10 Information and communication                                 | 430                   | 27                      | 27                 | 430                                               | (52)                   | 0                                                                                         |
| 11 Financial and insurance activities                            | 61                    | 0                       | 0                  | 61                                                | 0                      | 0                                                                                         |
| 12 Real estate activities                                        | 1,424                 | 29                      | 29                 | 1,424                                             | (22)                   | 0                                                                                         |
| 13 Professional, scientific and technical activities             | 393                   | 25                      | 25                 | 393                                               | (23)                   | 0                                                                                         |
| 14 Administrative and support service activities                 | 230                   | 1                       | 1                  | 230                                               | (3)                    | 0                                                                                         |
| 15 Public administration and defense, compulsory social security | 0                     | 0                       | 0                  | 0                                                 | 0                      | 0                                                                                         |
| 16 Education                                                     | 26                    | 0                       | 0                  | 26                                                | (1)                    | 0                                                                                         |
| 17 Human health services and social work activities              | 125                   | 5                       | 5                  | 125                                               | (3)                    | 0                                                                                         |
| 18 Arts, entertainment and recreation                            | 31                    | 1                       | 1                  | 31                                                | (2)                    | 0                                                                                         |
| 19 Other services                                                | 560                   | 39                      | 39                 | 560                                               | (18)                   | 0                                                                                         |
| <b>20 Total</b>                                                  | <b>20,582</b>         | <b>857</b>              | <b>857</b>         | <b>20,561</b>                                     | <b>(696)</b>           | <b>(5)</b>                                                                                |

Table 26: EU CQ5 - Credit quality of loans and advances by industry 30.06.2023

|                                                                  | a                     | b                       | c                  | d                                                 | e                      | f                                                                                         |
|------------------------------------------------------------------|-----------------------|-------------------------|--------------------|---------------------------------------------------|------------------------|-------------------------------------------------------------------------------------------|
|                                                                  | Gross carrying amount |                         |                    | Of which loans and advances subject to impairment | Accumulated impairment | Accumulated negative changes in fair value due to credit risk on non-performing exposures |
|                                                                  |                       | of which non-performing | of which defaulted |                                                   |                        |                                                                                           |
| 1 Agriculture, forestry and fishing                              | 317                   | 63                      | 63                 | 317                                               | (40)                   |                                                                                           |
| 2 Mining and quarrying                                           | 53                    | 4                       | 4                  | 52                                                | (2)                    | (1)                                                                                       |
| 3 Manufacturing                                                  | 4,204                 | 354                     | 354                | 4,188                                             | (297)                  | (11)                                                                                      |
| 4 Electricity, gas, steam and air conditioning supply            | 2,155                 | 8                       | 8                  | 2,155                                             | (26)                   |                                                                                           |
| 5 Water supply                                                   | 48                    | 1                       | 1                  | 48                                                | (1)                    |                                                                                           |
| 6 Construction                                                   | 438                   | 35                      | 35                 | 438                                               | (35)                   |                                                                                           |
| 7 Wholesale and retail trade                                     | 3,205                 | 286                     | 286                | 3,203                                             | (214)                  | (1)                                                                                       |
| 8 Transport and storage                                          | 3,947                 | 28                      | 28                 | 3,932                                             | (38)                   | (2)                                                                                       |
| 9 Accommodation and food service activities                      | 1,763                 | 175                     | 175                | 1,762                                             | (104)                  |                                                                                           |
| 10 Information and communication                                 | 428                   | 30                      | 30                 | 428                                               | (41)                   |                                                                                           |
| 11 Financial and insurance activities                            | 41                    | 0                       | 0                  | 41                                                |                        |                                                                                           |
| 12 Real estate activities                                        | 1,359                 | 21                      | 21                 | 1,359                                             | (22)                   |                                                                                           |
| 13 Professional, scientific and technical activities             | 390                   | 29                      | 29                 | 390                                               | (26)                   |                                                                                           |
| 14 Administrative and support service activities                 | 203                   | 2                       | 2                  | 203                                               | (4)                    |                                                                                           |
| 15 Public administration and defense, compulsory social security | 1                     | 0                       | 0                  | 1                                                 |                        |                                                                                           |
| 16 Education                                                     | 21                    | 1                       | 1                  | 21                                                | (1)                    |                                                                                           |
| 17 Human health services and social work activities              | 166                   | 3                       | 3                  | 166                                               | (5)                    |                                                                                           |
| 18 Arts, entertainment and recreation                            | 34                    | 5                       | 5                  | 34                                                | (5)                    |                                                                                           |
| 19 Other services                                                | 393                   | 35                      | 35                 | 393                                               | (19)                   |                                                                                           |
| <b>20 Total</b>                                                  | <b>19,167</b>         | <b>1,080</b>            | <b>1,080</b>       | <b>19,133</b>                                     | <b>(882)</b>           | <b>(15)</b>                                                                               |



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Table 27: EU CQ6 - Collateral valuation - loans and advances 31.12.2023

|                                                                                      | a          | b                                              | c               | d                                                                         | e     | f                                              | g                                                 | h                                             | i                                              | j                                              | k                                 | l   |
|--------------------------------------------------------------------------------------|------------|------------------------------------------------|-----------------|---------------------------------------------------------------------------|-------|------------------------------------------------|---------------------------------------------------|-----------------------------------------------|------------------------------------------------|------------------------------------------------|-----------------------------------|-----|
| Loans and advances                                                                   |            |                                                |                 |                                                                           |       |                                                |                                                   |                                               |                                                |                                                |                                   |     |
|                                                                                      | Performing |                                                | Non- performing |                                                                           |       | Past due >90 days                              |                                                   |                                               |                                                |                                                |                                   |     |
|                                                                                      |            | of which<br>past<br>due>30<br>days ≤90<br>days |                 | Unlikely to<br>pay that are<br>not past<br>due or past<br>due ≤90<br>days |       | of which<br>past due<br>> 90 days<br>≤180 days | of which<br>past due<br>> 180<br>days ≤ 1<br>year | of which<br>past due<br>> 1 year<br>≤ 2 years | of which<br>past due<br>> 2 years<br>≤ 5 years | of which<br>past due<br>> 5 years<br>≤ 7 years | of which<br>past due ><br>7 years |     |
| 1 Gross carrying amount                                                              | 37,768     | 36,479                                         | 389             | 1,290                                                                     | 684   | 606                                            | 69                                                | 75                                            | 99                                             | 107                                            | 245                               | 11  |
| 2 Of which: secured                                                                  | 27,776     | 26,678                                         | 351             | 1,098                                                                     | 616   | 482                                            | 51                                                | 58                                            | 79                                             | 88                                             | 199                               | 7   |
| 3 Of which: secured with<br>Immovable property                                       | 12,241     | 11,388                                         | 254             | 853                                                                       | 549   | 303                                            | 39                                                | 24                                            | 37                                             | 56                                             | 140                               | 7   |
| 4 Of which: instruments<br>with LTV higher than 60%<br>and lower or equal to<br>80%  | 2,742      | 2,601                                          |                 | 141                                                                       | 102   | 39                                             |                                                   |                                               |                                                |                                                |                                   |     |
| 5 Of which: instruments<br>with LTV higher than 80%<br>and lower or equal to<br>100% | 1,699      | 1,592                                          |                 | 108                                                                       | 93    | 15                                             |                                                   |                                               |                                                |                                                |                                   |     |
| 6 Of which: instruments<br>with LTV higher than<br>100%                              | 2,624      | 2,274                                          |                 | 351                                                                       | 259   | 92                                             |                                                   |                                               |                                                |                                                |                                   |     |
| 7 Accumulated impairment for<br>secured assets                                       | (781)      | (271)                                          | (19)            | (510)                                                                     | (236) | (274)                                          | (13)                                              | (23)                                          | (45)                                           | (40)                                           | (147)                             | (5) |
| 8 Collateral                                                                         |            |                                                |                 |                                                                           |       |                                                |                                                   |                                               |                                                |                                                |                                   |     |
| 9 Of which value capped at the<br>value of exposure                                  | 15,328     | 14,866                                         | 296             | 462                                                                       | 333   | 129                                            | 32                                                | 20                                            | 15                                             | 35                                             | 25                                | 2   |
| 10 Of which: Immovable<br>property                                                   | 10,386     | 9,969                                          | 236             | 417                                                                       | 302   | 115                                            | 30                                                | 16                                            | 13                                             | 33                                             | 20                                | 2   |
| 11 Of which value above the cap                                                      | 17,559     | 16,554                                         | 207             | 1,005                                                                     | 380   | 625                                            | 0                                                 | 0                                             | 0                                              | 0                                              | 597                               | 28  |
| 12 Of which: Immovable<br>property                                                   | 11,696     | 10,943                                         | 184             | 753                                                                       | 341   | 412                                            | 0                                                 | 0                                             | 0                                              | 0                                              | 398                               | 15  |
| 13 Financial guarantees<br>received                                                  | 4,068      | 3,991                                          | 17              | 76                                                                        | 23    | 53                                             | 2                                                 | 10                                            | 12                                             | 7                                              | 22                                | 0   |
| 14 Accumulated partial write-off                                                     | (137)      | (2)                                            | 0               | (135)                                                                     | (27)  | (108)                                          | (1)                                               | 0                                             | 0                                              | (28)                                           | (80)                              | 0   |

Table 27: EU CQ6 - Collateral valuation - loans and advances 30.06.2023

|                                                                                   | a          | b                                              | c               | d                                                                             | e     | f                                              | g                                                 | h                                             | i                                              | j                                              | k                                 | l   |
|-----------------------------------------------------------------------------------|------------|------------------------------------------------|-----------------|-------------------------------------------------------------------------------|-------|------------------------------------------------|---------------------------------------------------|-----------------------------------------------|------------------------------------------------|------------------------------------------------|-----------------------------------|-----|
| Loans and advances                                                                |            |                                                |                 |                                                                               |       |                                                |                                                   |                                               |                                                |                                                |                                   |     |
|                                                                                   | Performing |                                                | Non- performing |                                                                               |       | Past due >90 days                              |                                                   |                                               |                                                |                                                |                                   |     |
|                                                                                   |            | of which<br>past<br>due>30<br>days ≤90<br>days |                 | Unlikely to<br>pay that are<br>not past<br>due or are<br>past due<br>≤90 days |       | of which<br>past due ><br>90 days<br>≤180 days | of which<br>past due<br>> 180<br>days ≤ 1<br>year | of which<br>past due<br>> 1 year<br>≤ 2 years | of which<br>past due<br>> 2 years<br>≤ 5 years | of which<br>past due<br>> 5 years<br>≤ 7 years | of which<br>past due ><br>7 years |     |
| 1 Gross carrying amount                                                           | 38,955     | 37,133                                         | 204             | 1,822                                                                         | 796   | 1,026                                          | 168                                               | 134                                           | 158                                            | 115                                            | 435                               | 15  |
| 2 Of which: secured                                                               | 29,852     | 28,376                                         | 180             | 1,476                                                                         | 692   | 784                                            | 127                                               | 110                                           | 122                                            | 67                                             | 348                               | 10  |
| 3 Of which: secured with<br>Immovable property                                    | 12,552     | 11,352                                         | 126             | 1,200                                                                         | 639   | 561                                            | 108                                               | 76                                            | 91                                             | 43                                             | 234                               | 9   |
| 4 Of which: instruments with<br>LTV higher than 60% and<br>lower or equal to 80%  | 2,862      | 2,689                                          |                 | 173                                                                           | 89    | 84                                             |                                                   |                                               |                                                |                                                |                                   |     |
| 5 Of which: instruments with<br>LTV higher than 80% and<br>lower or equal to 100% | 1,770      | 1,572                                          |                 | 198                                                                           | 131   | 67                                             |                                                   |                                               |                                                |                                                |                                   |     |
| 6 Of which: instruments with<br>LTV higher than 100%                              | 2,775      | 2,297                                          |                 | 479                                                                           | 302   | 177                                            |                                                   |                                               |                                                |                                                |                                   |     |
| 7 Accumulated impairment for<br>secured assets                                    | (1,000)    | (315)                                          | (14)            | (685)                                                                         | (275) | (410)                                          | (33)                                              | (43)                                          | (37)                                           | (35)                                           | (255)                             | (7) |
| 8 Collateral                                                                      |            |                                                |                 |                                                                               |       |                                                |                                                   |                                               |                                                |                                                |                                   |     |
| 9 Of which value capped at the<br>value of exposure                               | 14,796     | 14,154                                         | 147             | 643                                                                           | 380   | 262                                            | 82                                                | 49                                            | 65                                             | 18                                             | 46                                | 2   |
| 10 Of which: Immovable<br>property                                                | 10,446     | 9,855                                          | 109             | 591                                                                           | 348   | 243                                            | 78                                                | 48                                            | 62                                             | 17                                             | 37                                | 2   |
| 11 Of which value above the cap                                                   | 16,930     | 15,443                                         | 76              | 1,487                                                                         | 504   | 984                                            | 87                                                | 95                                            | 65                                             | 80                                             | 635                               | 22  |
| 12 Of which: Immovable<br>property                                                | 11,259     | 10,146                                         | 64              | 1,114                                                                         | 467   | 646                                            | 78                                                | 68                                            | 52                                             | 71                                             | 366                               | 11  |
| 13 Financial guarantees received                                                  | 4,351      | 4,261                                          | 9               | 90                                                                            | 15    | 75                                             | 7                                                 | 9                                             | 8                                              | 5                                              | 47                                | 0   |
| 14 Accumulated partial write-off                                                  | (88)       | (1)                                            | 0               | (87)                                                                          | (15)  | (72)                                           | 0                                                 | 0                                             | (1)                                            | (1)                                            | (70)                              | 0   |

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**Table 28:** EU CR2 - Changes in the stock of non-performing loans and advances 31.12.2023

|                                                                           | a                     |
|---------------------------------------------------------------------------|-----------------------|
|                                                                           | Gross carrying amount |
| <b>1 Initial stock of non-performing loans and advances, Dec 31, 2022</b> | <b>1,793</b>          |
| 2 Inflows to non-performing portfolios                                    | 925                   |
| 3 Outflows from non-performing portfolios                                 | (1,428)               |
| 4 Outflows due to write-offs                                              | (264)                 |
| 5 Outflow due to other situations                                         | (1,164)               |
| <b>6 Final stock of non-performing loans and advances, Dec 31, 2023</b>   | <b>1,290</b>          |

**Table 28:** EU CR2 - Changes in the stock of non-performing loans and advances 30.06.2023

|                                                                           | a                     |
|---------------------------------------------------------------------------|-----------------------|
|                                                                           | Gross carrying amount |
| <b>1 Initial stock of non-performing loans and advances, Dec 31, 2022</b> | <b>1,793</b>          |
| 2 Inflows to non-performing portfolios                                    | 474                   |
| 3 Outflows from non-performing portfolios                                 | (445)                 |
| 4 Outflows due to write-offs                                              | (122)                 |
| 5 Outflow due to other situations                                         | (323)                 |
| <b>6 Final stock of non-performing loans and advances, Jun 30, 2023</b>   | <b>1,822</b>          |

**Table 29:** EU CR2a - Changes in the stock of non-performing loans and advances and related net accumulated recoveries 31.12.2023

|                                                                           | a                     | b                                  |
|---------------------------------------------------------------------------|-----------------------|------------------------------------|
|                                                                           | Gross carrying amount | Related net accumulated recoveries |
| <b>1 Initial stock of non-performing loans and advances, Dec 31, 2022</b> | <b>1,793</b>          |                                    |
| 2 Inflows to non performing portfolios                                    | 925                   |                                    |
| 3 Outflows from non-performing portfolios                                 | (1,428)               |                                    |
| 4 Outflow to performing portfolio                                         | (287)                 |                                    |
| 5 Outflow due to loan repayment, partial or total                         | (167)                 |                                    |
| 6 Outflow due to collateral liquidations                                  | (10)                  | 10                                 |
| 7 Outflow due to taking possession of collateral                          | (1)                   | 1                                  |
| 8 Outflow due to sale of instruments                                      | 0                     | 0                                  |
| 9 Outflow due to risk transfers                                           | 0                     | 0                                  |
| 10 Outflows due to write-offs                                             | (264)                 |                                    |
| 11 Outflow due to Other Situations                                        | (71)                  |                                    |
| 12 Outflow due to reclassification as held for sale                       | (628)                 |                                    |
| <b>13 Final stock of non-performing loans and advances, Dec 31, 2023</b>  | <b>1,290</b>          |                                    |

**Table 29:** EU CR2a - Changes in the stock of non-performing loans and advances and related net accumulated recoveries 30.06.2023

|                                                                           | a                     | b                                  |
|---------------------------------------------------------------------------|-----------------------|------------------------------------|
|                                                                           | Gross carrying amount | Related net accumulated recoveries |
| <b>1 Initial stock of non-performing loans and advances, Dec 31, 2022</b> | <b>1,793</b>          |                                    |
| 2 Inflows to non performing portfolios                                    | 474                   |                                    |
| 3 Outflows from non-performing portfolios                                 | (445)                 |                                    |
| 4 Outflow to performing portfolio                                         | (160)                 |                                    |
| 5 Outflow due to loan repayment, partial or total                         | (93)                  |                                    |
| 6 Outflow due to collateral liquidations                                  | (6)                   | 6                                  |
| 7 Outflow due to taking possession of collateral                          |                       | 0                                  |
| 8 Outflow due to sale of instruments                                      |                       | 0                                  |
| 9 Outflow due to risk transfers                                           |                       | 0                                  |
| 10 Outflows due to write-offs                                             | (122)                 |                                    |
| 11 Outflow due to Other Situations                                        | (65)                  |                                    |
| 12 Outflow due to reclassification as held for sale                       | 0                     |                                    |
| <b>13 Final stock of non-performing loans and advances, Jun 30, 2023</b>  | <b>1,822</b>          |                                    |

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**Table 30:** EU CQ7 - Collateral obtained by taking possession and execution processes 31.12.2023

|                                           | a                                        | b                            |
|-------------------------------------------|------------------------------------------|------------------------------|
|                                           | Collateral obtained by taking possession |                              |
|                                           | Value at initial recognition             | Accumulated negative changes |
| 1 Property Plant and Equipment (PP&E)     | 0                                        | 0                            |
| 2 Other than Property Plant and Equipment | 616                                      | (160)                        |
| 3 Residential immovable property          | 228                                      | (22)                         |
| 4 Commercial Immovable property           | 308                                      | (66)                         |
| 5 Movable property (auto, shipping, etc.) | 1                                        | (1)                          |
| 6 Equity and debt instruments             | 71                                       | (71)                         |
| 7 Other collateral                        | 8                                        | 0                            |
| 8 Total                                   | 616                                      | (160)                        |

**Table 30:** EU CQ7 - Collateral obtained by taking possession and execution processes 30.06.2023

|                                           | a                                        | b                            |
|-------------------------------------------|------------------------------------------|------------------------------|
|                                           | Collateral obtained by taking possession |                              |
|                                           | Value at initial recognition             | Accumulated negative changes |
| 1 Property Plant and Equipment (PP&E)     |                                          |                              |
| 2 Other than Property Plant and Equipment | 632                                      | (162)                        |
| 3 Residential immovable property          | 234                                      | (24)                         |
| 4 Commercial Immovable property           | 318                                      | (66)                         |
| 5 Movable property (auto, shipping, etc.) | 1                                        | (1)                          |
| 6 Equity and debt instruments             | 71                                       | (71)                         |
| 7 Other collateral                        | 8                                        | 0                            |
| 8 Total                                   | 632                                      | (162)                        |

**Table 31:** EU CQ8 - Collateral obtained by taking possession and execution process - vintage breakdown 31.12.2023

|                                                                               | a                      | b                   | c                                              | d                   | e                        | f                   | g                                 | h                   | i                        | j                   | k                                         | l                   |
|-------------------------------------------------------------------------------|------------------------|---------------------|------------------------------------------------|---------------------|--------------------------|---------------------|-----------------------------------|---------------------|--------------------------|---------------------|-------------------------------------------|---------------------|
|                                                                               | Debt balance reduction |                     | Total collateral obtained by taking possession |                     |                          |                     |                                   |                     |                          |                     |                                           |                     |
|                                                                               | Gross carrying amount  | Accum. neg. changes | Value at initial recogn.                       | Accum. neg. changes | Foreclosed ≤ 2 years     |                     | Foreclosed >2 years and ≤ 5 years |                     | Foreclosed >5 years      |                     | of which non-current assets held-for-sale |                     |
|                                                                               |                        |                     |                                                |                     | Value at initial recogn. | Accum. neg. changes | Value at initial recogn.          | Accum. neg. changes | Value at initial recogn. | Accum. neg. changes | Value at initial recogn.                  | Accum. neg. changes |
| 1 Collateral obtained by taking possession classified as PP&E                 | 0                      | 0                   | 0                                              | 0                   |                          |                     |                                   |                     |                          |                     |                                           |                     |
| 2 Collateral obtained by taking possession other than that classified as PP&E | 641                    | (239)               | 616                                            | (160)               | 152                      | (65)                | 231                               | (20)                | 233                      | (75)                | 308                                       | (45)                |
| 3 Residential immovable property                                              | 311                    | (102)               | 228                                            | (22)                | 19                       | 0                   | 146                               | (6)                 | 64                       | (16)                | 161                                       | (17)                |
| 4 Commercial Immovable Property                                               | 304                    | (119)               | 308                                            | (66)                | 63                       | (2)                 | 76                                | (5)                 | 169                      | (59)                | 146                                       | (27)                |
| 5 Movable property (auto, shipping, etc.)                                     | 2                      | (1)                 | 1                                              | (1)                 | 0                        | 0                   | 1                                 | 0                   | 0                        | 0                   | 1                                         | 0                   |
| 6 Equity and debt instruments                                                 | 17                     | (17)                | 71                                             | (71)                | 63                       | (63)                | 8                                 | (8)                 | 0                        | 0                   | 0                                         | 0                   |
| 7 Other                                                                       | 8                      | 0                   | 8                                              | 0                   | 8                        | 0                   | 0                                 | 0                   | 0                        | 0                   | 0                                         | 0                   |
| 8 Total                                                                       | 641                    | (239)               | 616                                            | (160)               | 152                      | (65)                | 231                               | (20)                | 233                      | (75)                | 308                                       | (45)                |

**Table 31:** EU CQ8 - Collateral obtained by taking possession and execution process - vintage breakdown 30.06.2023

|                                                                               | a                      | b                   | c                                              | d                   | e                        | f                   | g                                 | h                   | i                        | j                   | k                                         | l                   |
|-------------------------------------------------------------------------------|------------------------|---------------------|------------------------------------------------|---------------------|--------------------------|---------------------|-----------------------------------|---------------------|--------------------------|---------------------|-------------------------------------------|---------------------|
|                                                                               | Debt balance reduction |                     | Total collateral obtained by taking possession |                     |                          |                     |                                   |                     |                          |                     |                                           |                     |
|                                                                               | Gross carrying amount  | Accum. neg. changes | Value at initial recogn.                       | Accum. neg. changes | Foreclosed ≤ 2 years     |                     | Foreclosed >2 years and ≤ 5 years |                     | Foreclosed >5 years      |                     | of which non-current assets held-for-sale |                     |
|                                                                               |                        |                     |                                                |                     | Value at initial recogn. | Accum. neg. changes | Value at initial recogn.          | Accum. neg. changes | Value at initial recogn. | Accum. neg. changes | Value at initial recogn.                  | Accum. neg. changes |
| 1 Collateral obtained by taking possession classified as PP&E                 | 0                      | 0                   | 0                                              | 0                   |                          |                     |                                   |                     |                          |                     |                                           |                     |
| 2 Collateral obtained by taking possession other than that classified as PP&E | 658                    | (244)               | 632                                            | (162)               | 145                      | (64)                | 314                               | (27)                | 173                      | (71)                | 333                                       | (48)                |
| 3 Residential immovable property                                              | 317                    | (103)               | 234                                            | (24)                | 12                       | 0                   | 186                               | (9)                 | 36                       | (15)                | 158                                       | (16)                |
| 4 Commercial immovable property                                               | 315                    | (123)               | 318                                            | (66)                | 62                       | (1)                 | 119                               | (9)                 | 136                      | (56)                | 174                                       | (32)                |
| 5 Movable property (auto, shipping etc.)                                      | 2                      | (1)                 | 1                                              | (1)                 | 0                        | 0                   | 1                                 | 0                   | 0                        | 0                   | 1                                         | 0                   |
| 6 Equity and debt instruments                                                 | 17                     | (17)                | 71                                             | (71)                | 63                       | (63)                | 8                                 | (8)                 | 0                        | 0                   | 0                                         | 0                   |
| 7 Other                                                                       | 8                      | 0                   | 8                                              | 0                   | 8                        | 0                   | 0                                 | 0                   | 0                        | 0                   | 0                                         | 0                   |
| 8 Total                                                                       | 658                    | (244)               | 632                                            | (162)               | 145                      | (64)                | 314                               | (27)                | 173                      | (71)                | 333                                       | (48)                |

## 6.5 Credit risk mitigation techniques

Since 2007, NBG uses a specialized Collateral Management system, both for corporate and retail exposures. The system aims to:

- Record Bank's collaterals;
- Establish a connection between loan contract and collateral;
- Assess qualitatively all collaterals;
- Monitor collaterals' market value and estimate coverage ratio;
- Provide information regarding each and every obligor's collaterals;
- Retrieve necessary data for the estimation of capital requirements per facility;
- Automatically monitor the obligor's entire credit risk position.

The Collateral Management system provides a large number of control elements, reducing operational risk, also keeping track of all securities offered to the Bank, both those that are currently active and those that matured.

The system calculates and/or keeps the following values per collateral:

- Value as of input day;
- Current market value (for traded securities, etc.);
- Guarantee value: this is lower than the Current market value by a fixed proportion which, in turn, is based on the collateral's liquidation feasibility;
- Market value, Tax value, Forced Sale value, Land and Buildings value and Construction Cost for all real estate collaterals.

In principle, NBG accepts the following credit risk mitigation types (funded and unfunded) for capital calculation purposes under the Standardised Approach:

- Guarantees from:
  - Legal entities, both from the Private and Public Sector
  - Central governments, Regional governments, local authorities and PSEs
  - Financial institutions
  - The Greek Government
  - The Hellenic Development Bank (HDB)
  - The European Investment Fund (EIF)
  - The European Investment Bank (EIB)
- Pledges of
  - Securities (cheques and bills of exchange)
  - Deposits
  - Equity, Mutual funds and Non-tangible securities (bonds, etc.)
  - Claims against Central Government, Public and Private Sector Entities
  - Letters of Guarantee
  - Claims on Insurance Contracts
- Liens
  - On Real Estate

Credit and Counterparty Risk exposures secured by CRR eligible credit risk mitigation instruments (collateral and guarantees) as of 30.06.2023 (in € mio) were as follows:

**Table 32 : EU CR3 – CRM techniques overview: Disclosure of the use of credit risk mitigation techniques 31.12.2023**

|                                     | a                                     | b                                   | c                               | d                                         | e                                       |
|-------------------------------------|---------------------------------------|-------------------------------------|---------------------------------|-------------------------------------------|-----------------------------------------|
|                                     | Exposures unsecured - Carrying amount | Exposures secured - Carrying amount | Of which: secured by collateral | Of which: secured by financial guarantees | Of which: secured by credit derivatives |
| 1 Total loans                       | 9,684                                 | 26,995                              | 18,746                          | 8,250                                     | 0                                       |
| 2 Total debt securities             | 16,394                                | 0                                   | 0                               | 0                                         | 0                                       |
| <b>3 Total exposures</b>            | <b>26,078</b>                         | <b>26,995</b>                       | <b>18,746</b>                   | <b>8,250</b>                              | <b>0</b>                                |
| 4 Of which non-performing exposures | 53                                    | 588                                 | 464                             | 124                                       | 0                                       |
| 5 Of which defaulted*               |                                       |                                     |                                 |                                           |                                         |

\*According to the EBA Guidelines on definition of default (EBA/GL/2016/07), in force from 1 January 2021, default is fully aligned with the NPE definition.

**Table 32 : EU CR3 – CRM techniques overview: Disclosure of the use of credit risk mitigation techniques 30.06.2023**

|                                     | a                                     | b                                   | c                               | d                                         | e                                       |
|-------------------------------------|---------------------------------------|-------------------------------------|---------------------------------|-------------------------------------------|-----------------------------------------|
|                                     | Exposures unsecured - Carrying amount | Exposures secured - Carrying amount | Of which: secured by collateral | Of which: secured by financial guarantees | Of which: secured by credit derivatives |
| 1 Total loans                       | 8,658                                 | 28,853                              | 21,073                          | 7,780                                     |                                         |
| 2 Total debt securities             | 14,988                                | 0                                   | 0                               | 0                                         |                                         |
| <b>3 Total exposures</b>            | <b>23,647</b>                         | <b>28,853</b>                       | <b>21,073</b>                   | <b>7,780</b>                              |                                         |
| 4 Of which non-performing exposures | 72                                    | 791                                 | 685                             | 106                                       |                                         |
| 5 Of which defaulted*               |                                       |                                     |                                 |                                           |                                         |

\*According to the EBA Guidelines on definition of default (EBA/GL/2016/07), in force from 1 January 2021, default is fully aligned with the NPE definition.

## 6.6 Portfolios under the Standardised Approach

External Credit Assessment Institutions (ECAI) used to risk weight exposures under the Standardised Approach are Standard & Poor's, Moody's Investors Service Ltd and Fitch Ratings Ltd. There is no process to transfer the issuer and issue credit assessments onto items not included in the trading book, as this is not applicable to NBG Group's portfolios.

The asset classes for which ECAI ratings are used are the following:

- Central Governments and Central Banks
- Regional Governments and Local Authorities
- Public Sector Entities
- Financial Institutions
- Corporate

The table on the right depicts the mapping of external credit assessments to the corresponding credit quality steps.

**Table 34:** Mapping of Credit quality steps

| Fitch            | Standard & Poor's | Moody's           | Credit Quality Steps |
|------------------|-------------------|-------------------|----------------------|
| From AA to AAA   | From AA to AAA    | From Aa1 to Aaa   | 1                    |
| From A to A+     | From A to A+      | From A1 to A3     | 2                    |
| From BBB to BBB+ | From BBB to BBB+  | From Baa1 to Baa3 | 3                    |
| From BB to BB+   | From BB to BB+    | From Ba1 to Ba3   | 4                    |
| From B to B+     | From B to B+      | From B1 to B3     | 5                    |
| From C to CCC+   | From C to CCC+    | From C1 to Caa3   | 6                    |

The table below presents the Exposures (net of accounting provisions), before and after Credit Risk Mitigation (CRM), as of 31.12.2023, according to the supervisory exposure classes (amounts are in € mio):

**Table 33:** EU CR4 - Standardised approach - Credit Risk Exposure and CRM effects 31.12.2023

|                                                                 | a                            | b                        | c                          | d                        | e                    | f           |
|-----------------------------------------------------------------|------------------------------|--------------------------|----------------------------|--------------------------|----------------------|-------------|
| Exposure classes                                                | Exposures before CCF and CRM |                          | Exposures post CCF and CRM |                          | RWAs and RWA density |             |
|                                                                 | On-balance-sheet amount      | Off-balance-sheet amount | On-balance-sheet amount    | Off-balance-sheet amount | RWAs*                | RWA density |
| Central governments or central banks                            | 27,986                       | 0                        | 30,866                     | 0                        | 5,503                | 18%         |
| Regional governments or local authorities                       | 11                           | 1                        | 11                         | 0                        | 2                    | 20%         |
| Public sector entities                                          | 1,337                        | 175                      | 1,718                      | 6                        | 736                  | 43%         |
| Multilateral development banks                                  | 203                          | 0                        | 905                        | 0                        | 0                    | 0%          |
| International organisations                                     | 60                           | 0                        | 60                         | 0                        | 0                    | 0%          |
| Institutions                                                    | 2,653                        | 587                      | 2,671                      | 121                      | 859                  | 31%         |
| Corporates                                                      | 16,440                       | 13,864                   | 14,969                     | 1,052                    | 14,825               | 93%         |
| Retail                                                          | 3,416                        | 2,070                    | 2,793                      | 14                       | 1,938                | 69%         |
| Secured by mortgages on immovable property                      | 8,980                        | 140                      | 8,980                      | 43                       | 3,280                | 36%         |
| Exposures in default                                            | 1,379                        | 106                      | 1,271                      | 7                        | 1,340                | 105%        |
| Exposures associated with particularly high risk                | 454                          | 16                       | 454                        | 2                        | 684                  | 150%        |
| Covered bonds                                                   | 0                            | 0                        | 0                          | 0                        | 0                    |             |
| Institutions and corporates with a short-term credit assessment | 0                            | 0                        | 0                          | 0                        | 0                    |             |
| Collective investment undertakings                              | 0                            | 0                        | 0                          | 0                        | 0                    |             |
| Equity                                                          | 124                          | 0                        | 124                        | 0                        | 174                  | 141%        |
| Other items                                                     | 3,073                        | 0                        | 3,073                      | 0                        | 2,178                | 71%         |
| <b>Total</b>                                                    | <b>66,116</b>                | <b>16,958</b>            | <b>67,894</b>              | <b>1,246</b>             | <b>31,520</b>        | <b>46%</b>  |

\*Counterparty Credit Risk RWAs are not included



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**Table 33: EU CR4 - Standardised approach - Credit Risk Exposure and CRM effects 30.06.2023**

|                                                                 | a                            | b                        | c                          | d                        | e                    | f           |
|-----------------------------------------------------------------|------------------------------|--------------------------|----------------------------|--------------------------|----------------------|-------------|
| Exposure classes                                                | Exposures before CCF and CRM |                          | Exposures post CCF and CRM |                          | RWAs and RWA density |             |
|                                                                 | On-balance-sheet amount      | Off-balance-sheet amount | On-balance-sheet amount    | Off-balance-sheet amount | RWAs*                | RWA density |
| Central governments or central banks                            | 25,944                       | 0                        | 28,959                     | 0                        | 5,502                | 19%         |
| Regional governments or local authorities                       | 11                           | 1                        | 11                         | 0                        | 2                    | 21%         |
| Public sector entities                                          | 1,364                        | 211                      | 1,865                      | 10                       | 770                  | 41%         |
| Multilateral development banks                                  | 202                          | 0                        | 933                        | 0                        | 0                    | 0%          |
| International organisations                                     | 64                           | 0                        | 64                         | 0                        | 0                    | 0%          |
| Institutions                                                    | 2,403                        | 518                      | 2,415                      | 109                      | 772                  | 31%         |
| Corporates                                                      | 15,359                       | 14,667                   | 13,896                     | 1,063                    | 13,835               | 92%         |
| Retail                                                          | 3,444                        | 1,933                    | 2,772                      | 15                       | 1,931                | 69%         |
| Secured by mortgages on immovable property                      | 8,697                        | 101                      | 8,697                      | 40                       | 3,153                | 36%         |
| Exposures in default                                            | 1,311                        | 81                       | 1,189                      | 8                        | 1,228                | 103%        |
| Exposures associated with particularly high risk                | 496                          | 5                        | 496                        | 1                        | 745                  | 150%        |
| Covered bonds                                                   |                              |                          |                            |                          |                      |             |
| Institutions and corporates with a short-term credit assessment |                              |                          |                            |                          |                      |             |
| Collective investment undertakings                              |                              |                          |                            |                          |                      |             |
| Equity                                                          | 152                          | 0                        | 152                        | 0                        | 204                  | 134%        |
| Other items                                                     | 3,213                        | 0                        | 3,213                      | 0                        | 2,448                | 76%         |
| <b>Total</b>                                                    | <b>62,659</b>                | <b>17,518</b>            | <b>64,661</b>              | <b>1,246</b>             | <b>30,589</b>        | <b>46%</b>  |

\*Counterparty Credit Risk RWAs are not included

**Table 35 : EU CR5 - Standardised approach 31.12.2023**

| Exposure classes |                                                                 | Risk Weight |    |    |     |     |       |       |     |
|------------------|-----------------------------------------------------------------|-------------|----|----|-----|-----|-------|-------|-----|
|                  |                                                                 | 0%          | 2% | 4% | 10% | 20% | 35%   | 50%   | 70% |
| 1                | Central governments or central banks                            | 26,294      |    |    |     | 0   | 0     | 49    |     |
| 2                | Regional governments or local authorities                       | 0           |    |    |     | 11  | 0     | 0     |     |
| 3                | Public sector entities                                          | 988         |    |    |     | 0   | 0     | 0     |     |
| 4                | Multilateral development banks                                  | 905         |    |    |     | 0   | 0     | 0     |     |
| 5                | International organisations                                     | 60          |    |    |     | 0   | 0     | 0     |     |
| 6                | Institutions                                                    | 1,299       |    |    |     | 660 | 0     | 244   |     |
| 7                | Corporates                                                      | 0           |    |    |     | 0   | 0     | 0     |     |
| 8                | Retail                                                          | 0           |    |    |     | 0   | 0     | 0     |     |
| 9                | Secured by mortgages on immovable property                      | 0           |    |    |     | 0   | 6,208 | 2,815 |     |
| 10               | Exposures in default                                            | 0           |    |    |     | 0   | 0     | 0     |     |
| 11               | Exposures associated with particularly high risk                | 0           |    |    |     | 0   | 0     | 0     |     |
| 12               | Covered bonds                                                   | 0           |    |    |     | 0   | 0     | 0     |     |
| 13               | Institutions and corporates with a short-term credit assessment | 0           |    |    |     | 0   | 0     | 0     |     |
| 14               | Collective investment undertakings                              | 0           |    |    |     | 0   | 0     | 0     |     |
| 15               | Equity                                                          | 0           |    |    |     | 0   | 0     | 0     |     |
| 16               | Other items                                                     | 886         |    |    |     | 11  | 0     | 0     |     |
| 17               | Total                                                           | 30,432      |    |    |     | 682 | 6,208 | 3,107 |     |

\*Counterparty Credit Risk RWAs are not included

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Table 35: EU CR5 - Standardised approach 31.12.2023 (continued)

| Exposure classes |                                                                 | Risk Weight  |               |            |            |      |       | Total         | Of which unrated |
|------------------|-----------------------------------------------------------------|--------------|---------------|------------|------------|------|-------|---------------|------------------|
|                  |                                                                 | 75%          | 100%          | 150%       | 250%       | 370% | 1250% | Others        |                  |
| 1                | Central governments or central banks                            | 0            | 3,886         | 0          | 637        |      |       | 30,866        |                  |
| 2                | Regional governments or local authorities                       | 0            | 0             | 0          | 0          |      |       | 11            | 11               |
| 3                | Public sector entities                                          | 0            | 736           | 0          | 0          |      |       | 1,724         | 1,162            |
| 4                | Multilateral development banks                                  | 0            | 0             | 0          | 0          |      |       | 905           |                  |
| 5                | International organisations                                     | 0            | 0             | 0          | 0          |      |       | 60            |                  |
| 6                | Institutions                                                    | 0            | 557           | 32         | 0          |      |       | 2,793         | 643              |
| 7                | Corporates                                                      | 0            | 16,008        | 13         | 0          |      |       | 16,021        | 15,331           |
| 8                | Retail                                                          | 2,807        | 0             | 0          | 0          |      |       | 2,807         |                  |
| 9                | Secured by mortgages on immovable property                      | 0            | 0             | 0          | 0          |      |       | 9,023         |                  |
| 10               | Exposures in default                                            | 0            | 1,154         | 124        | 0          |      |       | 1,278         |                  |
| 11               | Exposures associated with particularly high risk                | 0            | 0             | 456        | 0          |      |       | 456           |                  |
| 12               | Covered bonds                                                   | 0            | 0             | 0          | 0          |      |       | 0             |                  |
| 13               | Institutions and corporates with a short-term credit assessment | 0            | 0             | 0          | 0          |      |       | 0             |                  |
| 14               | Collective investment undertakings                              | 0            | 0             | 0          | 0          |      |       | 0             |                  |
| 15               | Equity                                                          | 0            | 90            | 0          | 34         |      |       | 124           |                  |
| 16               | Other items                                                     | 0            | 2,176         | 0          | 0          |      |       | 3,073         |                  |
| 17               | <b>Total</b>                                                    | <b>2,807</b> | <b>24,608</b> | <b>625</b> | <b>671</b> |      |       | <b>69,140</b> | <b>17,146</b>    |

\*Counterparty Credit Risk RWAS are not included

Table 35 : EU CR5 - Standardised approach 30.06.2023

| Exposure classes |                                                                 | Risk Weight |    |    |     |     |       |       |     |
|------------------|-----------------------------------------------------------------|-------------|----|----|-----|-----|-------|-------|-----|
|                  |                                                                 | 0%          | 2% | 4% | 10% | 20% | 35%   | 50%   | 70% |
| 1                | Central governments or central banks                            | 24,306      |    |    |     | 20  |       | 44    |     |
| 2                | Regional governments or local authorities                       |             |    |    |     | 11  |       |       |     |
| 3                | Public sector entities                                          | 1,105       |    |    |     |     |       |       |     |
| 4                | Multilateral development banks                                  | 933         |    |    |     |     |       |       |     |
| 5                | International organisations                                     | 64          |    |    |     |     |       |       |     |
| 6                | Institutions                                                    | 1,338       |    |    |     | 464 |       | 120   |     |
| 7                | Corporates                                                      |             |    |    |     |     |       |       |     |
| 8                | Retail                                                          |             |    |    |     |     |       |       |     |
| 9                | Secured by mortgages on immovable property                      |             |    |    |     |     | 6,240 | 2,498 |     |
| 10               | Exposures in default                                            |             |    |    |     |     |       |       |     |
| 11               | Exposures associated with particularly high risk                |             |    |    |     |     |       |       |     |
| 12               | Covered bonds                                                   |             |    |    |     |     |       |       |     |
| 13               | Institutions and corporates with a short-term credit assessment |             |    |    |     |     |       |       |     |
| 14               | Collective investment undertakings                              |             |    |    |     |     |       |       |     |
| 15               | Equity                                                          |             |    |    |     |     |       |       |     |
| 16               | Other items                                                     | 756         |    |    |     | 12  |       |       |     |
| 17               | Total                                                           | 28,501      |    |    |     | 507 | 6,240 | 2,661 |     |

\*Counterparty Credit Risk RWAS are not included

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Table 35 : EU CR5 - Standardised approach 30.06.2023 (continued)

| Exposure classes                                                   | Risk Weight |        |      |      |      |       |        | Total  | Of which unrated |
|--------------------------------------------------------------------|-------------|--------|------|------|------|-------|--------|--------|------------------|
|                                                                    | 75%         | 100%   | 150% | 250% | 370% | 1250% | Others |        |                  |
| 1 Central governments or central banks                             |             | 3,998  |      | 591  |      |       |        | 28,959 |                  |
| 2 Regional governments or local authorities                        |             |        |      |      |      |       |        | 11     | 11               |
| 3 Public sector entities                                           |             | 770    |      |      |      |       |        | 1,875  | 1,321            |
| 4 Multilateral development banks                                   |             |        |      |      |      |       |        | 933    |                  |
| 5 International organisations                                      |             |        |      |      |      |       |        | 64     |                  |
| 6 Institutions                                                     |             | 569    | 34   |      |      |       |        | 2,524  | 508              |
| 7 Corporates                                                       |             | 14,940 | 19   |      |      |       |        | 14,959 | 14,420           |
| 8 Retail                                                           | 2,786       |        |      |      |      |       |        | 2,786  |                  |
| 9 Secured by mortgages on immovable property                       |             |        |      |      |      |       |        | 8,737  |                  |
| 10 Exposures in default                                            |             | 1,133  | 63   |      |      |       |        | 1,196  |                  |
| 11 Exposures associated with particularly high risk                |             |        | 497  |      |      |       |        | 497    |                  |
| 12 Covered bonds                                                   |             |        |      |      |      |       |        |        |                  |
| 13 Institutions and corporates with a short-term credit assessment |             |        |      |      |      |       |        |        |                  |
| 14 Collective investment undertakings                              |             |        |      |      |      |       |        |        |                  |
| 15 Equity                                                          |             | 118    |      | 35   |      |       |        | 152    |                  |
| 16 Other items                                                     |             | 2,445  |      |      |      |       |        | 3,213  |                  |
| 17 Total                                                           | 2,786       | 23,972 | 613  | 626  |      |       |        | 65,907 | 16,260           |

\*Counterparty Credit Risk RWAS are not included

## COUNTERPARTY CREDIT RISK

## 7 COUNTERPARTY CREDIT RISK

Counterparty Credit Risk (CCR) mainly stems from the OTC derivative and secured interbank transactions, namely repurchase agreements, included in the trading portfolio and the banking book. The main contributor to CCR within NBG Group is the Bank.

The approach for the calculation of the exposure values for CRR depends on the type of transaction. For OTC and exchange-traded derivative transactions, the exposure at default (EAD) is calculated based on the SA-CCR methodology which has replaced both the Mark-to-Market Method (MtMM) and the Standardized Method.

More specifically, the EAD is calculated as the product of an alpha factor – which equals to 1.4 – and the sum of the replacement cost (RC) and the potential future exposure (PFE), i.e.,  $EAD = \alpha * (RC + PFE)$ . The RC reflects the current value adjusted for the effects of net collateral (including independent amounts, thresholds and minimum transfer amounts).

The PFE add-on consists of a multiplier that allows for the partial recognition of excess collateral or negative mark-to-market value for the transactions and an aggregate add-on which is derived from the respective add-ons of each asset class (interest rate, foreign exchange, credit, equity and commodity).

Therefore, the RC is calculated at the netting set level, whereas the PFE add-ons are calculated for each asset class, within a given netting set and then aggregated.

In the case of repurchase agreements, the EAD is calculated in accordance with the financial collateral comprehensive method.

In addition, the GFLRM Division calculates the capital requirements against Credit Valuation Adjustment (CVA) risk. CVA is an adjustment to the fair value of derivative instruments to account for CCR, due to possible changes in the creditworthiness of the counterparty. As per the current regulatory framework, the calculations only pertain to transactions with financial institutions. NBG employs the Standardized approach for the calculation of the respective capital charges, whereas the EADs are calculated in accordance with the SA-CCR framework.

The components of CCR, on a Group level, are shown in the tables below, as of 31 December 2023.

**Table 36:** EU CCR1 - Analysis of CCR exposure by approach (€ mio) 31.12.2023

|          |                                                                           | Replacement<br>cost (RC) | Potential<br>Future<br>Exposure<br>(PFE) | EEPE | Alpha used<br>for<br>computing<br>regulatory<br>exposure<br>value | Exposure<br>value pre<br>CRM | Exposure<br>value post<br>CRM | Exposure<br>value | RWEAs      |
|----------|---------------------------------------------------------------------------|--------------------------|------------------------------------------|------|-------------------------------------------------------------------|------------------------------|-------------------------------|-------------------|------------|
| EU1      | EU - Original Exposure Method (for derivatives)                           |                          |                                          |      |                                                                   |                              |                               |                   |            |
| EU2      | EU - Simplified SA-CCR (for derivatives)                                  |                          |                                          |      |                                                                   |                              |                               |                   |            |
| 1        | SA-CCR (for derivatives)                                                  | 231                      | 373                                      |      | 1.4                                                               | 2,959                        | 846                           | 804               | 555        |
| 2        | IMM (for derivatives and SFTs)                                            |                          |                                          |      |                                                                   |                              |                               |                   |            |
| 2a       | <i>Of which securities financing transactions netting sets</i>            |                          |                                          |      |                                                                   |                              |                               |                   |            |
| 2b       | <i>Of which derivatives and long settlement transactions netting sets</i> |                          |                                          |      |                                                                   |                              |                               |                   |            |
| 2c       | <i>Of which from contractual cross-product netting sets</i>               |                          |                                          |      |                                                                   |                              |                               |                   |            |
| 3        | Financial collateral simple method (for SFTs)                             |                          |                                          |      |                                                                   |                              |                               |                   |            |
| 4        | Financial collateral comprehensive method (for SFTs)                      |                          |                                          |      |                                                                   | 1,005                        | 105                           | 105               | 1          |
| 5        | VaR for SFTs                                                              |                          |                                          |      |                                                                   |                              |                               |                   |            |
| <b>6</b> | <b>Total</b>                                                              |                          |                                          |      |                                                                   | <b>3,964</b>                 | <b>950</b>                    | <b>909</b>        | <b>556</b> |

## COUNTERPARTY CREDIT RISK

**Table 36: EU CCR1 - Analysis of CCR exposure by approach (€ mio) 30.06.2023**

|     |                                                                    | Replacement<br>cost (RC) | Potential<br>Future<br>Exposure<br>(PFE) | EEPE | Alpha used<br>for<br>computing<br>regulatory<br>exposure<br>value | Exposure<br>value pre<br>CRM | Exposure<br>value post<br>CRM | Exposure<br>value | RWEAs      |
|-----|--------------------------------------------------------------------|--------------------------|------------------------------------------|------|-------------------------------------------------------------------|------------------------------|-------------------------------|-------------------|------------|
| EU1 | EU - Original Exposure Method (for derivatives)                    |                          |                                          |      |                                                                   |                              |                               |                   |            |
| EU2 | EU - Simplified SA-CCR (for derivatives)                           |                          |                                          |      |                                                                   |                              |                               |                   |            |
| 1   | SA-CCR (for derivatives)                                           | 162                      | 315                                      | -    | 1.4                                                               | 2,290                        | 671                           | 641               | 443        |
| 2   | IMM (for derivatives and SFTs)                                     |                          |                                          |      |                                                                   |                              |                               |                   |            |
| 2a  | Of which securities financing transactions netting sets            |                          |                                          |      |                                                                   |                              |                               |                   |            |
| 2b  | Of which derivatives and long settlement transactions netting sets |                          |                                          |      |                                                                   |                              |                               |                   |            |
| 2c  | Of which from contractual cross-product netting sets               |                          |                                          |      |                                                                   |                              |                               |                   |            |
| 3   | Financial collateral simple method (for SFTs)                      |                          |                                          |      |                                                                   |                              |                               |                   |            |
| 4   | Financial collateral comprehensive method (for SFTs)               |                          |                                          |      |                                                                   | 3,003                        | 303                           | 303               | 1          |
| 5   | VaR for SFTs                                                       |                          |                                          |      |                                                                   |                              |                               |                   |            |
| 6   | <b>Total</b>                                                       |                          |                                          |      |                                                                   | <b>5,272</b>                 | <b>973</b>                    | <b>943</b>        | <b>443</b> |

**Table 37: EU CCR2 – CVA capital charge (€ mio) 31.12.2023**

|     |                                                                                          | Exposure<br>value | RWEAs      |
|-----|------------------------------------------------------------------------------------------|-------------------|------------|
| 1   | Total transactions subject to the advanced method                                        |                   |            |
| 2   | (i) VaR component (including the 3x multiplier)                                          |                   |            |
| 3   | (ii) stressed VaR component (including the 3x multiplier)                                |                   |            |
| 4   | Transactions subject to the Standardized method                                          | 305               | 200        |
| EU4 | Transactions subject to the Alternative Approach (Based on the Original Exposure Method) |                   |            |
| 5   | <b>Total transactions subject to own funds requirements for CVA risk</b>                 | <b>305</b>        | <b>200</b> |

**Table 37: EU CCR2 – CVA capital charge (€ mio) 30.06.2023**

|     |                                                                                          | Exposure<br>value | RWEAs      |
|-----|------------------------------------------------------------------------------------------|-------------------|------------|
| 1   | Total transactions subject to the advanced method                                        |                   |            |
| 2   | (i) VaR component (including the 3x multiplier)                                          |                   |            |
| 3   | (ii) stressed VaR component (including the 3x multiplier)                                |                   |            |
| 4   | Transactions subject to the Standardized method                                          | 270               | 224        |
| EU4 | Transactions subject to the Alternative Approach (Based on the Original Exposure Method) |                   |            |
| 5   | <b>Total transactions subject to own funds requirements for CVA risk</b>                 | <b>270</b>        | <b>224</b> |



## COUNTERPARTY CREDIT RISK

Table 38: EU CCR8 – Exposures to CCPs (€ mio) 31.12.2023

|                                                                                                          | Exposure Value | RWEAs    |
|----------------------------------------------------------------------------------------------------------|----------------|----------|
| <b>1 Exposures to QCCPs* (total)</b>                                                                     |                | <b>8</b> |
| 2 Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which      | 249            | 5        |
| 3 (i) OTC derivatives                                                                                    | 242            | 5        |
| 4 (ii) Exchange-traded derivatives                                                                       | 7              | 0.1      |
| 5 (iii) SFTs                                                                                             |                |          |
| 6 (iv) Netting sets where cross-product netting has been approved                                        |                |          |
| 7 Segregated initial margin                                                                              | 754            |          |
| 8 Non-segregated initial margin                                                                          | 26             | 1        |
| 9 Prefunded default fund contributions                                                                   | 13             | 2        |
| 10 Alternative calculation of own funds requirements for exposures                                       |                |          |
| <b>11 Exposures to non-QCCPs* (total)</b>                                                                |                |          |
| 12 Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which |                |          |
| 13 (i) OTC derivatives                                                                                   |                |          |
| 14 (ii) Exchange-traded derivatives                                                                      |                |          |
| 15 (iii) SFTs                                                                                            |                |          |
| 17 Segregated initial margin                                                                             |                |          |
| 18 Non-segregated initial margin                                                                         |                |          |
| 19 Prefunded default fund contributions                                                                  |                |          |
| 20 Unfunded default fund contributions                                                                   |                |          |

\*QCCP: Qualifying Central Counterparty

Table 38: EU CCR8 – Exposures to CCPs (€ mio) 30.06.2023

|                                                                                                          | Exposure Value | RWEAs    |
|----------------------------------------------------------------------------------------------------------|----------------|----------|
| <b>1 Exposures to QCCPs* (total)</b>                                                                     |                | <b>8</b> |
| 2 Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which      | 268            | 5        |
| 3 (i) OTC derivatives                                                                                    | 258            | 5        |
| 4 (ii) Exchange-traded derivatives                                                                       | 10             | 0.2      |
| 5 (iii) SFTs                                                                                             |                |          |
| 6 (iv) Netting sets where cross-product netting has been approved                                        |                |          |
| 7 Segregated initial margin                                                                              | 898            |          |
| 8 Non-segregated initial margin                                                                          | 37             | 1        |
| 9 Prefunded default fund contributions                                                                   | 12             | 2        |
| 10 Alternative calculation of own funds requirements for exposures                                       |                |          |
| <b>11 Exposures to non-QCCPs* (total)</b>                                                                |                |          |
| 12 Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which |                |          |
| 13 (i) OTC derivatives                                                                                   |                |          |
| 14 (ii) Exchange-traded derivatives                                                                      |                |          |
| 15 (iii) SFTs                                                                                            |                |          |
| 17 Segregated initial margin                                                                             |                |          |
| 18 Non-segregated initial margin                                                                         |                |          |
| 19 Prefunded default fund contributions                                                                  |                |          |
| 20 Unfunded default fund contributions                                                                   |                |          |

\*QCCP: Qualifying Central Counterparty

## COUNTERPARTY CREDIT RISK

**Table 39:** EU CCR3 - Standardized approach - CCR exposures by regulatory portfolio and risk (€ mio) 31.12.2023

| Exposure classes |                                                                 | Risk Weight |     |    |     |     |     |     |     |      |      |        | Total |
|------------------|-----------------------------------------------------------------|-------------|-----|----|-----|-----|-----|-----|-----|------|------|--------|-------|
|                  |                                                                 | 0%          | 2%  | 4% | 10% | 20% | 50% | 70% | 75% | 100% | 150% | Others |       |
| 1                | Central governments or central banks                            | 174         |     |    |     |     |     |     |     |      |      |        | 174   |
| 2                | Regional governments or local authorities                       |             |     |    |     |     |     |     |     |      |      |        |       |
| 3                | Public sector entities                                          |             |     |    |     |     |     |     |     |      |      |        |       |
| 4                | Multilateral development banks                                  |             |     |    |     |     |     |     |     |      |      |        |       |
| 5                | International organisations                                     |             |     |    |     |     |     |     |     |      |      |        |       |
| 6                | Institutions                                                    |             | 275 |    |     | 65  | 255 |     |     | 3    |      |        | 598   |
| 7                | Corporates                                                      |             |     |    |     |     |     |     |     | 416  |      |        | 416   |
| 8                | Retail                                                          |             |     |    |     |     |     |     |     |      |      |        |       |
| 9                | Institutions and corporates with a short-term credit assessment |             |     |    |     |     |     |     |     |      |      |        |       |
| 10               | Other items                                                     |             |     |    |     |     |     |     |     |      |      |        |       |
| 11               | Total                                                           | 174         | 275 |    |     | 65  | 255 |     |     | 419  |      |        | 1,188 |

**Table 39:** EU CCR3 - Standardized approach - CCR exposures by regulatory portfolio and risk (€ mio) 30.06.2023

| Exposure classes |                                                                 | Risk Weight |     |    |     |     |     |     |     |      |      |        | Total |
|------------------|-----------------------------------------------------------------|-------------|-----|----|-----|-----|-----|-----|-----|------|------|--------|-------|
|                  |                                                                 | 0%          | 2%  | 4% | 10% | 20% | 50% | 70% | 75% | 100% | 150% | Others |       |
| 1                | Central governments or central banks                            | 337         |     |    |     |     |     |     |     |      |      |        | 337   |
| 2                | Regional governments or local authorities                       |             |     |    |     |     |     |     |     |      |      |        |       |
| 3                | Public sector entities                                          |             |     |    |     |     |     |     |     |      |      |        |       |
| 4                | Multilateral development banks                                  |             |     |    |     |     |     |     |     |      |      |        |       |
| 5                | International organisations                                     |             |     |    |     |     |     |     |     |      |      |        |       |
| 6                | Institutions                                                    |             | 305 |    |     | 70  | 214 |     |     | 10   | 0.01 |        | 599   |
| 7                | Corporates                                                      |             |     |    |     |     |     |     |     | 312  |      |        | 312   |
| 8                | Retail                                                          |             |     |    |     |     |     |     |     |      |      |        |       |
| 9                | Institutions and corporates with a short-term credit assessment |             |     |    |     |     |     |     |     |      |      |        |       |
| 10               | Other items                                                     |             |     |    |     |     |     |     |     |      |      |        |       |
| 11               | Total                                                           | 337         | 305 |    |     | 70  | 214 |     |     | 322  | 0.01 |        | 1,248 |

## COUNTERPARTY CREDIT RISK

Table 40: EU CCR5 – Composition of collateral for CCR exposures (€ mio) 31.12.2023

| Collateral type            | Collateral used in derivative transactions |              |                                 |              | Collateral used in SFTs           |              |                                 |              |
|----------------------------|--------------------------------------------|--------------|---------------------------------|--------------|-----------------------------------|--------------|---------------------------------|--------------|
|                            | Fair value of collateral received          |              | Fair value of posted collateral |              | Fair value of collateral received |              | Fair value of posted collateral |              |
|                            | Segregated                                 | Unsegregated | Segregated                      | Unsegregated | Segregated                        | Unsegregated | Segregated                      | Unsegregated |
| 1 Cash – domestic currency |                                            | 1,829        | 638                             | 619          | 2                                 |              |                                 |              |
| 2 Cash – other currencies  |                                            | 344          |                                 | 5            | 0                                 |              |                                 |              |
| 3 Domestic sovereign debt  |                                            | 46           |                                 |              | 900                               |              |                                 | 21           |
| 4 Other sovereign debt     |                                            |              | 158                             |              |                                   |              |                                 | 89           |
| 5 Government agency debt   |                                            |              |                                 |              |                                   |              |                                 |              |
| 6 Corporate bonds          |                                            | 4            |                                 |              |                                   |              |                                 |              |
| 7 Equity securities        |                                            |              |                                 |              |                                   |              |                                 |              |
| 10 Other collateral        |                                            | 45           |                                 |              |                                   |              |                                 |              |
| <b>11 Total</b>            |                                            | <b>2,269</b> | <b>796</b>                      | <b>624</b>   | <b>902</b>                        |              |                                 | <b>110</b>   |

Table 40: EU CCR5 – Composition of collateral for CCR exposures (€ mio) 30.06.2023

| Collateral type            | Collateral used in derivative transactions |              |                                 |              | Collateral used in SFTs           |              |                                 |              |
|----------------------------|--------------------------------------------|--------------|---------------------------------|--------------|-----------------------------------|--------------|---------------------------------|--------------|
|                            | Fair value of collateral received          |              | Fair value of posted collateral |              | Fair value of collateral received |              | Fair value of posted collateral |              |
|                            | Segregated                                 | Unsegregated | Segregated                      | Unsegregated | Segregated                        | Unsegregated | Segregated                      | Unsegregated |
| 1 Cash – domestic currency |                                            | 3,314        | 787                             | 609          | 0.03                              |              |                                 |              |
| 2 Cash – other currencies  |                                            | 215          |                                 | 5            |                                   |              |                                 |              |
| 3 Domestic sovereign debt  |                                            | 91           |                                 |              | 2,700                             |              |                                 | 19           |
| 4 Other sovereign debt     |                                            |              | 141                             |              |                                   |              |                                 |              |
| 5 Government agency debt   |                                            |              |                                 |              |                                   |              |                                 |              |
| 6 Corporate bonds          |                                            | 4            |                                 |              |                                   |              |                                 |              |
| 7 Equity securities        |                                            |              |                                 |              |                                   |              |                                 |              |
| 10 Other collateral        |                                            |              |                                 |              |                                   |              |                                 |              |
| <b>11 Total</b>            |                                            | <b>3,624</b> | <b>928</b>                      | <b>614</b>   | <b>2,700</b>                      |              |                                 | <b>19</b>    |

Table 41: EU CCR6 - Credit derivatives exposures (€ mio) 31.12.2023

|                                  | Credit derivative hedges |                 | Other credit derivatives |
|----------------------------------|--------------------------|-----------------|--------------------------|
|                                  | Protection bought        | Protection sold |                          |
| <b>Notionals</b>                 |                          |                 |                          |
| Single-name credit default swaps |                          | 100             |                          |
| Index credit default swaps       |                          |                 |                          |
| Total return swaps               |                          |                 |                          |
| Credit options                   |                          |                 |                          |
| Other credit derivatives         |                          |                 |                          |
| <b>Total notionals</b>           |                          | <b>100</b>      |                          |
| <b>Fair values</b>               |                          |                 |                          |
| Positive fair value (asset)      |                          |                 |                          |
| Negative fair value (liability)  |                          | (3)             |                          |

Table 41: EU CCR6 - Credit derivatives exposures (€ mio) 30.06.2023

|                                  | Credit derivative hedges |                 | Other credit derivatives |
|----------------------------------|--------------------------|-----------------|--------------------------|
|                                  | Protection bought        | Protection sold |                          |
| <b>Notionals</b>                 |                          |                 |                          |
| Single-name credit default swaps |                          | 100             |                          |
| Index credit default swaps       |                          |                 |                          |
| Total return swaps               |                          |                 |                          |
| Credit options                   |                          |                 |                          |
| Other credit derivatives         |                          |                 |                          |
| <b>Total notionals</b>           |                          | <b>100</b>      |                          |
| <b>Fair values</b>               |                          |                 |                          |
| Positive fair value (asset)      |                          |                 |                          |
| Negative fair value (liability)  |                          | (4)             |                          |

## 8 MARKET RISK

The Bank uses internally developed and implemented market risk models and systems to assess and quantify the portfolio market risk, based on best practice and industry-wide accepted risk metrics. More specifically, the Bank estimates the market risk of its trading and the held-to-collect-and-sell (HTCS) portfolios using the Value at Risk (VaR) methodology. In particular, the Bank has adopted the Variance-Covariance (VCV) methodology, with a 99% confidence interval and 1-day holding period.

The VaR calculation process is summarized as follows:

1. Collection of transactional data per type of product;
2. Identification of “risk factors” i.e., variables whose price changes could affect the value of the portfolio. The risk factors relevant to the financial products in the Bank’s portfolio are interest rates, equity indices, foreign exchange rates, commodity prices and their implied volatilities;
3. Collection of market data for instruments/positions valuation;
4. Specification of the confidence interval and the holding period for the VaR calculations at 99% and 1-day, respectively;
5. Estimation of the model’s parameters:
  - o the variance of each risk factor, from which respective volatilities are derived;
  - o the covariance of the risk factors, from which respective correlations are derived;
  - o the beta of stocks;
  - o the volatility for the estimation of equity specific risk.
6. Estimation of the VaR per type of risk (interest rate risk, equity risk, foreign exchange risk, commodity risk);
7. Estimation of Total VaR, taking into consideration the correlation matrix among all risk factors.

The VaR is calculated on a daily basis for the Bank’s trading and held-to-collect-and-sell (HTCS) portfolios, along with the VaR per risk type (interest rate, equity, foreign exchange and commodity risk). The VaR estimates are used internally as a risk management tool, as well as for regulatory purposes. More specifically, the GFLRM Division calculates the VaR of the Bank’s trading and HTCS portfolios, for internal use, using the latest 75 exponentially weighted daily observations to construct the VCV matrices. For regulatory purposes, the calculations apply only on the trading portfolio and the VCV matrices are based on 252, equally weighted, daily observations per risk factor.

Moreover, since the Bank has approval to use an internal model approach (IMA) only for general market risk purposes, the issuer risk and the equity specific risk of the portfolio are excluded from the regulatory VaR calculations. The respective capital requirements are based on the Standardized Approach (SA).

Additionally, the GFLRM Division calculates the stressed VaR (sVaR) of the Bank’s trading portfolio, which is defined as the VaR, where model inputs are calibrated to historical data from a continuous 1-year period of significant financial stress, relevant to the Bank’s portfolio. To identify this 1-year time window of

significant stress, NBG follows a conservative approach, which covers the entire period from the beginning of the financial crisis of 2008. More specifically, VCV matrices dating back to the 3rd of January 2008, are calculated on a monthly basis and the VCV matrix that corresponds to the maximum VaR of NBG’s trading portfolio, over the entire period, is selected. To ensure consistency, at each year-end, the process is repeated for certain days of the last calendar month of the year, and subsequently the identified “stressed VCV matrix” is applied over the next year. Similarly to VaR, NBG calculates sVaR on a daily basis, using a 1-day holding period and 99% confidence level.

For the calculation of the regulatory capital requirements, the VaR/sVaR is scaled up to 10-days via the square-root-of-time rule<sup>2</sup>.

Based on the above, the capital charges for the Bank’s general market risk are calculated as the sum of the following two amounts:

- the maximum of: a) the VaR of the previous day, calculated with a 10-days holding period, b) the average VaR of the last 60-days, using a 10-days holding period and multiplied by a factor (mc), determined by the regulator and varying between three (3) and four (4); plus
- the maximum of: a) the Stressed VaR of the previous day, calculated with a 10-days holding period, b) the average Stressed VaR of the last 60-days, using a 10-days holding period and multiplied by a factor (ms), determined by the regulator and varying between three (3) and four (4).

Finally, the use of internal model is granted only for NBG, therefore the calculation of market risk capital charges for the rest of the Group’s subsidiaries is based on the Standardized Approach.

The components of capital requirements under both the standardized method and the internal model approach for market risk, as of 31st December, 2023, are shown in the tables below.

**Table 42:** EU MR1 – Market risk under the Standardized approach (€ mio) 31.12.2023 and 30.06.2023

|                          |                                           | RWAs<br>Q4.23 | RWAs<br>Q2.23 |
|--------------------------|-------------------------------------------|---------------|---------------|
| <b>Outright products</b> |                                           |               |               |
| 1                        | Interest rate risk (general and specific) | 5             | 0.2           |
| 2                        | Equity risk (general and specific)        | 59            | 57            |
| 3                        | Foreign exchange risk                     | 112           | 91            |
| 4                        | Commodity risk                            |               |               |
| <b>Options</b>           |                                           |               |               |
| 5                        | Simplified approach                       |               |               |
| 6                        | Delta-plus approach                       | 213           | 186           |
| 7                        | Scenario approach                         | 1             | 0.3           |
| 8                        | <b>Securitisation (specific risk)</b>     |               |               |
| 9                        | <b>Total</b>                              | <b>390</b>    | <b>335</b>    |

<sup>2</sup> 10-day VaR is obtained by multiplying the 1-day VaR with the square root of 10 (i.e.  $VaR_{10-day} = VaR_{1-day} \times \sqrt{10}$ )

## MARKET RISK

Table 43: EU MR2-A – Market risk under the IMA (€ mio) 31.12.2023

|                                                                                | RWAs         | Own funds requirements |
|--------------------------------------------------------------------------------|--------------|------------------------|
| <b>1 VaR</b> (higher of values a and b)                                        | <b>524</b>   | <b>42</b>              |
| (a) Previous day's VaR (VaRt-1)                                                |              | 13                     |
| (b) Multiplication factor (mc) x average of previous 60 working days (VaRavg)  |              | 42                     |
| <b>2 SVaR</b> (higher of values a and b)                                       | <b>750</b>   | <b>60</b>              |
| (a) Latest available SVaR (SVaRt-1))                                           |              | 24                     |
| (b) Multiplication factor (ms) x average of previous 60 working days (sVaRavg) |              | 60                     |
| <b>3 IRC</b> (higher of values a and b)                                        |              |                        |
| (a) Most recent IRC measure                                                    |              |                        |
| (b) 12 weeks average IRC measure                                               |              |                        |
| <b>4 Comprehensive risk measure</b> (higher of values a, b and c)              |              |                        |
| (a) Most recent risk measure of comprehensive risk measure                     |              |                        |
| (b) 12 weeks average of comprehensive risk measure                             |              |                        |
| (c) Comprehensive risk measure Floor                                           |              |                        |
| <b>5 Other</b>                                                                 |              |                        |
| <b>6 Total</b>                                                                 | <b>1,274</b> | <b>102</b>             |

Table 43: EU MR2-A – Market risk under the IMA (€ mio) 30.06.2023

|                                                                                | RWAs         | Own funds requirements |
|--------------------------------------------------------------------------------|--------------|------------------------|
| <b>1 VaR</b> (higher of values a and b)                                        | <b>652</b>   | <b>52</b>              |
| (a) Previous day's VaR (VaRt-1)                                                |              | 11                     |
| (b) Multiplication factor (mc) x average of previous 60 working days (VaRavg)  |              | 52                     |
| <b>2 SVaR</b> (higher of values a and b)                                       | <b>979</b>   | <b>78</b>              |
| (a) Latest available SVaR (SVaRt-1))                                           |              | 19                     |
| (b) Multiplication factor (ms) x average of previous 60 working days (sVaRavg) |              | 78                     |
| <b>3 IRC</b> (higher of values a and b)                                        |              |                        |
| (a) Most recent IRC measure                                                    |              |                        |
| (b) 12 weeks average IRC measure                                               |              |                        |
| <b>4 Comprehensive risk measure</b> (higher of values a, b and c)              |              |                        |
| (a) Most recent risk measure of comprehensive risk measure                     |              |                        |
| (b) 12 weeks average of comprehensive risk measure                             |              |                        |
| (c) Comprehensive risk measure Floor                                           |              |                        |
| <b>5 Other</b>                                                                 |              |                        |
| <b>6 Total</b>                                                                 | <b>1,632</b> | <b>131</b>             |

Table 44: EU MR2-B – RWA flow statements of market risk exposures under the IMA (€ mio) 31.12.2023

|                                                             | VaR        | SVaR       | IRC | Comprehensive risk measure | Other | Total RWAs   | Total own funds requirements |
|-------------------------------------------------------------|------------|------------|-----|----------------------------|-------|--------------|------------------------------|
| <b>1 RWAs as of September 30, 2023</b>                      | <b>438</b> | <b>718</b> |     |                            |       | <b>1,156</b> | <b>93</b>                    |
| 1a Regulatory adjustment                                    | 259        | 506        |     |                            |       | 765          | 61                           |
| 1b RWAs at the previous quarter-end (end of the day)        | 179        | 212        |     |                            |       | 391          | 31                           |
| 2 Movement in risk levels                                   | (10)       | 84         |     |                            |       |              |                              |
| 3 Model updates/changes                                     |            |            |     |                            |       |              |                              |
| 4 Methodology and policy                                    |            |            |     |                            |       |              |                              |
| 5 Acquisitions and disposals                                |            |            |     |                            |       |              |                              |
| 6 Foreign exchange movements                                |            |            |     |                            |       |              |                              |
| 7 Other                                                     | (8)        | 5          |     |                            |       |              |                              |
| 8a RWAs at the end of the reporting period (end of the day) | 162        | 301        |     |                            |       | 463          | 37                           |
| 8b Regulatory adjustment                                    | 362        | 448        |     |                            |       | 811          | 65                           |
| <b>8 RWAs as of December 31, 2023</b>                       | <b>524</b> | <b>750</b> |     |                            |       | <b>1,274</b> | <b>102</b>                   |

Table 44: EU MR2-B – RWA flow statements of market risk exposures under the IMA (€ mio) 30.09.2023

|                                                             | VaR        | SVaR       | IRC | Comprehensive risk measure | Other | Total RWAs   | Total own funds requirements |
|-------------------------------------------------------------|------------|------------|-----|----------------------------|-------|--------------|------------------------------|
| <b>1 RWAs as of June 30, 2023</b>                           | <b>652</b> | <b>979</b> |     |                            |       | <b>1,632</b> | <b>131</b>                   |
| 1a Regulatory adjustment                                    | 510        | 742        |     |                            |       | 1,252        | 100                          |
| 1b RWAs at the previous quarter-end (end of the day)        | 142        | 237        |     |                            |       | 380          | 30                           |
| 2 Movement in risk levels                                   | 31         | 50         |     |                            |       |              |                              |
| 3 Model updates/changes                                     |            |            |     |                            |       |              |                              |
| 4 Methodology and policy                                    |            |            |     |                            |       |              |                              |
| 5 Acquisitions and disposals                                |            |            |     |                            |       |              |                              |
| 6 Foreign exchange movements                                |            |            |     |                            |       |              |                              |
| 7 Other                                                     | 5          | (75)       |     |                            |       |              |                              |
| 8a RWAs at the end of the reporting period (end of the day) | 179        | 212        |     |                            |       | 391          | 31                           |
| 8b Regulatory adjustment                                    | 259        | 506        |     |                            |       | 765          | 61                           |
| <b>8 RWAs as of September 30, 2023</b>                      | <b>438</b> | <b>718</b> |     |                            |       | <b>1,156</b> | <b>93</b>                    |

## MARKET RISK

During the fourth quarter of 2023, the Market Risk RWAs, based on the internal model approach (IMA), increased by €117mio, mainly due to changes in the exposures of the Trading Book, which combined with the correlations between the different tenors of the IR curves led to higher VaR and sVaR estimates. However, on an overall basis, the Market Risk IMA RWAs at the end of 2023 stood below the respective figure at the end of the previous year, predominantly due to the decrease of the VaR/sVaR multiplier to its lowest level of 3.

Finally, the Bank's regulatory VaR/sVaR estimates during the last six months of 2023 are shown in the table below.

**Table 45:** EU MR3 – IMA values for trading portfolios (€ mio) 31.12.2023

| VaR (10 day 99%) |               |    |
|------------------|---------------|----|
| 1                | Maximum value | 16 |
| 2                | Average value | 13 |
| 3                | Minimum value | 10 |
| 4                | Period end    | 13 |
|                  |               |    |
| 5                | Maximum value | 28 |
| 6                | Average value | 20 |
| 7                | Minimum value | 16 |
| 8                | Period end    | 24 |

**Table 45:** EU MR3 – IMA values for trading portfolios (€ mio) 30.06.2023

| VaR (10 day 99%)  |               |    |
|-------------------|---------------|----|
| 1                 | Maximum value | 15 |
| 2                 | Average value | 13 |
| 3                 | Minimum value | 10 |
| 4                 | Period end    | 12 |
| SVaR (10 day 99%) |               |    |
| 5                 | Maximum value | 24 |
| 6                 | Average value | 20 |
| 7                 | Minimum value | 18 |
| 8                 | Period end    | 19 |

## 8.1 Stress testing

The daily VaR refers to “normal” market conditions. Supplementary analysis is, however, necessary for capturing the potential loss that might incur under extreme and unusual conditions in financial markets. Thus, the GFLRM Division conducts stress testing on a weekly basis, through the application of different stress scenarios on the relevant risk factors (interest rates, equity indices, foreign exchange rates). Stress testing is performed on both the Trading and the HTCS portfolios, as well as separately on the positions of the Trading Book.

The scenarios used are shown in the following table:

**Table 46:** Stress test Scenarios

| Scenario                     | Description                                     | 0 - 3 months | 3 months – 5 years | > 5 years |
|------------------------------|-------------------------------------------------|--------------|--------------------|-----------|
| <b>Interest Rate Risk</b>    |                                                 |              |                    |           |
| 1                            | Parallel Curve shift                            | +200 bps.    | +200 bps.          | +200 bps. |
| 2                            | Parallel Curve shift                            | -200 bps.    | -200 bps.          | -200 bps. |
| 3                            | Steepening of the curve                         | 0 bps.       | +100 bps.          | +200 bps. |
| 4                            | Flattening of the curve                         | +200 bps.    | +100 bps.          | 0 bps.    |
| <b>Equity Risk</b>           |                                                 |              |                    |           |
|                              | -30% for all indices                            |              |                    |           |
| <b>Foreign Exchange Risk</b> |                                                 |              |                    |           |
|                              | EUR depreciation by 30%/EUR appreciation by 30% |              |                    |           |

Additionally, the following volatility stress test scenarios are defined and the Trading and HTCS portfolios are assessed, on a daily basis:

**Table 47:** Volatility stress test Scenarios

| Scenario | Description                                      |
|----------|--------------------------------------------------|
| 1        | IR: normal +1bp, lognormal +1%, EQT & FX: +1%    |
| 2        | IR: normal +5bp, lognormal +5%, EQT & FX: +5%    |
| 3        | IR: normal +10bp, lognormal +10%, EQT & FX: +10% |
| 4        | IR: normal -1bp, lognormal -1%, EQT & FX: -1%    |
| 5        | IR: normal -5bp, lognormal -5%, EQT & FX: -5%    |
| 6        | IR: normal -10bp, lognormal -10%, EQT & FX: -10% |

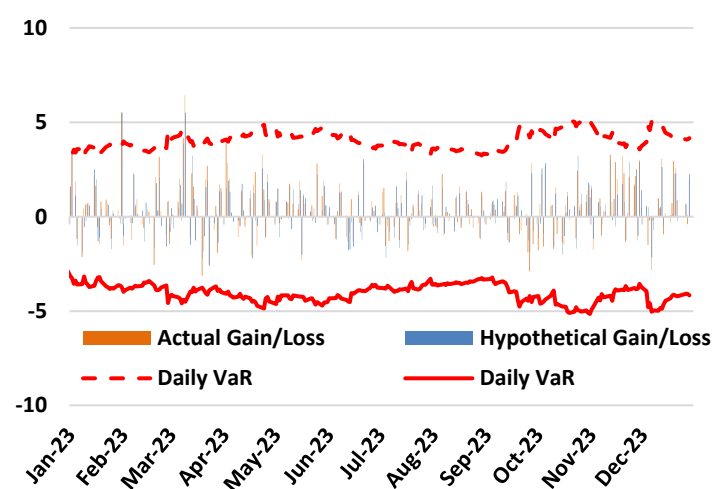


## 8.2 Back testing

In order to verify the predictive power of the VaR model used for the calculation of Market Risk capital requirements, the Bank conducts back-testing on a daily basis. In accordance with the guidelines set out in the Capital Requirements Regulation 575/2013, the calculations only refer to the Bank's trading portfolio and involve the comparison of the hypothetical as well as the actual daily gains/losses of the portfolio, with the respective estimates of the VaR model used for regulatory purposes. The hypothetical gains/losses is the change in the value of the portfolio between days  $t$  and  $t+1$ , assuming that the portfolio remains constant between the two days. In the same context, the actual gains/losses is the change in the value of the portfolio between days  $t$  and  $t+1$ , including all the transactions and/or any realized gains/losses that took place in day  $t+1$ , excluding fees, commissions and net interest income.

Any excess of the hypothetical/actual losses over the VaR estimate is reported to the regulatory authorities. Moreover, the Board is informed about the total number of excesses, on a monthly basis. During 2023, no over-shootings in the VaR of the Trading Book were recorded, while the VaR/sVaR multiplier reverted back to its lowest level of 3, since Q3.2023.

**Figure 7:** EU MR4 – Comparison of VaR estimates with gains/losses



## 9 OPERATIONAL RISK

The Bank has adopted the Standardized Approach (SA) for the calculation of operational risk regulatory capital requirements, on an individual, as well as on a consolidated basis. Under the Standardized Approach, the capital requirement for operational risk is the average, over three years, of the risk-weighted relevant indicators calculated each year through the allocation of Gross Income to the eight (8) regulatory business lines. Being conservative and compliant with regulatory reporting requirements, the Bank classifies revenues accrued from activities that cannot be readily mapped into a particular business line (unallocated) to the business line yielding the highest capital risk weight (18%).

**Table 48:** EU OR1 – Operational Risk Own Funds requirements and risk weighted exposure amounts (€ mio) 31.12.2023

| Banking activities |                                                                                              |                    |        |           |                        |                      |
|--------------------|----------------------------------------------------------------------------------------------|--------------------|--------|-----------|------------------------|----------------------|
|                    |                                                                                              | Relevant indicator |        |           | Own funds requirements | Risk exposure amount |
|                    |                                                                                              | Year-3             | Year-2 | Last year |                        |                      |
| 1                  | Banking activities subject to basic indicator approach (BIA)                                 |                    |        |           |                        |                      |
| 2                  | Banking activities subject to standardised (TSA) / alternative standardised (ASA) approaches | 1,491              | 2,020  | 2,708     | 288                    | 3,601                |
| 3                  | Subject to TSA:                                                                              | 1,491              | 2,020  | 2,708     | 288                    | 3,601                |
| 4                  | Subject to ASA:                                                                              |                    |        |           |                        |                      |
| 5                  | Banking activities subject to advanced measurement approaches AMA                            |                    |        |           |                        |                      |

**Table 48:** EU OR1 – Operational Risk Own Funds requirements and risk weighted exposure amounts (€ mio) 31.12.2022

| Banking activities |                                                                                              |                    |        |           |                        |                      |
|--------------------|----------------------------------------------------------------------------------------------|--------------------|--------|-----------|------------------------|----------------------|
|                    |                                                                                              | Relevant indicator |        |           | Own funds requirements | Risk exposure amount |
|                    |                                                                                              | Year-3             | Year-2 | Last year |                        |                      |
| 1                  | Banking activities subject to basic indicator approach (BIA)                                 | -                  | -      | -         | -                      | -                    |
| 2                  | Banking activities subject to standardised (TSA) / alternative standardised (ASA) approaches | 1,732              | 1,492  | 2,020     | 254                    | 3,178                |
| 3                  | Subject to TSA:                                                                              | 1,732              | 1,492  | 2,020     | 254                    | 3,178                |
| 4                  | Subject to ASA:                                                                              | -                  | -      | -         | -                      | -                    |
| 5                  | Banking activities subject to advanced measurement approaches AMA                            | -                  | -      | -         | -                      | -                    |

## 10 ESG RISKS

### 10.1 ESG Strategy and Governance

#### 10.1.1 NBG ESG Strategy

Environmental, social and governance topics have evolved so fast and so dramatically that they have inevitably become a focal component of banks' strategic agendas. In this context, banks acknowledge their role in accelerating the transition to a low-carbon world by supporting capital allocation to 'green' activities, while also financing the transition of businesses and households to more sustainable models. NBG is attuned to this imperative with a heightened sense of responsibility.

NBG applies a holistic approach to ESG, defining, to begin with, its ESG strategy in 3 strategic pillars (see table below), which are closely aligned with the Bank's purpose to create a more prosperous and sustainable future together with its customers, people, and shareholders. To this end, we articulated our Environment ('E'), Society ('S') and Governance ('G') strategy in 9 themes.

These themes stem from and reflect our revamped value system, align with selected UN's Sustainable Development Goals ("SDGs"), and complement the Bank's overall business strategy and transformation, as well as our vision to become the undisputed Bank of First Choice in Greece.

Our environment-related themes encapsulate our climate change action, portfolio and operations decarbonization strategy, all of which we keep evolving, detailing, monitoring and adjusting on an on-going basis.

**Table 49: ESG Strategic Themes**

| ESG pillars | ESG strategic themes                                    | ESG commitments                                                  | Our core values                   | UN Sustainable Development Goals (SDGs)                                               |
|-------------|---------------------------------------------------------|------------------------------------------------------------------|-----------------------------------|---------------------------------------------------------------------------------------|
| Environment | Lead the market in <b>sustainable energy financing</b>  | Lead the development of the <b>renewable energy</b> sector       | Responsive<br><br>Growth catalyst |  |
|             |                                                         | Pioneer <b>sustainable bond issuing</b> in the Greek market      |                                   |                                                                                       |
|             | Accelerate transition to a <b>sustainable economy</b>   | Support <b>green transition</b> of corporates                    |                                   |                                                                                       |
|             |                                                         | Lead <b>green retail financing &amp; sustainable investments</b> |                                   |                                                                                       |
|             | Role-model <b>environmentally responsible practices</b> | Establish a <b>carbon neutral</b> NBG footprint                  |                                   |                                                                                       |
|             |                                                         | Protect <b>biodiversity</b> and <b>ecosystem health</b>          |                                   |                                                                                       |
| Society     | Champion <b>diversity &amp; inclusion</b>               | Establish <b>equality</b> in the workplace                       | Human                             |  |
|             |                                                         | Promote <b>inclusion</b> in the society                          |                                   |                                                                                       |
|             | Enable <b>public health &amp; well-being</b>            | Protect the <b>health and family life</b> of our people          |                                   |                                                                                       |
|             |                                                         | Enable <b>public health, well-being and sports</b>               |                                   |                                                                                       |
|             | Promote <b>Greek heritage, culture &amp; creativity</b> | Lead the preservation of <b>Greek cultural heritage</b>          |                                   |                                                                                       |
|             |                                                         | Promote <b>contemporary Greek culture</b> and <b>creativity</b>  |                                   |                                                                                       |
|             | Foster <b>entrepreneurship &amp; innovation</b>         | Foster <b>entrepreneurship</b> and <b>innovation</b>             |                                   |                                                                                       |
|             |                                                         | Motivate <b>public contribution</b> to new projects              |                                   |                                                                                       |
| Governance  | Adhere to the <b>highest governance standards</b>       | Encourage <b>lifelong learning</b> in and out of the workplace   | Trustworthy                       |  |
|             |                                                         | Champion <b>digital literacy</b> across age groups               |                                   |                                                                                       |
|             |                                                         | Ensure <b>best-in-class corporate governance</b>                 |                                   |                                                                                       |
|             |                                                         | Ensure <b>transparency in disclosures</b> and <b>reporting</b>   |                                   |                                                                                       |

### 10.1.2 C&E risks and opportunities integrated in NBG's business strategy

At NBG, our Climate and Environment (C&E) priorities and Net Zero aspirations underpin our Business Strategy, Budgeting & Business Planning, and Transformation Program planning activities. In the area of C&E, NBG's overarching strategic objective is to create value through supporting the country's transition to Net-Zero:

1. Since 2021, when we articulated our C&E Business Strategy in 3 themes (sustainable energy financing, transition to a sustainable economy, and environmentally responsible practices), we have outlined specific priorities within each theme, the progress of which we measure via selected metrics, thus ensuring that strategy articulation and Business Plan execution are linked to key C&E considerations, both risk- and opportunity-driven.
2. As of October 2023, we have committed to specific net zero emissions targets for 2030, understanding the business environment context for prioritized high-emitting, high-transition risk sectors / portfolios (Power Generation, Oil & Gas, Cement, Aluminum, CRE, RRE). Specifically, we have studied the decarbonization levers per sector/portfolio, preparing the ground for our businesses (Corporate for key sectors, and Retail for mortgages) to support the transition of each sector/portfolio through our credit expansion, and, as part of our Budget & Business Plan 2024-26 process, we also estimated short-term (2026) financed emissions for selected material sectors / portfolios, in line with our 2030 net zero aspirations and commitments (see also 10.1.3, below).
3. C&E risks have been analyzed in terms of impact in the Budget & Business Plan (BP) cycle, and the risk perspective, including a CRO Opinion containing explicit reference to C&E risks, has been presented to the Management Bodies ahead of Business Plan approval.
4. Risk Management views were informed by a newly introduced risk identification and materiality assessment (RIMA) process (November 2023), which feeds into the Group Planning cycle. In the RIMA, both physical and transition Climate risks are covered, with a forward-looking impact approach, distinctly per primary risk type and on aggregate, considering all material business lines/portfolios, regions and distinct time horizons: short, medium and long term. Environmental risks, beyond Climate, are also covered.
5. Moreover, NBG's Risk Appetite has been enhanced to address forward-looking elements directly connected with the C&E Strategy (including quantitative limits/KRIs).

Points 4 and 5 are further analyzed under section [10.2 ESG Risk Management Framework](#), respective subsections 10.2.1 Risk identification and materiality assessment (RIMA) process for C&E risks and 10.2.3 Risk Appetite Framework: ESG Quantitative Statements.

### 10.1.3 C&E objectives reflected in key strategic processes

Year after year NBG is strengthening the connection between Budget & Business Plan, C&E Business Strategy, and the management of C&E risks, via reflecting the key C&E Strategic Themes, and the strategic initiatives undertaken for their execution, in businesses' projections for key Business Plan levers, such as credit expansion, OpEx and CapEx. Within these levers, we also include drivers of our Carbon Footprint, both from our own operations and due to our financing and investment activity.

In 2023, NBG made a step-change improvement in its Carbon Footprint measurement. Specifically, NBG measured (and disclosed in its ESG Report 2022) emissions for 2022 for the majority of its loans and investments portfolio, achieving a 94% coverage of PCAF-eligible perimeter:

Table 50: Overview of NBG's financed emissions per PCAF asset class

| NBG's financed emissions per PCAF asset class |                 |                          |                       |                                                   |                                                 |                                                  |                         |
|-----------------------------------------------|-----------------|--------------------------|-----------------------|---------------------------------------------------|-------------------------------------------------|--------------------------------------------------|-------------------------|
| PCAF asset class                              | Exposure (€ mn) | Exposure Measured (€ mn) | Exposure Coverage (%) | Scope 1,2 financed emissions (tCO <sub>2</sub> e) | Scope 3 financed emissions (tCO <sub>2</sub> e) | Intensity (tCO <sub>2</sub> e/€ mn) <sup>1</sup> | PCAF data quality score |
| Business Loans & Unlisted Equities            | 12,468          | 11,667                   | 94%                   | 3,638,156                                         | 3,137,574                                       | 581                                              | 3.5                     |
| Project Finance                               | 4,468           | 4,031                    | 90%                   | 536,746                                           | 70,984                                          | 151                                              | 3.4                     |
| Commercial Real Estate                        | 1,680           | 1,441                    | 86%                   | 115,469                                           | 0                                               | 80                                               | 4.0                     |
| Mortgages                                     | 7,287           | 6,298                    | 86%                   | 141,706                                           | 0                                               | 23                                               | 4.0                     |
| Corporate Bonds & Listed Equities             | 901             | 901                      | 100%                  | 285,504                                           | 150,770                                         | 484                                              | 1.8                     |
| Sovereign Debt                                | 11,919          | 11,919                   | 100%                  | 2,570,920                                         | 1,419,814                                       | 335                                              | 1.0                     |
| Motor Vehicle Loans                           | 80              | 80                       | 100%                  | 3,329                                             | 0                                               | 42                                               | 5.0                     |
| <b>PCAF in-scope portfolio</b>                | <b>38,803</b>   | <b>36,337</b>            | <b>94%</b>            | <b>7,291,831</b>                                  | <b>4,779,143</b>                                | <b>332</b>                                       | <b>2.7</b>              |

1. Intensity as shown here: Scope 1 + 2 + 3 financed emissions over exposure measured.

Notably, NBG formally joined PCAF in October 2023<sup>3</sup>.

At the back of this measurement, NBG also undertook a major engagement to set science-based net-zero targets in selected (NZBA 'priority') sectors and portfolios, and for its own operations. Specifically, NBG defined medium-term (2030) financed emissions targets for 6 sectors / portfolios while at the same time, also committing to net-zero financed emissions in the long-term (2050) through its membership in the NZBA, announced in Nov 2023<sup>4</sup>.

Table 51: NBG's financed emissions targets

| Sector           | Exposure Measured (€ mn) | Scopes Covered | Unit of measurement                     | Reference Scenario / Pathway | Baseline Year | Baseline Value | 2030 Target | 2030 vs. Baseline Delta |
|------------------|--------------------------|----------------|-----------------------------------------|------------------------------|---------------|----------------|-------------|-------------------------|
| Power Generation | 1,483                    | Scope 1, 2     | kgCO <sub>2</sub> / MWh                 | / IEA NZE 2050               | 2022          | 169            | 120         | -29%                    |
| Oil & Gas        | 1,029                    | Scope 1, 2     | Indexed, tCO <sub>2</sub> of 2021 = 100 | IEA NZE 2050                 | 2022          | 100            | 70          | -30%                    |
| Cement           | 50                       | Scope 1, 2     | tCO <sub>2</sub> / tcementitious        | IEA NZE 2050                 | 2022          | 0.71           | 0.52        | -27%                    |
| Aluminium        | 43                       | Scope 1, 2     | tCO <sub>2</sub> / taluminium           | / MPP                        | 2022          | 11.2           | 3.9         | -65%                    |
| CRE              | 1,441                    | Scope 1, 2     | kgCO <sub>2</sub> e/m <sup>2</sup>      | CRREM Greek 1.5°C scenario   | 2022          | 83             | 30          | -64%                    |
| RRE              | 6,298                    | Scope 1, 2     | kgCO <sub>2</sub> e/m <sup>2</sup>      | CRREM Greek 1.5°C scenario   | 2022          | 29             | 16          | -45%                    |

As part of the Budget & Business Plan 2024-26, NBG also estimated short-term (2026) financed emissions for selected material sectors / portfolios, in line with the above net zero aspirations and commitments (as above, 10.1.2). At NBG we regard emissions target-setting as a key means to achieving business model resilience, in that, the process followed to define 2030 interim Net-Zero targets, including portfolio analyses and projections, market growth drivers research, and deep-dives into counterparties' plans to decarbonize, provided us with a good understanding of our own business model's vulnerability to C&E factors (both risks and opportunities) and a good degree of trust on its resilience. Vice versa, our regular monitoring of progress against these set targets ensures we check, steer, and take timely portfolio alignment actions.

Further details on our short-, medium- and long-term emission reduction targets are provided in the ESG report [nbg-esg-report-2022-en.pdf](#) p. 107-114.

### 10.1.4 Responsible Financing

The Bank places special emphasis on approvals of loans that serve to support business activities that will protect the environment. Failure on the borrower's or the guarantor's part to comply with the environmental and sanitary legislation may lead to termination of the loan contract by the Bank.

The Bank does not undertake the funding of activities banned by EU regulations, indicatively: trade in protected wild fauna, production and trade of radioactive materials and chemicals that have been banned by international protocols, transportation and release of genetically modified products into the natural environment, etc.

NBG continues to assess existing and prospect counterparties' strategies, policies and procedures around climate action, environmental protection -among a list of wider ESG

<sup>3</sup> [Financial institutions taking action carbonaccountingfinancials.com](#)

<sup>4</sup> [National Bank of Greece joins the industry-led, United Nations-convened Net-Zero Banking Alliance | NBG](#)

considerations- and counterparties' C&E risk mitigation capabilities. Since Q1.22 an Obligor-level ESG Assessment has been incorporated in the Bank's origination, credit granting and monitoring policies, process and procedures, and since December of 2023 NBG participates in an inter-bank initiative that aims at centralizing this process to the benefit of the companies (bank clients) being assessed, via a single, user-friendly platform facilitating the collection and analysis of Obligor ESG data in a unified and consistent manner for all participating banks<sup>5</sup>.

Albeit being at the early stage of EU Taxonomy adoption, and starting off from a low baseline of Taxonomy alignment (see section 10.1.5 below), NBG has laid down solid foundations in terms of current investment activities and future development potential in activities, which are either EU Taxonomy aligned or, if not, within a wider Sustainable Financing umbrella. Such investments are channeled to RES projects financing, and towards establishing the Bank's position as a pioneer in the green/sustainable energy market, with offerings, partnerships, and ecosystems serving climate and environmental objectives, such as, for example, our strategic partnership with PPC in the market of home energy upgrade financing.

Also, our Sponsorships and CSR activity strives to serve, alongside the S – Social, also our E-Environmental strategic orientation, with NBG committing a significant budget towards environmental objectives.

Lastly, by being the first among domestic peers to issue a Sustainable Bond Framework (SBF), NBG places itself in full readiness to channel proceeds from any upcoming instrument(s) to be issued under this Framework towards financing / investing in a series of Green and Social projects, i.e. in eligible project categories, as these are detailed in the SBF<sup>6</sup>.

### 10.1.5 EU Taxonomy Regulation, Article 8

#### ■ EU Taxonomy Disclosures

The Commission Delegated Regulation (EU) 2021/2178 of 6 July 2021, supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council, specifies the content and presentation of information to be disclosed by undertakings subject to Articles 19a or 29a of Directive 2013/34/EU, concerning environmentally sustainable economic activities, and states the methodology to comply with that disclosure obligation. More specifically, it establishes the criteria for determining whether an economic activity qualifies as environmentally sustainable and incorporates an obligation that companies subject to the Non-Financial Reporting Directive ("NFRD"), including financial corporations, must disclose how their operations align with the EU Taxonomy.

The Taxonomy Regulation is a key component of the European Commission's action plan to redirect capital flows towards a more sustainable economy. The primary aim of the Taxonomy is to help investors identify environmentally sustainable investments.

As per the Taxonomy Regulation, credit institutions are required to disclose information and relevant KPIs based on the scope of their prudential consolidation. These disclosures should focus on how their financing and investments contribute to environmental objectives, the degree of alignment with the EU Taxonomy, and the significant adverse impacts of investment decisions on sustainability factors. The uniform application of these disclosure standards is intended to enhance transparency, facilitating informed decision-making for investors and users of the Financial Statements.

In particular, starting from January 1st, 2024, credit institutions are required to disclose the Green Asset Ratio ("GAR") KPI and KPIs for off-balance sheet exposures regarding financial guarantees to either financial or non-financial undertakings and assets under management, as per the Delegated act 2021/2178. Additionally, credit institutions should assess their exposures to economic activities related to fossil gas and nuclear energy according to Delegated Regulation 2022/1214.

Following the guidelines prescribed under ESG P3 ITS, information disclosed as part of the Group's disclosures for GAR are fully aligned with the disclosures under Article 8 of the Taxonomy Regulation included in the FY2023 Annual Financial Report based on the turnover alignment of the counterparties to determine the level of Taxonomy alignment.

For more information on Key performance indicators (KPIs) on the Taxonomy-aligned exposures as well as assets for the calculation of GAR please see section [10.3 Quantitative disclosures on Climate change transition and physical Risks and mitigating actions](#).

### 10.1.6 ESG Governance, roles and responsibilities

#### ■ Sustainability oversight at Board level

As per NBG's Corporate Governance Code, the Board is responsible for setting strategy, overseeing management and adequately controlling the Bank, with the ultimate aim of enhancing the long-term value of NBG and upholding the general corporate interest in accordance with the Law. The Board should focus on sustainability and consider, among others, climate-related and environmental risks when developing the overall business strategy, objectives and risk management framework, and exercise effective oversight of climate-related and environmental risks. Within this context, the Board should ensure that material environmental and social considerations are integrated into the Bank's strategy, business model and risk management framework and addressed in its public disclosures.

The Board of Directors, with the presence of the CEO and the Bank's competent executives, holds regular deep-dives on ESG Strategy, with Board Committees having included updates and discussions on developments relevant to ESG, such as discussions on ESG trends and regulatory developments at the Compliance, Ethics and Culture Committee and the Strategy and Transformation Committee, as well as discussions on Transformation Program initiatives relevant to ESG/Sustainability and on the Recovery and Resilience Facility

<sup>5</sup> [ESGr \(esgrportal.gr\)](https://esgrportal.gr)

<sup>6</sup> [National Bank of Greece joins the industry-led, United Nations-convened Net-Zero Banking Alliance | NBG](#), [national-bank-of-greece-spo.pdf \(nbg.gr\)](https://national-bank-of-greece-spo.pdf)



(focused on green transition) at the Strategy and Transformation Committee. Furthermore, in the context of the CEO Monthly Report to the Board of Directors, Board Members frequently check on ESG related matters, whilst a dedicated to Sustainability and Innovation matters committee, the BoD Innovation and Sustainability Committee, was established to facilitate, among others, the oversight of the Bank regarding ESG aspects.

It is also noted that the Board of Directors Suitability Assessment Policy and Procedure stipulates particular provisions for the Board of Directors to collectively possess an appropriate understanding of those areas for which the Members are collectively accountable, and the skills to effectively manage and oversee the Bank, including, among others, ESG aspects. In that regard, a dedicated Board Training session took place in 2021 on ESG related topics, and more specifically it included a half day program hosted by the International Corporate Governance Network, with all Directors attending and with a certificate provided by the Organization as per their completion of the training.

During 2023 the Board of Directors convened 25 times in total.

During 2023, the Board focused on a number of key areas, including but not limited to the activities described below, taking into account in its discussions and decision-making the interests of its stakeholders.

Indicatively, the Board of Directors:

- continued focusing on sustainable development and strong performance of the Bank, while maintaining high standards in its corporate governance and conduct arrangements;
- in the context of HFSF's divestment reviewed and approved the Prospectus for the placement of NBG Shares, was updated as required and oversaw all the necessary procedures in this respect;
- as part of best practice regular corporate governance exercises, completed the annual suitability assessment at individual and collective level and assessment of fulfillment of independence criteria for the independent members of the Board of Directors prior to the Annual General Meeting;
- initiated extensive governance projects, in collaboration with specialized consultants, including a broad scope covering among others ESG readiness, Executive Committee effectiveness review and Group companies' governance bodies;
- hosted the Annual Strategy Days Off Site event and extensive Board training programs, including important topics such as European banking trends, Strategic Partnerships, ESG Sustainability, Artificial Intelligence, Data Management, Cybersecurity etc. ;
- monitored developments in terms of changing conditions, e.g. macroeconomic environment, geopolitical factors, inflationary pressure, and of the successful implementation of the Bank's Business Plan and Budget;
- reviewed and approved the 2024-2026 Business Plan (incl. stress scenarios and highlights of: NPE plan and Capital plan), as well as the 2024 Annual Budget;
- monitored the Bank's initiatives in the context of the Bank's Transformation Program, e.g. for digitalisation and evolution of systems used, initiatives on Purpose and Values and the Bank's Culture;
- carried out oversight of key risks, including for example, credit risk, IT/Cyber risk, outsourcing risk;

- reviewed and approved the Annual Assessment Report on the effectiveness and efficiency of the Bank's and the Group's System of Internal Control;
- reviewed regular/annual submissions, such as ICAAP, ILAAP, Annual Reports to Supervisory Authorities (e.g. Annual Compliance and AML Reports), Pillar III disclosures;

Moreover, during 2023, the Board of Directors focused on ESG and Sustainability. In this context, the Board of Directors, during the Off-Site Strategy Days Meetings was presented and discussed ESG and Sustainability. Furthermore, the Board of Directors reviewed the Bank's initiatives in the context of the Bank's ESG Strategy and climate risk related initiatives.

In particular, the Board of Directors through the Innovation and Sustainability Committee, the Board Risk Committee and the Strategy and Transformation Committee reviewed and discussed on the Bank's Climate and Environment (C&E) Strategy, with special focus in the area of emissions measurement & target-setting (Net Zero targets for financed and non-financed emissions), C&E governance, C&E risk management and C&E data, systems & reporting, and respective disclosures.

The Bank's Climate and Environment Strategy was also incorporated in the Annual Budget 2024 & Business Plan 2024 - 2026, reviewed and approved by the Board of Directors in 2023.

There are currently 7 Committees established at Board level which may be involved in relevant matters depending on the particular topic per case, while the Bank is in the process of further updating the Board Committee Charters, elaborating more on responsibilities relevant to ESG.

#### **BoD Compliance, Ethics and Culture Committee**

The Compliance, Ethics and Culture Committee assists NBG's Board of Directors in performing its duties among others in respect of enhancing responsible company and management behavior towards sustainable growth and long-term value creation, including considering environmental, climate change and social criteria, and corporate social responsibility, as well as in respect of overseeing the Bank's Corporate Social Responsibility policies, projects and activities.

More specifically its responsibilities include:

- Oversight of Policies the Bank adopts in compliance with regulatory framework and best practices (incl. on ESG and sustainability).
- Oversight of the management of the Bank's staff compliance and ethical conduct and assessment of the extent to which the Bank is managing its compliance risk effectively (incl. compliance risks stemming from ESG risks).
- Interaction with the Innovation & Sustainability Committee, with regard to long-term trends or significant developments esp. on ESG and sustainability.

The Committee convenes regularly, keeps minutes of its proceedings and reports regularly to the Board of Directors.

During 2023, the Compliance, Ethics and Culture Committee convened ten times and its workings included among others monitoring of developments in the regulatory framework and trends concerning ESG and Bank's related initiatives and the review and update of Compliance, oversight of Ethical Conduct Framework and Bank initiatives on raising awareness on misconduct behaviours (e.g. Whistleblowing training program, Code of Ethics Monitoring Project), review of information on

Complaints, whistleblowing reports submitted, related parties' transactions, review of Policies that fall under its responsibilities (including ESG related Policies), as well as briefing on developments concerning the Digital Operational Resilience Act (DORA).

#### ■ **BoD Innovation and Sustainability Committee**

The established Innovation and Sustainability Committee formed at Board level (established by Board decision in February 2022) has as its purpose to act as a dedicated body to support the Board of Directors in ensuring there is:

- Continuous monitoring and tracking of important developments and long-term trends related to banking, innovation, IT, ESG and sustainability (incl. on matters pertaining to C&E risks).
- Awareness at Board level of how the banking/financial sector landscape is shaping, and updated knowledge of the factors that can affect the formulation of the Bank's long-term strategy, its performance/position in the market and the perception stakeholders may have about the Bank (incl. on ESG and sustainability).
- Out-of-the-box thinking, exploring and incubation of innovative ideas and practices (incl. on ESG and sustainability).

Within this context it may provide feedback to the Compliance, Ethics and Culture and other Committees, for further consideration.

Furthermore, given the nature of its role, the Committee shall receive necessary inputs including by means of consultants/advisors providing information and support as required, indicatively in terms of how international developments and ESG trends may affect or be applied at the Bank. Additionally, the Committee cooperates with Executives having competence over issues relevant to its areas of activity, and any other Executive of the Bank or Group entities, as deemed appropriate in the discharge of its responsibilities. Finally, all Board Committees may be involved in relevant matters depending on the particular topic per case.

The Committee may convene with an estimated quarterly frequency and keeps minutes of its proceedings. During 2023, the Innovation and Sustainability Committee convened three times and its workings included among others the:

- Review of the Bank's ESG Strategy and the respective implementation roadmap.
- Formulation of Proposals/arrangements for Board trainings, including in the areas of ESG (Net Zero Lessons) and Digital.

#### ■ **Board Risk Committee (BRC)**

The BRC has competence over Risk Management issues as well as over matters relevant to Non-Performing Loans/Exposures. Moreover, as noted above, the BRC is responsible for the inclusion of ESG related metrics in the Bank's Risk Appetite Framework, and the Bank's Risk Management Framework overall.

More detailed information on the functioning and the workings of the Board Risk Committee during 2023, including those related to ESG Risks, may be found in the Section [4.1 Basic principles and governance structure of the Group Risk management](#).

#### ■ **Other Board Committees with roles and responsibilities relevant to ESG risks**

- Strategy & Transformation Committee: Regular updates on initiatives of the Transformation Program (incl. on matters related to C&E risks).
- Corp. Governance & Nomination Committee: Review of Board Governance Model and Committee Charters (incl. assignment on duties on C&E risks).
- HR & Remuneration Committee: Review and oversight of executive remuneration objectives and outcomes (incl. on matters related to C&E risks).
- Audit Committee: Assessment of Bank's capacity and capability to manage risks (incl. C&E risks) through relevant Audit reviews.

#### ■ **ESG Management Committee**

The Committee was established in 2021 and operates via a specific Charter. Its purpose is in the context of its strategic approach and commitment to continuously promote sustainable development and responsible entrepreneurship, aiming at effective management of ESG, sustainability and sustainable financing issues, in line with regulatory requirements and taking into account best practices as per international treaties and initiatives. The Bank established the ESG Management Committee to contribute to the governance of multiple aspects of NBG's ESG strategy development and implementation.

Its purpose encompasses:

- Fostering the Bank's strategic commitment to sustainable development and corporate responsibility.
- Managing ESG matters incl. environmental performance, health and safety, social, CSR, corporate governance and other sustainability matters.

Its responsibilities include:

- Ensuring adherence to the relevant regulatory framework for ESG and sustainability (incl. on matters relevant to the management of C&E risks).
- Considering trends and best-practices (over and above the legal framework/regulatory expectations).
- Determining the Bank's overall strategy regarding ESG and sustainability issues (incl. matters relevant to the management of C&E risks).
- Overseeing execution of the Bank's ESG strategy (incl. on matters relevant to the management of C&E risks).
- Deciding on ESG and sustainability KPIs and targets (incl. for C&E risks and greenhouse emissions).
- Monitoring and assessing performance against ESG and sustainability KPIs and targets (incl. for C&E risks and greenhouse emissions).
- Deciding on the policies, initiatives and actions that result in mitigating and/or reducing the environmental impacts and footprint of the Bank.
- Approving the Bank's disclosures concerning non-financial information and regular public disclosures regarding ESG and sustainable financing issues.
- Overseeing internal and external communications with respect to ESG and sustainability issues.

The ESG Management Committee is chaired by the Chief Executive Officer (CEO) and Members of the Committee are the following GMs:

- General Manager – Retail Banking

- General Manager – Group Compliance & Corporate Governance
- General Manager – Group Risk Management, Chief Risk Officer (“CRO”)
- General Manager – Corporate and Investment Banking
- General Manager – Transformation, Business Strategy & International Activities
- General Manager – Group Chief Financial Officer (“CFO”)
- General Manager – Chief Operations Officer (“COO”)
- General Manager – Group Human Resources
- General Manager – Group Marketing
- General Manager – Group Real Estate.

During the 2023, the ESG Management Committee convened 5 times.

#### ❖ Organizational changes to further strengthen the governance of NBG’s ESG strategy

In December 2023, the Bank proceeded to organizational changes to further strengthen the governance of its ESG strategy and to address the upcoming regulatory requirements more effectively. In this context, the pre-existing Corporate Social Responsibility & Sustainable Development Division of the Bank & Group, was split into two new Divisions: the Corporate Social Responsibility & ESG Reporting Division and the Data Privacy, Technology & ESG Compliance Advisory Division. By creating separate divisions, the focus on the specific areas of expertise, alongside the clearly defined roles and responsibilities, will lead to increasingly effective and efficient operations in the context of ESG.

The Corporate Social Responsibility & ESG Reporting Division of the Bank & Group, is under the supervision of the General Manager of Transformation, Strategy & International Activities. Its main responsibilities include sustainability reporting, ESG raters’ assessments and communication, the formulation and execution of the Group’s Social Strategy and the development of CSR programmes, as well as coordination across the first line business units and functions pertaining to these issues. Furthermore, the Division closely works with the C&E Strategy Sector, aiming at better coordination and a holistic approach on ESG Strategy, within the responsibilities of the same General Manager.

The Data Privacy, Technology & ESG Compliance Advisory Division of the Bank & Group, operates within the Group Compliance function, under the supervision of the General Manager of Group Compliance and Corporate Governance. The objective of this new Division, apart from monitoring of issues pertaining to personal data and AI, is to enhance the monitoring of the respective regulatory framework and advise on its implementation, overseeing and assessing compliance and reputational risks related to ESG and also conducting ESG due diligence for service providers/suppliers.

Finally, the Group Internal Audit Function, audits procedures and practices relevant to ESG across the first and second lines of defence.

#### ■ Climate & Environmental Strategy Sector

An independent sector, the Climate & Environmental Strategy Sector, has been set up to strengthen NBG’s ESG Governance and the shaping and execution of the Bank and Group’s ESG Strategy. To serve its mission, the Sector bears responsibility to:

- Actively support the Bank and Group’s Management in shaping NBG’s climate and environmental strategy, as well as enabling and monitoring its execution.
- Co-ordinate involved 1st LoD units in identifying, articulating, road-mapping, and carrying out specific initiatives pertaining to Climate & Environmental target-setting and implementation actions to achieve the Bank’s C&E strategy.
- Enhance and deepen the awareness of how the organization impacts and is impacted by the Environment and Climate Change, and of NBG’s institutional role in promoting the Bank’s and its clients’ transition to greener and more sustainable models.
- Develop, keep improving, and safeguard methodologies and tools used for measuring and monitoring Climate & Environmental KPIs, relevant to the 1st LoD activity, while also measuring carbon footprint related metrics and other C&E KPIs.
- Provide input, in cooperation with the 1st and 2nd LoD Units, to internal management reports, to external disclosures, as well as to ESG Raters and investors.

#### 10.1.7 NBG Governance on C&E risks: 3LoD model

The Bank has assigned the responsibility for the management of climate related and environmental risks throughout its organizational structure, cascading down through the 3 lines of defense and has simultaneously established new Committees (BoD Innovation and Sustainability Committee and ESG Management Committee) and new units (Group CSR and Sustainability Division, Climate and Environmental Strategy Sector) to further enhance management and oversight of C&E risks and ESG matters overall (as described in 10.1.6)

- The Group CRO is accountable for the supervision of C&E risks and closely collaborates with the GM Transformation, Strategy & International and the GM Group Compliance & Corporate Governance for all major C&E topics.
- The Group Chief Credit Officer and Credit Divisions ensure incorporation of ESG assessments within lending policies & processes.
- The Group Strategic Risk Management Division has been assigned the role to exercise a holistic overview on C&E risk management activities, being the central C&E reference point within Risk Management and the primary liaison between Risk Management and Business Strategy stakeholders for ESG matters, with a main focus on C&E. It aims to align C&E risk management processes involving the different Risk Divisions/experts across risk types (including the execution of C&E Stress testing). This is aligned with NBG’s Enterprise Risk Management (“ERM”) concept, which is also applicable for the C&E risk area.
- C&E risks are integrated in the existing risk identification, measurement and assessment processes per primary risk type, therefore each Risk Division (Credit Risk, Market & Liquidity Risk, Operational Risk, Strategic/Business Risk):
  - measures, manages and mitigates C&E risks/drivers and their impact on the existing financial & non-financial risk types;

- incorporates C&E risks/drivers in their internal frameworks, policies, procedures and reporting framework and implements enhancements as needed.

**Table 52: ESG Governance - Three Lines of Defence**

|                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|-----------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>1st LoD</b>              | <ul style="list-style-type: none"> <li><b>Transformation &amp; Strategy:</b> Coordination and support of involved 1<sup>st</sup> Line units in the development and execution of C&amp;E strategy through C&amp;E Strategy Sector and new Corporate Social Responsibility &amp; ESG Reporting Division ; key cross-functional efforts included in ESG workstream of NBG's Transformation Program.</li> <li><b>Business Units (Corporate &amp; Investment Banking, Retail Banking):</b> Risk-taking and management of C&amp;E risks (incl. sustainable financing, origination strategies to reduce financed emissions).</li> <li><b>Other 1<sup>st</sup> Line Functions (Real Estate, Finance/Procurement, IT/Operations, HR, etc.):</b> Support/enabling of management of C&amp;E risks (incl. actions to reduce greenhouse emissions).</li> </ul> |
| <b>2nd LoD – Risk</b>       | <ul style="list-style-type: none"> <li><b>Risk Functions:</b> Identification, assessment, measurement, monitoring and reporting of C&amp;E risks within the Bank's risk management framework. Strategic Risk Management Division has been assigned the role to exercise a holistic overview on C&amp;E risk content, supported in terms of coordination by the Risk Culture &amp; Risk PMO Division.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>2nd LoD – Compliance</b> | <ul style="list-style-type: none"> <li><b>Compliance &amp; Corporate Governance:</b> Identification of legal framework/regulatory expectations with respect to C&amp;E matters, provision of advice and appropriate guidance to Banks' units to ensure relevant compliance risks are duly managed, and updating of Management Body on measures to be taken to ensure compliance, through the new Data Privacy, Technology &amp; ESG Compliance Advisory Division</li> </ul>                                                                                                                                                                                                                                                                                                                                                                       |
| <b>3rd LoD</b>              | <ul style="list-style-type: none"> <li><b>Internal Audit:</b> Assessment of Bank's capacity and capability to manage C&amp;E risks through relevant Audit diagnostics and reviews.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |

The above setup is supported in terms of coordination by the Risk Culture & Risk PMO Division.

### 10.1.8 ESG Internal Framework (Policies, Codes and Procedures)

NBG constantly seeks to ensure that its contribution substantially and positively impacts the country and its people, always looking ahead to the next day of Greek society. The Bank aims to create positive economic and social impacts for its Stakeholders and more broadly for the economies and societies where it operates, through its activities (the provision of funds, products and services), within its role as an employer, as well as with the deployment of specific programs of CSR actions.

#### **NBG Group Sustainability Policy**

As of 2021 the new NBG Sustainability Policy has been approved by the Board of Directors and the Audit Committee, as per the provisions of the applicable legal framework, who reviewed and opined on the Sustainability Policy as part of their Report to Shareholders.

NBG Group Sustainability Policy is publicly available on its website and is also communicated to its employees through Sustainability awareness announcements at NBG's website.

Fully aware of the significance of our role in contributing to sustainable development, the purpose of the Policy is to set the framework for the development of actions that assist in the management of economic, social, governance and environmental impacts of the Bank and the Group of Companies and mainly lead in:

- Reducing - and, where possible, offsetting - our environmental impacts (including those related to climate change), as such arises from the financing of our customers' activities, as well as from the operation of NBG itself (including energy consumption of buildings);
- Generating long-term value for our Stakeholders, and the economy at large and the communities where all our Group companies operate in Greece and abroad;
- Undertaking initiatives and innovative actions in the fields of Corporate Governance, Corporate Social Responsibility and Business Ethics, in addition to ensuring compliance with the current legal and regulatory framework for these issues, thereby contributing to our vision of making NBG the Bank of First Choice;
- Protecting the reputation and reliability of the Group and the cultivation / strengthening of our renewed value system.

#### **ESG in Loan Origination**

In response to ECB's Climate & Environmental Guide expectations and as part of executing its short-term action plan included in the Thematic Review exercise, NBG has already effectuated enhancements in its lending policies and processes, incorporating the assessment of E, S and G risks of its corporate borrowers. This ESG risk assessment, in which climate and environmental factors are a prominent component, of the "E" part, is performed via an ESG Obligor Assessment questionnaire at the stage of loan origination. The corporate obligor is required to submit responses (qualitative and quantitative), which are fed into respective models (tailored to size and sector), and yield a standardized ESG risk vulnerability outcome, that is co-evaluated together with transaction-specific attributes (in line with the TSC of the 2 first Environmental Goals of the EU Taxonomy, as reflected in NBG's Sustainable Lending Criteria Framework), at the stage of credit assessment.

Social risk is currently not assessed in isolation; instead, social factors are being evaluated together with climate and environmental and governance-related ones in the process (and with the tools) of the ESG Obligor Assessment, taking place at loan origination and credit assessment.

NBG includes a description of the enhancements effectuated in its lending policies and processes, incorporating the assessment of social risk of its corporate borrowers (e.g., existence and validity of Human Rights policy, existence and validity of Health & Safety policy and/or management system e.g., ISO, OHSAS, and/or zero-accidents rule, complaints management process & system, activities' impact on local communities, non-compliance regarding social matters), performed via an ESG Obligor Assessment questionnaire at loan origination. The identification and quantification of social risk is -technically- an area not as advanced as climate and environmental risk, therefore with relatively large room for different interpretations



and weighing (as it is not standardized with respective 'technical screening'-type criteria or ways to depict and stratify the risk across portfolios, business lines, sectors, as is done for example via the financed emissions metric for transition risk). Hence, lacking currently a solid measurable baseline, the setting of specific targets and limits in the conventional sense, as well as of objectives adhering to such targets and monitoring thereof, is not something the Bank is pursuing explicitly at the moment.

Given that the definition and the quantification of social factors and risks impact has not yet matured, any further updates/enhancements to the business strategy, financial planning, and risk management practices with respect to social factors and related risks will be duly added and included in the upcoming disclosures.

Finally, via the 'G' part of Obligor Assessment, Governance risks are assessed (e.g. Regulatory Compliance, Transparency, Business Ethics, Remuneration, etc.)

In cases where increased ESG risk vulnerability is identified, NBG requires from its clients to submit relevant action plans and monitors those as part of the credit monitoring process. So far, we are not looping the collective outcome of these assessments back to adjust the Bank's business strategy, in a mechanic/automated way. Rather, we address it on a client by client basis, while we keep collecting such data and information to enhance our database, with the aim to evaluate it holistically in due course. (Please also see section 10.2.4 Incorporation of ESG in the Credit Granting and Monitoring Process).

Moreover, as a standard practice, NBG conducts evaluation of its service providers on ESG issues, such as human/employee rights, work health and safety, social equality/solidarity, child labor etc. These principles and expectations on the part of NBG apply to any kind of employment relationship, as well as to any third party collaborating with the Bank or a Group company, either within the context of providing on-going services or specific project work.

#### ■ Remuneration Policy: Alignment with ESG objectives

In line with regulatory provisions, the NBG Group Remuneration Policy is designed with particular attention to avoiding incentive elements (especially in variable compensation) inducing behaviors not aligned with the Bank's aim for sustainable business results or inconsistent with its risk appetite.

Specifically, variable remuneration is supported by the annual performance management process assuring consistency and clarity of relevant performance objectives, including environmental (and climate-related), social and governance (ESG) objectives, as well as broader behavioral expectations aligned with business strategy, culture and values.

The PMS incorporates ESG criteria, and starting from 2021, specific ESG-related targets and key performance indicators (KPIs) have been established for the Top Management. Each year, the ESG-related targets and key performance indicators (KPIs) are further strengthened and refined, becoming more specific and comprehensive.

#### ■ Other ESG related policies and procedures

##### ❖ Code of Ethics

The Code of Ethics sets out clearly the ethical principles and values, as well as the rules of conduct upheld by the Bank and Group. To this end, the Bank, is aware of its responsibility to respect human rights, meaning avoiding infringing on the human

rights of others and addressing such impacts where they occur. In this context, the Bank and Group companies express their commitment to observe and promote values such as integrity, accountability, honesty, transparency, trust, equality and high ethical standards in all operations.

The Bank highly appreciates the importance of ethics and ethical behavior. Therefore, the relevant issues are escalated to Board of Directors level. Specifically, as it is described in the charter of the Board Compliance, Ethics & Culture Committee, its purpose is to assist the Board of Directors in performing its duties in respect of enhancing the internal ethics culture and business integrity, by:

- ensuring that the highest standards of ethics and integrity are applied throughout all of the activities of the Bank in accordance with international best practice; and
- overseeing senior management's efforts to foster a culture of ethics and compliance within the Bank and the Group, to enhance the internal ethics culture and business integrity and to discourage unethical behavior.

#### ❖ NBG Group Policy against Violence and Harassment at Work

The development of a working environment that respects, guarantees and promotes the right of every person to work without violence and harassment is a commitment and priority for the Group of Companies of the National Bank of Greece. In this context, the purpose of the newly adopted Policy is to establish a specialized framework for the prevention and control of all forms of violence and harassment that occurs, whether related to or arising from work, including gender-based violence and harassment, as well as sexual harassment. It is noted that the Policy is in accordance with the provisions of the International Labor Convention No. 190 for the elimination of violence and harassment in the world of work, which was ratified by Article 1 of Greek Law 4808/2021, as well as the provisions of articles 2 et seq. of Greek Law 4808/2021.

#### ❖ NBG Group Internal Violence and Harassment Complaints Management Policy

To the same direction, and in order to best implement the Group's commitment to tackling and – ultimately – eliminating violence and harassment in the workplace, the Bank implements the Internal Violence Complaints Management Policy and Harassment, which provides guidance on the credible reporting of an incident or incidents of violence and harassment at work. In general, the Bank encourages all those involved in the scope of the Policy to report any form of violence and harassment that occurs during, or is associated with, the work, including violence.

#### ❖ Health and Safety

Health and safety in the workplace and preventing any associated risks remain a priority both for the Bank and the Group companies, ensuring a safe working environment, enhancing the quality of employees' work experience, as well as ensuring the servicing of our customers and other stakeholders of the Bank and the Group without disruption.

In this context, the Bank conducts regular inspections to ensure the appropriateness and adequacy of the existing standards of health and safety in the workplace, ensures appropriate training and consultation with employees on such issues, while it has also prepared emergency plans aimed at preventing

occupational hazards and supporting employees in cases of violent incidents (robberies and verbal/physical abuse).

The Bank, in implementation of Greek Law 3850/2010, puts into effect its Regulation for the Protection of the Health and Safety of NBG employees and informs them with every means at its disposal in order to eliminate the risks related to their health and safety. The Bank's Health and Safety Framework (e.g., regulations, procedures and measures) covers all the staff who have an employment relationship with the Bank, as well as all of its facilities.

Regarding hygiene and safety issues the Bank has set up the Health and Safety Committee, comprising elected employee representatives, as well as a representative from the Bank, and convenes on a quarterly basis.

In this context, each employee has the right to express their concerns about the safety of a task and has the right to refuse tasks considered unsafe. There is also an available mechanism for employees to submit relevant complaints. Complaints can be either unofficial (submitted orally) or official (submitted via e-mail, through the Bank's complaints platform). The detailed process is described in the relevant Complaints Management Policy.

Furthermore, the Bank assesses the occupational risks through scheduled visits of Occupational Physicians and Safety Technicians provided by an external specialist. It is noted that the Bank has a documented Occupational Risk Assessment for all its buildings.

The Bank has also developed a Safety Regulation which determines the roles, responsibilities and actions/procedures of the Bank's officers involved in the prevention and handling of fire, emergencies and natural disasters.

#### ❖ Responsible supply chain management

NBG maintains the strategic option to outsource some of its operations/functions/activities (partially or fully) to Service Providers and/or to provide products and services through third parties. Such cases are ruled by the provisions of its Outsourcing Policy and the relevant Outsourcing Procedures. The Outsourcing Policy, defines and specifies the involvement of the Bank's Units, in all stages of the life cycle of outsourcing agreements, from the design of outsourcing agreements, their implementation, monitoring and management, documentation and other issues. Through the adoption and implementation of the Outsourcing Policy, NBG among others:

- Complies with the relevant legal and regulatory framework.
- Achieves more efficient and effective management of outsourced activities.
- Achieves more efficient and effective identification, assessment and management of risks deriving from and connected to its outsourced activities (third party vendors outsourcing arrangements).
- Applies efficient and effective controls and enables immediate initiation of risk mitigating actions.
- Establishes and maintains outsourcing risk awareness, identifying significant relevant risk exposures within the Group.

The Outsourcing Policy, among other controls, has enacted a dedicated questionnaire for the evaluation of ESG risks of Service Providers/Third Parties, and relevant assessments are being carried out.

#### ❖ Outsourcing procedures

Standing by its longstanding commitment to responsible operations, NBG has adopted policies, regulations and processes which are given formal substance in relevant Codes of Conduct ensuring transparency and impartiality as well as avoidance of conflicts of interest in its supplier selection and implementation of technical projects. NBG uses a Suppliers Relationship Management System (SRM-SAP), which facilitates cooperation with its suppliers across most of the business sectors.

Pursuant to the institutional framework, all parties involved in procurement and technical projects must be aware of and conform with the Bank's and the Group's Code of Ethics, which also applies to purchasing and technical projects. The Bank reviews and evaluates its suppliers (in terms of quality, certifications, respect for human/employee rights, etc.) on an ongoing basis. Regular sample qualitative and quantitative controls are carried out for every order and delivery of goods/equipment, etc. In 2023, there were no confirmed incidents where contracts with business partners were terminated or not renewed due to violations related to corruption. All prospective suppliers are under the obligation to comply with Corporate Social Responsibility requirements (documenting compliance by sending relevant supporting material), as these are stipulated in the relevant EU Directives, on issues such as:

- Environmental protection.
- Child labour.
- Work health and safety.
- Social equality/solidarity.

All NBG suppliers resulting from tender procedures comply with this obligation. Based on the above, it is estimated that c. 97% of the suppliers, associated with the Bank, have been assessed with regard to environmental criteria as well. Furthermore, the Bank within 2023:

1. has developed a supplier bribery risk assessment through a specially designed questionnaire, where the Bank assesses the bribery/corruption risk its Third Parties may pose to the Bank; and
2. has updated NBG Group's Outsourcing Policy where among others enacts the ESG questionnaire for the Service Providers/ third parties.

#### ❖ NBG Customer Complaints Management Policy

To manage effectively customer complaints, the Bank has introduced a Customer Complaints Management Policy governing in detail customer complaints management and its key principles.

Also, the Client Conduct Sector which lies in the independent compliance function undertakes to respond promptly to grievances filed either directly by the Bank's customers or by other bodies. The Board of Director's Compliance, Ethics and Culture Committee oversees, among others, conduct issues with a view to ensuring fair treatment of customers (such as products/services design and suitability, sales processes, transparency of fees, satisfaction/complaints) and that the Bank is conducting business in the right way. More specifically, regarding the handling of complaints the Committee:

1. Reviews reports submitted by the Group Compliance and Corporate Governance Function on customers issues



(such as customer perceptions / customer satisfaction data (survey results)/ customer complaints etc).

1. Monitors and reviews (via the Compliance Function) the procedures on the basis of which the Bank manages centrally all complaints submitted by the Bank's clients so as to ensure the resolution of the issue in a transparent, impartial and objective manner, within the stipulated timeframe, as well as relevant Ombudsman enquiries and recommendations.

Additionally, the Committee receives and reviews complaints related to Board of Directors members and Senior Executives of the Bank.

#### ❖ Complaints regarding the environment

The Bank always makes every possible effort to comply with the relevant regulations and the applicable legislation. However, during 2023, the Bank received, 3 complaints regarding the environmental impact, and all were settled within the year. The respective complaints concerned the following issues: condition of external areas/facades of branches, repair of damages and air quality/cleaning inside the Branches. In this context, the Bank completed all the appropriate measures.

In 2023, the Bank has not identified any non-compliance with environmental laws and/or regulations, and no fines were imposed on the Bank regarding the environment.

#### ❖ Customer protection & Marketing practices

In its endeavor to remain fully compliant on an ongoing basis with its legal and regulatory requirements, the Bank implements a procedure for controlling newly-launched products and services, according to the regulation for the introduction, modification, withdrawal of the products and services of the Bank. In this context, product characteristics are checked regarding regulatory compliance while the total text and contents of contracts, as well as terms of use and forms providing pre-contractual information, that are intended for contractual agreements between the Bank and its customers are updated on the basis of current guidelines, legislation or business decisions by the Bank's legal services and the Group's Compliance function and then communicated to customers according to procedure also subject to the applicable regulatory framework.

With a view to coordinating the actions required to promote the Bank's corporate identity, the Bank has established the Strategic Communication Committee. The Committee's duties include the approval of programs regarding the promotion of the Bank's corporate image, products and services, as well as the evaluation of proposals for the best development of the Bank's website and alternative channels as a means of marketing its products and services.

Furthermore, specific control procedures are also followed before the launch of any information/promotional activity regarding the Bank's existing and/or new products and/or services, by the competent Compliance and Legal Units. The programs we provide are in accordance with the regulations and optional rules on communication and marketing, aiming at the customer's complete information on the benefits of our products and services. Thus, we ensure that our communications and promotional material are consistent with the provisions of the Hellenic Code of Advertising- Communications, the provisions on unfair competition and consumer protection and the overall existing Greek legislation. We monitor and strictly adhere to the

regulations/ guidelines of the Hellenic Communications Control Council.

#### ❖ Combating bribery and issues related to corruption

The Bank's activities entail exposure to corruption and bribery phenomena, which if not appropriately and timely managed, they may present a significant risk for the Bank, and could adversely affect its financial results, with a serious impact on the Bank and its subsidiaries' reputation, as well as on the further development of its activities, while at the same time they could cause adverse effects on the interests of its clients, shareholders and employees.

In this context, preventive control mechanisms are applied so as to safeguard against any potential risk of bribery and corruption to which the Bank may be exposed in the course of its business/operations. To that end, the Bank's anti-bribery program consists of various essential components, such as anti-bribery and anti-corruption risk assessments, policies and procedures, tone from the top, financial and non-financial controls, raising concerns, management information and periodic reporting, and records' keeping.

This approach is reflected in the Codes and Policies that the Bank has adopted, on the controls embedded within the procedures followed in the Bank's day-to-day operations and on the monitoring and audit processes applied.

The Bank has in place procedures and internal controls which serve to mitigate potential risk and ensure that the Bank is compliant with laws and regulations, which in the event of non-compliance could have a material effect on the Financial Statements. The effective operation of these procedures and internal controls are independently monitored by the various Risk and Control Functions and audited periodically by the Group Internal Audit Function, while the Audit Committee of the Bank's Board of Directors and the Board of Directors through its committees are duly and timely informed through reporting on internal controls, as well as any issues/deficiencies/findings classified as F3 or F4 by the various Risk and Control Functions.

Additionally, in accordance with particular requirements within the applicable regulatory framework (Bank of Greece Governor's Act 2577/2006) imposes in this respect, external auditors review and assess the effectiveness of the Bank's Internal Control System on a three-year basis. In June 2022 the Bank obtained the assessment performed by the external auditor for the period 2019-2021 with no significant findings.

A set of Codes and Policies which the Board of Directors has approved include several measures against the risk of bribery and corruption. Indicatively, such measures are incorporated in the NBG Group Code of Ethics, the Code of Ethics for Financial Professionals, the Anti-Fraud Policy, the Conflict of Interest Policy and the Anti-Bribery Policy. Furthermore, process level controls are in place for the timely prevention or detection of fraud risks. Such control types include clearly defined approval / authorization levels, verifications, physical controls, reconciliation controls, controls over information used in the control and controls with a review element. The nature of controls in place are a mix of automated, semi-automated or manual.

At a further level, the Whistleblowing Policy in force, provides for the existence of appropriate communication channels enabling the submission of whistle-blowers' reports, both in case these

may come from within the Bank as well as in case such reports are being submitted by third-parties.

The Board of Directors is committed to prevent bribery and corruption and promotes the establishment of a culture against them, according to which any form of bribery and corruption is non-acceptable, while it is responsible for approving the relevant Policies, as well as overseeing its implementation and periodic assessment.

Further, mandatory learning programs on the NBG Group's applicable Code of Ethics, which, focuses, among others, on bribery, corruption issues, and Whistleblowing Policy, as well as an e-learning program dedicated to the Whistleblowing Policy, are provided to all employees of the Bank, and all personnel has access to the internal e-communication network of the Bank (intranet), through which they are able to get prompt and full information on all key matters regarding Group's developments and operations, including internal communication announcements, internal circulars, policies that the Bank has in place etc.

In this context, with the Bank laying great emphasis on ensuring that the highest standards on ethics and integrity are applied throughout all of its activities in accordance with international best practices, the Bank has established the Compliance, Ethics and Culture Committee of the Board of Directors.

Lastly, the Group Compliance and Corporate Governance Functions were certified with the international standard ISO 37001:2016 (Anti-bribery management systems) for the antibribery management systems in line with the above standard.

With a view to the Bank's full compliance with the current legal and regulatory framework, as well as international best practices and guidelines regarding the combating of corruption and bribery, and considering that these phenomena are very common in international business transactions and undermine the effective corporate governance of the companies, the Bank has in place the following arrangements, Policies and Codes:

- NBG Code of Ethics for Financial Professionals;
- Group Anti-bribery and Anti-corruption Policy;
- NBG Group Whistleblowing Policy;
- NBG Group Anti-Fraud Policy;
- Conflict of Interest Policy for Board Members, Senior Executives and other NBG Related Parties;
- Conflict of Interest Policy;
- Policy for Connected Borrowers of the Bank and the Group;
- AML/CFT Policy, which incorporates New Customers Acceptance Policy;
- AML/CFT Policy on Cross-border correspondent banking relationships;
- NBG Group Sanctions Policy;
- NBG Group Policy for Virtual Assets.

#### ❖ **Personal Data Management Policy**

NBG recognizes and attaches particular importance to the obligation of both the Bank and its Group companies to comply with the applicable legislative and regulatory framework, in general, on the protection of natural persons to the processing of personal data. The Bank and its Group companies collect and

manage specific information, which concerns their employees, shareholders, customers with whom they maintain any kind of business relationship, persons with whom they maintain a customer relationship, and third parties in the context of any relationship other than those mentioned above. This information, which contains personal data, is managed in a lawful manner, regardless of the means of collection or storage, ensuring compliance with the current legislative and regulatory framework and the provisions for confidentiality.

In view of the above, NBG has adopted the "Personal Data Management Policy", which has been revised according to the requirements of Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation).

The Personal Data Management Policy:

- is binding on the Bank and the Group companies as it establishes the basic principles that govern the processing of personal data;
- is binding on all members of the Board of Directors, senior executives, employees of the Bank and the Group companies, and in general all persons employed in the Group either by employment contract or otherwise (including Management Advisors, Special Associates, Staff of companies associated with the Bank or the Group companies);
- is binding on all third parties that provide services to the Group or in the name and on behalf of the Group (including partners, intermediaries, agents and any other persons who cooperate with the Group under outsourcing agreements or otherwise);
- covers all activities of the Group in Greece and abroad, including all operations carried out by any Bank Unit, by a subsidiary or an associated Company, agent, advisor or third party acting on behalf of or in collaboration with the Group;
- covers all forms of processing that are carried out in the context of servicing the operations of the Bank and the Group companies and relate to the maintenance of either physical or electronic data.

#### ❖ **Responsible approach to tax**

The effective collection of taxes is a key component of an orderly, well-governed state operation, with the fair allocation of the tax burden being one of the state's principal contributions to society. The NBG Group is subject to income tax, which is paid duly and on time. The NBG Group's primary principles regarding tax compliance are to:

- handle tax issues in accordance with best international practices, guidelines (including OECD Transfer Pricing Guidelines) and EU legislation (EU Directives);
- act under transparency;
- render taxes in a responsible and effective manner;
- maintain good cooperative relations with the Tax Authorities based on the principles of transparency and mutual trust;
- adopt safe handling on tax matters, in particular by avoiding abusive tax planning, by rejecting transactions which have no economic or commercial substance;
- avoid the creation of non-transparent corporate organizational structures;

- do not promote or even encourage tax avoidance, both for their own transactions and for those of their customers;
- do not provide tax advice to their customers.

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

The NBG Group has developed and implemented, since May 2016, Policy on Donations, Sponsorships, Charity Contributions and other Actions of the Group. This Policy aims, among others, at setting specific principles and rules concerning actions related to donations, sponsorships, charitable contributions, scholarships and other related activities in the context of this Policy, at ensuring high level of ethics on donations, complying with the applicable legal and regulatory framework regarding actions that fall into the scope of this policy (e.g., transparency), as well as adopting procedures that promote transparency in NBG Group's donations.

According to the Policy, the NBG Group shall not undertake and / or participate in actions to support political organizations, parties or movements. The Bank does not make grants and donations to political parties and does not offer contributions or other facilities to public office candidates or political parties or other political bodies.. This Policy applies in parallel, complements and is complemented by the provisions set out in other Group Policies, such as the Conflict of Interest Policy for Senior Executives and the Anti-Bribery Policy.

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

## 10.2 ESG Risk Management Framework

Acknowledging the importance and potential impact of ESG risks, and in particular C&E risks, NBG has proceeded with the identification and materiality assessment of such risks and their incorporation in the overall Risk Management Framework of NBG, and is committed to monitoring, assessing and managing the particular risks going forward.

Specifically, NBG has implemented the following actions:

- Incorporated ESG-related risks in its Risk Taxonomy Framework and Risk Identification processes, by recognizing them as transversal and considering them as drivers of existing types of financial and non-financial risks.
- Incorporated ESG risks/drivers in the Risk Management Framework and implemented enhancements per primary risk area, as follows:
  - Developed the methodological approach to identify C&E risks and assess their materiality by:
    - performing a distinct mapping of C&E risk drivers and transmission channels, to existing risk types;
    - considering the impact of environmental risk, beyond climate;
    - incorporating forward-looking assessments.
  - Enhanced ESG related risk metrics in the Risk Appetite Framework with the inclusion of 5 metrics with threshold and 8 KRIs for monitoring purposes,

considering also forward-looking aspects, in connection with NZ targets and C&E strategy

- Enhanced the incorporation of ESG risks in Credit Risk Management Framework. In summary NBG:
  - introduced a dedicated C&E exclusion list and an updated sectoral limits' methodology, aligning its risk appetite accordingly; the exclusion list also considers elements beyond climate (e.g., related to the Nature and biodiversity preservation).
  - thoroughly analysed and approved specific policy actions connected with the ESG credit risk assessment and classification;
  - performed a prototype deep-dive analysis to incorporate C&E risks in Credit Rating.
  - enhanced the risk pricing framework for the incorporation of C&E risks.
  - reviewed its collateral policies to improve C&E risk mitigation measures, taking into account the most recent C&E Risk identification and materiality assessment (hereinafter referred to also as "RIMA").
- The outcome of C&E stress scenario analysis has been considered for capital assessment in ICAAP 2024.
- Aligned the Operational Risk Taxonomy (2022) and all other Operational Risk Programs with the inclusion of ESG risks based on the requirements set by the competent authorities.
- Aligned the Strategic/Business Risk Taxonomy (2022) with the inclusion of ESG risks (including reputational impacts from strategic risk perspective). Furthermore, during 2023:
  - a dedicated C&E RIMA process has been introduced and informed the ICAAP cycle
  - enhanced C&E risk scenario analysis, stress testing and forward-looking quantification capabilities; in accordance with market leading practices, NBG has implemented an advanced climate stress testing methodology in order to assess transition and physical risks in different horizons, upgrading its integrated forecasting & stress testing platform.
- Initiated actions in relation to combined C&E risk data, analytics and monitoring setup, aiming to enhance the C&E risk monitoring capabilities and regular reporting processes.

### 10.2.1 Risk identification and materiality assessment (RIMA) process for C&E risks

#### Key principles and definitions

The materiality assessment follows the guidelines of the Task Force on Climate-related Financial Disclosures (TCFD) and the United Nations Environmental Programme Finance Initiative (UNEP-FI).

Taking into consideration the respective regulatory guidance, C&E risks are defined as:

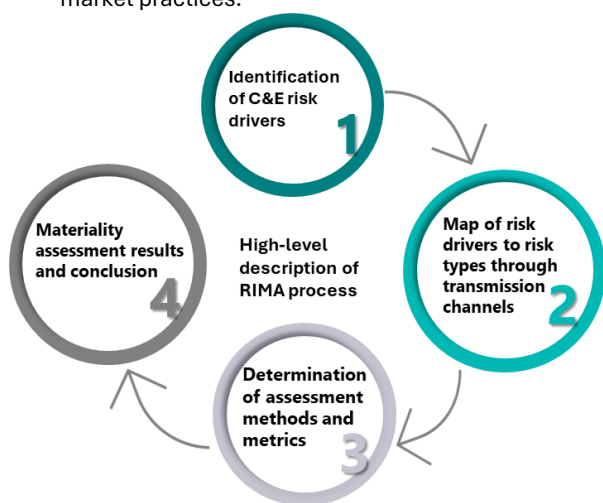
**Table 53:** C&E Risks Identification

| C&E-related risk type   |            | Definition                                                                                                                                                                                  |
|-------------------------|------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Climate & Environmental | Physical   | Refers to the financial impact due to acute events or chronic patterns deriving from climate change and environmental degradation.                                                          |
|                         | Transition | Refers to the financial or reputational impact that can result, directly or indirectly, from the process of adjustment towards a lower-carbon and more environmentally sustainable economy. |

#### C&E RIMA Process

NBG acknowledges the risk materiality assessment as an essential process towards informed decision-making and setting out the strategic priorities with regards to Sustainability, as integral part of the overall Group Strategy. The ownership of C&E RIMA process lies within the Group Risk Management function. Due to the multidisciplinary nature of C&E risks the process involves the contribution of a variety of internal stakeholders from all three lines of defence with expertise on C&E risks.

- High-level description:** The Group follows a four-step approach with regards to the identification and materiality assessment of C&E which is aligned with widely employed market practices.



**Figure 8:** Identification and materiality assessment of C&E

#### Identification of relevant risk drivers:

The Group recognizes that the systematic identification of the relevant risk drivers with regards to the C&E risks is a matter of vital importance for sound risk management and decision-making. The identification of primary C&E risk drivers takes into account their degree of relevance with a set of factors specific to Group including its business model and overall business strategy, risk profile, as well as, sectoral and geographical concentrations of its portfolio. The C&E risk drivers identification process relies on a variety of internal and external sources of information.

From an external perspective the Group relies on scientific literature, supervisory expectations and relevant regulatory guidance, climate scenarios developed by industry leading bodies such as the Network for Greening the Financial System (“NGFS”), data from global multi-regional databases such as the ENCORE (Exploring Natural Capital Opportunities, Risks and Exposure) tool, as well as, publications from internationally renowned organizations. These external inputs are used to develop a well – informed understanding of relevant C&E risk drivers and assessment of ways (i.e. transmission channels) that could affect the risks the Group is exposed to.

On the basis of the aforementioned sources of information and factors, the Group has identified as primary drivers of C&E risks the following non – exhaustive list.

**Table 54:** Primary drivers of C&E risks

| Risk                                                                 |                             | Risk Driver                                                            |
|----------------------------------------------------------------------|-----------------------------|------------------------------------------------------------------------|
| Climate risk                                                         | Transition risk             | - Policy & Legal<br>- Technological developments<br>- Market Sentiment |
|                                                                      | Physical risks              | - Acute weather events<br>- Chronic changes to weather patterns        |
| Environmental risk (Biodiversity loss and environmental degradation) | Nature-related dependencies | - Natural disasters<br>- Systemic risks<br>- Health risks              |
|                                                                      | Nature-related impacts      | - Policy & Legal<br>- Technological developments<br>- Market Sentiment |



### ❖ Transition risk

In accordance with the scientific literature and regulatory guidance the Group acknowledges that transition risks are inherently associated with uncertain financial and/or reputational impacts that could result from transition to a low-carbon economy, including policy changes, new legislations, technological breakthroughs and shifts in market preferences and norms.

- **Policy and legal:** Policy actions relating to climate change aim either to constrain activities that contribute to the adverse effects of climate change or to promote the adaptation to climate change. For example, the introduction of carbon-pricing mechanisms in order to reduce GHG emissions, the shift of energy use toward lower emission sources, the promotion of energy-efficiency solutions, water efficiency measures, and more sustainable land-use practices. The risk and the financial impact of policy changes depend on the nature and timing of the policy change. Litigation or legal risk in relation to transition refer to potential failure to mitigate impacts of climate change, or failure to adapt to climate change, and the insufficiency of disclosure around material financial risks.
- **Technological developments:** The ability to implement technological improvements or innovations that support the transition to a lower-carbon and energy-efficient economic system may have significant financial impact, to the extent that new technology displaces old systems and disrupts parts of the existing economic system. For example, the development and use of emerging technologies (such as renewable energy, battery storage, energy efficiency, carbon capture and storage) may affect the operating costs of enterprises, the demand for their products and services from end users, and ultimately their competitiveness. The timing of technology development and deployment is a key uncertainty in assessing the technology risk.
- **Market sentiment:** Climate change may trigger shifts in supply and demand for certain commodities, products and services, as climate-related risks and opportunities are increasingly taken into account. The ways in which markets could be affected by climate change are complex and may entail, among others, reputational aspects, connected to changing customer or investors' perceptions of an organization's contribution to or detracting from the transition to a lower-carbon economy.

### ❖ Physical Risks

Physical Risks are defined as risks which arise from the physical effects of climate change and environmental degradation and may have financial implications, such as direct damage to assets and indirect impacts from supply chain disruption and implications in entities' financial performance. They are categorized either as **acute** -if they arise from climate and weather-related events, or **chronic** -if they arise from progressive shifts in climate and weather patterns or a gradual loss of ecosystem services.

### ❖ Environmental Risks

NBG has expanded its RIMA process beyond climate risks, to also consider risks stemming from biodiversity loss and environmental degradation. NBG acknowledges that such risks may affect the Bank due to the nature-related dependencies and impacts of its financed activities and performs its assessment for both the above. Specifically:

- Dependencies of industries of economy on environment, either directly or via supply chains, may lead to financial risk if disruptions of essential ecosystems (i.e for clients' activities) occur. For example, falling crop yields stemming from decline in pollinating insects or from degradation of agricultural land.
- Impacts that industries of economy have on nature may lead to financial risk if they are unable to comply with measures taken to protect the environment.

In addition to the above, the Bank monitors scientific developments and continuously assesses the relevance of additional risk drivers to its risk profile and strategy and might proceed to further enhancements in the above list when the maturity of candidate risk drivers reaches a certain level from a scientific perspective and reliable data become available.

### • Mapping of risk drivers to risk types through transmission channels

Acknowledging the importance of risks stemming from climate-related and environmental factors, as well as in alignment with the regulatory expectations regarding a robust RIMA process, the Bank has developed a bottom-up process with regards to the mapping of risk drivers and transmission channels to primary risk types (Credit Risk, Market Risk, Liquidity Risk, Operational Risk, Strategic/Business Risk).

The mapping refers to the internal process established by the Bank for the interconnection among C&E-related risk drivers, transmission channels (i.e., the pathways through which the impacts of these risks are transmitted or spread throughout various sectors of the economy and society) and risk types in order to assess both potential financial and non-financial impacts that may arise for the Group, such as losses due to credit quality deterioration, loss of market share and customer trust, litigation/liability e.tc.

The materiality assessment is tailored to the Group's business model and risk profile, and it is performed in order to obtain a holistic and well-documented view of the impact of C&E-related risks on existing risk types that might affect the Bank or the business environment in which it operates, and therefore its strategic and business decision making.

The mapping of risk drivers to risk type is depicted in the following table:

Table 55: Mapping of Risk drivers to Risk Type

| Risk               | Risk Driver                | Transmission channels                                                                                                                        | Affected Primary Risk Types | Description and Potential Impact(s)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|--------------------|----------------------------|----------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Climate Transition | Policy & Legal             | Policy changes & associated rising cost of legal and regulatory compliance/N on-compliance with the C&E regulatory framework & related fines | Credit Risk                 | The risk of deteriorating clients' creditworthiness as a result of late adoption or non-adherence to regulations (i.e., declining profitability/losses due to higher carbon price, fines, value of the property), resulting in credit losses for the Bank. In longer term, credit risk may be influenced by business realignment of borrowers to comply with evolving regulations or/and reassessment of the Bank's portfolio to align with regulatory goals over an extended period.                                                                                                                                                                                                                                                                                                                                                                                           |
|                    |                            |                                                                                                                                              | Strategic/<br>Business Risk | Policy- and/or regulation-driven changes in business practices can pose strategic risks by impacting the Bank's ability to execute its budget/business plan. Indirect financial impact and loss of business may also result from reputational impact, due to impairment of the competitiveness and brand value. In longer term, strategic risk may be influenced by strategic realignment in response to evolving regulations (e.g. shifting financing away from carbon-intensive industries towards sustainable projects) and/or reassessment of the portfolio to align with long-term regulatory goals.                                                                                                                                                                                                                                                                       |
|                    |                            |                                                                                                                                              | Operational Risk            | The risk that fines are imposed to the Bank due to breaches of environmental requirements or failures in producing climate related disclosures as required/ expected by the regulator. Indirect financial impact may also result from the adverse publicity and reputational damage that stem from such events.<br>The legal risk to the Group due to litigation associated with clients affected by the transition process.                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|                    |                            |                                                                                                                                              | Market Risk                 | Market risk may be impacted from abrupt regulatory changes affecting investor perceptions and short-term market volatility.<br>In longer term, market risk can be impacted from business realignment of industries in response to evolving regulations, affecting stock valuations and market dynamics or/and by reassessment of industries in terms of regulatory goals, affecting long-term stock valuations.                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|                    |                            |                                                                                                                                              | Liquidity Risk              | The risk that Bank's liquidity position faces an adverse impact due to a potential value deterioration of liquid assets and/or impact on deposits.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|                    | Technological Developments | Increased costs for the substitution of existing products & services or low energy efficiency properties                                     | Credit Risk                 | The risk of deteriorating clients' creditworthiness, either operating in non-green industries (e.g., due to increased costs or inability to transition their business by applying new technologies), or possessing low energy efficiency properties/collaterals, resulting in credit losses for the Bank.<br>In longer term, the risk that Bank's technological infrastructure may affect their operational and financial performance, leading to potential credit losses for the Bank.                                                                                                                                                                                                                                                                                                                                                                                         |
|                    |                            |                                                                                                                                              | Strategic/<br>Business Risk | Increased investment cost due to adoption of technological solutions to address new (sustainable) product offerings, as well as enhanced digital tools to ensure monitoring and reporting based on climate-related parameters, may impact Bank's profitability.<br>In longer term, strategic risks may arise from failure to develop appropriate partnerships and/or restructure the Bank's technological infrastructure. Such risks may lead to impact on profitability through increased investment costs and/or operating cost, as well as to reputational impacts.                                                                                                                                                                                                                                                                                                          |
|                    |                            |                                                                                                                                              | Market Risk                 | In longer term, market risk may be impacted by integration of sustainable technologies or/and shift towards innovative technologies, influencing the competitiveness of industries and stock performance.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                    | Market Sentiment           | Stakeholders (investors, consumers e.tc.) seeking sustainable products and services                                                          | Credit Risk                 | The risk that the clients of the Bank might experience loss of business and lack of trust, and therefore declining revenues and profits, due to late or no transition to sustainable products and services, resulting in credit losses for the Bank.<br>In longer term, credit risk may be influenced by borrowers' commercial realignment and/or the reassessment of the Bank's market position or evolving sustainable financing criteria                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|                    |                            |                                                                                                                                              | Strategic/<br>Business Risk | Strategic risks may arise if potential Bank's association with industries facing climate-related controversies compromise its competitive position and ability to increase its planned market share/profitability targets.<br>In longer term, financial and reputational implications could be triggered due to the sustainability profile of borrowers affecting the Bank's achievement of its medium-term financed emissions targets. A potential failure to meet long-term climate targets can erode brand value, impacting the overall strategic standing in the market.<br>Also, sustainability of the Bank's long-term market position might include increased costs for a comprehensive branding strategy, while also potential failure to evaluate other actions timely, such as partnerships with green technology companies, could affect the Bank's competitiveness. |
|                    |                            |                                                                                                                                              | Market Risk                 | Market risk can be impacted by shifts in consumer sentiment, leading to impact on demand for certain products or industries and to market fluctuations.<br>In longer term, market risk may be impacted by business realignment based on changing consumer preferences or/and by reassessment of the bank's market position and integration of sustainable practices, impacting market demand, financial performance, investor confidence and stock values.                                                                                                                                                                                                                                                                                                                                                                                                                      |
|                    |                            |                                                                                                                                              | Liquidity Risk              | The risk that Bank's liquidity position faces an adverse impact due to a potential value deterioration of liquid assets and/or impact on deposits.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |



Table 55: Mapping of Risk drivers to Risk Type (continued)

| Risk                                                                 | Risk Driver                         | Transmission channels                                                                                                                                                                                                             | Affected Primary Risk Types | Description and Potential Impact(s)                                                                                                                                                                                                                                                                                                                                                             |
|----------------------------------------------------------------------|-------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Climate Physical risks                                               | Acute weather events                | Damage to property and assets in high-risk locations                                                                                                                                                                              | Credit Risk                 | The risk that clients' ability to repay their obligations is diminished or the value of their properties/premises is reduced due to acute climate events (e.g., wildfires or floods leading to loss of business and/or increased cost of repair), resulting in credit losses for the Bank.                                                                                                      |
|                                                                      |                                     |                                                                                                                                                                                                                                   | Operational Risk            | The risk of damage to the Bank's properties and/or business disruptions from inaccessibility to premises and/or electricity or telecommunication outages due to acute climate events (e.g., wildfires, floods) may result in incurred expenses, e.g. cost of repairs or replacement, for the Bank.                                                                                              |
|                                                                      |                                     |                                                                                                                                                                                                                                   | Liquidity Risk              | The risk that Bank's liquidity position faces an adverse impact due to a potential value deterioration of liquid assets and/or impact on deposits.                                                                                                                                                                                                                                              |
|                                                                      |                                     |                                                                                                                                                                                                                                   | Strategic/Business Risk     |                                                                                                                                                                                                                                                                                                                                                                                                 |
|                                                                      | Chronic changes to weather patterns | Increased costs to address damages or losses caused by climatic incidents                                                                                                                                                         | Credit Risk                 | The risk that increased costs for the clients that face structural deterioration due to climate change in the geographical location of their business operations (corporate) and value of property (retail), might affect their creditworthiness, resulting in credit losses for the Bank.                                                                                                      |
|                                                                      |                                     |                                                                                                                                                                                                                                   | Strategic/Business Risk     |                                                                                                                                                                                                                                                                                                                                                                                                 |
| Environmental risk (Biodiversity loss and environmental degradation) | Nature-related dependencies         | - Increased costs to address damages or losses caused by environmental degradation or increases in raw material prices or destruction of physical capital or due to relocation of activities.                                     | Credit Risk                 | The risk that increased costs, for the clients that face disruption in their business operations and/or production processes (directly or via supply chain), due to environmental degradation and biodiversity loss, might affect their creditworthiness, resulting in credit losses for the Bank.                                                                                              |
|                                                                      |                                     |                                                                                                                                                                                                                                   | Strategic/Business Risk     | The risk that the clients experience declining revenues and profits, due to disruption in their business operations and/or production processes (directly or via supply chain), resulting in financial impact for the Bank through decrease in profitability and core income generating capacity.                                                                                               |
|                                                                      | Nature-related impacts              | - Increased operating and/or research and/or development costs.<br>- Relocation and adjustments of activities and of business model.<br>- Stranded assets<br>- Loss of market share and pressure on prices.<br>- Market sentiment | Credit Risk                 | The risk of deteriorating clients' creditworthiness as a result of late adoption or non-adherence to regulations (i.e. specific restrictions for products, declining profitability/losses due to lower demand, fines), resulting in credit losses for the Bank.                                                                                                                                 |
|                                                                      |                                     |                                                                                                                                                                                                                                   | Strategic/Business Risk     | The risk of experiencing adverse impacts as a result of regulations (i.e., declining profitability/losses due to lower demand, specific restrictions for products, value of the property being diminished), resulting in financial impact for the Bank through decrease in profitability and core income generating capacity and/or reputational impact attributed to adverse market sentiment. |

- **Determination of materiality assessment methods and underlying metrics**

The materiality assessment process established by the Group for C&E related risks ensures that the potential impacts identified through the mapping of C&E related risk drivers and transmission channels, are assessed qualitatively and/or quantitatively through the use of relevant metrics, as part of the C&E Risk Materiality Assessment process.

The methodology and approach implemented is developed per risk type and involves:

- ❖ **Credit risk & Strategic/Business risk:**

- **Climate Transition risk:**

The Corporate portfolio is assessed through concentration analysis of exposures in sectors classified as bearing elevated transition risk, considering sectors' contribution to NBG's GHG emissions' intensity and total Financed emissions. The core income reliance on the aforementioned sectors is, also, assessed. The analysis is conducted

before any active portfolio diversification actions are taken (inherent risk).

It is noted that NBG has no exposures towards the top-20 carbon intensive firms globally.

The Retail portfolio is assessed through concentration analysis of exposures and core income reliance on exposures, according to the EPC classification of the underlying collaterals.

- **Climate Physical risk:**

The Physical Risk Materiality analysis is performed at sectoral and/or geographical level considering the nature of physical hazards and the portfolios under assessment.

In this context, the Bank has laid down a methodology based on sensitivity and exposure analysis, to derive vulnerability to physical risk factors.

The vulnerability assessment is aligned with the Invest EU methodology ("Technical guidance on the climate proofing of infrastructure in the period 2021-2027") and with the ECB expectations ("ECB: Good practices for climate related and

environmental risk management: Observations from the 2022 Thematic Review”).

The analysis addresses the following:

- Corporate portfolio, decomposed per NACE (General Industrial Classification of Economic Activities within the European Communities) sector (22 NACE codes) at country level (Greece): the process follows a three-step approach, comprising of (1) a sensitivity analysis, (2) an assessment of the exposure, and (3) a combination of the two for the conclusion of the vulnerability assessment. The methodology is further analysed in Section 10.3.
- Collateralized portfolio, secured with RRE and CRE properties at regional level for the 4 climate zones in Greece: Properties were mapped to Climate Zones (A, B, C, D)<sup>7</sup> according to their postcode. NBG has developed a methodological approach to estimate the vulnerability of real estate properties to all physical climate risks (sea level rise, soil & coastal erosion; wildfire; cyclone/hurricane/typhoon/storm/tornado; floods), and to selected risks which are more relevant to buildings considering their type, taking into consideration their maximum value per climate zone. Concluding the analysis, each climate zone has been assigned with a vulnerability score.
- **Environmental Risk** (incl. Biodiversity loss risk and Environmental degradation):

#### **Environmental Impact analysis:**

NBG conducted the Environmental Impact analysis, exploring in detail the potential contribution of the financed economic activities to risk drivers of Nature loss, for 11 Environmental risk impact drivers individually (e.g. GHG emissions, Water pollutants, Soil pollutants etc.); these correspond to 5 categories of overarching nature related issues (e.g. Climate change, Pollution etc.). The process employs the ENCORE tool, which sets out how the economy – sectors, subsectors and production processes – depends and impacts on nature.

In this context, the Corporate portfolio is assessed through concentration analysis of exposures to economic activity segments which have a potentially High or Very High contribution to at least one of the 11 examined Environmental risk impact drivers, as well as, through the core income reliance on the aforementioned economic activity segments.

#### **Environmental Dependency analysis:**

Further to the Impact analysis, NBG conducted the Environmental dependency analysis, investigating the potential dependencies of its financed economic activities on the ecosystem services, for 21 ecosystem services individually (e.g. Surface and Ground water, Soil quality etc.). The Corporate portfolio is assessed through concentration analysis of exposures to economic activity segments which have a potentially High or Very High dependency on at least one of the 21 examined ecosystem

services, as well as, through the core income reliance on the aforementioned economic activity segments.

#### ❖ **Reputational impact - Strategic risk perspective:**

NBG considers ESG factors as drivers of Strategic/Business risk, acknowledging that a potential misalignment of its strategic plans to market practices and expectations (positioning risk), as well as potential failure to meet major C&E-related expectations (execution risk) may adversely affect the sustainability of its Business model. The reputational impact has been assessed qualitatively, based on the identified transmission channels of the C&E risk drivers in the short, medium and long term (mainly related to policies/regulations and market sentiment).

#### ❖ **Market risk:**

Concentration analysis of the Bank's Trading book in sectors classified as bearing elevated transition risk, considering sectors' contribution to NBG's GHG emissions' intensity and total Financed emissions, has been performed to assess the materiality of climate transition risk under Market risk perspective.

#### ❖ **Liquidity risk:**

The assessment of C&E risks is performed in the context of the ILAAP exercise through a liquidity buffer and funding profile analysis. C&E in liquidity risk is linked with physical risks due to extreme weather events that could adversely impact liquidity. Transition risks are due to net-zero emission policies, and how these could impact the Bank's liquidity.

#### ❖ **Operational risk:**

A scenario related to climate change and environmental sustainability risks has been developed to assess the C&E risk. Impact assessed includes damages to premises, equipment and/or monetary content, cost of repairs or replacement, business disruption due to inaccessibility to premises and/or due to electricity or telecommunication outages, loss/injury of employees and/or customers and respective compensations, decrease in labor productivity, deterioration of working conditions, environmental restitution costs, fines and lawsuits due to breaches of environmental requirements, adverse publicity and reputational damage (Operational risk perspective).

#### ■ **Scenario analysis - Forward – looking perspective**

The Bank has incorporated a forward-looking perspective into its materiality assessment of Climate and Environmental risks, focusing on the Corporate and the Real Estate portfolios.

The incorporated forward-looking climate scenario analysis used to quantify the financial impact of transition and physical risks through the core credit risk metrics, considering both macroeconomic and climate variables. The assessment covers a combination of different time horizons: short (3Y), medium (5Y) and long-term (>5Y), in alignment with NBG's strategy setting approach. Specifically:

- For **Transition risk**, the impact is captured leveraging on the results of the NGFS Orderly and Disorderly scenarios; with the key risk drivers per scenario being the following:

<sup>7</sup> As presented within Art. 6 – Climate Zones | Ministry of Environment and Energy ([opengov.gr](https://opengov.gr)).

- **Orderly scenario:** Transition measures (e.g. carbon taxes) are introduced early, i.e. before 2030, to prevent a temperature increase. Moderate disruptions to economics activities are assumed, and companies reduce most emissions by 2040.
- **Disorderly scenario:** The implementation of climate policies to prevent temperature increase is late (not introduced until 2030), leading to economic disruption affecting business. The emissions reduction needs to be sharper, hence higher carbon taxes are assumed. Companies reduce emissions later, mostly by 2050.
- For **Physical risk**, the combination of physical climate events is being captured through the NGFS scenario of **Hot House World (HHW)**, with the key risk drivers being the following: No additional policy action taken against climate risk leading to higher temperatures and extreme weather events through sharp sectoral shocks and physical asset devaluation. Companies reduce emissions only partially by 2050.

In order to quantify the financial impact of Corporate portfolio, the analysis takes into account the potential future impact of scenarios' assumptions on each sector, considering, among others, counterparty specific information (e.g., emission intensity, transition plans, financials etc), transmission channels such as demand destruction and creation, carbon taxes and physical risk impact and other dynamic factors, e.g. pass of additional carbon costs to consumers. Following a bottom up approach, the impact of climate risk drivers is converted into stress on the core credit risk metrics of NBG's counterparties, such as PDs and LGDs, using also sector-level impact information from a climate data-vendor.

For Real Estate portfolios, the real estate value shocks, assumed under the scenarios, are the key transmission channels for climate risk, which are linked with the underlying Energy Performance Certificate labels, i.e. collaterals with better performance will be impacted less by possible climate policies or by global warming. In addition, a key driver of physical risk is also the location of collateral.

#### Materiality Assessment Results

The outcome of the C&E-related materiality assessment performed, both for the current state and the forward-looking perspective, is presented on an aggregated level alongside with the employed criteria / methodology per risk type, in the table below.

Overall, the quantified forward-looking assessment indicated that:

- C&E Transition risks are material in all horizons (short-, medium- and long-term), largely in relation to the GHG emissions, which is a component relevant to both Climate risk impacts, as well as to the Environmental risks where NBG is primarily exposed (Climate change related issues).
- C&E Physical risks are material in the short-term, considering acute Climate risk drivers (floods, wildfires), while in the medium- and long-term, the material impacts are connected to chronic factors related to both climate change and environmental degradation (heat and water stress, also affecting ecosystem services where the Bank's portfolio is highly dependent, such as climate regulation and water supply). There is strong interconnection between the risk drivers and the financial impacts, viewed from the climate and the environmental physical risk perspectives.

**Table 56: C&E Materiality Assessment Results**

| C&E Risk type                                                           |                     | Primary Risk Type       | Result       |
|-------------------------------------------------------------------------|---------------------|-------------------------|--------------|
| Climate Risk                                                            | Transition          | Credit Risk             | Material     |
|                                                                         |                     | Strategic/Business Risk | Material     |
|                                                                         |                     | Market Risk             | Not Material |
|                                                                         |                     | Liquidity Risk          | Not Material |
|                                                                         | Physical            | Credit Risk             | Material     |
|                                                                         |                     | Strategic/Business Risk | Material     |
|                                                                         |                     | Market Risk             | Not Material |
|                                                                         |                     | Liquidity Risk          | Not Material |
|                                                                         |                     | Operational Risk        | Not Material |
| Environmental risk<br>(Biodiversity loss and environmental degradation) | Dependency analysis | Credit Risk             | Material     |
|                                                                         |                     | Strategic/Business Risk | Material     |
|                                                                         | Impact analysis     | Credit Risk             | Material     |
|                                                                         |                     | Strategic/Business Risk | Material     |

### 10.2.2 C&E Mitigating Actions

The Risk Materiality assessment is in principle conducted on a gross risk principle (inherent risk basis). The RIMA outcome and conclusions inform responsible stakeholders and are utilized in decision-making and key processes of NBG, both strategic and operational, in a way that C&E risk awareness is promoted, management actions are prioritized and set in place to efficiently manage the material C&E risks identified, towards minimizing the residual C&E risk impacts on NBG's Business Model and operations.

Such actions involve all levels of management and are implemented across the three Lines of Defense. Actions address both the downside risks (aiming to minimize the impact of significant risk sources) and the opportunities (aiming to promote Sustainability objectives, hence maximize positive impacts which offset the adverse effects of C&E risks).

More specifically, the outcomes and conclusions of the C&E RIMA inform on:

- The (existing) risk types which are materially affected by C&E risk drivers;
- The main regions/geographies which are mostly relevant, in terms of materiality, for the Group's overall C&E risk profile;
- The way that C&E risk factors may affect the main portfolios/business lines, where the Business Model is materially relying on;
- The main economic activities (sectors) which are likely more vulnerable to C&E risk factors, at present and with a forward-looking perspective;
- The time horizons where such risk impacts are likely to be manifested and the sizing of the estimated impact, to be considered in relation to NBG's size and operations;
- The assumptions used, otherwise describing the conditions, under which the various C&E risk implications may be amplified or mitigated.

On these grounds, the effective management of C&E risks in NBG involves:

- **Strategy definition elements:** formulation and constant updating of clearly defined strategic goals and priorities relating to Climate and Environmental objectives, as an integral part of the overall Strategy and internal target setting. This involves:
  - Setting strategic goals in relation to NBG's C&E profile, focusing by priority to the carbon footprint ambition (own and financed GHG emissions); the measurement and assessment of current state of financed emissions being followed by forward-looking targets and KPIs, being part of the strategic plan;
  - Sustainability financing initiatives;
  - Introduction of exclusion policies;
  - Definition of risk appetite thresholds (limits, credit appetite statement);
  - Consideration of Risk management views ahead of strategy approval, involving forward-looking scenario analysis techniques;
  - Consideration of investment needs in connection with C&E considerations (technology and resources planning, infrastructure changes etc.).

- Monitoring of the business, regulatory and financial environment, in relation to developments connected to C&E risk transmission channels, for timely identification of strategy modifications and/or enhancements.
- **Strategy execution enablers:** pursuing the implementation of strategic objectives, and timely intervention for corrective actions. Execution enablers are supported through NBG's Transformation Program (implementation of strategically important projects, with impact across functions/business lines), execution of tactical projects and amendments in standard policies and procedures (regular operations):
  - Arrangements for regular monitoring and reporting of KPIs within the 1st LoD; this involves multi-level activities, quantitative and qualitative (measurement of performance against financial targets, operational targets, inclusion in remuneration schemes);
  - Independent control, monitoring and reporting from the Risk Management perspective, employing financial and non-financial KRIs and risk analytics, addressing holistically the C&E risks across primary risk types;
  - Continuous enhancement of Credit granting processes in relation to C&E set of assessment criteria (within a broader ESG context), at obligor and transaction level;
  - Introduction of pricing arrangements, supporting the C&E objectives' achievement;
  - Introducing additional sophistication in the overall operational framework to address C&E risk classification requirements, primarily with reference to EU Taxonomy framework and sustainable financing criteria; examination of technical, governance and resources' elements to enable an efficient and effective internal mechanism, with sufficient level of controls.
  - Design and commercialization of products and services promoting sustainability targets for material lines of business;
  - Inclusion of C&E elements in the collateral policies and relevant valuation processes; specific provisions relating to energy efficiency and insurance policies, grounded on the indications of the C&E RIMA on the secured portfolios (both in terms of transition and physical risk components);
  - Active participation in domestic and international initiatives, groups and tasks forces, to leverage and contribute the maturity of the financial sector (in terms of data availability and quality, methodologies, disclosures, knowledge development and building expertise).
  - Enhancement of technologies and HR training expertise, both in relation to risk control functions as well as risk taking units, focusing on material risk areas.
- **Governance arrangements:** set in place to enable the promotion of the long-term sustainability principles set out in and protect stakeholder's interests.
- **Transparency and disclosure initiatives:** Announcement of Net Zero (NZ) Targets for 2030 and adherence to relevant disclosure requirements.

### 10.2.3 Risk Appetite Framework: ESG Quantitative Statements

The Bank has already introduced into its Risk Appetite Framework ('RAF') ESG-related KRIs addressing all material risk types.

In 2023, the Bank enhanced its RAF with the introduction of quantitative indicators and respective thresholds, aiming at setting its risk appetite towards financing of ESG sensitive sectors and in relation to its overall business strategy.

Specifically, the Bank has included into its RAF 5 Key Risk indicators, taking explicitly into consideration the following:

- NBG joined the Net-Zero Banking Alliance (NZBA) and announced Net Zero Targets for 2030; dedicated RAF metrics were introduced to consider for the execution risk of meeting the commitments, with a forward-looking view.
- The Risk Identification & Materiality Assessment outcome.

All KRIs' breach escalation process is performed at ExCo level. Additionally, the Bank has supplemented its RAF with 8 metrics for monitoring purposes of C&E risks, covering credit risk and strategy-related risk considerations. Specifically, these metrics cover both climate transition and physical risk (e.g. concentration of exposures in sectors bearing elevated transition risk, concentration of Sustainable exposures, insurance physical risk coverage), as well as, Environmental risk.

The Bank is planning to enhance its RAF as methodological approaches mature, quantification/analytical capabilities develop, and additional climate and environmental data becomes available.

In addition to the above:

- an ESG-related dimension is included in the Credit Concentration Risk metrics, positively accounting for the financing of transition plans to a green economy;
- the sector limits methodology has been updated, by incorporating a climate related component;
- a C&E dedicated exclusion list has been introduced, containing activities considered to bear negative climate-related and environmental impact, including mining & coal related financing, as well as activities with negative impacts on nature preservation and biodiversity. The identification leveraged on local and international market practices, as well as external benchmarks.

**Table 57:** ESG indicators in Risk Appetite dashboard

| Metric Type         | Indicator name                                         | Remarks                                                                                                                                                                                                                                                                           |
|---------------------|--------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Risk appetite limit | ESG rating                                             | The metric addresses the perception of market regarding the ambition and pace of implementation of the ESG strategy; to this end, a composite index is used, which comprises ratings from 8 important rating agencies.                                                            |
| Risk appetite limit | Oil & Gas sector financed emissions (FE)               | NBG has announced targets for 2030 for reduction of financed emissions to Oil & Gas sector (absolute FEs); the metric addresses the execution risk around reaching the target, using relevant projections.                                                                        |
| Risk appetite limit | Power Generation sector financed emissions intensity   | NBG has announced targets for 2030 for reduction of financed emissions (intensity) for the Power Generation sector; the metric addresses the execution risk around reaching the target, using relevant projections.                                                               |
| Risk appetite limit | EPC allocation of new mortgage portfolio disbursements | NBG has announced targets for 2030 for reduction of financed emissions (intensity) for the RRE portfolio; the metric addresses the execution risk around reaching the target for its element which is directly controlled by the Bank (i.e. the energy profile of new Mortgages). |
| Risk appetite limit | High emitting sectors                                  | The purpose of the metric is to identify the ratio of the exposure of corporate obligors operating in high emitting sectors, over total corporate exposures.                                                                                                                      |



### 10.2.4 Incorporation of ESG in the Credit Granting and Monitoring Process

The Bank has incorporated the assessment of ESG Risks in its credit-granting and monitoring process for the corporate portfolio since 2022. In this context, documentation and tools have been developed and are used by the corporate underwriters in order to assess and classify obligors in terms of ESG related risks.

Overall, the ESG assessment consists of two pillars, the ESG Obligor assessment and the ESG Facility assessment.

#### ❖ ESG Obligor assessment

The Bank has developed ESG obligor assessment questionnaires, in order to assess the performance of its corporate customers on ESG factors (e.g. environmental policies, quantitative data on air and water pollution, mitigating actions etc.)

In line with market best practices, the Bank has followed a comprehensive approach for the development of the ESG Obligor assessment questionnaires, including the identification of the ESG sensitive perimeter, the identification of material ESG factors per sector, the identification of key assessment dimensions and performance measurement for the E, S & G components' assessment. The key assessment dimensions considered are depicted in the following figure.

**Figure 9:** Key assessment dimensions of ESG Obligor assessment

|                       |                                   | Qualitative & Quantitative KPIs                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                 |                    |
|-----------------------|-----------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|
|                       |                                   | Environment                                                                                                                                                                                                                                                                                                                                                                                                             | Social                                                                                                                                                                                                                                                                                                                                                                                            | Governance <sup>(F1)</sup>                                                                                                                                                                                                                                                                                                      |                    |
| Assessment dimensions | Management Approach               | <ul style="list-style-type: none"><li>• Policies</li><li>• Management Systems</li><li>• Climate Change</li><li>• Environmental/Social Targets</li></ul>                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                   | <ul style="list-style-type: none"><li>• Policies</li><li>• ESG Governance</li><li>• Accountability, reporting and transparency</li><li>• Corporate governance</li><li>• Remuneration</li><li>• Business ethics and anti-corruption</li><li>• Incidents</li><li>• Sustainable Procurement</li><li>• Governance targets</li></ul> | Sectoral dimension |
|                       | Evaluation of Management approach | <ul style="list-style-type: none"><li>• Incidents</li><li>• External Verification</li></ul>                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                 |                    |
|                       | Performance Assessment            | <ul style="list-style-type: none"><li>• Emissions</li><li>• Water &amp; effluents</li><li>• Waste</li><li>• Materials</li><li>• Energy consumption within the organization</li><li>• Clean technologies</li><li>• Pollution prevention and Biodiversity protection</li><li>• Taxonomy alignment</li><li>• Food security</li><li>• Noise</li><li>• Refrigerants</li><li>• Fleet fuel economy &amp; utilization</li></ul> | <ul style="list-style-type: none"><li>• Employee training and development</li><li>• Labor management and relations</li><li>• Occupational health and safety</li><li>• Customer health and safety</li><li>• Community relations</li><li>• Diversity and inclusion</li><li>• Animal health and welfare</li><li>• Data privacy</li><li>• Products</li><li>• Water Affordability and access</li></ul> |                                                                                                                                                                                                                                                                                                                                 |                    |
|                       |                                   | (F1): common across all sectors                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                 |                    |

(F1): common across all sectors

For the ESG sensitive perimeter (e.g. Oil & Gas, Electricity & Water Utilities, Aviation, Chemicals, Shipping, Metals & Mining), the Bank applies a comprehensive sector specific assessment, while for all other sectors a simplified assessment is performed.

The ESG Obligor assessment process results in a score for each component (Environmental, Social and Governance), as well as for the overall ESG assessment of the obligor.

#### ❖ ESG Facility Assessment

The Bank has developed the ESG Facility assessment, in order to classify transactions/loans to different categories defined by the Bank, indicating the level of sustainability of each transaction based on its characteristics (e.g., maturity, alignment of loan purpose with the Sustainable Lending Criteria Framework etc). The Sustainable Lending Criteria Framework establishes a consistent and comprehensive list of sustainable lending criteria, to identify corporate lending which contributes to the transition towards more sustainable business activities.

#### ❖ ESG Overall Assessment

The Bank has in place a set of policy actions applicable to obligors with certain combinations of ESG scorecard outcome, credit rating and ESG facility assessment outcome.

These policy actions relate to credit risk classification, loan pricing, frequency of ESG obligor assessment and submission of Obligor's action plans, in order to mitigate the climate and ESG related risks.



### 10.2.5 Collateral valuation process

In order to mitigate C&E risks, in 2023 the Bank integrated specific C&E-related factors in the collaterals' market value valuation process, including, among others, the comparison between property's under valuation EPC label and other comparable properties' EPC labels, in order for the Bank to apply haircut or increase due to C&E risks.

In addition, the Bank has also integrated within its valuation system an automatic designation system that informs the valuer whether the collateral under valuation lies within the boundaries of:

- Natura 2000 designated areas
- International Convention sites (RAMSAR)
- National Parks & Forests
- Wildlife Protected Habitats

Moreover, in line with C&E exclusion list, the Bank has no appetite to finance:

- Any transaction located in and with negative impact on UNESCO World Heritage Sites, unless the required environmental permits are approved.
- Any transaction located in and with negative impact on Wetlands registered by the Ramsar Convention, unless the required environmental permits are approved.
- Any transaction located in and with negative impact on protected areas designated as part of Natura 2000 in accordance to EU Directive 92/43/EEC, or any locally designated protected areas unless the required environmental permits are approved.

Moreover, specifically for the physical risk, the Bank has launched a research & development effort to introduce new technologies to its processes, in order for the Real Estate Valuations Division to facilitate and provide in depth assessments & information on various environmental risks, concerning the Bank's collaterals.

Furthermore, there is an ongoing design effort to produce certain trigger mechanisms which will be activated in cases of acute physical risks (such as earthquake events, forest wildfires and floods), to provide the Bank with a comprehensive view on the impact of such events on its collateral portfolio, facilitating decision making and operational effectiveness.

### 10.2.6 Risk Control, Monitoring and Reporting

NBG has taken actions in relation to C&E risk data aggregation, analytics and a robust monitoring setup, for internal C&E risk monitoring and reporting purposes, across risk types. An extensive set of C&E metrics, is being employed for monitoring and reporting to the principal overseeing bodies, RAF monitoring and operational needs.

### 10.2.7 ESG data and IT infrastructure-related enhancements

The Bank acknowledges the necessity of data enhancements and invests on expansion of its data sources, IT infrastructure development, enhancements of modelling and analytics, thus enabling qualitative and timely risk analysis, monitoring and reporting. Emphasis has been placed on ESG data management and availability, using internal and external sources. The Bank

has incorporated in its Transformation Programme specific initiatives to enhance ESG data and IT infrastructure.

In that regard, the Bank is currently implementing a centralized ESG Reporting architecture aiming at ramping up NBG's ESG reporting capabilities and data collection and governance process. Indicatively, the designed infrastructure will allow for:

- A single access point for ESG-related information, avoiding siloed and dispersed data collection and storage.
- Auditability at every step of the process ensuring a robust, future-proof trail.
- Scalability that addresses current and forthcoming reporting needs arising from ESG standards and regulations.

A roadmap for the assignment of data owners and for the identification of data gaps and remediation actions.

### 10.2.8 ESG Risk Management - Planned actions

Going forward, NBG is planning to further enhance the incorporation of ESG factors in its Risk Management Framework. For this purpose, a detailed action plan has been formed and is largely included in the Transformation Program, which is monitored by the Board and Transformation Committee, ensuring execution in a timely and disciplined manner. In parallel, Transformation Program initiatives are complemented with tactical and interbank initiatives, which contribute to the incorporation of C&E risk aspects in business-as-usual processes. Important actions currently underway refer to the following areas:

- EU Taxonomy implementation & Sustainable Financing Framework
- Nature and Environmental risks
- Scenario Analysis and Stress Testing capabilities
- Expansion of regular monitoring and reporting tools.

### 10.3 Quantitative Disclosures on Climate change transition and physical Risks and mitigating actions

The Bank is committed to fulfill all disclosure requirements set out by the binding standards on Pillar III disclosures published by EBA on January 24, 2022. To that end, NBG has thoroughly studied the disclosure templates and associated instructions and explored synergies with all involved Units to efficiently and effectively source required information from the relevant stakeholders and has further enhanced its core IT systems with C&E related information, aiming to standardise and fully automate this sourcing of information.

The relevant information can be found in the tables below.

#### **Banking book- Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity**

##### **❖ Summary, comments on content / perimeter**

The template includes Group exposures towards non-financial corporates, including loans and advances, debt securities and equity instruments, classified in the accounting portfolios in the banking book, by sector of economic activities using NACE codes based on the principal activity of the counterparty. The template excludes financial assets held for trading or assets held for sale. Exposures to financial corporations, sovereigns, central banks, general and local governments and household exposures to private individuals are also excluded. Furthermore, the Bank is disclosing additional information concerning RES (Renewable Energy Sources) exposures that are included in the Template perimeter giving a forward looking to its volumes breakdown to sectors that highly contribute to climate change in alignment with its ESG Strategy.

##### **❖ Methodological approach, key assumptions, applicable standards used**

In order to identify exposures towards companies excluded from EU Paris-aligned Benchmarks, the Bank based its analysis primarily on the NACE code of the debtor's economic activity (since the large majority of companies that are the Bank's counterparties do not publish information with respect to their revenue mix and/or other activity based metrics) to interpret the conditions for exclusion from the Paris-aligned Benchmarks, in particular points (d) to (g) from the respective Guidance, overriding as appropriate in specific cases (e.g. including big borrowers with known principal activity meeting PAB exclusion conditions or excluding RES-related/flagged borrowers despite their generic NACE-based categorization).

NPE classification is aligned with Stage 3 classification based on the IFRS9 accounting standard and the gross carrying amount of Stage 2 instruments has also been disclosed according to IFRS9 definition.

Exposures are allocated to the relevant maturity bucket depending on the remaining maturity of the corresponding financial instrument. The computation of the average maturity of the exposures has been performed by weighing individual exposure maturities with the gross carrying amount of the exposures.

##### **❖ Evolution, enhanced disclosure**

The template has been enhanced with information for the GHG financed emissions calculated for the Group exposures included in the specified perimeter based on the PCAF methodology as described in detail within the Bank's ESG Report.

## ESG RISKS

**Table 58:** 1.CC - Banking book- Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity 31.12.2023

| a                                                                                                                                                                                                                 |                                                                                                                                        |        |       |        |       | b   |       | c    |       | d |  | e |                                                                                                      | f |                                  |  |                    | g |                                  | h |  |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|--------|-------|--------|-------|-----|-------|------|-------|---|--|---|------------------------------------------------------------------------------------------------------|---|----------------------------------|--|--------------------|---|----------------------------------|---|--|
| Gross carrying amount                                                                                                                                                                                             |                                                                                                                                        |        |       |        |       |     |       |      |       |   |  |   | Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions |   |                                  |  |                    |   |                                  |   |  |
| Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation |                                                                                                                                        |        |       |        |       |     |       |      |       |   |  |   | Of stage exposures                                                                                   |   | which 2 non-performing exposures |  | Of stage exposures |   | which 2 non-performing exposures |   |  |
| 1                                                                                                                                                                                                                 | Exposures towards sectors that highly contribute to climate change*                                                                    | 18,977 | 2,014 | 829.58 | 1,125 | 757 | (601) | (73) | (396) |   |  |   |                                                                                                      |   |                                  |  |                    |   |                                  |   |  |
| 2                                                                                                                                                                                                                 | A - Agriculture, forestry and fishing                                                                                                  | 348    | 0.00  | 0.00   | 62    | 9   | (14)  | (4)  | (7)   |   |  |   |                                                                                                      |   |                                  |  |                    |   |                                  |   |  |
| 3                                                                                                                                                                                                                 | B - Mining and quarrying                                                                                                               | 98     | 0.00  | 0.00   | 3     | 2   | (2)   | 0    | (1)   |   |  |   |                                                                                                      |   |                                  |  |                    |   |                                  |   |  |
| 4                                                                                                                                                                                                                 | B.05 - Mining of coal and lignite                                                                                                      | 0      | 0.00  | 0.00   | 0     | 0   | 0     | 0    | 0     |   |  |   |                                                                                                      |   |                                  |  |                    |   |                                  |   |  |
| 5                                                                                                                                                                                                                 | B.06 - Extraction of crude petroleum and natural gas                                                                                   | 0      | 0.00  | 0.00   | 0     | 0   | 0     | 0    | 0     |   |  |   |                                                                                                      |   |                                  |  |                    |   |                                  |   |  |
| 6                                                                                                                                                                                                                 | B.07 - Mining of metal ores                                                                                                            | 61     | 0.00  | 0.00   | 0     | 0   | 0     | 0    | 0     |   |  |   |                                                                                                      |   |                                  |  |                    |   |                                  |   |  |
| 7                                                                                                                                                                                                                 | B.08 - Other mining and quarrying                                                                                                      | 37     | 0.00  | 0.00   | 3     | 2   | (1)   | 0    | (1)   |   |  |   |                                                                                                      |   |                                  |  |                    |   |                                  |   |  |
| 8                                                                                                                                                                                                                 | B.09 - Mining support service activities                                                                                               | 0      | 0.00  | 0.00   | 0     | 0   | 0     | 0    | 0     |   |  |   |                                                                                                      |   |                                  |  |                    |   |                                  |   |  |
| 9                                                                                                                                                                                                                 | C - Manufacturing                                                                                                                      | 4,441  | 858   | 94.67  | 356   | 290 | (240) | (27) | (181) |   |  |   |                                                                                                      |   |                                  |  |                    |   |                                  |   |  |
| 10                                                                                                                                                                                                                | C.10 - Manufacture of food products                                                                                                    | 1,118  | 0.00  | 0.00   | 177   | 57  | (45)  | (9)  | (29)  |   |  |   |                                                                                                      |   |                                  |  |                    |   |                                  |   |  |
| 11                                                                                                                                                                                                                | C.11 - Manufacture of beverages                                                                                                        | 124    | 0.00  | 0.00   | 10    | 11  | (8)   | (2)  | (5)   |   |  |   |                                                                                                      |   |                                  |  |                    |   |                                  |   |  |
| 12                                                                                                                                                                                                                | C.12 - Manufacture of tobacco products                                                                                                 | 58     | 0.00  | 0.00   | 0     | 1   | (1)   | 0    | 0     |   |  |   |                                                                                                      |   |                                  |  |                    |   |                                  |   |  |
| 13                                                                                                                                                                                                                | C.13 - Manufacture of textiles                                                                                                         | 118    | 0.00  | 0.00   | 13    | 32  | (24)  | (2)  | (21)  |   |  |   |                                                                                                      |   |                                  |  |                    |   |                                  |   |  |
| 14                                                                                                                                                                                                                | C.14 - Manufacture of wearing apparel                                                                                                  | 70     | 0.00  | 0.00   | 11    | 26  | (16)  | (2)  | (13)  |   |  |   |                                                                                                      |   |                                  |  |                    |   |                                  |   |  |
| 15                                                                                                                                                                                                                | C.15 - Manufacture of leather and related products                                                                                     | 10     | 0.00  | 0.00   | 1     | 1   | (1)   | 0    | (1)   |   |  |   |                                                                                                      |   |                                  |  |                    |   |                                  |   |  |
| 16                                                                                                                                                                                                                | C.16 - Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials | 12     | 0.00  | 0.00   | 2     | 2   | (2)   | 0    | (1)   |   |  |   |                                                                                                      |   |                                  |  |                    |   |                                  |   |  |
| 17                                                                                                                                                                                                                | C.17 - Manufacture of pulp, paper and paperboard                                                                                       | 136    | 0.00  | 0.00   | 12    | 3   | (5)   | (2)  | (1)   |   |  |   |                                                                                                      |   |                                  |  |                    |   |                                  |   |  |
| 18                                                                                                                                                                                                                | C.18 - Printing and service activities related to printing                                                                             | 42     | 0.00  | 0.00   | 3     | 8   | (5)   | 0    | (4)   |   |  |   |                                                                                                      |   |                                  |  |                    |   |                                  |   |  |
| 19                                                                                                                                                                                                                | C.19 - Manufacture of coke oven products                                                                                               | 858    | 858   | 5.16   | 0     | 0   | (7)   | 0    | 0     |   |  |   |                                                                                                      |   |                                  |  |                    |   |                                  |   |  |
| 20                                                                                                                                                                                                                | C.20 - Production of chemicals                                                                                                         | 208    | 0.00  | 0.09   | 8     | 14  | (5)   | 0    | (4)   |   |  |   |                                                                                                      |   |                                  |  |                    |   |                                  |   |  |
| 21                                                                                                                                                                                                                | C.21 - Manufacture of pharmaceutical preparations                                                                                      | 185    | 0.00  | 0.00   | 10    | 5   | (6)   | 0    | (4)   |   |  |   |                                                                                                      |   |                                  |  |                    |   |                                  |   |  |
| 22                                                                                                                                                                                                                | C.22 - Manufacture of rubber products                                                                                                  | 150    | 0.00  | 0.00   | 20    | 6   | (5)   | (1)  | (3)   |   |  |   |                                                                                                      |   |                                  |  |                    |   |                                  |   |  |
| 23                                                                                                                                                                                                                | C.23 - Manufacture of other non-metallic mineral products                                                                              | 234    | 0.00  | 0.25   | 28    | 4   | (4)   | (1)  | (2)   |   |  |   |                                                                                                      |   |                                  |  |                    |   |                                  |   |  |
| 24                                                                                                                                                                                                                | C.24 - Manufacture of basic metals                                                                                                     | 503    | 0.00  | 63.05  | 9     | 80  | (79)  | (3)  | (72)  |   |  |   |                                                                                                      |   |                                  |  |                    |   |                                  |   |  |
| 25                                                                                                                                                                                                                | C.25 - Manufacture of fabricated metal products, except machinery and equipment                                                        | 159    | 0.00  | 0.04   | 11    | 9   | (9)   | (1)  | (7)   |   |  |   |                                                                                                      |   |                                  |  |                    |   |                                  |   |  |
| 26                                                                                                                                                                                                                | C.26 - Manufacture of computer, electronic and optical products                                                                        | 36     | 0.00  | 0.00   | 0     | 1   | (1)   | 0    | (1)   |   |  |   |                                                                                                      |   |                                  |  |                    |   |                                  |   |  |
| 27                                                                                                                                                                                                                | C.27 - Manufacture of electrical equipment                                                                                             | 273    | 0.00  | 26.08  | 21    | 1   | (3)   | 0    | (1)   |   |  |   |                                                                                                      |   |                                  |  |                    |   |                                  |   |  |
| 28                                                                                                                                                                                                                | C.28 - Manufacture of machinery and equipment n.e.c.                                                                                   | 36     | 0.00  | 0.00   | 5     | 12  | (7)   | 0    | (7)   |   |  |   |                                                                                                      |   |                                  |  |                    |   |                                  |   |  |
| 29                                                                                                                                                                                                                | C.29 - Manufacture of motor vehicles, trailers and semi-trailers                                                                       | 15     | 0.00  | 0.00   | 1     | 0   | 0     | 0    | 0     |   |  |   |                                                                                                      |   |                                  |  |                    |   |                                  |   |  |
| 30                                                                                                                                                                                                                | C.30 - Manufacture of other transport equipment                                                                                        | 17     | 0.00  | 0.00   | 1     | 0   | 0     | 0    | 0     |   |  |   |                                                                                                      |   |                                  |  |                    |   |                                  |   |  |
| 31                                                                                                                                                                                                                | C.31 - Manufacture of furniture                                                                                                        | 26     | 0.00  | 0.00   | 8     | 3   | (3)   | (1)  | (2)   |   |  |   |                                                                                                      |   |                                  |  |                    |   |                                  |   |  |
| 32                                                                                                                                                                                                                | C.32 - Other manufacturing                                                                                                             | 30     | 0.00  | 0.00   | 2     | 12  | (3)   | 0    | (3)   |   |  |   |                                                                                                      |   |                                  |  |                    |   |                                  |   |  |
| 33                                                                                                                                                                                                                | C.33 - Repair and installation of machinery and equipment                                                                              | 24     | 0.00  | 0.00   | 4     | 1   | 0     | 0    | 0     |   |  |   |                                                                                                      |   |                                  |  |                    |   |                                  |   |  |

\* In accordance with the Commission delegated regulation (EU) 2020/1818 supplementing regulation (EU) 2016/1011 as regards minimum standards for EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks - Climate Benchmark Standards Regulation - Recital 6: Sectors listed in Sections A to H and Section L of Annex I to Regulation (EC) No 1893/2006

## ESG RISKS

**Table 58:** 1.CC - Banking book- Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity 31.12.2023 (continued)

|    | a                                                                                    | b      | c                                                                                                                                                                                                                 | d                                          | e                          | f                                                                                                    | g                  | h                                |       |
|----|--------------------------------------------------------------------------------------|--------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|----------------------------|------------------------------------------------------------------------------------------------------|--------------------|----------------------------------|-------|
|    | Gross carrying amount                                                                |        |                                                                                                                                                                                                                   |                                            |                            | Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions |                    |                                  |       |
|    |                                                                                      |        | Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation | Of which environmentally sustainable (CCM) | Of which stage 2 exposures | Of which non-performing exposures                                                                    | Of stage exposures | which 2 non-performing exposures |       |
| 34 | D - Electricity, gas, steam and air conditioning supply                              | 2,689  | 613                                                                                                                                                                                                               | 722.68                                     | 27                         | 9                                                                                                    | (25)               | (1)                              | (1)   |
| 35 | D35.1 - Electric power generation, transmission and distribution                     | 2,481  | 409                                                                                                                                                                                                               | 722.68                                     | 27                         | 9                                                                                                    | (23)               | (1)                              | (1)   |
| 36 | D35.11 - Production of electricity                                                   | 1,875  | 403                                                                                                                                                                                                               | 722.68                                     | 27                         | 9                                                                                                    | (18)               | (1)                              | (1)   |
| 37 | D35.2 - Manufacture of gas; distribution of gaseous fuels through mains              | 205    | 205                                                                                                                                                                                                               | 0.00                                       | 0                          | 0                                                                                                    | (2)                | 0                                | 0     |
| 38 | D35.3 - Steam and air conditioning supply                                            | 3      | 0.00                                                                                                                                                                                                              | 0.00                                       | 0                          | 0                                                                                                    | 0                  | 0                                | 0     |
| 39 | E - Water supply; sewerage, waste management and remediation activities              | 52     | 0.00                                                                                                                                                                                                              | 0.25                                       | 1                          | 1                                                                                                    | (1)                | 0                                | (1)   |
| 40 | F - Construction                                                                     | 510    | 0.00                                                                                                                                                                                                              | 6.66                                       | 50                         | 22                                                                                                   | (21)               | (5)                              | (10)  |
| 41 | F.41 - Construction of buildings                                                     | 242    | 0.00                                                                                                                                                                                                              | 0.00                                       | 38                         | 15                                                                                                   | (13)               | (4)                              | (6)   |
| 42 | F.42 - Civil engineering                                                             | 204    | 0.00                                                                                                                                                                                                              | 6.66                                       | 6                          | 3                                                                                                    | (3)                | 0                                | (1)   |
| 43 | F.43 - Specialised construction activities                                           | 64     | 0.00                                                                                                                                                                                                              | 0.00                                       | 6                          | 4                                                                                                    | (5)                | (1)                              | (3)   |
| 44 | G - Wholesale and retail trade; repair of motor vehicles and motorcycles             | 3,273  | 228                                                                                                                                                                                                               | 3.07                                       | 224                        | 241                                                                                                  | (168)              | (19)                             | (124) |
| 45 | H - Transportation and storage                                                       | 4,334  | 314                                                                                                                                                                                                               | 2.25                                       | 62                         | 15                                                                                                   | (30)               | (5)                              | (7)   |
| 46 | H.49 - Land transport and transport via pipelines                                    | 411    | 314                                                                                                                                                                                                               | 0.00                                       | 16                         | 7                                                                                                    | (9)                | (2)                              | (3)   |
| 47 | H.50 - Water transport                                                               | 2,701  | 0.00                                                                                                                                                                                                              | 0.00                                       | 20                         | 2                                                                                                    | (6)                | 0                                | (2)   |
| 48 | H.51 - Air transport                                                                 | 3      | 0.00                                                                                                                                                                                                              | 0.00                                       | 0                          | 0                                                                                                    | 0                  | 0                                | 0     |
| 49 | H.52 - Warehousing and support activities for transportation                         | 1,214  | 0.00                                                                                                                                                                                                              | 2.25                                       | 23                         | 5                                                                                                    | (16)               | (2)                              | (2)   |
| 50 | H.53 - Postal and courier activities                                                 | 5      | 0.00                                                                                                                                                                                                              | 0.00                                       | 4                          | 0                                                                                                    | 0                  | 0                                | 0     |
| 51 | I - Accommodation and food service activities                                        | 1,800  | 0.00                                                                                                                                                                                                              | 0.00                                       | 295                        | 139                                                                                                  | (79)               | (11)                             | (55)  |
| 52 | L - Real estate activities                                                           | 1,431  | 0.00                                                                                                                                                                                                              | 0.00                                       | 43                         | 29                                                                                                   | (22)               | (1)                              | (10)  |
| 53 | Exposures towards sectors other than those that highly contribute to climate change* | 1,918  | 0.00                                                                                                                                                                                                              | 2.99                                       | 127                        | 100                                                                                                  | (102)              | (37)                             | (64)  |
| 54 | K - Financial and insurance activities                                               | 61     | 0.00                                                                                                                                                                                                              | 0.00                                       | 4                          | 0                                                                                                    | 0                  | 0                                | 0     |
| 55 | Exposures to other sectors (NACE codes J, M - U)                                     | 1,857  | 0.00                                                                                                                                                                                                              | 2.99                                       | 123                        | 100                                                                                                  | (101)              | (36)                             | (64)  |
| 56 | TOTAL                                                                                | 20,895 | 2,014                                                                                                                                                                                                             | 832.57                                     | 1,252                      | 857                                                                                                  | (703)              | (109)                            | (460) |

\* In accordance with the Commission delegated regulation (EU) 2020/1818 supplementing regulation (EU) 2016/1011 as regards minimum standards for EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks -Climate Benchmark Standards Regulation - Recital 6: Sectors listed in Sections A to H and Section L of Annex I to Regulation (EC) No 1893/2006

## ESG RISKS

**Table 58: 1.CC - Banking book- Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity**  
30.06.2023

|                                                                                                                                           | a                     | b                                                                                                                                                                                                                 | d                          | e                                 | f                                                                                                    | g                                         | h            |
|-------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|-----------------------------------|------------------------------------------------------------------------------------------------------|-------------------------------------------|--------------|
|                                                                                                                                           | Gross carrying amount |                                                                                                                                                                                                                   |                            |                                   | Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions |                                           |              |
|                                                                                                                                           |                       | Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation | Of which stage 2 exposures | Of which non-performing exposures | Of stage exposures                                                                                   | Of which stage 2 non-performing exposures |              |
| <b>1 Exposures towards sectors that highly contribute to climate change*</b>                                                              | <b>17,700</b>         | <b>1,839</b>                                                                                                                                                                                                      | <b>1,420</b>               | <b>975</b>                        | <b>(797)</b>                                                                                         | <b>(107)</b>                              | <b>(576)</b> |
| <b>2 A - Agriculture, forestry and fishing</b>                                                                                            | <b>317</b>            |                                                                                                                                                                                                                   | <b>67</b>                  | <b>63</b>                         | <b>(41)</b>                                                                                          | <b>(8)</b>                                | <b>(30)</b>  |
| <b>3 B - Mining and quarrying</b>                                                                                                         | <b>58</b>             | <b>0</b>                                                                                                                                                                                                          | <b>4</b>                   | <b>4</b>                          | <b>(3)</b>                                                                                           | <b>0</b>                                  | <b>(2)</b>   |
| 4 B.05 - Mining of coal and lignite                                                                                                       | 0                     |                                                                                                                                                                                                                   | 0                          | 0                                 | 0                                                                                                    | 0                                         | 0            |
| 5 B.06 - Extraction of crude petroleum and natural gas                                                                                    | 0                     | 0                                                                                                                                                                                                                 | 0                          | 0                                 | 0                                                                                                    | 0                                         | 0            |
| 6 B.07 - Mining of metal ores                                                                                                             | 30                    |                                                                                                                                                                                                                   | 0                          | 0                                 | 0                                                                                                    | 0                                         | 0            |
| 7 B.08 - Other mining and quarrying                                                                                                       | 28                    |                                                                                                                                                                                                                   | 4                          | 4                                 | (2)                                                                                                  | 0                                         | (2)          |
| 8 B.09 - Mining support service activities                                                                                                | 0                     |                                                                                                                                                                                                                   | 0                          | 0                                 | 0                                                                                                    | 0                                         | 0            |
| <b>9 C - Manufacturing</b>                                                                                                                | <b>4,321</b>          | <b>701</b>                                                                                                                                                                                                        | <b>410</b>                 | <b>354</b>                        | <b>(308)</b>                                                                                         | <b>(35)</b>                               | <b>(244)</b> |
| 10 C.10 - Manufacture of food products                                                                                                    | 1,118                 |                                                                                                                                                                                                                   | 150                        | 72                                | (63)                                                                                                 | (14)                                      | (45)         |
| 11 C.11 - Manufacture of beverages                                                                                                        | 124                   |                                                                                                                                                                                                                   | 14                         | 17                                | (13)                                                                                                 | (2)                                       | (9)          |
| 12 C.12 - Manufacture of tobacco products                                                                                                 | 59                    |                                                                                                                                                                                                                   | 25                         | 1                                 | (2)                                                                                                  | 0                                         | 0            |
| 13 C.13 - Manufacture of textiles                                                                                                         | 110                   |                                                                                                                                                                                                                   | 13                         | 31                                | (25)                                                                                                 | (2)                                       | (22)         |
| 14 C.14 - Manufacture of wearing apparel                                                                                                  | 86                    |                                                                                                                                                                                                                   | 23                         | 37                                | (26)                                                                                                 | (4)                                       | (21)         |
| 15 C.15 - Manufacture of leather and related products                                                                                     | 13                    |                                                                                                                                                                                                                   | 1                          | 3                                 | (3)                                                                                                  | 0                                         | (3)          |
| 16 C.16 - Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials | 17                    |                                                                                                                                                                                                                   | 4                          | 6                                 | (5)                                                                                                  | 0                                         | (5)          |
| 17 C.17 - Manufacture of pulp, paper and paperboard                                                                                       | 129                   |                                                                                                                                                                                                                   | 10                         | 6                                 | (4)                                                                                                  | (1)                                       | (3)          |
| 18 C.18 - Printing and service activities related to printing                                                                             | 51                    |                                                                                                                                                                                                                   | 7                          | 9                                 | (6)                                                                                                  | (1)                                       | (4)          |
| 19 C.19 - Manufacture of coke oven products                                                                                               | 701                   | 701                                                                                                                                                                                                               | 0                          | 0                                 | (6)                                                                                                  | 0                                         | 0            |
| 20 C.20 - Production of chemicals                                                                                                         | 187                   |                                                                                                                                                                                                                   | 9                          | 13                                | (8)                                                                                                  | 0                                         | (7)          |
| 21 C.21 - Manufacture of pharmaceutical preparations                                                                                      | 178                   |                                                                                                                                                                                                                   | 9                          | 8                                 | (8)                                                                                                  | 0                                         | (7)          |
| 22 C.22 - Manufacture of rubber products                                                                                                  | 154                   |                                                                                                                                                                                                                   | 25                         | 11                                | (10)                                                                                                 | (1)                                       | (8)          |
| 23 C.23 - Manufacture of other non-metallic mineral products                                                                              | 202                   |                                                                                                                                                                                                                   | 55                         | 7                                 | (7)                                                                                                  | (1)                                       | (4)          |
| 24 C.24 - Manufacture of basic metals                                                                                                     | 574                   |                                                                                                                                                                                                                   | 7                          | 81                                | (80)                                                                                                 | (2)                                       | (72)         |
| 25 C.25 - Manufacture of fabricated metal products, except machinery and equipment                                                        | 157                   |                                                                                                                                                                                                                   | 21                         | 26                                | (20)                                                                                                 | (2)                                       | (17)         |
| 26 C.26 - Manufacture of computer, electronic and optical products                                                                        | 36                    |                                                                                                                                                                                                                   | 1                          | 0                                 | (1)                                                                                                  | 0                                         | 0            |
| 27 C.27 - Manufacture of electrical equipment                                                                                             | 275                   |                                                                                                                                                                                                                   | 6                          | 3                                 | (5)                                                                                                  | 0                                         | (2)          |
| 28 C.28 - Manufacture of machinery and equipment n.e.c.                                                                                   | 41                    |                                                                                                                                                                                                                   | 9                          | 13                                | (10)                                                                                                 | 0                                         | (10)         |
| 29 C.29 - Manufacture of motor vehicles, trailers and semi-trailers                                                                       | 12                    |                                                                                                                                                                                                                   | 0                          | 0                                 | 0                                                                                                    | 0                                         | 0            |
| 30 C.30 - Manufacture of other transport equipment                                                                                        | 14                    |                                                                                                                                                                                                                   | 0                          | 0                                 | 0                                                                                                    | 0                                         | 0            |
| 31 C.31 - Manufacture of furniture                                                                                                        | 32                    |                                                                                                                                                                                                                   | 13                         | 4                                 | (4)                                                                                                  | (1)                                       | (3)          |
| 32 C.32 - Other manufacturing                                                                                                             | 29                    |                                                                                                                                                                                                                   | 3                          | 4                                 | (3)                                                                                                  | 0                                         | (3)          |
| 33 C.33 - Repair and installation of machinery and equipment                                                                              | 22                    |                                                                                                                                                                                                                   | 3                          | 1                                 | (1)                                                                                                  | 0                                         | 0            |

\* In accordance with the Commission delegated regulation (EU) 2020/1818 supplementing regulation (EU) 2016/1011 as regards minimum standards for EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks - Climate Benchmark Standards Regulation - Recital 6: Sectors listed in Sections A to H and Section L of Annex I to Regulation (EC) No 1893/2006



## ESG RISKS

**Table 58:** 1.CC - Banking book- Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity 30.06.2023 (continued)

|    | a                                                                                    | b                                                                                                                                                                                                                 | d                          | e                                 | f                                                                                                    | g                  | h                                |       |
|----|--------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|-----------------------------------|------------------------------------------------------------------------------------------------------|--------------------|----------------------------------|-------|
|    | Gross carrying amount                                                                |                                                                                                                                                                                                                   |                            |                                   | Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions |                    |                                  |       |
|    |                                                                                      | Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation | Of which stage 2 exposures | Of which non-performing exposures |                                                                                                      | Of stage exposures | which 2 non-performing exposures |       |
| 34 | D - Electricity, gas, steam and air conditioning supply                              | 2,209                                                                                                                                                                                                             | 694                        | 68                                | 8                                                                                                    | (26)               | (6)                              | (4)   |
| 35 | D35.1 - Electric power generation, transmission and distribution                     | 2,031                                                                                                                                                                                                             | 518                        | 67                                | 8                                                                                                    | (25)               | (6)                              | (4)   |
| 36 | D35.11 - Production of electricity                                                   | 1,475                                                                                                                                                                                                             | 313                        | 53                                | 7                                                                                                    | (20)               | (4)                              | (3)   |
| 37 | D35.2 - Manufacture of gas; distribution of gaseous fuels through mains              | 176                                                                                                                                                                                                               | 176                        | 0                                 | 0                                                                                                    | (2)                | 0                                | 0     |
| 38 | D35.3 - Steam and air conditioning supply                                            | 3                                                                                                                                                                                                                 |                            | 1                                 | 0                                                                                                    | 0                  | 0                                | 0     |
| 39 | E - Water supply; sewerage, waste management and remediation activities              | 48                                                                                                                                                                                                                |                            | 3                                 | 1                                                                                                    | (1)                | 0                                | (1)   |
| 40 | F - Construction                                                                     | 462                                                                                                                                                                                                               |                            | 80                                | 35                                                                                                   | (36)               | (13)                             | (19)  |
| 41 | F.41 - Construction of buildings                                                     | 244                                                                                                                                                                                                               |                            | 59                                | 23                                                                                                   | (25)               | (11)                             | (12)  |
| 42 | F.42 - Civil engineering                                                             | 162                                                                                                                                                                                                               |                            | 7                                 | 4                                                                                                    | (3)                | 0                                | (1)   |
| 43 | F.43 - Specialised construction activities                                           | 56                                                                                                                                                                                                                |                            | 14                                | 9                                                                                                    | (8)                | (1)                              | (6)   |
| 44 | G - Wholesale and retail trade; repair of motor vehicles and motorcycles             | 3,205                                                                                                                                                                                                             | 180                        | 421                               | 286                                                                                                  | (216)              | (28)                             | (161) |
| 45 | H - Transportation and storage                                                       | 3,947                                                                                                                                                                                                             | 264                        | 78                                | 28                                                                                                   | (40)               | (5)                              | (24)  |
| 46 | H.49 - Land transport and transport via pipelines                                    | 337                                                                                                                                                                                                               | 264                        | 24                                | 9                                                                                                    | (13)               | (3)                              | (8)   |
| 47 | H.50 - Water transport                                                               | 2,437                                                                                                                                                                                                             |                            | 41                                | 12                                                                                                   | (8)                | 0                                | (11)  |
| 48 | H.51 - Air transport                                                                 | 3                                                                                                                                                                                                                 |                            | 2                                 | 0                                                                                                    | (1)                | (1)                              | 0     |
| 49 | H.52 - Warehousing and support activities for transportation                         | 1,165                                                                                                                                                                                                             |                            | 11                                | 6                                                                                                    | (18)               | (1)                              | (6)   |
| 50 | H.53 - Postal and courier activities                                                 | 5                                                                                                                                                                                                                 |                            | 0                                 | 1                                                                                                    | 0                  | 0                                | 0     |
| 51 | I - Accommodation and food service activities                                        | 1,763                                                                                                                                                                                                             |                            | 251                               | 175                                                                                                  | (104)              | (11)                             | (79)  |
| 52 | L - Real estate activities                                                           | 1,370                                                                                                                                                                                                             |                            | 39                                | 21                                                                                                   | (22)               | (2)                              | (10)  |
| 53 | Exposures towards sectors other than those that highly contribute to climate change* | 1,733                                                                                                                                                                                                             | 0                          | 168                               | 105                                                                                                  | (103)              | (27)                             | (67)  |
| 54 | K - Financial and insurance activities                                               | 41                                                                                                                                                                                                                |                            | 0                                 | 0                                                                                                    | 0                  | 0                                | 0     |
| 55 | Exposures to other sectors (NACE codes J, M - U)                                     | 1,692                                                                                                                                                                                                             |                            | 167                               | 105                                                                                                  | (103)              | (27)                             | (67)  |
| 56 | TOTAL                                                                                | 19,433                                                                                                                                                                                                            | 1,839                      | 1,588                             | 1,080                                                                                                | (900)              | (134)                            | (643) |

\* In accordance with the Commission delegated regulation (EU) 2020/1818 supplementing regulation (EU) 2016/1011 as regards minimum standards for EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks - Climate Benchmark Standards Regulation - Recital 6: Sectors listed in Sections A to H and Section L of Annex I to Regulation (EC) No 1893/2006

Considering that within sectors that highly contribute to climate change there are RES related exposures, the above balances are recalculated excluding those exposures leading to the following gross carrying amounts and respective percentages.

**Table 59:** 1.CC - Banking book- Climate Change transition risk: Credit quality of exposures by sector excluding RES 31.12.2023

| Category          | Gross Carrying Amount | Renewables Gross Carrying Amount | Gross Carrying Amount Without Renewables |
|-------------------|-----------------------|----------------------------------|------------------------------------------|
| High Contribution | 18,977                | 1,413                            | 17,564                                   |
| Low Contribution  | 1,918                 | 33                               | 1,885                                    |
| Total             | 20,895                | 1,446                            | 19,449                                   |

**Table 60:** 1.CC - Banking book- Climate Change transition risk: Credit quality of exposures by sector excluding RES (%) 31.12.2023

|                                                              | Percentage |
|--------------------------------------------------------------|------------|
| High Contribution                                            | 90.82%     |
| Low Contribution                                             | 9.18%      |
| High Contribution Excluding Renewables                       | 84.06%     |
| Low Contribution Including Renewables from High Contribution | 15.94%     |

**Tablec 58: 1.CC - Banking book- Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity 31.12.2023 (continued)**

|    | i                                                                                                                                      | j                                                                                                              | k                                                                                         | l                 | m                             | n                              | o             | p                               |       |
|----|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|-------------------|-------------------------------|--------------------------------|---------------|---------------------------------|-------|
|    | GHG financed emissions<br>(scope 1, scope 2 and<br>scope 3 emissions of the<br>counterparty) (in tons of<br>CO2 equivalent)            | GHG<br>emissions<br>(column i):<br>gross<br>carrying<br>amount<br>Of which<br>Scope 3<br>financed<br>emissions | percentage<br>of the<br>portfolio<br>derived<br>from<br>company-<br>specific<br>reporting | Residual Maturity |                               |                                |               | Average<br>weighted<br>maturity |       |
|    |                                                                                                                                        |                                                                                                                |                                                                                           | <= 5<br>years     | > 5<br>year<br><= 10<br>years | > 10<br>year<br><= 20<br>years | > 20<br>years |                                 |       |
| 1  | Exposures towards sectors that highly contribute to climate change*                                                                    | 14,506,685                                                                                                     | 8,299,423                                                                                 | 33%               | 10,617                        | 4,332                          | 3,589         | 439                             | 5.96  |
| 2  | A - Agriculture, forestry and fishing                                                                                                  | 785,822                                                                                                        | 342,475                                                                                   | 0%                | 252                           | 79                             | 17            | 0                               | 3.10  |
| 3  | B - Mining and quarrying                                                                                                               | 47,824                                                                                                         | 20,429                                                                                    | 55%               | 34                            | 64                             | 0             | 0                               | 6.20  |
| 4  | B.05 - Mining of coal and lignite                                                                                                      | 0                                                                                                              | 0                                                                                         | 0%                | 0                             | 0                              | 0             | 0                               | 0.00  |
| 5  | B.06 - Extraction of crude petroleum and natural gas                                                                                   | 0                                                                                                              | 0                                                                                         | 0%                | 0                             | 0                              | 0             | 0                               | 0.00  |
| 6  | B.07 - Mining of metal ores                                                                                                            | 19,027                                                                                                         | 7,957                                                                                     | 88%               | 9                             | 52                             | 0             | 0                               | 8.16  |
| 7  | B.08 - Other mining and quarrying                                                                                                      | 28,797                                                                                                         | 12,472                                                                                    | 0%                | 25                            | 12                             | 0             | 0                               | 2.92  |
| 8  | B.09 - Mining support service activities                                                                                               | 0                                                                                                              | 0                                                                                         | 0%                | 0                             | 0                              | 0             | 0                               | 1.00  |
| 9  | C - Manufacturing                                                                                                                      | 6,062,808                                                                                                      | 3,957,275                                                                                 | 40%               | 3,242                         | 1,065                          | 122           | 12                              | 3.16  |
| 10 | C.10 - Manufacture of food products                                                                                                    | 1,318,063                                                                                                      | 1,089,419                                                                                 | 16%               | 861                           | 232                            | 23            | 2                               | 2.87  |
| 11 | C.11 - Manufacture of beverages                                                                                                        | 62,056                                                                                                         | 33,136                                                                                    | 8%                | 86                            | 35                             | 3             | 0                               | 3.63  |
| 12 | C.12 - Manufacture of tobacco products                                                                                                 | 129,336                                                                                                        | 96,016                                                                                    | 39%               | 57                            | 1                              | 0             | 0                               | 1.19  |
| 13 | C.13 - Manufacture of textiles                                                                                                         | 51,410                                                                                                         | 42,283                                                                                    | 10%               | 84                            | 5                              | 28            | 1                               | 4.53  |
| 14 | C.14 - Manufacture of wearing apparel                                                                                                  | 23,789                                                                                                         | 19,816                                                                                    | 0%                | 55                            | 12                             | 2             | 0                               | 2.83  |
| 15 | C.15 - Manufacture of leather and related products                                                                                     | 4,936                                                                                                          | 4,670                                                                                     | 0%                | 9                             | 1                              | 0             | 0                               | 2.22  |
| 16 | C.16 - Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials | 9,339                                                                                                          | 7,583                                                                                     | 0%                | 9                             | 2                              | 1             | 0                               | 3.90  |
| 17 | C.17 - Manufacture of pulp, paper and paperboard                                                                                       | 51,601                                                                                                         | 42,413                                                                                    | 0%                | 97                            | 35                             | 4             | 0                               | 2.94  |
| 18 | C.18 - Printing and service activities related to printing                                                                             | 6,439                                                                                                          | 5,496                                                                                     | 0%                | 37                            | 5                              | 0             | 0                               | 2.48  |
| 19 | C.19 - Manufacture of coke oven products                                                                                               | 1,968,115                                                                                                      | 1,331,157                                                                                 | 100%              | 744                           | 113                            | 2             | 0                               | 2.43  |
| 20 | C.20 - Production of chemicals                                                                                                         | 322,053                                                                                                        | 151,028                                                                                   | 9%                | 162                           | 46                             | 0             | 0                               | 2.94  |
| 21 | C.21 - Manufacture of pharmaceutical preparations                                                                                      | 107,146                                                                                                        | 98,314                                                                                    | 0%                | 110                           | 58                             | 16            | 1                               | 4.10  |
| 22 | C.22 - Manufacture of rubber products                                                                                                  | 103,591                                                                                                        | 82,642                                                                                    | 3%                | 106                           | 41                             | 2             | 1                               | 3.45  |
| 23 | C.23 - Manufacture of other non-metallic mineral products                                                                              | 590,948                                                                                                        | 108,245                                                                                   | 37%               | 135                           | 74                             | 25            | 0                               | 4.46  |
| 24 | C.24 - Manufacture of basic metals                                                                                                     | 1,046,559                                                                                                      | 645,492                                                                                   | 75%               | 326                           | 177                            | 0             | 0                               | 3.00  |
| 25 | C.25 - Manufacture of fabricated metal products, except machinery and equipment                                                        | 70,028                                                                                                         | 62,519                                                                                    | 0%                | 125                           | 24                             | 4             | 6                               | 3.74  |
| 26 | C.26 - Manufacture of computer, electronic and optical products                                                                        | 18,761                                                                                                         | 12,514                                                                                    | 10%               | 10                            | 25                             | 1             | 0                               | 5.12  |
| 27 | C.27 - Manufacture of electrical equipment                                                                                             | 117,417                                                                                                        | 76,544                                                                                    | 81%               | 118                           | 152                            | 3             | 0                               | 4.38  |
| 28 | C.28 - Manufacture of machinery and equipment n.e.c.                                                                                   | 6,954                                                                                                          | 3,863                                                                                     | 0%                | 33                            | 2                              | 1             | 0                               | 2.60  |
| 29 | C.29 - Manufacture of motor vehicles, trailers and semi-trailers                                                                       | 15,140                                                                                                         | 14,648                                                                                    | 0%                | 11                            | 4                              | 0             | 0                               | 2.90  |
| 30 | C.30 - Manufacture of other transport equipment                                                                                        | 4,886                                                                                                          | 4,302                                                                                     | 0%                | 16                            | 1                              | 0             | 0                               | 0.88  |
| 31 | C.31 - Manufacture of furniture                                                                                                        | 11,605                                                                                                         | 9,319                                                                                     | 0%                | 17                            | 7                              | 2             | 0                               | 4.41  |
| 32 | C.32 - Other manufacturing                                                                                                             | 12,495                                                                                                         | 10,156                                                                                    | 0%                | 18                            | 11                             | 1             | 0                               | 3.74  |
| 33 | C.33 - Repair and installation of machinery and equipment                                                                              | 10,141                                                                                                         | 5,700                                                                                     | 0%                | 16                            | 3                              | 4             | 1                               | 5.06  |
| 34 | D - Electricity, gas, steam and air conditioning supply                                                                                | 2,165,671                                                                                                      | 604,966                                                                                   | 30%               | 994                           | 440                            | 1,156         | 99                              | 9.82  |
| 35 | D35.1 - Electric power generation, transmission and distribution                                                                       | 2,016,178                                                                                                      | 570,172                                                                                   | 32%               | 941                           | 439                            | 1,002         | 99                              | 9.67  |
| 36 | D35.11 - Production of electricity                                                                                                     | 1,049,380                                                                                                      | 496,657                                                                                   | 12%               | 443                           | 435                            | 935           | 62                              | 10.67 |
| 37 | D35.2 - Manufacture of gas; distribution of gaseous fuels through mains                                                                | 132,620                                                                                                        | 30,590                                                                                    | 0%                | 51                            | 0                              | 154           | 0                               | 11.72 |
| 38 | D35.3 - Steam and air conditioning supply                                                                                              | 16,874                                                                                                         | 4,204                                                                                     | 0%                | 2                             | 1                              | 0             | 0                               | 3.86  |
| 39 | E - Water supply; sewerage, waste management and remediation activities                                                                | 28,962                                                                                                         | 20,606                                                                                    | 2%                | 25                            | 16                             | 11            | 0                               | 5.61  |
| 40 | F - Construction                                                                                                                       | 282,884                                                                                                        | 238,097                                                                                   | 16%               | 332                           | 126                            | 41            | 11                              | 4.63  |
| 41 | F.41 - Construction of buildings                                                                                                       | 114,334                                                                                                        | 98,975                                                                                    | 22%               | 161                           | 64                             | 15            | 2                               | 4.49  |
| 42 | F.42 - Civil engineering                                                                                                               | 96,027                                                                                                         | 75,142                                                                                    | 13%               | 132                           | 49                             | 15            | 8                               | 4.56  |
| 43 | F.43 - Specialised construction activities                                                                                             | 72,523                                                                                                         | 63,980                                                                                    | 0%                | 39                            | 13                             | 11            | 1                               | 5.40  |
| 44 | G - Wholesale and retail trade; repair of motor vehicles and motorcycles                                                               | 3,897,333                                                                                                      | 2,754,180                                                                                 | 11%               | 2,645                         | 504                            | 104           | 20                              | 3.02  |
| 45 | H - Transportation and storage                                                                                                         | 1,061,208                                                                                                      | 290,008                                                                                   | 73%               | 2,300                         | 977                            | 771           | 286                             | 7.28  |
| 46 | H.49 - Land transport and transport via pipelines                                                                                      | 126,330                                                                                                        | 66,732                                                                                    | 76%               | 92                            | 201                            | 98            | 20                              | 9.88  |
| 47 | H.50 - Water transport                                                                                                                 | 654,292                                                                                                        | 9,380                                                                                     | 79%               | 2,022                         | 679                            | 0             | 0                               | 4.10  |
| 48 | H.51 - Air transport                                                                                                                   | 35,292                                                                                                         | 16,933                                                                                    | 0%                | 3                             | 0                              | 0             | 0                               | 3.01  |
| 49 | H.52 - Warehousing and support activities for transportation                                                                           | 240,257                                                                                                        | 193,796                                                                                   | 60%               | 178                           | 97                             | 673           | 266                             | 13.49 |
| 50 | H.53 - Postal and courier activities                                                                                                   | 5,037                                                                                                          | 3,167                                                                                     | 0%                | 5                             | 0                              | 0             | 0                               | 2.36  |
| 51 | I - Accommodation and food service activities                                                                                          | 144,715                                                                                                        | 70,337                                                                                    | 2%                | 436                           | 753                            | 606           | 5                               | 7.80  |
| 52 | L - Real estate activities                                                                                                             | 29,458                                                                                                         | 1,050                                                                                     | 0%                | 357                           | 307                            | 761           | 6                               | 9.04  |
| 53 | Exposures towards sectors other than those that highly contribute to climate change*                                                   |                                                                                                                |                                                                                           |                   | 1,653                         | 136                            | 31            | 98                              | 3.98  |
| 54 | K - Financial and insurance activities                                                                                                 |                                                                                                                |                                                                                           |                   | 39                            | 3                              | 0             | 19                              | 16.25 |
| 55 | Exposures to other sectors (NACE codes J, M - U)                                                                                       |                                                                                                                |                                                                                           |                   | 1,614                         | 133                            | 31            | 79                              | 3.57  |
| 56 | TOTAL                                                                                                                                  | 14,971,615                                                                                                     | 8,699,737                                                                                 | 31%               | 12,270                        | 4,468                          | 3,620         | 537                             | 5.78  |

\* In accordance with the Commission delegated regulation (EU) 2020/1818 supplementing regulation (EU) 2016/1011 as regards minimum standards for EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks -Climate Benchmark Standards Regulation - Recital 6: Sectors listed in Sections A to H and Section L of Annex I to Regulation (EC) No 1893/2006

## ESG RISKS

**Table 58: 1.CC - Banking book- Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity**  
30.06.2023 (continued)

|                                                                                                                                           | l                 | m                          | n                           | o             | p                               |
|-------------------------------------------------------------------------------------------------------------------------------------------|-------------------|----------------------------|-----------------------------|---------------|---------------------------------|
|                                                                                                                                           | Residual Maturity |                            |                             |               |                                 |
|                                                                                                                                           | <= 5<br>years     | > 5<br>year <= 10<br>years | > 10<br>year <= 20<br>years | > 20<br>years | Average<br>weighted<br>maturity |
| <b>1 Exposures towards sectors that highly contribute to climate change*</b>                                                              | <b>10,275</b>     | <b>4,434</b>               | <b>2,679</b>                | <b>312</b>    | <b>6</b>                        |
| <b>2 A - Agriculture, forestry and fishing</b>                                                                                            | <b>174</b>        | <b>130</b>                 | <b>12</b>                   | <b>1</b>      | <b>4</b>                        |
| <b>3 B - Mining and quarrying</b>                                                                                                         | <b>18</b>         | <b>39</b>                  | <b>1</b>                    | <b>0</b>      | <b>6</b>                        |
| 4 B.05 - Mining of coal and lignite                                                                                                       | 0                 | 0                          | 0                           | 0             | 0                               |
| 5 B.06 - Extraction of crude petroleum and natural gas                                                                                    | 0                 | 0                          | 0                           | 0             | 9                               |
| 6 B.07 - Mining of metal ores                                                                                                             | 3                 | 27                         | 0                           | 0             | 8                               |
| 7 B.08 - Other mining and quarrying                                                                                                       | 15                | 11                         | 1                           | 0             | 4                               |
| 8 B.09 - Mining support service activities                                                                                                | 0                 | 0                          | 0                           | 0             | 0                               |
| <b>9 C - Manufacturing</b>                                                                                                                | <b>3,152</b>      | <b>1,058</b>               | <b>98</b>                   | <b>12</b>     | <b>3</b>                        |
| 10 C.10 - Manufacture of food products                                                                                                    | 880               | 210                        | 25                          | 3             | 3                               |
| 11 C.11 - Manufacture of beverages                                                                                                        | 90                | 33                         | 1                           | 0             | 3                               |
| 12 C.12 - Manufacture of tobacco products                                                                                                 | 58                | 1                          | 0                           | 0             | 1                               |
| 13 C.13 - Manufacture of textiles                                                                                                         | 77                | 4                          | 29                          | 0             | 5                               |
| 14 C.14 - Manufacture of wearing apparel                                                                                                  | 77                | 7                          | 2                           | 0             | 2                               |
| 15 C.15 - Manufacture of leather and related products                                                                                     | 12                | 1                          | 0                           | 0             | 2                               |
| 16 C.16 - Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials | 14                | 2                          | 1                           | 0             | 3                               |
| 17 C.17 - Manufacture of pulp, paper and paperboard                                                                                       | 115               | 12                         | 2                           | 0             | 2                               |
| 18 C.18 - Printing and service activities related to printing                                                                             | 40                | 10                         | 1                           | 0             | 2                               |
| 19 C.19 - Manufacture of coke oven products                                                                                               | 600               | 101                        | 0                           | 0             | 3                               |
| 20 C.20 - Production of chemicals                                                                                                         | 144               | 42                         | 0                           | 0             | 3                               |
| 21 C.21 - Manufacture of pharmaceutical preparations                                                                                      | 114               | 54                         | 10                          | 0             | 4                               |
| 22 C.22 - Manufacture of rubber products                                                                                                  | 112               | 40                         | 1                           | 1             | 3                               |
| 23 C.23 - Manufacture of other non-metallic mineral products                                                                              | 145               | 51                         | 5                           | 1             | 3                               |
| 24 C.24 - Manufacture of basic metals                                                                                                     | 324               | 250                        | 0                           | 0             | 3                               |
| 25 C.25 - Manufacture of fabricated metal products, except machinery and equipment                                                        | 117               | 24                         | 10                          | 6             | 4                               |
| 26 C.26 - Manufacture of computer, electronic and optical products                                                                        | 10                | 25                         | 0                           | 1             | 5                               |
| 27 C.27 - Manufacture of electrical equipment                                                                                             | 100               | 169                        | 6                           | 0             | 5                               |
| 28 C.28 - Manufacture of machinery and equipment n.e.c.                                                                                   | 38                | 2                          | 1                           | 0             | 2                               |
| 29 C.29 - Manufacture of motor vehicles, trailers and semi-trailers                                                                       | 11                | 1                          | 0                           | 0             | 1                               |
| 30 C.30 - Manufacture of other transport equipment                                                                                        | 14                | 0                          | 0                           | 0             | 1                               |
| 31 C.31 - Manufacture of furniture                                                                                                        | 21                | 9                          | 2                           | 0             | 4                               |
| 32 C.32 - Other manufacturing                                                                                                             | 22                | 6                          | 1                           | 0             | 3                               |
| 33 C.33 - Repair and installation of machinery and equipment                                                                              | 17                | 4                          | 1                           | 0             | 3                               |
| <b>34 D - Electricity, gas, steam and air conditioning supply</b>                                                                         | <b>909</b>        | <b>638</b>                 | <b>662</b>                  | <b>0</b>      | <b>8</b>                        |
| 35 D35.1 - Electric power generation, transmission and distribution                                                                       | 850               | 601                        | 580                         | 0             | 7                               |
| 36 D35.11 - Production of electricity                                                                                                     | 400               | 554                        | 521                         | 0             | 9                               |
| 37 D35.2 - Manufacture of gas; distribution of gaseous fuels through mains                                                                | 57                | 36                         | 82                          | 0             | 10                              |
| 38 D35.3 - Steam and air conditioning supply                                                                                              | 2                 | 1                          | 0                           | 0             | 4                               |
| <b>39 E - Water supply; sewerage, waste management and remediation activities</b>                                                         | <b>25</b>         | <b>16</b>                  | <b>7</b>                    | <b>0</b>      | <b>6</b>                        |
| <b>40 F - Construction</b>                                                                                                                | <b>304</b>        | <b>129</b>                 | <b>28</b>                   | <b>1</b>      | <b>4</b>                        |
| 41 F.41 - Construction of buildings                                                                                                       | 165               | 68                         | 11                          | 0             | 4                               |
| 42 F.42 - Civil engineering                                                                                                               | 106               | 43                         | 14                          | 0             | 4                               |
| 43 F.43 - Specialised construction activities                                                                                             | 33                | 18                         | 3                           | 1             | 4                               |
| <b>44 G - Wholesale and retail trade; repair of motor vehicles and motorcycles</b>                                                        | <b>2,648</b>      | <b>432</b>                 | <b>109</b>                  | <b>17</b>     | <b>3</b>                        |
| <b>45 H - Transportation and storage</b>                                                                                                  | <b>2,250</b>      | <b>707</b>                 | <b>723</b>                  | <b>267</b>    | <b>7</b>                        |
| 46 H.49 - Land transport and transport via pipelines                                                                                      | 58                | 231                        | 47                          | 1             | 8                               |
| 47 H.50 - Water transport                                                                                                                 | 2,047             | 389                        | 0                           | 1             | 4                               |
| 48 H.51 - Air transport                                                                                                                   | 3                 | 0                          | 0                           | 0             | 3                               |
| 49 H.52 - Warehousing and support activities for transportation                                                                           | 137               | 87                         | 676                         | 265           | 14                              |
| 50 H.53 - Postal and courier activities                                                                                                   | 5                 | 0                          | 0                           | 0             | 1                               |
| <b>51 I - Accommodation and food service activities</b>                                                                                   | <b>450</b>        | <b>851</b>                 | <b>455</b>                  | <b>7</b>      | <b>7</b>                        |
| <b>52 L - Real estate activities</b>                                                                                                      | <b>345</b>        | <b>434</b>                 | <b>584</b>                  | <b>7</b>      | <b>9</b>                        |
| <b>53 Exposures towards sectors other than those that highly contribute to climate change*</b>                                            | <b>1,431</b>      | <b>190</b>                 | <b>54</b>                   | <b>58</b>     | <b>4</b>                        |
| <b>54 K - Financial and insurance activities</b>                                                                                          | <b>32</b>         | <b>9</b>                   | <b>0</b>                    | <b>0</b>      | <b>6</b>                        |
| <b>55 Exposures to other sectors (NACE codes J, M - U)</b>                                                                                | <b>1,398</b>      | <b>181</b>                 | <b>54</b>                   | <b>58</b>     | <b>4</b>                        |
| <b>56 TOTAL</b>                                                                                                                           | <b>11,706</b>     | <b>4,624</b>               | <b>2,733</b>                | <b>370</b>    | <b>5</b>                        |

\* In accordance with the Commission delegated regulation (EU) 2020/1818 supplementing regulation (EU) 2016/1011 as regards minimum standards for EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks -Climate Benchmark Standards Regulation - Recital 6: Sectors listed in Sections A to H and Section L of Annex I to Regulation (EC) No 1893/2006

### Banking book- Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral 31.12.2023

#### ❖ Summary, comments on content / perimeter

This template shows the gross carrying amount of loans collateralised with commercial and residential immovable property and of repossessed real estate collaterals, including information on the level of energy efficiency of the collaterals measured in terms of kWh/m<sup>2</sup> energy consumption and, in terms of the collateral's Energy Performance Certificate (EPC) label as defined in the EU Energy Performance of Buildings Directive. Non eligible collateral types (e.g., land plots) have been excluded from the distributions to Energy Consumption buckets and EPC classes, as they don't receive Energy Performance Certificate.

Gross carrying amount of exposures covered by RRE and CRE collaterals is grouped and disclosed by energy efficiency buckets, based on either the specific energy consumption of the collateral in kWh/m<sup>2</sup> as indicated in the EPC of the collateral or as estimated in the absence of the EPC. Gross carrying amount is also grouped by the EPC label of the collateral for those collaterals where the EPC is available to the Bank. Column 'Without EPC label of collateral' shows exposures for which the Bank does not have the EPC information of the collateral.

#### ❖ Approach limitations

Energy Performance Certificates are mandatory for all property transactions performed in the EU, according to the requirements set out in the Energy Performance of Buildings Directive (2010/31/EU) and the Energy Efficiency Directive (2012/27/EU). The number of actual EPCs available to the Bank is limited due to the lack of access to a centralized registry/repository at the country level and to the fact that EPCs were not required for older transactions, prior to the enforcement of relevant EU Directives.

Based on the above, the model limitations or considerations for model improvements have been identified as follows: i) The model was developed on externally provided data ii) Common data fields between the Bank's dataset and the data provided by the external provider were scarce. Hence a multitude of potential model drivers and segmentation variables had to be eliminated. Greater systemic availability of internal data (on attributes/features of own collaterals), as well as greater variety of available collateral attributes could significantly ameliorate model performance iii) the energy efficiency estimation did not derive from model development but rather was based on publicly available information from the Ministry of Environment and Energy.

#### ❖ Methodological approach, key assumptions, applicable standards used

Regarding the EPC label estimation, a selection process was performed to identify the candidate segmentation variables (attributes of our collaterals) and drivers of the model. The analysis indicated 2 variables: a) the logarithm of the collateral value divided by the collateral square meters, and b) the year of construction as the models' drivers. Optimization for classification accuracy was conducted by testing the feature 'Geographical location' as a potential segmentation variable in the model development. The key outcome was the location of each collateral grouped in seven regional clusters (Northern-East suburbs, Central-West suburbs, Central-South suburbs,

Center of Athens, Rest of Attiki, prefecture of Thessaloniki, Rest of Greece). Data imputation was also performed to remediate the missing values and outliers and enable the allocation of EPC class to the affected entries (unique collaterals). A property type mapping was applied to categorize buildings with commercial use as residential where appropriate and assess their eligibility to receive an EPC label.

The methodological approach that was followed, was based on externally provided data and required the fit of a K-Nearest Neighbor (KNN) model having as features the available information in the bank's internal database for relevant real estate properties. A separate model was developed for each of seven regional clusters, following a similar development methodology. Additional features from the ones used in the final model, contained within the dataset of the external provider, which however were not available in the bank's internal database. Following the development of the model a set of post-model business rules were applied to the model outcome related to the construction year and predicted EPC class. The rules applied were in line with business intuition driven by the legislative requirements regarding construction permits.

The developed model yielded an accuracy of plus or minus 1 EPC Energy Class label of 75.7% in the training sample, 74.2% for the test sample, which is considered as an acceptable level of model performance. The performance of the model was in line with the expectations set by YPEKA's distribution of EPC classes per year of construction, considering for the differences in representation of the Bank's sample distribution.

Regarding the energy efficiency estimation (in kWh/m<sup>2</sup>) the Bank from 30.06.2023 enhanced its estimation model considering more factors aligning the Energy efficiency property type mapping with the EPC estimation property.

#### ❖ Evolution, plans for enhanced disclosure, timelines

Since the beginning of 2023, the Bank has implemented policy changes and collects actual EPC information from its clients at loan origination through the new NBG collateral valuation reports, which now contain a new section regarding environmental and social data, as well as relative risk factors for buildings and sites, incorporated in the Bank's proprietary valuation software.

In addition, the redesigned Collateral Valuations forms contain ESG relevant fields as extra coefficient factors of the valuation outcome.

As a result of the forementioned actions, the Bank has already collected more than 3.000 actual EPC labels and relevant data. Moving forward, the newly collected actual data will be incorporated into the EPC label estimation model to further optimize its calculated outcome.

Moreover, the Bank is carrying on the effort to incorporate GIS technologies to its processes and location-based analytics to its tools, to meet the requirements on ESG criteria to facilitate and provide in depth assessments and information on various risks, concerning the Bank's collaterals.

## ESG RISKS

**Table 61: 2.CC - Banking book- Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral 31.12.2023**

|    |                                                                                                    | a                                                                         | b             | c             | d             | e             | f          | g          | h                                                     | i         | j         | k          | l         | m         | n          | o                               | p                                                                                            |
|----|----------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------|---------------|---------------|---------------|---------------|------------|------------|-------------------------------------------------------|-----------|-----------|------------|-----------|-----------|------------|---------------------------------|----------------------------------------------------------------------------------------------|
|    |                                                                                                    | Total gross carrying amount amount                                        |               |               |               |               |            |            |                                                       |           |           |            |           |           |            |                                 |                                                                                              |
|    |                                                                                                    | Level of energy efficiency (EP score in kWh/m <sup>2</sup> of collateral) |               |               |               |               |            |            | Level of energy efficiency (EPC label of collateral)* |           |           |            |           |           |            | Without EPC label of collateral |                                                                                              |
|    |                                                                                                    | 0;<br>≤100                                                                | >100;<br>≤200 | >200;<br>≤300 | >300;<br>≤400 | >400;<br>≤500 | >500       |            | A                                                     | B         | C         | D          | E         | F         | G          |                                 | Of which level of energy efficiency (EP score in kWh/m <sup>2</sup> of collateral) estimated |
| 1  | <b>Total EU area</b>                                                                               | <b>11,103</b>                                                             | <b>1,427</b>  | <b>2,532</b>  | <b>2,644</b>  | <b>1,211</b>  | <b>536</b> | <b>934</b> | <b>23</b>                                             | <b>51</b> | <b>95</b> | <b>251</b> | <b>79</b> | <b>58</b> | <b>113</b> | <b>10,433</b>                   | <b>83%</b>                                                                                   |
| 2  | Of which Loans collateralised by commercial immovable property                                     | 4,076                                                                     | 133           | 185           | 689           | 507           | 353        | 783        | 0                                                     | 17        | 52        | 156        | 31        | 17        | 25         | 3,778                           | 62%                                                                                          |
| 3  | Of which Loans collateralised by residential immovable property                                    | 6,584                                                                     | 1,292         | 2,305         | 1,898         | 657           | 164        | 120        | 22                                                    | 29        | 25        | 45         | 15        | 18        | 39         | 6,391                           | 98%                                                                                          |
| 4  | Of which Collateral obtained by taking possession: residential and commercial immovable properties | 443                                                                       | 2             | 42            | 57            | 47            | 19         | 31         | 1                                                     | 5         | 18        | 50         | 33        | 23        | 49         | 264                             | 7%                                                                                           |
| 5  | Of which Level of energy efficiency (EP score in kWh/m <sup>2</sup> of collateral) estimated       | 9,055                                                                     | 1,382         | 2,477         | 2,578         | 1,175         | 525        | 917        | 0                                                     | 0         | 0         | 0          | 0         | 0         | 0          | 9,055                           | 100%                                                                                         |
| 6  | <b>Total non-EU area</b>                                                                           | <b>825</b>                                                                | <b>0</b>      | <b>0</b>      | <b>0</b>      | <b>0</b>      | <b>0</b>   | <b>0</b>   | <b>0</b>                                              | <b>0</b>  | <b>0</b>  | <b>0</b>   | <b>0</b>  | <b>0</b>  | <b>0</b>   | <b>825</b>                      | <b>0%</b>                                                                                    |
| 7  | Of which Loans collateralised by commercial immovable property                                     | 426                                                                       | 0             | 0             | 0             | 0             | 0          | 0          | 0                                                     | 0         | 0         | 0          | 0         | 0         | 0          | 426                             | 0%                                                                                           |
| 8  | Of which Loans collateralised by residential immovable property                                    | 395                                                                       | 0             | 0             | 0             | 0             | 0          | 0          | 0                                                     | 0         | 0         | 0          | 0         | 0         | 0          | 395                             | 0%                                                                                           |
| 9  | Of which Collateral obtained by taking possession: residential and commercial immovable properties | 4                                                                         | 0             | 0             | 0             | 0             | 0          | 0          | 0                                                     | 0         | 0         | 0          | 0         | 0         | 0          | 4                               | 0%                                                                                           |
| 10 | Of which Level of energy efficiency (EP score in kWh/m <sup>2</sup> of collateral) estimated       | 0                                                                         | 0             | 0             | 0             | 0             | 0          | 0          | 0                                                     | 0         | 0         | 0          | 0         | 0         | 0          | 0                               | 0%                                                                                           |

\* According to EBA guidelines, EPC labels are reported only for actual data available to the Bank while energy consumption is presented for both actual and estimated values. If estimated EPC labels are included also, more than half of the total volume would fall within the first three EPC classes (A, B, C).

**Table 61: 2.CC - Banking book- Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral 30.06.2023**

|   |                                                                                                    | a                                                                         | b             | c             | d             | e             | f          | g          | h                                                    | i        | j         | k          | l         | m         | n         | o                               | p                                                                                            |
|---|----------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------|---------------|---------------|---------------|---------------|------------|------------|------------------------------------------------------|----------|-----------|------------|-----------|-----------|-----------|---------------------------------|----------------------------------------------------------------------------------------------|
|   |                                                                                                    | Total gross carrying amount amount                                        |               |               |               |               |            |            |                                                      |          |           |            |           |           |           |                                 |                                                                                              |
|   |                                                                                                    | Level of energy efficiency (EP score in kWh/m <sup>2</sup> of collateral) |               |               |               |               |            |            | Level of energy efficiency (EPC label of collateral) |          |           |            |           |           |           | Without EPC label of collateral |                                                                                              |
|   |                                                                                                    | 0;<br>≤100                                                                | >100;<br>≤200 | >200;<br>≤300 | >300;<br>≤400 | >400;<br>≤500 | >500       |            | A                                                    | B        | C         | D          | E         | F         | G         |                                 | Of which level of energy efficiency (EP score in kWh/m <sup>2</sup> of collateral) estimated |
| 1 | <b>Total EU area</b>                                                                               | <b>8,846</b>                                                              | <b>1,634</b>  | <b>2,640</b>  | <b>2,404</b>  | <b>774</b>    | <b>401</b> | <b>697</b> | <b>1</b>                                             | <b>5</b> | <b>74</b> | <b>214</b> | <b>82</b> | <b>44</b> | <b>41</b> | <b>8,385</b>                    | <b>96%</b>                                                                                   |
| 2 | Of which Loans collateralised by commercial immovable property                                     | 1,770                                                                     | 42            | 112           | 519           | 181           | 250        | 589        | 0                                                    | 0        | 41        | 155        | 47        | 16        | 0         | 1,511                           | 95%                                                                                          |
| 3 | Of which Loans collateralised by residential immovable property                                    | 6,655                                                                     | 1,589         | 2,483         | 1,831         | 546           | 128        | 78         | 0                                                    | 0        | 0         | 0          | 0         | 0         | 0         | 6,655                           | 100%                                                                                         |
| 4 | Of which Collateral obtained by taking possession: residential and commercial immovable properties | 421                                                                       | 3             | 44            | 54            | 44            | 24         | 33         | 1                                                    | 5        | 33        | 59         | 35        | 28        | 41        | 219                             | 0%                                                                                           |
| 5 | Of which Level of energy efficiency (EP score in kWh/m <sup>2</sup> of collateral) estimated       | 8,268                                                                     | 1,634         | 2,580         | 2,191         | 764           | 401        | 697        |                                                      |          |           |            |           |           |           | 8,090                           | 100%                                                                                         |

### Banking book- Climate change transition risk: Climate change transition risk: Exposures to top 20 carbon-intensive firms

The Bank does not have any exposures towards counterparties that are among the top-20 most carbon intensive corporates worldwide.

**Table 62:** 4.CC - Banking book- Climate change transition risk: Climate change transition risk: Exposures to top 20 carbon-intensive firms 31.12.2023

|   | a                                 | b                                                                                                     | c                                          | d                         | e                                         |
|---|-----------------------------------|-------------------------------------------------------------------------------------------------------|--------------------------------------------|---------------------------|-------------------------------------------|
|   | Gross carrying amount (aggregate) | Gross carrying amount towards the counterparties compared to total gross carrying amount (aggregate)* | Of which environmentally sustainable (CCM) | Weighted average maturity | Number of top 20 polluting firms included |
| 1 | -                                 | -                                                                                                     | -                                          | -                         | -                                         |

\*For counterparties among the top 20 carbon emitting companies in the world as per Climate Accountability Institute  
( <https://www.thecorporategovernanceinstitute.com/insights/news-analysis/the-20-most-polluting-companies-in-the-world-esg/>)

**Table 62:** 4.CC - Banking book- Climate change transition risk: Climate change transition risk: Exposures to top 20 carbon-intensive firms 30.06.2023

|   | a                                 | b                                                                                                     | c                                          | d                         | e                                         |
|---|-----------------------------------|-------------------------------------------------------------------------------------------------------|--------------------------------------------|---------------------------|-------------------------------------------|
|   | Gross carrying amount (aggregate) | Gross carrying amount towards the counterparties compared to total gross carrying amount (aggregate)* | Of which environmentally sustainable (CCM) | Weighted average maturity | Number of top 20 polluting firms included |
| 1 | -                                 | -                                                                                                     | -                                          | -                         | -                                         |

\*For counterparties among the top 20 carbon emitting companies in the world as per Climate Accountability Institute  
( <https://www.thecorporategovernanceinstitute.com/insights/news-analysis/the-20-most-polluting-companies-in-the-world-esg/>)



## Banking book- Climate change physical risk: Exposures subject to physical risk

### ❖ Summary, comments on content / perimeter

The template presents information on exposures in the banking book (including loans and advances, debt securities and equity instruments not held-for-trading and not held-for-sale), towards non-financial corporates, broken down by economic activity (NACE code), for the sectors that are sensitive to acute and/or chronic climate change events. It also provides information on loans collateralized with immovable property and on repossessed real estate collaterals, exposed to chronic and acute climate-related hazards. Exposures (or the portion thereof) collateralized by other collateral types have been excluded.

All exposures are included in the first column (Gross carrying amount) whereas exposures sensitive to impact from climate change physical events are shown in following columns according to relevant breakdowns presented considering their remaining maturities, climate risk sensitivity and credit quality.

For rows 'Loans Collateralized by Residential Real Estate / Commercial Real Estate' the gross carrying amount of exposures covered by RRE and CRE is grouped according to the climate zone of the collateral.

### ❖ Approach limitations

The materiality assessment for physical risk has been carried out by the Bank for exposures in Greece, covering 86% of total loan Group exposures.

### ❖ Methodological approach, key assumptions, applicable standards used

Apart from the materiality assessment of transition risk, the Bank is currently performing the materiality assessment for physical risks in the loan portfolio. The Bank has laid down a methodology based on sensitivity and exposure analysis (when separately assessed) to derive vulnerability to physical risk factors. The vulnerability assessment aims to identify potential significant hazards and related risk and forms the basis for the decision to continue the risk assessment, while it is aligned with the Invest EU methodology ("Technical guidance on the climate proofing of infrastructure in the period 2021-2027") and with the "ECB: Good practices for climate related and environmental risk management: Observations from the 2022 thematic review". The analysis is applied to the corporate portfolio per NACE sector (22 NACE codes) at a country level (Greece), while for exposures covered by real estate (RE) properties - collateral the analysis is applied at a regional level for each of the 4 climatic zones in Greece.

The analysis is broken down into three steps, comprising of a sensitivity analysis, an assessment of the exposure, and then a combination of the two for the vulnerability assessment. Therefore, it assigns a 3-level sensitivity score from low to high to each sector taking into consideration the sensitivity of the specific economic activities (e.g. power generation) to physical risks (e.g. drought). The aim of the sensitivity analysis (3-level score) is to identify which climate risks are relevant to the specific type of asset, irrespective of its location. Sources used to assess sensitivity analysis include EU, national reports, and scientific literature publicly available. The aim of the exposure analysis (3-level score) is to identify which climate physical risks (eight acute and eight chronic) are relevant to the location

irrespective of the asset's sector or type, and it is useful to understand how the exposure of different areas will change as a result of changing climate conditions.

For the assessment of exposure to future conditions, climate projections for the hot-house scenario of IPCC AR5 RCP 8.5 with a horizon of 2050 are taken into consideration. Climate projections have been used, from 7 selected state-of-the-art pairs of global (GCMs) / regional climate models (RCMs) developed under the EURO-CORDEX program with an horizontal spatial resolution of about 11x11 km.

Analysis indicated that NACE sector A scores a high level of vulnerability both at chronic and acute risks, while both sectors B and D, score a high level of vulnerability at acute risks. Additionally, sector E, scores a high level at acute and both at chronic and acute risks.

Further analysis shows that the climate vulnerability score for the sub-sector D35.11 Production of electricity is Medium both for chronic, acute and chronic and acute risks.

In parallel, the Bank has developed a methodological approach to estimate the vulnerability of real estate (RE) properties (linked to mortgages/collaterals) to all physical climate risks and to selected risks which are more relevant to buildings type of asset (i. sea level rise, soil & coastal erosion; ii. soil & coastal erosion; iii. wildfire; iv. cyclone/ hurricane/ typhoon/ storm/ tornado; v. floods), taking into consideration their max value per climate zone (four climatic zones). Analysis has been carried out at a regional level, in order to capture at a higher resolution, the impact of climate change. Analysis indicated that the climate vulnerability of RE properties located at Climate Zone D has been estimated as Low, at Climate Zones B and C estimated as Medium, while at Climate Zone A as High for Acute risks.

From those three classifications, exposures to geographical areas with High climate vulnerability, are included in the set of 'exposures sensitive to impact from climate change physical events' under the respective categories of 'chronic', 'acute', 'chronic and acute'.

### ❖ Evolution, plans for enhanced disclosure, timelines

The Bank will continue to assess the vulnerability of its exposures to physical risk factors and will enhance its methodology to increase the granularity and perimeter of relevant inputs along with the level of accuracy of corresponding results screening criteria for Taxonomy-aligned economic activities set out in the Climate Delegated Act. Those guidelines considered in relevant calculations and disclosures to the extent possible.

## ESG RISKS

Table 63: 5.CC - Banking book- Climate change physical risk: Exposures subject to physical risk 31.12.2023

| a                                                                          | b     | c                                                                          | d                    | e                     | f          | g                         | h                                                                         | i                                                                        | j                                                                                        | k                          | l                                 | m                                                                                                    | n                                 | n    |
|----------------------------------------------------------------------------|-------|----------------------------------------------------------------------------|----------------------|-----------------------|------------|---------------------------|---------------------------------------------------------------------------|--------------------------------------------------------------------------|------------------------------------------------------------------------------------------|----------------------------|-----------------------------------|------------------------------------------------------------------------------------------------------|-----------------------------------|------|
| Gross carrying amount                                                      |       |                                                                            |                      |                       |            |                           |                                                                           |                                                                          |                                                                                          |                            |                                   |                                                                                                      |                                   |      |
|                                                                            |       | of which exposures sensitive to impact from climate change physical events |                      |                       |            |                           |                                                                           |                                                                          |                                                                                          |                            |                                   |                                                                                                      |                                   |      |
|                                                                            |       | Breakdown by maturity bucket                                               |                      |                       |            |                           | of which exposures sensitive to impact from chronic climate change events | of which exposures sensitive to impact from acute climate change events* | of which exposures sensitive to impact from both chronic and acute climate change events | Of which Stage 2 exposures | Of which non-performing exposures | Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions |                                   |      |
|                                                                            |       | <= 5 years                                                                 | > 5 year <= 10 years | > 10 year <= 20 years | > 20 years | Average weighted maturity |                                                                           |                                                                          |                                                                                          |                            |                                   | of which Stage 2 exposures                                                                           | Of which non-performing exposures |      |
| 1 A - Agriculture, forestry and fishing                                    | 348   | 231                                                                        | 72                   | 14                    |            | 3                         |                                                                           |                                                                          | 318                                                                                      | 59                         | 8                                 | (13)                                                                                                 | (4)                               | (6)  |
| 2 B - Mining and quarrying                                                 | 98    | 23                                                                         | 61                   | 0                     |            | 7                         |                                                                           | 84                                                                       |                                                                                          | 2                          | 1                                 | (1)                                                                                                  | 0                                 | 0    |
| 3 C - Manufacturing                                                        | 4,441 |                                                                            |                      |                       |            |                           |                                                                           |                                                                          |                                                                                          |                            |                                   |                                                                                                      |                                   |      |
| 4 D - Electricity, gas, steam and air conditioning supply                  | 2,689 | 492                                                                        | 2                    | 221                   | -          | 6                         |                                                                           | 715                                                                      |                                                                                          | 0                          | 0                                 | (6)                                                                                                  | 0                                 | 0    |
| 5 E - Water supply; sewerage, waste management and remediation activities  | 52    | 21                                                                         | 13                   | 11                    |            | 6                         |                                                                           |                                                                          | 45                                                                                       | 1                          | 0                                 | (1)                                                                                                  | 0                                 | 0    |
| 6 F - Construction                                                         | 510   |                                                                            |                      |                       |            |                           |                                                                           |                                                                          |                                                                                          |                            |                                   |                                                                                                      |                                   |      |
| 7 G - Wholesale and retail trade; repair of motor vehicles and motorcycles | 3,273 |                                                                            |                      |                       |            |                           |                                                                           |                                                                          |                                                                                          |                            |                                   |                                                                                                      |                                   |      |
| 8 H - Transportation and storage                                           | 4,334 |                                                                            |                      |                       |            |                           |                                                                           |                                                                          |                                                                                          |                            |                                   |                                                                                                      |                                   |      |
| 9 L - Real estate activities                                               | 1,431 |                                                                            |                      |                       |            |                           |                                                                           |                                                                          |                                                                                          |                            |                                   |                                                                                                      |                                   |      |
| 10 Loans collateralised by residential immovable property                  | 6,979 | 45                                                                         | 88                   | 308                   | 560        | 22                        |                                                                           | 1,001                                                                    |                                                                                          | 279                        | 48                                | (28)                                                                                                 | (14)                              | (12) |
| 11 Loans collateralised by commercial immovable property                   | 4,502 | 253                                                                        | 504                  | 212                   | 36         | 8                         |                                                                           | 1,005                                                                    |                                                                                          | 174                        | 65                                | (42)                                                                                                 | (8)                               | (26) |
| 12 Repossessed colaterals                                                  | 447   |                                                                            |                      |                       |            |                           |                                                                           | 25                                                                       |                                                                                          |                            |                                   | (3)                                                                                                  |                                   |      |
| 13 Other relevant sectors (breakdown below where relevant)                 | 3,718 |                                                                            |                      |                       |            |                           |                                                                           |                                                                          |                                                                                          |                            |                                   |                                                                                                      |                                   |      |

\* Initial Gross carrying amounts of Loans collateralised by residential or commercial immovable property contain exposures that don't fall within of the geographical areas in scope (Climate zones in Greece), thus don't participate in the analysis of sensitivity of collaterals to climate change events.

Table 63: 5.CC - Banking book- Climate change physical risk: Exposures subject to physical risk 30.06.2023

| a                                                                          | b     | c                                                                          | d                    | e                     | f          | g                         | h                                                                         | i                                                                       | j                                                                                        | k                          | l                                 | m                                                                                                    | n                                 | n    |
|----------------------------------------------------------------------------|-------|----------------------------------------------------------------------------|----------------------|-----------------------|------------|---------------------------|---------------------------------------------------------------------------|-------------------------------------------------------------------------|------------------------------------------------------------------------------------------|----------------------------|-----------------------------------|------------------------------------------------------------------------------------------------------|-----------------------------------|------|
| Gross carrying amount                                                      |       |                                                                            |                      |                       |            |                           |                                                                           |                                                                         |                                                                                          |                            |                                   |                                                                                                      |                                   |      |
|                                                                            |       | of which exposures sensitive to impact from climate change physical events |                      |                       |            |                           |                                                                           |                                                                         |                                                                                          |                            |                                   |                                                                                                      |                                   |      |
|                                                                            |       | Breakdown by maturity bucket                                               |                      |                       |            |                           | of which exposures sensitive to impact from chronic climate change events | of which exposures sensitive to impact from acute climate change events | of which exposures sensitive to impact from both chronic and acute climate change events | Of which Stage 2 exposures | Of which non-performing exposures | Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions |                                   |      |
|                                                                            |       | <= 5 years                                                                 | > 5 year <= 10 years | > 10 year <= 20 years | > 20 years | Average weighted maturity |                                                                           |                                                                         |                                                                                          |                            |                                   | of which Stage 2 exposures                                                                           | Of which non-performing exposures |      |
| 1 A - Agriculture, forestry and fishing                                    | 317   | 154                                                                        | 119                  | 12                    | 1          | 4                         |                                                                           |                                                                         | 286                                                                                      | 62                         | 63                                | (40)                                                                                                 | (7)                               | (30) |
| 2 B - Mining and quarrying                                                 | 58    | 12                                                                         | 30                   | 1                     |            | 7                         |                                                                           | 43                                                                      |                                                                                          | 3                          | 2                                 | (2)                                                                                                  |                                   | (1)  |
| 3 C - Manufacturing                                                        | 4,321 |                                                                            |                      |                       |            |                           |                                                                           |                                                                         |                                                                                          |                            |                                   |                                                                                                      |                                   |      |
| 4 D - Electricity, gas, steam and air conditioning supply                  | 2,209 | 431                                                                        | 52                   | 131                   |            | 5                         |                                                                           | 615                                                                     |                                                                                          | 11                         | 0                                 | (7)                                                                                                  | (1)                               |      |
| 5 E - Water supply; sewerage, waste management and remediation activities  | 48    | 18                                                                         | 14                   | 7                     | 0          | 6                         |                                                                           |                                                                         | 39                                                                                       | 2                          | 0                                 | (1)                                                                                                  |                                   |      |
| 6 F - Construction                                                         | 462   |                                                                            |                      |                       |            |                           |                                                                           |                                                                         |                                                                                          |                            |                                   |                                                                                                      |                                   |      |
| 7 G - Wholesale and retail trade; repair of motor vehicles and motorcycles | 3,205 |                                                                            |                      |                       |            |                           |                                                                           |                                                                         |                                                                                          |                            |                                   |                                                                                                      |                                   |      |
| 8 H - Transportation and storage                                           | 3,947 |                                                                            |                      |                       |            |                           |                                                                           |                                                                         |                                                                                          |                            |                                   |                                                                                                      |                                   |      |
| 9 L - Real estate activities                                               | 1,370 |                                                                            |                      |                       |            |                           |                                                                           |                                                                         |                                                                                          |                            |                                   |                                                                                                      |                                   |      |
| 10 Loans collateralised by residential immovable property                  | 7,291 | 69                                                                         | 93                   | 304                   | 554        | 21                        |                                                                           | 1,020                                                                   |                                                                                          | 341                        | 82                                | (41)                                                                                                 | (17)                              | (23) |
| 11 Loans collateralised by commercial immovable property                   | 2,661 | 122                                                                        | 202                  | 164                   | 25         | 8                         |                                                                           | 514                                                                     |                                                                                          | 89                         | 58                                | (45)                                                                                                 | (3)                               | (38) |
| 12 Repossessed colaterals                                                  | 368   |                                                                            |                      |                       |            |                           |                                                                           | 62                                                                      |                                                                                          |                            |                                   | (9)                                                                                                  |                                   |      |
| 13 Other relevant sectors (breakdown below where relevant)                 |       |                                                                            |                      |                       |            |                           |                                                                           |                                                                         |                                                                                          |                            |                                   |                                                                                                      |                                   |      |

### Key performance indicators (KPIs) on the Taxonomy-aligned exposures and assets for the calculation of GAR

GAR KPI illustrates the percentage of the Group's assets dedicated to financing and invested in economic activities aligned with the EU Taxonomy, relative to the total covered assets, excluding exposures to Sovereign, central banks and trading book.

The GAR for the Group for 2023 is 1.8% based on Turnover. For both eligibility and alignment ratios calculation the NBG Group evaluated the relevant criteria for the two environmental objectives of Climate Change Mitigation (CCM) and Climate Change Adaptation (CCA). Aligned amount included in the numerator of GAR refer to exposures to financial corporations, nonfinancial corporations subject to NFRD, as well as exposures related to mortgage loans and repossessed assets. For both eligibility and alignment assessment of financial and non-financial corporations, publicly available information was retrieved regarding the disclosed EU taxonomy relevant KPIs, as well as for the number of employees and listing status of each counterparty, to determine NFRD perimeter. Finally, the European Commission published, on 21st of December, an additional notice regarding the legal interpretation and implementation of the provisions covering the technical screening criteria for Taxonomy-aligned economic activities set out in the Climate Delegated Act. Those guidelines considered in relevant calculations and disclosures to the extent possible.

The eligibility ratio for the rest four environmental objectives, as per the Delegated Acts (Delegated Regulation (EU) 2023/2485 and Delegated Regulation (EU) 2023/2486) released by the European Commission in July of 2023, was not calculated due to data availability constraints.

#### ❖ Considerations

The level of GAR ratio is driven by a set of considerations and assumptions that play a pivotal role in determining the final figure, as highlighted below:

- Given the timing of the disclosure requirements, GAR calculation leverage on published eligibility and alignment ratios of the counterparties for the financial year 2022, reflecting in most cases the latest available data. For financial corporations only eligibility ratios were required to be disclosed in 2022 and therefore used in Group's EU taxonomy assessment.

- NFRD perimeter is limited compared to total Group's portfolio since Greek economy incorporates a lot of unlisted and SMEs that are out of scope of EU taxonomy assessment. Furthermore, in certain cases, non-financial corporations subject to NFRD regulations have reported only eligibility ratios on the backdrop of the difficulty in applying the EU taxonomy criteria.
- Currently, there is no publicly available registry in Greece regarding the properties' energy performance information that could be used as a source of mortgage portfolio alignment assessment by credit institutions. Also, there is lack of actual Energy Performance Certificates (EPCs), as their issuance is mandatory only upon a transaction according to the provisions of the relevant EU Directives (Energy Performance of Buildings Directive (2010/31/EU) and the Energy Efficiency Directive (2012/27/EU).
- Collection of relevant and adequate documentation as evidence for evaluating the alignment of specialized lending, and, more specifically, for conducting due diligence on the Technical Screening Criteria ("TSC") for Significant Contribution and DNSH, as well as for checking compliance with minimum social safeguards, is also proving a significant challenge.

**Table 64: 6.CC - Summary of GAR KPIs 31.12.2023**

|                  | KPI                       |                           |                                                               | % coverage (over total assets)* |
|------------------|---------------------------|---------------------------|---------------------------------------------------------------|---------------------------------|
|                  | Climate change mitigation | Climate change adaptation | Total (Climate change mitigation + Climate change adaptation) |                                 |
| <b>GAR stock</b> | 1.7%                      | 0.0%                      | 1.8%                                                          | 22%                             |
| <b>GAR flow</b>  | 10.2%                     | 0.2%                      | 10.4%                                                         | 42%                             |

\* % of assets covered by the KPI over banks' total assets.

Table 65: 8.CC - GAR (%) KPIs on stock 31.12.2023

|                                                                                                   | a                                                               | b     | c                            | d                     | e                 | f                                                               | g    | h                            | i                   | j                 |
|---------------------------------------------------------------------------------------------------|-----------------------------------------------------------------|-------|------------------------------|-----------------------|-------------------|-----------------------------------------------------------------|------|------------------------------|---------------------|-------------------|
| % (compared to total covered assets in the denominator)                                           | Disclosure reference date 31.12.2023: KPIs on stock             |       |                              |                       |                   |                                                                 |      |                              |                     |                   |
|                                                                                                   | Climate Change Mitigation (CCM)                                 |       |                              |                       |                   | Climate Change Adaptation (CCA)                                 |      |                              |                     |                   |
|                                                                                                   | Proportion of eligible assets funding taxonomy relevant sectors |       |                              |                       |                   | Proportion of eligible assets funding taxonomy relevant sectors |      |                              |                     |                   |
|                                                                                                   | Of which environmentally sustainable                            |       |                              |                       |                   | Of which environmentally sustainable                            |      |                              |                     |                   |
|                                                                                                   |                                                                 |       | Of which specialised lending | Of which transitional | Of which enabling |                                                                 |      | Of which specialised lending | Of which adaptation | Of which enabling |
| 1 <b>GAR</b>                                                                                      | 19.5%                                                           | 1.7%  | 1.5%                         | 0.0%                  | 0.1%              | 0.9%                                                            | 0.0% | -                            | -                   | -                 |
| 2 Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation | 55.59%                                                          | 5.21% | 4.4%                         | 0.0%                  | 0.26%             | 2.79%                                                           | 0.1% | -                            | -                   | -                 |
| 3 <b>Financial corporations</b>                                                                   | 19.0%                                                           | -     | -                            | -                     | -                 | -                                                               | -    | -                            | -                   | -                 |
| 4 Credit institutions                                                                             | 19.8%                                                           | -     | -                            | -                     | -                 | -                                                               | -    | -                            | -                   | -                 |
| 5 Other financial corporations                                                                    | 17.4%                                                           | -     | -                            | -                     | -                 | -                                                               | -    | -                            | -                   | -                 |
| 6 of which investment firms                                                                       | 21.7%                                                           | -     | -                            | -                     | -                 | -                                                               | -    | -                            | -                   | -                 |
| 7 of which management companies                                                                   | -                                                               | -     | -                            | -                     | -                 | -                                                               | -    | -                            | -                   | -                 |
| 8 of which insurance undertakings                                                                 | 3.8%                                                            | -     | -                            | -                     | -                 | -                                                               | -    | -                            | -                   | -                 |
| 9 <b>Non-financial corporations subject to NFRD disclosure obligations</b>                        | 32.7%                                                           | 17.5% | 14.7%                        | 0.0%                  | 0.9%              | 9.5%                                                            | 0.3% | -                            | -                   | -                 |
| 10 Households                                                                                     | 75.6%                                                           | 0.1%  | 0.1%                         | -                     | -                 | -                                                               | -    | -                            | -                   | -                 |
| 11 of which loans collateralised by residential immovable property                                | 91.8%                                                           | 0.2%  | 0.2%                         | -                     | -                 | -                                                               | -    | -                            | -                   | -                 |
| 12 of which building renovation loans                                                             | 100.0%                                                          | -     | -                            | -                     | -                 | -                                                               | -    | -                            | -                   | -                 |
| 13 of which motor vehicle loans                                                                   | 100.0%                                                          | -     | -                            | -                     | -                 | -                                                               | -    | -                            | -                   | -                 |
| 14 Local government financing                                                                     | -                                                               | -     | -                            | -                     | -                 | -                                                               | -    | -                            | -                   | -                 |
| 15 Housing financing                                                                              | -                                                               | -     | -                            | -                     | -                 | -                                                               | -    | -                            | -                   | -                 |
| 16 Other local governments financing                                                              | -                                                               | -     | -                            | -                     | -                 | -                                                               | -    | -                            | -                   | -                 |
| 17 Collateral obtained by taking possession: residential and commercial immovable properties      | 100.0%                                                          | -     | -                            | -                     | -                 | -                                                               | -    | -                            | -                   | -                 |

Table 65: 8.CC - GAR (%) KPIs on stock 31.12.2023 (continued)

| Taxonomy-eligible assets on stock on 31.12.2023 (continued) |                                                                                                 |                                   |                   |       |      |                                    |        |
|-------------------------------------------------------------|-------------------------------------------------------------------------------------------------|-----------------------------------|-------------------|-------|------|------------------------------------|--------|
| % (compared to total covered assets in the denominator)     | Disclosure reference date 31.12.2023: KPIs on stock                                             |                                   |                   |       |      | Proportion of total assets covered |        |
|                                                             | TOTAL (CCM + CCA)                                                                               |                                   |                   |       |      |                                    |        |
|                                                             | Proportion of eligible assets funding taxonomy relevant sectors                                 |                                   |                   |       |      |                                    |        |
|                                                             | Of which environmentally sustainable                                                            |                                   |                   |       |      |                                    |        |
|                                                             | Of which specialised lending                                                                    | Of which transitional/ adaptation | Of which enabling |       |      |                                    |        |
| 1                                                           | GAR                                                                                             | 20.4%                             | 1.8%              | 1.5%  | 0.0% | 0.1%                               | 22.18% |
| 2                                                           | Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation | 58.38%                            | 5.31%             | 4.4%  | 0.0% | 0.26%                              | 21.47% |
| 3                                                           | Financial corporations                                                                          | 19.0%                             | -                 | -     | -    | -                                  | 2.83%  |
| 4                                                           | Credit institutions                                                                             | 19.8%                             | -                 | -     | -    | -                                  | 1.85%  |
| 5                                                           | Other financial corporations                                                                    | 17.4%                             | -                 | -     | -    | -                                  | 0.98%  |
| 6                                                           | of which investment firms                                                                       | 21.7%                             | -                 | -     | -    | -                                  | 0.75%  |
| 7                                                           | of which management companies                                                                   | -                                 | -                 | -     | -    | -                                  | -      |
| 8                                                           | of which insurance undertakings                                                                 | 3.8%                              | -                 | -     | -    | -                                  | 0.23%  |
| 9                                                           | Non-financial corporations subject to NFRD disclosure obligations                               | 42.2%                             | 17.8%             | 14.7% | 0.0% | 0.9%                               | 6.29%  |
| 10                                                          | Households                                                                                      | 75.6%                             | 0.1%              | 0.1%  | -    | -                                  | 12.36% |
| 11                                                          | of which loans collateralised by residential immovable property                                 | 91.8%                             | 0.2%              | 0.2%  | -    | -                                  | 8.02%  |
| 12                                                          | of which building renovation loans                                                              | 100.0%                            | -                 | -     | -    | -                                  | 1.35%  |
| 13                                                          | of which motor vehicle loans                                                                    | 100.0%                            | -                 | -     | -    | -                                  | 0.13%  |
| 14                                                          | Local government financing                                                                      | -                                 | -                 | -     | -    | -                                  | -      |
| 15                                                          | Housing financing                                                                               | -                                 | -                 | -     | -    | -                                  | -      |
| 16                                                          | Other local governments financing                                                               | -                                 | -                 | -     | -    | -                                  | -      |
| 17                                                          | Collateral obtained by taking possession: residential and commercial immovable properties       | 100.0%                            | -                 | -     | -    | -                                  | 0.71%  |

Table 65: 8.CC - GAR (%) KPIs on flows 31.12.2023

|                                                                                                   | q                                                               | r                            | s                     | t                 | u     | v                                                               | w                   | x                 | y | z |
|---------------------------------------------------------------------------------------------------|-----------------------------------------------------------------|------------------------------|-----------------------|-------------------|-------|-----------------------------------------------------------------|---------------------|-------------------|---|---|
| % (compared to total covered assets in the denominator)                                           | Disclosure reference date 31.12.2023: KPIs on flows             |                              |                       |                   |       |                                                                 |                     |                   |   |   |
|                                                                                                   | Climate Change Mitigation (CCM)                                 |                              |                       |                   |       | Climate Change Adaptation (CCA)                                 |                     |                   |   |   |
|                                                                                                   | Proportion of eligible assets funding taxonomy relevant sectors |                              |                       |                   |       | Proportion of eligible assets funding taxonomy relevant sectors |                     |                   |   |   |
|                                                                                                   | Of which environmentally sustainable                            |                              |                       |                   |       | Of which environmentally sustainable                            |                     |                   |   |   |
|                                                                                                   |                                                                 | Of which specialised lending | Of which transitional | Of which enabling |       | Of which specialised lending                                    | Of which adaptation | Of which enabling |   |   |
| 1 <b>GAR</b>                                                                                      | 43.5%                                                           | 10.2%                        | 9.2%                  | 0.0%              | 0.2%  | 1.4%                                                            | 0.2%                | -                 | - | - |
| 2 Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation | 43.25%                                                          | 10.25%                       | 9.22%                 | 0.01%             | 0.19% | 1.46%                                                           | 0.18%               | -                 | - | - |
| 3 <b>Financial corporations</b>                                                                   | 29.0%                                                           | -                            | -                     | -                 | -     | -                                                               | -                   | -                 | - | - |
| 4 Credit institutions                                                                             | 23.6%                                                           | -                            | -                     | -                 | -     | -                                                               | -                   | -                 | - | - |
| 5 Other financial corporations                                                                    | 31.5%                                                           | -                            | -                     | -                 | -     | -                                                               | -                   | -                 | - | - |
| 6 of which investment firms                                                                       | 31.5%                                                           | -                            | -                     | -                 | -     | -                                                               | -                   | -                 | - | - |
| 7 of which management companies                                                                   | -                                                               | -                            | -                     | -                 | -     | -                                                               | -                   | -                 | - | - |
| 8 of which insurance undertakings                                                                 | -                                                               | -                            | -                     | -                 | -     | -                                                               | -                   | -                 | - | - |
| 9 <b>Non-financial corporations subject to NFRD disclosure obligations</b>                        | 34.3%                                                           | 16.8%                        | 15.0%                 | 0.0%              | 0.3%  | 2.5%                                                            | 0.3%                | -                 | - | - |
| 10 Households                                                                                     | 73.1%                                                           | 1.1%                         | 1.1%                  | -                 | -     | -                                                               | -                   | -                 | - | - |
| 11 of which loans collateralised by residential immovable property                                | 100.0%                                                          | 1.9%                         | 1.9%                  | -                 | -     | -                                                               | -                   | -                 | - | - |
| 12 of which building renovation loans                                                             | 100.0%                                                          | -                            | -                     | -                 | -     | -                                                               | -                   | -                 | - | - |
| 13 of which motor vehicle loans                                                                   | 100.0%                                                          | -                            | -                     | -                 | -     | -                                                               | -                   | -                 | - | - |
| 14 Local government financing                                                                     | -                                                               | -                            | -                     | -                 | -     | -                                                               | -                   | -                 | - | - |
| 15 Housing financing                                                                              | -                                                               | -                            | -                     | -                 | -     | -                                                               | -                   | -                 | - | - |
| 16 Other local governments financing                                                              | -                                                               | -                            | -                     | -                 | -     | -                                                               | -                   | -                 | - | - |
| 17 Collateral obtained by taking possession: residential and commercial immovable properties      | 100.0%                                                          | -                            | -                     | -                 | -     | -                                                               | -                   | -                 | - | - |

Table 65: 8.CC - GAR (%) KPIs on flows 31.12.2023 (continued)

| Table 30: CCM – GAR (%) KPIs on flows 31.12.2023 (continued) |                                                                                                 |                                                                 |                                   |                   |       |                                    |        |
|--------------------------------------------------------------|-------------------------------------------------------------------------------------------------|-----------------------------------------------------------------|-----------------------------------|-------------------|-------|------------------------------------|--------|
| % (compared to total covered assets in the denominator)      |                                                                                                 | Disclosure reference date 31.12.2023: KPIs on flows             |                                   |                   |       | Proportion of total assets covered |        |
|                                                              |                                                                                                 | TOTAL (CCM + CCA)                                               |                                   |                   |       |                                    |        |
|                                                              |                                                                                                 | Proportion of eligible assets funding taxonomy relevant sectors |                                   |                   |       |                                    |        |
|                                                              |                                                                                                 | Of which environmentally sustainable                            |                                   |                   |       |                                    |        |
|                                                              |                                                                                                 | Of which specialised lending                                    | Of which transitional/ adaptation | Of which enabling |       |                                    |        |
| 1                                                            | <b>GAR</b>                                                                                      | 45.0%                                                           | 10.4%                             | 9.2%              | 0.0%  | 0.2%                               | 41.97% |
| 2                                                            | Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation | 44.7%                                                           | 10.43%                            | 9.22%             | 0.01% | 0.18%                              | 6.51%  |
| 3                                                            | <b>Financial corporations</b>                                                                   | 29.0%                                                           | -                                 | -                 | -     | -                                  | 2.07%  |
| 4                                                            | Credit institutions                                                                             | 23.6%                                                           | -                                 | -                 | -     | -                                  | 4.44%  |
| 5                                                            | Other financial corporations                                                                    | 31.5%                                                           | -                                 | -                 | -     | -                                  | 4.44%  |
| 6                                                            | of which investment firms                                                                       | 31.5%                                                           | -                                 | -                 | -     | -                                  | -      |
| 7                                                            | of which management companies                                                                   | -                                                               | -                                 | -                 | -     | -                                  | -      |
| 8                                                            | of which insurance undertakings                                                                 | -                                                               | -                                 | -                 | -     | -                                  | 24.92% |
| 9                                                            | <b>Non-financial corporations subject to NFRD disclosure obligations</b>                        | 36.8%                                                           | 17.1%                             | 15.0%             | 0.0%  | 0.3%                               | 10.54% |
| 10                                                           | Households                                                                                      | 73.1%                                                           | 1.1%                              | 1.1%              | -     | -                                  | 6.34%  |
| 11                                                           | of which loans collateralised by residential immovable property                                 | 100.0%                                                          | 1.9%                              | 1.9%              | -     | -                                  | 0.65%  |
| 12                                                           | of which building renovation loans                                                              | 100.0%                                                          | -                                 | -                 | -     | -                                  | 0.60%  |
| 13                                                           | of which motor vehicle loans                                                                    | 100.0%                                                          | -                                 | -                 | -     | -                                  | -      |
| 14                                                           | Local government financing                                                                      | -                                                               | -                                 | -                 | -     | -                                  | -      |
| 15                                                           | Housing financing                                                                               | -                                                               | -                                 | -                 | -     | -                                  | -      |
| 16                                                           | Other local governments financing                                                               | -                                                               | -                                 | -                 | -     | -                                  | 0.20%  |
| 17                                                           | Collateral obtained by taking possession: residential and commercial immovable properties       | 100.0%                                                          | -                                 | -                 | -     | -                                  | 42.17% |

Table 66: 7.CC - Mitigating actions: Assets for the calculation of GAR 31.12.2023

| Table 30: Assets for the calculation of GAR 2023                                    |                                                                                                 |                             |                                                                |     |     |   |    |                                                                |    |   |   |   |
|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|-----------------------------|----------------------------------------------------------------|-----|-----|---|----|----------------------------------------------------------------|----|---|---|---|
| 2023                                                                                |                                                                                                 |                             |                                                                |     |     |   |    |                                                                |    |   |   |   |
|                                                                                     |                                                                                                 | Total gross carrying amount | Climate Change Mitigation (CCM)                                |     |     |   |    | Climate Change Adaptation (CCA)                                |    |   |   |   |
|                                                                                     |                                                                                                 |                             | Of which towards taxonomy relevant sectors (Taxonomy-eligible) |     |     |   |    | Of which towards taxonomy relevant sectors (Taxonomy-eligible) |    |   |   |   |
|                                                                                     |                                                                                                 |                             |                                                                |     |     |   |    |                                                                |    |   |   |   |
|                                                                                     |                                                                                                 |                             | Of which environmentally sustainable (Taxonomy-aligned)        |     |     |   |    | Of which environmentally sustainable (Taxonomy-aligned)        |    |   |   |   |
| Of specialised lending                                                              | Of transitional                                                                                 | Of enabling                 |                                                                |     |     |   |    |                                                                |    |   |   |   |
| GAR - Covered assets in both numerator and denominator                              |                                                                                                 |                             |                                                                |     |     |   |    |                                                                |    |   |   |   |
| 1                                                                                   | Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation | 16,235                      | 9,026                                                          | 846 | 715 | 0 | 41 | 454                                                            | 15 | - | - | - |
| 2                                                                                   | Financial corporations                                                                          | 2,136                       | 406                                                            | -   | -   | - | -  | -                                                              | -  | - | - | - |
| 3                                                                                   | Credit institutions                                                                             | 1,397                       | 277                                                            | -   | -   | - | -  | -                                                              | -  | - | - | - |
| 4                                                                                   | Loans and advances                                                                              | 719                         | 118                                                            | -   | -   | - | -  | -                                                              | -  | - | - | - |
| 5                                                                                   | Debt securities, including UoP                                                                  | 666                         | 159                                                            | -   | -   | - | -  | -                                                              | -  | - | - | - |
| 6                                                                                   | Equity instruments                                                                              | 12                          | 0                                                              | -   | -   | - | -  | -                                                              | -  | - | - | - |
| 7                                                                                   | Other financial corporations                                                                    | 739                         | 129                                                            | -   | -   | - | -  | -                                                              | -  | - | - | - |
| 8                                                                                   | of which investment firms                                                                       | 564                         | 122                                                            | -   | -   | - | -  | -                                                              | -  | - | - | - |
| 9                                                                                   | Loans and advances                                                                              | 104                         | 104                                                            | -   | -   | - | -  | -                                                              | -  | - | - | - |
| 10                                                                                  | Debt securities, including UoP                                                                  | 460                         | 18                                                             | -   | -   | - | -  | -                                                              | -  | - | - | - |
| 11                                                                                  | Equity instruments                                                                              | -                           | -                                                              | -   | -   | - | -  | -                                                              | -  | - | - | - |
| 12                                                                                  | of which management companies                                                                   | -                           | -                                                              | -   | -   | - | -  | -                                                              | -  | - | - | - |
| 13                                                                                  | Loans and advances                                                                              | -                           | -                                                              | -   | -   | - | -  | -                                                              | -  | - | - | - |
| 14                                                                                  | Debt securities, including UoP                                                                  | -                           | -                                                              | -   | -   | - | -  | -                                                              | -  | - | - | - |
| 15                                                                                  | Equity instruments                                                                              | -                           | -                                                              | -   | -   | - | -  | -                                                              | -  | - | - | - |
| 16                                                                                  | of which insurance undertakings                                                                 | 175                         | 7                                                              | -   | -   | - | -  | -                                                              | -  | - | - | - |
| 17                                                                                  | Loans and advances                                                                              | 175                         | 7                                                              | -   | -   | - | -  | -                                                              | -  | - | - | - |
| 18                                                                                  | Debt securities, including UoP                                                                  | -                           | -                                                              | -   | -   | - | -  | -                                                              | -  | - | - | - |
| 19                                                                                  | Equity instruments                                                                              | -                           | -                                                              | -   | -   | - | -  | -                                                              | -  | - | - | - |
| 20                                                                                  | Non-financial corporations (subject to NFRD disclosure obligations)                             | 4,757                       | 1,555                                                          | 832 | 701 | 0 | 41 | 454                                                            | 15 | - | - | - |
| 21                                                                                  | Loans and advances                                                                              | 4,470                       | 1,486                                                          | 828 | 701 | 0 | 41 | 400                                                            | 8  | - | - | - |
| 22                                                                                  | Debt securities, including UoP                                                                  | 248                         | 30                                                             | 4   | -   | 0 | 0  | 54                                                             | 7  | - | - | - |
| 23                                                                                  | Equity instruments                                                                              | 39                          | 39                                                             | -   | -   | - | -  | -                                                              | -  | - | - | - |
| 24                                                                                  | Households                                                                                      | 9,342                       | 7,065                                                          | 14  | 14  | - | -  | -                                                              | -  | - | - | - |
| 25                                                                                  | of which loans collateralised by residential immovable property                                 | 6,066                       | 5,568                                                          | 14  | 14  | - | -  | -                                                              | -  | - | - | - |
| 26                                                                                  | of which building renovation loans                                                              | 1,020                       | 1,020                                                          | -   | -   | - | -  | -                                                              | -  | - | - | - |
| 27                                                                                  | of which motor vehicle loans                                                                    | 100                         | 100                                                            | -   | -   | - | -  | -                                                              | -  | - | - | - |
| 28                                                                                  | Local governments financing                                                                     | -                           | -                                                              | -   | -   | - | -  | -                                                              | -  | - | - | - |
| 29                                                                                  | Housing financing                                                                               | -                           | -                                                              | -   | -   | - | -  | -                                                              | -  | - | - | - |
| 30                                                                                  | Other local governments financing                                                               | -                           | -                                                              | -   | -   | - | -  | -                                                              | -  | - | - | - |
| 31                                                                                  | Collateral obtained by taking possession: residential and commercial immovable properties       | 537                         | 537                                                            | -   | -   | - | -  | -                                                              | -  | - | - | - |
| 32                                                                                  | TOTAL GAR ASSETS                                                                                | 16,772                      | 9,563                                                          | 846 | 715 | 0 | 41 | 454                                                            | 15 | - | - | - |
| Assets excluded from the numerator for GAR calculation (covered in the denominator) |                                                                                                 |                             |                                                                |     |     |   |    |                                                                |    |   |   |   |
| 33                                                                                  | EU Non-financial corporations (not subject to NFRD disclosure obligations)                      | 12,807                      |                                                                |     |     |   |    |                                                                |    |   |   |   |
| 34                                                                                  | Loans and advances                                                                              | 12,787                      |                                                                |     |     |   |    |                                                                |    |   |   |   |
| 35                                                                                  | Debt securities                                                                                 | 10                          |                                                                |     |     |   |    |                                                                |    |   |   |   |
| 36                                                                                  | Equity instruments                                                                              | 10                          |                                                                |     |     |   |    |                                                                |    |   |   |   |
| 37                                                                                  | Non-EU Non-financial corporations (not subject to NFRD disclosure obligations)                  | 3,327                       |                                                                |     |     |   |    |                                                                |    |   |   |   |
| 38                                                                                  | Loans and advances                                                                              | 3,321                       |                                                                |     |     |   |    |                                                                |    |   |   |   |
| 39                                                                                  | Debt securities                                                                                 | 0                           |                                                                |     |     |   |    |                                                                |    |   |   |   |
| 40                                                                                  | Equity instruments                                                                              | 6                           |                                                                |     |     |   |    |                                                                |    |   |   |   |
| 41                                                                                  | Derivatives                                                                                     | 99                          |                                                                |     |     |   |    |                                                                |    |   |   |   |
| 42                                                                                  | On demand interbank loans                                                                       | 336                         |                                                                |     |     |   |    |                                                                |    |   |   |   |
| 43                                                                                  | Cash and cash-related assets                                                                    | 874                         |                                                                |     |     |   |    |                                                                |    |   |   |   |
| 44                                                                                  | Other assets (e.g. Goodwill, commodities etc.)                                                  | 14,914                      |                                                                |     |     |   |    |                                                                |    |   |   |   |
| 45                                                                                  | TOTAL ASSETS IN THE DENOMINATOR (GAR)                                                           | 49,129                      |                                                                |     |     |   |    |                                                                |    |   |   |   |
| Other assets excluded from both the numerator and denominator for GAR-calculation   |                                                                                                 |                             |                                                                |     |     |   |    |                                                                |    |   |   |   |
| 46                                                                                  | Sovereigns                                                                                      | 15,981                      |                                                                |     |     |   |    |                                                                |    |   |   |   |
| 47                                                                                  | Central banks exposure                                                                          | 8,141                       |                                                                |     |     |   |    |                                                                |    |   |   |   |
| 48                                                                                  | Trading book                                                                                    | 2,361                       |                                                                |     |     |   |    |                                                                |    |   |   |   |
| 49                                                                                  | TOTAL ASSETS EXCLUDED FROM NUMERATOR AND DENOMINATOR                                            | 26,483                      |                                                                |     |     |   |    |                                                                |    |   |   |   |
| 50                                                                                  | TOTAL ASSETS                                                                                    | 75,612                      |                                                                |     |     |   |    |                                                                |    |   |   |   |



Table 66: 7.CC - Mitigating actions: Assets for the calculation of GAR 31.12.2023 (continued)

|                                                                                            |                                                                                                  | 2023                                                           |                        |                                  |                   |    |
|--------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|----------------------------------------------------------------|------------------------|----------------------------------|-------------------|----|
|                                                                                            |                                                                                                  | TOTAL (CCM + CCA)                                              |                        |                                  |                   |    |
|                                                                                            |                                                                                                  | Of which towards taxonomy relevant sectors (Taxonomy-eligible) |                        |                                  |                   |    |
|                                                                                            |                                                                                                  | Of which environmentally sustainable (Taxonomy-aligned)        |                        |                                  |                   |    |
|                                                                                            |                                                                                                  |                                                                | Of specialised lending | Of which transitional/adaptation | Of which enabling |    |
| <b>GAR - Covered assets in both numerator and denominator</b>                              |                                                                                                  |                                                                |                        |                                  |                   |    |
| 1                                                                                          | Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation  | 9,480                                                          | 861                    | 715                              | 0                 | 41 |
| 2                                                                                          | <b>Financial corporations</b>                                                                    | 406                                                            | -                      | -                                | -                 | -  |
| 3                                                                                          | Credit institutions                                                                              | 277                                                            | -                      | -                                | -                 | -  |
| 4                                                                                          | Loans and advances                                                                               | 118                                                            | -                      | -                                | -                 | -  |
| 5                                                                                          | Debt securities, including UoP                                                                   | 159                                                            | -                      | -                                | -                 | -  |
| 6                                                                                          | Equity instruments                                                                               | 0                                                              | -                      | -                                | -                 | -  |
| 7                                                                                          | <b>Other financial corporations</b>                                                              | 129                                                            | -                      | -                                | -                 | -  |
| 8                                                                                          | of which investment firms                                                                        | 122                                                            | -                      | -                                | -                 | -  |
| 9                                                                                          | Loans and advances                                                                               | 104                                                            | -                      | -                                | -                 | -  |
| 10                                                                                         | Debt securities, including UoP                                                                   | 18                                                             | -                      | -                                | -                 | -  |
| 11                                                                                         | Equity instruments                                                                               | -                                                              | -                      | -                                | -                 | -  |
| 12                                                                                         | of which management companies                                                                    | -                                                              | -                      | -                                | -                 | -  |
| 13                                                                                         | Loans and advances                                                                               | -                                                              | -                      | -                                | -                 | -  |
| 14                                                                                         | Debt securities, including UoP                                                                   | -                                                              | -                      | -                                | -                 | -  |
| 15                                                                                         | Equity instruments                                                                               | -                                                              | -                      | -                                | -                 | -  |
| 16                                                                                         | of which insurance undertakings                                                                  | 7                                                              | -                      | -                                | -                 | -  |
| 17                                                                                         | Loans and advances                                                                               | 7                                                              | -                      | -                                | -                 | -  |
| 18                                                                                         | Debt securities, including UoP                                                                   | -                                                              | -                      | -                                | -                 | -  |
| 19                                                                                         | Equity instruments                                                                               | -                                                              | -                      | -                                | -                 | -  |
| 20                                                                                         | <b>Non-financial corporations (subject to NFRD disclosure obligations)</b>                       | 2,009                                                          | 847                    | 701                              | 0                 | 41 |
| 21                                                                                         | Loans and advances                                                                               | 1,886                                                          | 836                    | 701                              | 0                 | 41 |
| 22                                                                                         | Debt securities, including UoP                                                                   | 84                                                             | 11                     | -                                | 0                 | 0  |
| 23                                                                                         | Equity instruments                                                                               | 39                                                             | -                      | -                                | -                 | -  |
| 24                                                                                         | <b>Households</b>                                                                                | 7,065                                                          | 14                     | 14                               | -                 | -  |
| 25                                                                                         | of which loans collateralised by residential immovable property                                  | 5,568                                                          | 14                     | 14                               | -                 | -  |
| 26                                                                                         | of which building renovation loans                                                               | 1,020                                                          | -                      | -                                | -                 | -  |
| 27                                                                                         | of which motor vehicle loans                                                                     | 100                                                            | -                      | -                                | -                 | -  |
| 28                                                                                         | <b>Local governments financing</b>                                                               | -                                                              | -                      | -                                | -                 | -  |
| 29                                                                                         | Housing financing                                                                                | -                                                              | -                      | -                                | -                 | -  |
| 30                                                                                         | Other local governments financing                                                                | -                                                              | -                      | -                                | -                 | -  |
| 31                                                                                         | <b>Collateral obtained by taking possession: residential and commercial immovable properties</b> | 537                                                            | -                      | -                                | -                 | -  |
| 32                                                                                         | <b>TOTAL GAR ASSETS</b>                                                                          | 10,017                                                         | 861                    | 715                              | 0                 | 41 |
| <b>Assets excluded from the numerator for GAR calculation (covered in the denominator)</b> |                                                                                                  |                                                                |                        |                                  |                   |    |
| 33                                                                                         | <b>EU Non-financial corporations (not subject to NFRD disclosure obligations)</b>                |                                                                |                        |                                  |                   |    |
| 34                                                                                         | Loans and advances                                                                               |                                                                |                        |                                  |                   |    |
| 35                                                                                         | Debt securities                                                                                  |                                                                |                        |                                  |                   |    |
| 36                                                                                         | Equity instruments                                                                               |                                                                |                        |                                  |                   |    |
| 37                                                                                         | <b>Non-EU Non-financial corporations (not subject to NFRD disclosure obligations)</b>            |                                                                |                        |                                  |                   |    |
| 38                                                                                         | Loans and advances                                                                               |                                                                |                        |                                  |                   |    |
| 39                                                                                         | Debt securities                                                                                  |                                                                |                        |                                  |                   |    |
| 40                                                                                         | Equity instruments                                                                               |                                                                |                        |                                  |                   |    |
| 41                                                                                         | Derivatives                                                                                      |                                                                |                        |                                  |                   |    |
| 42                                                                                         | On demand interbank loans                                                                        |                                                                |                        |                                  |                   |    |
| 43                                                                                         | Cash and cash-related assets                                                                     |                                                                |                        |                                  |                   |    |
| 44                                                                                         | Other assets (e.g. Goodwill, commodities etc.)                                                   |                                                                |                        |                                  |                   |    |
| 45                                                                                         | <b>TOTAL ASSETS IN THE DENOMINATOR (GAR)</b>                                                     |                                                                |                        |                                  |                   |    |
| <b>Other assets excluded from both the numerator and denominator for GAR calculation</b>   |                                                                                                  |                                                                |                        |                                  |                   |    |
| 46                                                                                         | Sovereigns                                                                                       |                                                                |                        |                                  |                   |    |
| 47                                                                                         | Central banks exposure                                                                           |                                                                |                        |                                  |                   |    |
| 48                                                                                         | Trading book                                                                                     |                                                                |                        |                                  |                   |    |
| 49                                                                                         | <b>TOTAL ASSETS EXCLUDED FROM NUMERATOR AND DENOMINATOR</b>                                      |                                                                |                        |                                  |                   |    |
| 50                                                                                         | <b>TOTAL ASSETS</b>                                                                              |                                                                |                        |                                  |                   |    |

### Other climate change mitigating actions that are not covered in the EU Taxonomy

Due to the relevant additional guidelines by EBA, the following table shows the exposures of the Bank, by type of instrument, considered as 'green' based on own internal standards, excluding those that have been classified as EU taxonomy aligned and reported in the relevant GAR templates (Templates 7 & 8).

**Table 67: 10.CC - Other climate change mitigating actions that are not covered in the EU Taxonomy 31.12.2023**

| a                            | b                                                               | c                     | d                                                       | e                                                     | f                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|------------------------------|-----------------------------------------------------------------|-----------------------|---------------------------------------------------------|-------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Type of financial instrument | Type of counterparty                                            | Gross carrying amount | Type of risk mitigated (Climate change transition risk) | Type of risk mitigated (Climate change physical risk) | Qualitative information on the nature of the mitigating actions                                                                                                                                                                                                                                                                                                                                                                                                               |
| 1                            | Financial corporations                                          | 80                    | Yes                                                     | No                                                    | This category pertains to Green and Sustainable Bonds issued by European Financial Institutions. To determine the type of risk mitigated, NBG evaluated the use of proceeds as outlined in the respective frameworks as well as the corresponding Impact Reports (where available).                                                                                                                                                                                           |
| 2                            | Non-financial corporations                                      | 17                    | Yes                                                     | No                                                    | It includes Green bonds issued by corporations. To determine the type of risk mitigated, NBG evaluated the use of proceeds as outlined in the respective frameworks as well as the corresponding Impact Reports (where available).                                                                                                                                                                                                                                            |
| 3                            | Of which Loans collateralised by commercial immovable property  |                       |                                                         |                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| 4                            | Households                                                      |                       |                                                         |                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| 5                            | Of which Loans collateralised by residential immovable property |                       |                                                         |                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| 6                            | Of which building renovation loans                              |                       |                                                         |                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| 7                            | Other counterparties                                            |                       |                                                         |                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| 8                            | Financial corporations                                          |                       |                                                         |                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| 9                            | Non-financial corporations                                      | 1,417                 | Yes                                                     | No                                                    | Exposures classified as 'Sustainable' based on NBG's internal Sustainable Lending Criteria Framework other than those considered as EU Taxonomy aligned.                                                                                                                                                                                                                                                                                                                      |
| 10                           | Of which Loans collateralised by commercial immovable property  | 80                    | Yes                                                     | No                                                    | This category mainly consists of loan exposures to Corporate or SME customers that NBG S.A has classified as 'Sustainable' based on the assessment criteria determined in our internal Sustainable Lending Criteria Framework, and loan balances of obligors that are operating in Renewable Energy Sources-related industry. It also includes balances to Small Business customers for the installation of solar panels and the construction of photovoltaic power stations. |
| 11                           | Households                                                      | 121                   | Yes                                                     | No                                                    | The balance refers mainly to loan exposures to individual customers that NBG S.A has classified as 'Green' based on specific characteristics of lending products with a loan purpose of climate change mitigation, such as loans:<br>- for energy improvements in homes<br>- for the purchase, repair or construction of energy upgraded homes<br>- for the purchase of new hybrid and electric vehicles                                                                      |
| 12                           | Of which Loans collateralised by residential immovable property | 20                    | Yes                                                     | No                                                    | The balance mainly refers to loan exposures related to the purchase, repair or construction of energy upgraded homes.                                                                                                                                                                                                                                                                                                                                                         |
| 13                           | Of which building renovation loans                              | 74                    | Yes                                                     | No                                                    | The balance mainly refers to loan exposures related to energy improvements in homes.                                                                                                                                                                                                                                                                                                                                                                                          |
| 14                           | Other counterparties                                            |                       |                                                         |                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |

Reclassification of FC amount into “Other counterparties” category in Template 10 as of 30.06.2023:

Energy Communities operating in RES power generation has been reclassified to the “Other counterparties” bucket as this is considered as a more representative category.

**Table 67: 10.CC - Other climate change mitigating actions that are not covered in the EU Taxonomy 30.06.2023**

| a                            | b                                                               | c                     | d                                                       | e                                                     | f                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|------------------------------|-----------------------------------------------------------------|-----------------------|---------------------------------------------------------|-------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Type of financial instrument | Type of counterparty                                            | Gross carrying amount | Type of risk mitigated (Climate change transition risk) | Type of risk mitigated (Climate change physical risk) | Qualitative information on the nature of the mitigating actions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 1                            | Financial corporations                                          | 71                    | Yes                                                     | No                                                    | This category pertains to Green and Sustainable Bonds issued by European Financial Institutions.<br>Based on the review of the underlying Frameworks established by the issuers as well as the associated Impact Reports (where available), the proceeds of these instruments are directed towards activities that aim to promote a sustainable, low-carbon economy.                                                                                                                                                                                                                                                                                                                       |
| 2                            | Non-financial corporations                                      | 46                    | Yes                                                     | No                                                    | This category encompasses Green and Sustainability-linked bonds that have been issued by Greek corporations.<br>Regarding the Green Bonds, our evaluation entailed a thorough analysis of the use of proceeds as outlined in the respective frameworks, as well as an examination of the corresponding Impact Reports. Based on this analysis, we have concluded that the financing derived from these bonds is being directed towards activities aimed at mitigating the effects of climate change.<br>As for the Sustainability-linked bonds, our assessment has centered on the issuers' stated targets and concluded that these targets are related to clients' decarbonization paths. |
| 3                            | Of which Loans collateralised by commercial immovable property  |                       |                                                         |                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 4                            | Households                                                      |                       |                                                         |                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 5                            | Of which Loans collateralised by residential immovable property |                       |                                                         |                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 6                            | Of which building renovation loans                              |                       |                                                         |                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 7                            | Other counterparties                                            | 20                    | Yes                                                     | No                                                    | This category includes a Green Bond issued by an EU Member State.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| 8                            | Financial corporations                                          |                       |                                                         |                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 9                            | Non-financial corporations                                      | 2,279                 | Yes                                                     | No                                                    | This category mainly consists of loan exposures to Corporate or SME customers that NBG S.A has classified as 'Sustainable' based on the assessment criteria determined in our internal Sustainable Lending Criteria Framework, and loan balances of obligors that are operating in Renewable Energy Sources-related industry. It also includes balances to Small Business customers for the installation of solar panels and the construction of photovoltaic power stations.                                                                                                                                                                                                              |
| 10                           | Of which Loans collateralised by commercial immovable property  | 320                   | Yes                                                     | No                                                    | This category mainly consists of loan exposures to Corporate or SME customers that NBG S.A has classified as 'Sustainable' based on the assessment criteria determined in our internal Sustainable Lending Criteria Framework, and loan balances of obligors that are operating in Renewable Energy Sources-related industry. It also includes balances to Small Business customers for the installation of solar panels and the construction of photovoltaic power stations.                                                                                                                                                                                                              |
| 11                           | Households                                                      | 81                    | Yes                                                     | No                                                    | The balance refers mainly to loan exposures to individual customers that NBG S.A has classified as 'Green' based on specific characteristics of lending products with a loan purpose of climate change mitigation, such as loans<br>- for energy improvements in homes<br>- for the purchase, repair or construction of energy upgraded homes<br>- for the purchase of new hybrid and electric vehicles                                                                                                                                                                                                                                                                                    |
| 12                           | Of which Loans collateralised by residential immovable property | 27                    | Yes                                                     | No                                                    | The balance mainly refers to loan exposures related to the purchase, repair or construction of energy upgraded homes.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| 13                           | Of which building renovation loans                              | 46                    | Yes                                                     | No                                                    | The balance mainly refers to loan exposures related to energy improvements in homes.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 14                           | Other counterparties                                            | 452                   | Yes                                                     | No                                                    | This category mainly consists of loan exposures to Corporate or SME customers that NBG S.A has classified as 'Sustainable' based on the assessment criteria determined in our internal Sustainable Lending Criteria Framework, and loan balances of obligors that are operating in Renewable Energy Sources-related industry. It also includes balances to Small Business customers for the installation of solar panels and the construction of photovoltaic power stations.                                                                                                                                                                                                              |

## 11 EQUITY EXPOSURES NOT INCLUDED IN THE TRADING BOOK

Investments in shares of stock not included in the Trading and Fair Value through Profit and Loss (FVTPL) portfolio are included in the Fair Value through Other Comprehensive Income (FVTOCI) portfolio. These investments are held with the intention of achieving capital gains. The FVTOCI investments in shares are initially recognised and subsequently measured at fair value. Initial measurement includes transaction costs. The fair value of FVTOCI investments in shares that are quoted in active markets is determined on the basis of the quoted prices. For those not quoted in an active market, fair value is determined, where possible, using valuation techniques and taking into consideration the particular facts and circumstances of the shares' issuers. The carrying amount of FVTOCI equity instruments listed on a Stock Exchange Market equals their market value. The carrying amount as of 31.12.2023 is presented below:

**Table 68:** FVTOCI Equity instruments 31.12.2023

|              | € mio      |
|--------------|------------|
| Listed       | 57         |
| Not Listed   | 49         |
| <b>Total</b> | <b>106</b> |

**Table 68:** FVTOCI Equity instruments 31.12.2022

|              | € mio      |
|--------------|------------|
| Listed       | 51         |
| Not Listed   | 50         |
| <b>Total</b> | <b>101</b> |

The total amount of realised loss from the disposal of FVTOCI equity instruments for the year 2023 was €6mio. The net amount of unrealised loss of FVTOCI equity instruments, recognised in reserves as at 31 December 2023, was €5mio after tax and is included in Common Equity Tier 1 capital (CET1).

## 12 SECURITIZATION

### Overview

This section provides details of traditional and synthetic securitization exposures in the banking and trading book based on the Basel III securitization framework.

The Bank treats securitization transactions per the provisions of Chapter 5, Title II, Part Three of Regulation (EU) No 575/2013 of the European Parliament and the Council, of 26 June 2013, on prudential requirements for credit institutions and investment firms as amended by regulation 2401/2017, complementary regulations 2402/201 and 557/2021 regarding STS securitizations, as well as 558/2021 specifying adjustments to the securitisation framework to support the economic recovery in response to the COVID-19 crisis (hereinafter, the CRR).

An explanation of various basic concepts is given below, to make clear the content of this chapter:

- Securitization is a transaction or scheme whereby the credit risk associated with an asset or pool of assets is divided into tranches, having all the following characteristics:
  - Payments in the transaction or scheme are dependent upon the performance of the securitized asset or pool of assets.
  - The subordination of tranches determines the distribution of losses during the ongoing life of the transaction or scheme.
  - Primary recourse for securitization lies with the underlying securitized financial assets.
- Tranche: a contractually established segment of the credit risk associated with an exposure or exposures, where each position in the segment entails a risk of credit loss greater than or less than a position of the same amount in each of the other segments in line with the order of payment priority outlined in the securitization, without taking into account credit protection provided by third parties directly to the holders of positions in the segment in question or other segments. To this end, every securitization position either forms part of a tranche or constitutes a tranche in itself. Therefore, different types of tranches may be distinguished and are typically the following:
  - First loss tranche (or equity tranche): this is the most subordinated tranche in a securitization. It is the first tranche to bear losses incurred on the securitized exposures and, consequently, it protects the second loss tranche and, where relevant, higher ranking tranches.
  - Intermediate risk tranche (or mezzanine tranche): this tranche has a lower ranking than the highest-ranking position in the securitization and ranks lower than any securitization position within the said agreement.
  - High priority tranche (or senior tranche): any tranche that is not a first loss tranche or an intermediate risk tranche. The 'highest priority tranche' is the tranche of the highest priority among the securitisation payments.
- Traditional securitization: securitization involving the economic transfer of the exposures being securitized to a 'securitization special purpose entity' (SSPE) that issues

- securities. This can be accomplished by the transfer of ownership of the securitized exposures from the originator. Securities issued by SSPEs do not represent any legally binding payment obligations for the originator institution.
- Synthetic securitization: means a securitization where the transfer of the credit risk of an asset portfolio risk is achieved by the use of credit derivatives or guarantees (mainly Credit Default Swaps (CDS) or Financial Guarantees). In these transactions, protection sellers acquire a position equivalent to that of a direct investor in the tranche that they are securing.
- Originator institution: An entity which, by itself or through related entities, directly or indirectly, was involved in the original agreement which created the obligations or potential obligations of the obligor or potential obligor, giving rise to the securitization of the exposure.
- Investor institution: any institution or subject, different from the originator, that holds a securitization position.
- Arranger: entity responsible for designing the structure of securitization and determining credit enhancements and the different tranches of securities that will be issued. The arranger may also participate in their placing on the market.

### Objectives in relation to securitizations

As originator, the Bank may securitize financial assets (e.g. mortgage or corporate loans) in a traditional or a synthetic transaction, depending on the objectives of it. The objectives pursued through a transaction can vary from funding to the reduction of the credit risk and capital requirements or more sophisticated asset management.

Securitization offers a series of advantages in terms of liquidity and risk management, facilitating the efficient management of the balance sheet, as a tool that allows:

- Generation of liquidity: the transformation of relatively illiquid assets into marketable securities, which can allow liquidity to be gained in wholesale markets either through their sale or use as collateral.
- Diversification of sources of funding: the diversification of the sources that the Group uses to finance its activities, arising from its objective of obtaining liquidity.
- Capital management: securitizations in which there is an effective transfer of risks contribute to optimizing capital management and contribute to the generation of value.
- Asset disposals: securitizations in which large-scale asset disposals are achieved.

The Bank may securitize financial assets in a traditional or a synthetic transaction, depending on the objectives of each transaction.

The Bank considers all aspects of such transaction and makes a comprehensive judgment on the structure and its appropriateness, assessing the effects on the liquidity position, the reduction of credit risk, the cost of capital, the improvement of return on risk as well as any operational effects. Where the Bank intends to securitize assets it has originated, it ensures the terms and conditions applicable to the proposed securitization and any support facilities or dealings are arm's length and market-based and compliant with prudential regulations. Where

the Bank has sold assets to an SSPE but retains a servicer role in managing those assets, the Bank ensures those securitized assets are effectively ring-fenced from the Bank's own assets per the applicable legislation.

The authorization and approval of the various governing bodies are required to realize or execute transactions.

### Risk inherent to securitizations

The risks associated with securitization activities are mainly assumed by the originator institution and/or investor institutions. Specifically, these risks are the following:

- **Credit risk:** the risk of borrowers being unable to honour their contractual obligations in due time and form (e.g. the non-payment of mortgage loan instalments), which leads to the impairment of the asset which is backing the issued securities. This is the main risk transferred to investors through the securities issued or the use of credit derivatives and financial guarantees.
- **Prepayment risk:** risk arising from the early amortization, either in full or in part, of assets that back the securitization. As a result, the actual maturity of the securities issued may be shorter than the contractual maturity of the underlying assets.
- **Basis risk:** the risk that arises when interest rates or the maturity schedule of securitized assets do not coincide with those of issued bonds. This risk may be covered by the originator institution using interest rate swaps.
- **Commingling risk:** this is the risk that affects all investors and which exists in transactions wherein the payment of interest on the underlying portfolio is not immediately transferred from the originator to the accounts of the SSPE.
- **Liquidity risk:** the risk that the issued securities will not be traded in the market with a frequency or volume that will enable the investor to sell positions at any given time.
- **Operational risk:** securitizations are subject to operational risks, associated with the inadequacy of applied processes. In any securitization, the greatest operational risk relates to the operations required to claim and settle payments of cash flows related to the structure.

### Role and involvement of the Bank

The main functions carried out by the Bank are:

- **Originator:** the Bank has completed various securitization programmes in which, the Bank has assigned pools of residential mortgage loans, loans to small and medium-sized enterprises (SMEs), loans to corporates, financial lease rights and personal consumer loans, to be converted into asset-backed securities.
- **Servicer of securitized portfolios:** the Bank may also act as the servicer of securitized assets, managing the collection of principal and interest payments as well as providing cash management services.
- **Provider of financing:** the Bank may act as a provider of financing associated with subordinated loans for the creation of reserve funds and for loans to fund the initial expenses incurred by SSPEs.
- **Counterparty:** additionally, the Bank may act as a counterparty in swaps to mitigate basis risk.

The Bank has taken on the role of the originator as well as an investor for transactions targeting the generation of liquidity.

The Bank has not carried out any synthetic securitizations or re-securitizations.

As an originator and for the purposes of CRR Article 409, in compliance with that outlined in Article 405, the Bank maintains a commitment to consistently retain in a securitization of which it is an originator, a significant net economic interest of at least 5%, which it has done by retaining at least 5% of the bonds or at least 5% of the portfolio of similar assets.

Article 248 of the CRR sets forth that originator institutions, which in respect of a securitization have made use of Article 245(1) and (2) in the calculation of risk-weighted exposure amounts, shall not, with a view to reducing potential or actual losses to investors, provide support to the securitization beyond their contractual obligations. The implicit support to which this article of the CRR refers is a concept linked to the transfer of risk and refers to a situation in which originator institutions may be providing support to a securitization beyond that contractually agreed, as a result of an actual or expected impairment in the credit quality of the portfolio used to reduce the actual or potential losses to investors.

### Accounting policies for securitization

The accounting of securitized transactions is conditional upon the extent and way in which the risks and rewards associated with the assets transferred are passed on to third parties, as outlined in applicable regulations.

Financial assets are derecognised from the balance sheet when their inherent risks and rewards have been substantially transferred to third parties, and no subordinated loans or any other type of credit enhancements of a significant amount are retained.

Securitizations that do not trigger derecognition from the balance sheet are accounted for in the following manner:

- If the transfer does not result in derecognition because NBG has retained substantially all the risks and rewards of ownership of the transferred assets, IFRS 9 requires NBG to continue to recognize the transferred assets in its entirety and recognise a financial liability for any consideration received. In subsequent periods, NBG recognises any income on the transferred assets and any expense incurred on the financial liability.
- The securitized assets are kept on the balance sheet in the same accounting portfolio before and after the transfer and, as such, no changes are applied to the valuation after securitization.

Once the derecognition criteria described above are met the difference between the consideration received (including any new assets obtained) and the carrying amount of the assets transferred represents the gain or loss from the transaction and is recognised in the income statement.

To analyse the possible consolidation of SSPEs to which the Bank transfers assets, the deciding factor is determining who controls the entity. The following are taken into account:

The first step is the performance of a detailed assessment on whether the Bank controls the Issuer, which will acquire the reference portfolio, and hence needs to consolidate it in accordance with IFRS 10.

### Design of the Transaction

In assessing the purpose and design of the Issuer, the involvement and decisions made by the Bank at the Issuer's



inception as part of its design should be taken into consideration and it should be evaluated whether the transaction terms and features of the involvement provide the Bank with rights that are sufficient to give it power over the Issuer. *Being involved in the design of the Issuer alone is not sufficient to give an investor control. However, involvement in the design may indicate that the Bank had the opportunity to obtain rights that are sufficient to give it power over the Issuer* (IFRS 10. B51).

According to IFRS 10.6, an investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. *Under IFRS 10.7, control over the investee exists if and only if the investor has all the following:*

- Power over the investee;
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect the amount of the investor's returns.

An investor shall consider **all facts and circumstances** stated above when assessing whether it controls an investee (IFRS 10.8).

### Calculating risk-weighted exposures in securitization activities

The approaches used to calculate risk weighted exposure amounts in securitization activities differ in terms of the fulfilment or non-fulfilment of conditions required to assume that a significant amount of risk has been transferred, as outlined in Articles 244 and 245 of the CRR.

For securitizations in which the risk has been significantly transferred, the Bank uses either the standardized approach (SEC-SA) to calculate risk weights in accordance with CRR Article 267 or the external ratings-based approach (SEC-ERBA) to calculate risk weights according to the credit quality rating and the maturity as per CRR Article 263. The SEC-ERBA approach can only be applied for exposures with publicly available rating.

Where no risk has been transferred, capital requirements are calculated for the original securitized exposures, in line with the portfolio and the approach used, determined at the outset based on their characteristics.

### Project “Frontier”

On 17 December 2021, NBG completed the Frontier transaction, which involved the securitization of a portfolio of NPEs with a total gross book value of c. €6 billion as of 30 June 2020, following fulfillment of all conditions' precedent, including receipt of all necessary approvals. The portfolio consisted of secured Large Corporate, Small and Medium Enterprises (“SMEs”), Small Business Lending (“SBL”), Residential Mortgages and Consumer Loans. NBG retained 100.0% of the Senior Notes, which are guaranteed from the State under the Hellenic Asset Protection Scheme (“HAPS” – see below), selling 95.0% of the Mezzanine and Junior Notes to the consortium consisting of affiliates of Bain Capital Credit (“Bain Capital”), Fortress Investment Group and doValue Greece.

The Bank has also serviced the portfolio on behalf of the noteholders for the period between 17 December 2021 and 4 February 2022, when the migration of the portfolio to the long-term servicer (doValue Greece) took place.

### Project “Frontier II”

In the context of deleveraging its NPEs through inorganic actions and according to its NPE Divestment Policy, the Bank decided the disposal of a portfolio of Greek NPEs in the form of a rated securitization that will utilize the provisions of Hellenic Asset Protection Scheme (“HAPS”), known as “Hercules III” (see below for more information on this Scheme). The portfolio consists of predominantly secured Large Corporate, Small and Medium Enterprises, Small Business Lending, Residential Mortgage loans and Consumer loans with a total gross book value of c. €1 billion (as of the cut-off date 31 December 2021).

On 29 July 2022, the Bank announced that it has entered into a definitive agreement with funds managed by Bracebridge Capital LLC for the sale of 95% of the Mezzanine and Junior notes. NBG will retain the 100% of the Senior notes and 5% of the Mezzanine and Junior notes.

The transaction was completed on 16 February 2024 following the receipt of all necessary approvals, including the provision of the State guarantee on the Senior notes.

### Project “Solar”

In December 2021, the Bank decided to launch the divestment of the secured portfolio of SMEs (Project “Solar”) with a gross book value c. €170 million (as of the cut-off date 30 September 2021), through a joint securitization process with the other Greek financial institutions under HAPS.

On 1 November 2023, NBG together with the other Greek systemic banks entered into a definitive agreement with funds managed by Waterwheel Capital Management, L.P. for the sale of 95% of the Mezzanine and Junior notes. The banks will retain the 100% of the Senior notes and 5% of the Mezzanine and Junior notes for risk retention purposes.

The transaction is expected to be completed within the 1H.2024, subject to required approvals..

### Project “Frontier III”

In September 2023, the Bank decided the disposal of a portfolio of Greek NPEs in the form of a rated securitization aiming to utilize the provisions of HAPS. The portfolio consists of predominantly secured Large Corporate, Small and Medium Enterprises, Small Business Lending, Residential Mortgage loans and Consumer loans with a total gross book value of c. €0.6 billion (as of the cut-off date 30 June 2023).

The transaction is estimated to be completed within 2024, subject to required approvals.

### Hellenic Asset Protection Scheme

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

In July 2021, following the approval from the Directorate General for the Competition of the European Commission (the “DG Competition”) on 9 April 2021 and based on the Greek Law 4818/2021, the “Hercules” Scheme (named also as “Hercules II”) was extended by 18 months.

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Moreover, in December 2023, following the approval from the European Commission on 28 November 2023 and based on the Greek Law 5072/2023, the “Hercules Scheme” (named also as “Hercules III”) was extended by 12 months.

Under the Hercules III Scheme, the Hellenic Republic will provide guarantees up to €2.0 billion on the senior bonds of

securitizations of NPEs. The Hercules Scheme will become effective only when the originator has sold at least 50% plus one of junior tranches (and mezzanine if any) and the notes are of such amount that allows the derecognition and the Significant Risk Transfer (“SRT”) of the securitized receivables.

**Table 69:** EU SEC1 - Securitisation exposures in the non-trading book (€ mio) 31.12.2023

|                          | Institution acts as originator |                            |                              |            | Institution acts as sponsor |         |           |           | Institution acts as investor |         |            |            |
|--------------------------|--------------------------------|----------------------------|------------------------------|------------|-----------------------------|---------|-----------|-----------|------------------------------|---------|------------|------------|
|                          | Traditional                    |                            | Synthetic<br>of which<br>SRT | Sub-total  | Traditional                 |         | Synthetic | Sub-total | Traditional                  |         | Synthetic  | Sub-total  |
|                          | STS<br>of which<br>SRT         | Non-STS<br>of which<br>SRT |                              |            | STS                         | Non-STS |           |           | STS                          | Non-STS |            |            |
| <b>1 Total exposures</b> |                                | <b>6.8</b>                 | <b>6.8</b>                   | <b>6.8</b> |                             |         |           |           |                              |         | <b>324</b> | <b>324</b> |
| 2 Retail (total)         |                                | 6.8                        | 6.8                          | 6.8        |                             |         |           |           |                              |         |            |            |
| 3 residential mortgage   |                                | 6.8                        | 6.8                          | 6.8        |                             |         |           |           |                              |         |            |            |
| 4 credit card            |                                |                            |                              |            |                             |         |           |           |                              |         |            |            |
| 5 other retail exposures |                                |                            |                              |            |                             |         |           |           |                              |         |            |            |
| 6 re-securitisation      |                                |                            |                              |            |                             |         |           |           |                              |         |            |            |
| 7 Wholesale (total)      |                                |                            |                              |            |                             |         |           |           |                              |         | 324        | 324        |
| 8 loans to corporates    |                                |                            |                              |            |                             |         |           |           |                              |         | 324        | 324        |
| 9 commercial mortgage    |                                |                            |                              |            |                             |         |           |           |                              |         |            |            |
| 10 lease and receivables |                                |                            |                              |            |                             |         |           |           |                              |         |            |            |
| 11 other wholesale       |                                |                            |                              |            |                             |         |           |           |                              |         |            |            |
| 12 re-securitisation     |                                |                            |                              |            |                             |         |           |           |                              |         |            |            |

**Table 69:** EU SEC1 - Securitisation exposures in the non-trading book (€ mio) 30.06.2023

|                          | Institution acts as originator |                            |                              |            | Institution acts as sponsor |         |           |           | Institution acts as investor |         |           |           |
|--------------------------|--------------------------------|----------------------------|------------------------------|------------|-----------------------------|---------|-----------|-----------|------------------------------|---------|-----------|-----------|
|                          | Traditional                    |                            | Synthetic<br>of which<br>SRT | Sub-total  | Traditional                 |         | Synthetic | Sub-total | Traditional                  |         | Synthetic | Sub-total |
|                          | STS<br>of which<br>SRT         | Non-STS<br>of which<br>SRT |                              |            | STS                         | Non-STS |           |           | STS                          | Non-STS |           |           |
| <b>1 Total exposures</b> |                                | <b>6.8</b>                 | <b>6.8</b>                   | <b>6.8</b> |                             |         |           |           |                              |         | <b>86</b> | <b>86</b> |
| 2 Retail (total)         |                                | 6.8                        | 6.8                          | 6.8        |                             |         |           |           |                              |         |           |           |
| 3 residential mortgage   |                                | 6.8                        | 6.8                          | 6.8        |                             |         |           |           |                              |         |           |           |
| 4 credit card            |                                |                            |                              |            |                             |         |           |           |                              |         |           |           |
| 5 other retail exposures |                                |                            |                              |            |                             |         |           |           |                              |         |           |           |
| 6 re-securitisation      |                                |                            |                              |            |                             |         |           |           |                              |         |           |           |
| 7 Wholesale (total)      |                                |                            |                              |            |                             |         |           |           |                              |         | 86        | 86        |
| 8 loans to corporates    |                                |                            |                              |            |                             |         |           |           |                              |         | 86        | 86        |
| 9 commercial mortgage    |                                |                            |                              |            |                             |         |           |           |                              |         |           |           |
| 10 lease and receivables |                                |                            |                              |            |                             |         |           |           |                              |         |           |           |
| 11 other wholesale       |                                |                            |                              |            |                             |         |           |           |                              |         |           |           |
| 12 re-securitisation     |                                |                            |                              |            |                             |         |           |           |                              |         |           |           |

**Table 70:** EU SEC3 - Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as originator or as sponsor (€ mio) 31.12.2023

|                            | Exposure values (by RW bands/deductions) |                                   |                                    |                                    | Exposure values (by regulatory approach) |                             |                             |          | RWEA (by regulatory approach) |             |          |                             | Capital charge after cap    |          |                             |        |
|----------------------------|------------------------------------------|-----------------------------------|------------------------------------|------------------------------------|------------------------------------------|-----------------------------|-----------------------------|----------|-------------------------------|-------------|----------|-----------------------------|-----------------------------|----------|-----------------------------|--------|
|                            | ≤20%<br>RW                               |                                   | >20%<br>to >50%<br>to >100%<br>RW  |                                    | SEC-IRBA                                 |                             | SEC-ERBA<br>(including IAA) |          | SEC-SA                        |             | SEC-IRBA |                             | SEC-ERBA<br>(including IAA) |          | SEC-SA                      |        |
|                            | ≤20%<br>RW                               | >20%<br>to >50%<br>to >100%<br>RW | >100%<br>to >50%<br>to >100%<br>RW | >100%<br>to >50%<br>to >100%<br>RW | SEC-IRBA                                 | SEC-ERBA<br>(including IAA) | SEC-SA                      | SEC-IRBA | SEC-ERBA<br>(including IAA)   | SEC-SA      | SEC-IRBA | SEC-ERBA<br>(including IAA) | SEC-SA                      | SEC-IRBA | SEC-ERBA<br>(including IAA) | SEC-SA |
| <b>1 Total exposures</b>   |                                          |                                   |                                    |                                    |                                          |                             | <b>6.8</b>                  |          |                               | <b>77.1</b> |          |                             | <b>6.2</b>                  |          |                             |        |
| 2 Traditional transactions |                                          |                                   |                                    |                                    |                                          |                             | 6.8                         |          |                               | 77.1        |          |                             | 6.2                         |          |                             |        |
| 3 Securitisation           |                                          |                                   |                                    |                                    |                                          |                             | 6.8                         |          |                               | 77.1        |          |                             | 6.2                         |          |                             |        |
| 4 Retail                   |                                          |                                   |                                    |                                    |                                          |                             | 6.8                         |          |                               | 77.1        |          |                             | 6.2                         |          |                             |        |
| 5 Of which STS             |                                          |                                   |                                    |                                    |                                          |                             |                             |          |                               |             |          |                             |                             |          |                             |        |
| 6 Wholesale                |                                          |                                   |                                    |                                    |                                          |                             |                             |          |                               |             |          |                             |                             |          |                             |        |
| 7 Of which STS             |                                          |                                   |                                    |                                    |                                          |                             |                             |          |                               |             |          |                             |                             |          |                             |        |
| 8 Re-securitisation        |                                          |                                   |                                    |                                    |                                          |                             |                             |          |                               |             |          |                             |                             |          |                             |        |
| 9 Synthetic transactions   |                                          |                                   |                                    |                                    |                                          |                             |                             |          |                               |             |          |                             |                             |          |                             |        |
| 10 Securitisation          |                                          |                                   |                                    |                                    |                                          |                             |                             |          |                               |             |          |                             |                             |          |                             |        |
| 11 Retail underlying       |                                          |                                   |                                    |                                    |                                          |                             |                             |          |                               |             |          |                             |                             |          |                             |        |
| 12 Wholesale               |                                          |                                   |                                    |                                    |                                          |                             |                             |          |                               |             |          |                             |                             |          |                             |        |
| 13 Re-securitisation       |                                          |                                   |                                    |                                    |                                          |                             |                             |          |                               |             |          |                             |                             |          |                             |        |

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**Table 70: EU SEC3 - Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as originator or as sponsor (€ mio) 30.06.2023**

| Exposure values (by RW bands/deductions) |                          |                         |                          | Exposure values (by regulatory approach) |                            |              |                                | RWEA (by regulatory approach) |                         |              |                                    | Capital charge after cap |                            |              |                                    |            |                            |
|------------------------------------------|--------------------------|-------------------------|--------------------------|------------------------------------------|----------------------------|--------------|--------------------------------|-------------------------------|-------------------------|--------------|------------------------------------|--------------------------|----------------------------|--------------|------------------------------------|------------|----------------------------|
|                                          | ≤20%<br>RW               | >20%<br>to<br>50%<br>RW | >50%<br>to<br>100%<br>RW | >100%<br>to<br><1250%<br>RW              | 1250%<br>RW/<br>deductions | SEC-<br>IRBA | SEC-ERBA<br>(including<br>IAA) | SEC-SA                        | 1250% RW/<br>deductions | SEC-<br>IRBA | SEC-<br>ERBA<br>(including<br>IAA) | SEC-SA                   | 1250%<br>RW/<br>deductions | SEC-<br>IRBA | SEC-<br>ERBA<br>(including<br>IAA) | SEC-<br>SA | 1250%<br>RW/<br>deductions |
| 1                                        | Total exposures          |                         |                          | 6.8                                      |                            |              |                                | 6.8                           |                         |              |                                    | 77.5                     |                            |              |                                    | 6          |                            |
| 2                                        | Traditional transactions |                         |                          | 6.8                                      |                            |              |                                | 6.8                           |                         |              |                                    | 77.5                     |                            |              |                                    | 6          |                            |
| 3                                        | Securitisation           |                         |                          | 6.8                                      |                            |              |                                | 6.8                           |                         |              |                                    | 77.5                     |                            |              |                                    | 6          |                            |
| 4                                        | Retail                   |                         |                          | 6.8                                      |                            |              |                                | 6.8                           |                         |              |                                    | 77.5                     |                            |              |                                    | 6          |                            |
| 5                                        | Of which STS             |                         |                          |                                          |                            |              |                                |                               |                         |              |                                    | 77.5                     |                            |              |                                    |            | 6                          |
| 6                                        | Wholesale                |                         |                          |                                          |                            |              |                                |                               |                         |              |                                    |                          |                            |              |                                    |            |                            |
| 7                                        | Of which STS             |                         |                          |                                          |                            |              |                                |                               |                         |              |                                    |                          |                            |              |                                    |            |                            |
| 8                                        | Re-securitisation        |                         |                          |                                          |                            |              |                                |                               |                         |              |                                    |                          |                            |              |                                    |            |                            |
| 9                                        | Synthetic transactions   |                         |                          |                                          |                            |              |                                |                               |                         |              |                                    |                          |                            |              |                                    |            |                            |
| 10                                       | Securitisation           |                         |                          |                                          |                            |              |                                |                               |                         |              |                                    |                          |                            |              |                                    |            |                            |
| 11                                       | Retail underlying        |                         |                          |                                          |                            |              |                                |                               |                         |              |                                    |                          |                            |              |                                    |            |                            |
| 12                                       | Wholesale                |                         |                          |                                          |                            |              |                                |                               |                         |              |                                    |                          |                            |              |                                    |            |                            |
| 13                                       | Re-securitisation        |                         |                          |                                          |                            |              |                                |                               |                         |              |                                    |                          |                            |              |                                    |            |                            |

**Table 71: EU SEC5 - Exposures securitised by the institution - Exposures in default and specific credit risk adjustments (€ mio) 31.12.2023**

| 31.12.2020                                                                               |                        |                                     |                                                                                     |
|------------------------------------------------------------------------------------------|------------------------|-------------------------------------|-------------------------------------------------------------------------------------|
| Exposures securitised by the institution<br>Institution acts as originator or as sponsor |                        |                                     |                                                                                     |
|                                                                                          |                        | Total outstanding nominal<br>amount | Total amount of<br>specific credit<br>risk adjustments<br>made during the<br>period |
|                                                                                          |                        | Of which<br>exposures in<br>default |                                                                                     |
| 1                                                                                        | Total exposures        | 5,155                               | 4,547                                                                               |
| 2                                                                                        | Retail (total)         | 5,155                               | 4,547                                                                               |
| 3                                                                                        | residential mortgage   | 5,155                               | 4,547                                                                               |
| 4                                                                                        | credit card            |                                     |                                                                                     |
| 5                                                                                        | other retail exposures |                                     |                                                                                     |
| 6                                                                                        | re-securitisation      |                                     |                                                                                     |
| 7                                                                                        | Wholesale (total)      |                                     |                                                                                     |
| 8                                                                                        | loans to corporates    |                                     |                                                                                     |
| 9                                                                                        | commercial mortgage    |                                     |                                                                                     |
| 10                                                                                       | lease and receivables  |                                     |                                                                                     |
| 11                                                                                       | other wholesale        |                                     |                                                                                     |
| 12                                                                                       | re-securitisation      |                                     |                                                                                     |

**Table 71: EU SEC5 - Exposures securitised by the institution - Exposures in default and specific credit risk adjustments (€ mio) 30.06.2023**

30.06.2020

| Exposures securitised by the institution<br>Institution acts as originator or as sponsor |                        |                                     |                                                                                     |
|------------------------------------------------------------------------------------------|------------------------|-------------------------------------|-------------------------------------------------------------------------------------|
|                                                                                          |                        | Total outstanding nominal<br>amount | Total amount of<br>specific credit<br>risk adjustments<br>made during the<br>period |
|                                                                                          |                        | Of which<br>exposures in<br>default |                                                                                     |
| 1                                                                                        | <b>Total exposures</b> | <b>5,283</b>                        | <b>4,558</b>                                                                        |
| 2                                                                                        | Retail (total)         | 5,283                               | 4,558                                                                               |
| 3                                                                                        | residential mortgage   | 5,283                               | 4,558                                                                               |
| 4                                                                                        | credit card            |                                     |                                                                                     |
| 5                                                                                        | other retail exposures |                                     |                                                                                     |
| 6                                                                                        | re-securitisation      |                                     |                                                                                     |
| 7                                                                                        | Wholesale (total)      |                                     |                                                                                     |
| 8                                                                                        | loans to corporates    |                                     |                                                                                     |
| 9                                                                                        | commercial mortgage    |                                     |                                                                                     |
| 10                                                                                       | lease and receivables  |                                     |                                                                                     |
| 11                                                                                       | other wholesale        |                                     |                                                                                     |
| 12                                                                                       | re-securitisation      |                                     |                                                                                     |

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## Investments in securitisation positions

On December 31st, 2023, the Group held investments in rated collateralized loan obligations (CLOs) with a total carrying amount of € 324 mn. The aforementioned investments are risk weighted using the securitization External Ratings-Based Approach (SEC-ERBA).

**Table 72:** EU SEC4 - Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as investor (€ mio) 31.12.2023

|                            | Exposure values (by RW bands/deductions) |                      |                          |                          |                         | Exposure values (by regulatory approach) |                                |            |                         | RWEA (by regulatory approach) |                                |            |                            | Capital charge after cap |                                |            |                            |
|----------------------------|------------------------------------------|----------------------|--------------------------|--------------------------|-------------------------|------------------------------------------|--------------------------------|------------|-------------------------|-------------------------------|--------------------------------|------------|----------------------------|--------------------------|--------------------------------|------------|----------------------------|
|                            | ≤20%<br>RW                               | >20%<br>to 50%<br>RW | >50%<br>to<br>100%<br>RW | >100% to<br><1250%<br>RW | 1250% RW/<br>deductions | SEC-<br>IRBA                             | SEC-ERBA<br>(including<br>IAA) | SEC-<br>SA | 1250% RW/<br>deductions | SEC-<br>IRBA                  | SEC-ERBA<br>(including<br>IAA) | SEC-<br>SA | 1250%<br>RW/<br>deductions | SEC-<br>IRBA             | SEC-ERBA<br>(including<br>IAA) | SEC-<br>SA | 1250%<br>RW/<br>deductions |
| <b>1 Total exposures</b>   | <b>277</b>                               |                      | <b>47</b>                |                          |                         |                                          | <b>324</b>                     |            |                         |                               | <b>98</b>                      |            |                            |                          | <b>7.8</b>                     |            |                            |
| 2 Traditional transactions | 277                                      |                      | 47                       |                          |                         |                                          | 324                            |            |                         |                               | 98                             |            |                            |                          | 7.8                            |            |                            |
| 3 Securitisation           | 277                                      |                      | 47                       |                          |                         |                                          | 324                            |            |                         |                               | 98                             |            |                            |                          | 7.8                            |            |                            |
| 4 Retail                   |                                          |                      |                          |                          |                         |                                          |                                |            |                         |                               |                                |            |                            |                          |                                |            |                            |
| 5 Of which STS             |                                          |                      |                          |                          |                         |                                          |                                |            |                         |                               |                                |            |                            |                          |                                |            |                            |
| 6 Wholesale                | 277                                      |                      | 47                       |                          |                         |                                          | 324                            |            |                         |                               | 98                             |            |                            |                          | 7.8                            |            |                            |
| 7 Of which STS             |                                          |                      |                          |                          |                         |                                          |                                |            |                         |                               |                                |            |                            |                          |                                |            |                            |
| 8 Re-securitisation        |                                          |                      |                          |                          |                         |                                          |                                |            |                         |                               |                                |            |                            |                          |                                |            |                            |
| 9 Synthetic transactions   |                                          |                      |                          |                          |                         |                                          |                                |            |                         |                               |                                |            |                            |                          |                                |            |                            |
| 10 Securitisation          |                                          |                      |                          |                          |                         |                                          |                                |            |                         |                               |                                |            |                            |                          |                                |            |                            |
| 11 Retail underlying       |                                          |                      |                          |                          |                         |                                          |                                |            |                         |                               |                                |            |                            |                          |                                |            |                            |
| 12 Wholesale               |                                          |                      |                          |                          |                         |                                          |                                |            |                         |                               |                                |            |                            |                          |                                |            |                            |
| 13 Re-securitisation       |                                          |                      |                          |                          |                         |                                          |                                |            |                         |                               |                                |            |                            |                          |                                |            |                            |

**Table 72:** EU SEC4 - Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as investor (€ mio) 30.06.2023

|                            | Exposure values (by RW bands/deductions) |                      |                          |                          |                         | Exposure values (by regulatory approach) |                                |            |                         | RWEA (by regulatory approach) |                                |            |                            | Capital charge after cap |                                |            |                            |
|----------------------------|------------------------------------------|----------------------|--------------------------|--------------------------|-------------------------|------------------------------------------|--------------------------------|------------|-------------------------|-------------------------------|--------------------------------|------------|----------------------------|--------------------------|--------------------------------|------------|----------------------------|
|                            | ≤20%<br>RW                               | >20%<br>to 50%<br>RW | >50%<br>to<br>100%<br>RW | >100% to<br><1250%<br>RW | 1250% RW/<br>deductions | SEC-<br>IRBA                             | SEC-ERBA<br>(including<br>IAA) | SEC-<br>SA | 1250% RW/<br>deductions | SEC-<br>IRBA                  | SEC-ERBA<br>(including<br>IAA) | SEC-<br>SA | 1250%<br>RW/<br>deductions | SEC-<br>IRBA             | SEC-ERBA<br>(including<br>IAA) | SEC-<br>SA | 1250%<br>RW/<br>deductions |
| <b>1 Total exposures</b>   | <b>30</b>                                |                      |                          | <b>56</b>                |                         |                                          | <b>86</b>                      |            |                         |                               | <b>84</b>                      |            |                            |                          | <b>6.7</b>                     |            |                            |
| 2 Traditional transactions | 30                                       |                      |                          | 56                       |                         |                                          | 86                             |            |                         |                               | 84                             |            |                            |                          | 6.7                            |            |                            |
| 3 Securitisation           | 30                                       |                      |                          | 56                       |                         |                                          | 86                             |            |                         |                               | 84                             |            |                            |                          | 6.7                            |            |                            |
| 4 Retail                   |                                          |                      |                          |                          |                         |                                          |                                |            |                         |                               |                                |            |                            |                          |                                |            |                            |
| 5 Of which STS             |                                          |                      |                          |                          |                         |                                          |                                |            |                         |                               |                                |            |                            |                          |                                |            |                            |
| 6 Wholesale                | 30                                       |                      |                          | 56                       |                         |                                          | 86                             |            |                         |                               | 84                             |            |                            |                          | 6.7                            |            |                            |
| 7 Of which STS             |                                          |                      |                          |                          |                         |                                          |                                |            |                         |                               |                                |            |                            |                          |                                |            |                            |
| 8 Re-securitisation        |                                          |                      |                          |                          |                         |                                          |                                |            |                         |                               |                                |            |                            |                          |                                |            |                            |
| 9 Synthetic transactions   |                                          |                      |                          |                          |                         |                                          |                                |            |                         |                               |                                |            |                            |                          |                                |            |                            |
| 10 Securitisation          |                                          |                      |                          |                          |                         |                                          |                                |            |                         |                               |                                |            |                            |                          |                                |            |                            |
| 11 Retail underlying       |                                          |                      |                          |                          |                         |                                          |                                |            |                         |                               |                                |            |                            |                          |                                |            |                            |
| 12 Wholesale               |                                          |                      |                          |                          |                         |                                          |                                |            |                         |                               |                                |            |                            |                          |                                |            |                            |
| 13 Re-securitisation       |                                          |                      |                          |                          |                         |                                          |                                |            |                         |                               |                                |            |                            |                          |                                |            |                            |

## 13 INTEREST RATE RISK IN THE BANKING BOOK

Interest Rate Risk in the Banking Book (IRRBB) concerns potential losses on the Bank's earnings (Net Interest Income – NII) and on the net present value of assets and liabilities (Economic Value of Equity – EVE) arising from changes in interest rates.

The main sources of IRRBB are the following:

- **Repricing risk:** it arises from timing differences in the maturity (for fixed-rate) and repricing (for floating-rate) of the Group's assets, liabilities and off balance-sheet positions, which can expose the Group's income and underlying economic value to adverse interest rate fluctuations;
- **Basis risk:** it arises from imperfect correlation in the adjustment of the rates earned and paid on different instruments with otherwise similar repricing characteristics;
- **Optionality risk:** it occurs when a bank's customer or counterparty has the right, but not the obligation, to buy, sell, or in some manner alter the quantity and / or the timing of cash flows of an instrument or financial contract;
- **Credit Spread Risk in the Banking Book (CSRBB):** the risk driven by changes in the market perception about the price of credit risk, liquidity premium and potentially other components of credit-risky instruments, which is not explained by IRRBB.

On a regular basis the Bank measures the effect of adverse movements in interest rates on the Net Interest Income and the Economic Value of Equity metrics by applying a number of specified interest rate scenarios (parallel shifts, flattening and steepening of the interest rate curves).

The Bank has developed an IRRBB management framework and a corresponding calculation engine, under which all relevant risk metrics are calculated using a full revaluation approach, based on the exact repricing and amortization characteristics of individual positions.

The main assumptions made for the calculation of the interest rate risk in the banking book are the following:

- **Saving and Current Accounts:** maturity is estimated based on a behavioural model of the maturity and repricing characteristics of deposits without specific maturity. The deposits' model was developed internally and is calibrated annually to the Bank's data, reflecting NBG's customer base and business model. The model predicts a 20% pass-through rate on average for the calculation of the NII changes and an average duration of 2.4 years, taking into account the Regulatory cap imposed for such deposits, which is equivalent to 5 years;
- **Mortgages:** prepayment risk options have not been taken into account;
- **Non-performing loans:** interest rate sensitivity is estimated based on their recovery value, in line with the Bank's provisions' modelling.

It should be noted that:

- the sensitivity of the interest income is measured on the basis of an instantaneous shock in the interest rate curve which is subsequently kept constant over a period of 12 months, assuming a constant balance sheet, i.e., new business assumptions affecting potentially the mix of asset and liabilities are not considered;
- the sensitivity of the Economic Value of Equity is measured across the full maturity spectrum of the bank's assets and liabilities, assuming that matured transactions are not replenished.

The sensitivity of the Group's EVE and NII measures as of 31 December 2023, under the standard regulatory stress scenarios introduced by EBA's latest IRRBB Management Guidelines (EBA/GL/2022/14 – 20 October 2022) are presented in the following table. Furthermore, the comparison of NII and EVE sensitivities between 2023 and 2022 year-end is presented in Table 74.

**Table 73: Sensitivity of EVE and NII measures 31.12.2023**

| Scenario         | EVE   |      |     |                  |       | NII   |      |     |                  |       |
|------------------|-------|------|-----|------------------|-------|-------|------|-----|------------------|-------|
|                  | EUR   | USD  | GBP | Other Currencies | Total | EUR   | USD  | GBP | Other Currencies | Total |
| Parallel up      | 112   | 30   | 6   | 5                | 153   | 214   | 36   | (6) | 3                | 247   |
| Parallel down    | (71)  | (41) | (7) | (8)              | (128) | (270) | (41) | 5   | (1)              | (308) |
| Steeper          | (232) | (3)  | (1) | (8)              | (244) |       |      |     |                  |       |
| Flattener        | 268   | 5    | 2   | 8                | 282   |       |      |     |                  |       |
| Short rates up   | 271   | 17   | 4   | 8                | 300   |       |      |     |                  |       |
| Short rates down | (299) | (27) | (5) | (11)             | (341) |       |      |     |                  |       |
| Maximum          |       |      |     |                  | (341) |       |      |     |                  |       |

**Table 73: Sensitivity of EVE and NII measures 31.12.2022**

| Scenario         | EVE   |      |     |                  |       | NII   |      |     |                  |       |
|------------------|-------|------|-----|------------------|-------|-------|------|-----|------------------|-------|
|                  | EUR   | USD  | GBP | Other Currencies | Total | EUR   | USD  | GBP | Other Currencies | Total |
| Parallel up      | 630   | 32   | 6   | 13               | 681   | 378   | 28   | (6) | (1)              | 400   |
| Parallel down    | (763) | (45) | (8) | (13)             | (829) | (418) | (32) | 5   | 0                | (445) |
| Steeper          | (188) | (3)  | (1) | (9)              | (201) |       |      |     |                  |       |
| Flattener        | 285   | 5    | 2   | 9                | 301   |       |      |     |                  |       |
| Short rates up   | 460   | 18   | 4   | 13               | 495   |       |      |     |                  |       |
| Short rates down | (514) | (29) | (5) | (15)             | (562) |       |      |     |                  |       |
| Maximum          |       |      |     |                  | (829) |       |      |     |                  | (445) |

## INTEREST RATE IN THE BANKING BOOK

The reduction in the economic value under the six regulatory scenarios presented below remained well within the limits set by the prevailing Regulatory provisions (EVE sensitivity does not exceed both 15% CET1 Capital and 20% of the Regulatory Capital). The year-end results comparison show a significant decrease in EVE and NII sensitivity, as the Bank initiated a hedging program aimed mainly at reducing earnings' volatility.

**Table 74:** Comparison of EVE and NII sensitivity measures between 31.12.2023 and 31.12.2022

| Scenario             | EVE                         |                             | NII                         |                             |
|----------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
|                      | Dec 31 <sup>st</sup> , 2023 | Dec 31 <sup>st</sup> , 2022 | Dec 31 <sup>st</sup> , 2023 | Dec 31 <sup>st</sup> , 2022 |
| Parallel up          | 153                         | 681                         | 247                         | 400                         |
| Parallel down        | (128)                       | (829)                       | (308)                       | (445)                       |
| Steeper              | (244)                       | (201)                       |                             |                             |
| Flattener            | 282                         | 301                         |                             |                             |
| Short rates up       | 300                         | 495                         |                             |                             |
| Short rates down     | (341)                       | (562)                       |                             |                             |
| Maximum              | (341)                       | (829)                       |                             |                             |
| CET1 Capital (€ mio) | 6,730                       | 6,047                       |                             |                             |
| Δ(EVE) Ratio         | 5.07%                       | 13.71%                      |                             |                             |



## 14 LIQUIDITY RISK

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

It reflects the risk stemming from limited or less stable sources of funding over the longer term (i.e., funding risk), or from insufficient available collateral for Eurosystem, secured or wholesale funding (i.e., asset encumbrance risk) or from a concentration in unencumbered assets disrupting the Bank's ability to generate cash in times of reduced market liquidity for certain asset classes (i.e., concentration risk). Therefore, Liquidity Risk captures both the risk of the Bank being unable to liquidate assets in a timely manner with reasonable terms, and the risk of unexpected increases in the Bank's cost of funding.

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

In addition, top management receives, on a daily basis, a liquidity report which presents a detailed analysis of the Group's funding sources, the liquidity buffer, the cost of funding and other liquidity metrics related to the Risk Appetite Framework (RAF), the Recovery Plan (RP) and the Contingency Funding Plan. Moreover, the Asset Liability Committee (ALCO) monitors the gap in maturities between assets and liabilities, as well as the Bank's funding requirements, based on various assumptions, including conditions that might have an adverse impact on the Bank's ability to liquidate investments and trading positions and its ability to access the capital markets.

Since liquidity risk management seeks to ensure that the respective risk of the Group is measured properly and is maintained within acceptable levels then, even under adverse conditions, the Group must have access to funds necessary to cover customer needs, maturing liabilities and other capital needs, while simultaneously maintaining the appropriate liquidity buffer to ensure the above.

### Liquidity Developments in Q4 2023

Following on the path of the previous years, NBG continued strengthening its already solid liquidity profile during the fourth quarter of 2023, leveraging on the positive development of Greece being upgraded to investment grade.

LCR and NSFR, as well as the Bank's liquidity buffer remain at the highest historical levels, driven by the growth in sticky retail deposits and the successful issuance of an MREL-eligible, Tier II bond.

### Sources of liquidity

The Bank's principal source of liquidity are its customer deposits, wholesale funding through the issuance of (MREL-eligible) debt, Eurosystem funding (currently via the TLTROs maturing in 2024) and repurchase agreements (repos) with FIs. ECB funding and repos with FIs are collateralized by high quality liquid assets, such as EU sovereign bonds, Greek government bonds and T-

Bills, as well as by other assets, such as highly rated corporate loans and own issues of covered bonds.

During 2023, Group customer deposits increased by €1.9bn and stood at €57.1 billion on 31 December 2023, while their mix improved to include a larger portion of sticky retail deposits.

Moreover, the Bank successfully tapped the markets in the third quarter to raise €500 million through the issuance of an MREL-eligible, Tier II bond, which settled on October 3<sup>rd</sup>, further diversifying its funding structure.

Additionally, the Group's LCR and NSFR remained significantly above the regulatory and internal limits. More specifically, on 31 December 2023 the Group's LCR stood at 262.2% and the Group's NSFR raised to 150.3%. Loan-to-Deposit ratio stood at 56.4% and 57.4% as of 31 December 2023, on a domestic (Greece) and on a Group level, respectively.

Furthermore, the Bank's participation to the ECB TLTRO III refinancing operations stood at €1.9 billion and secured interbank funding transactions amounted to €0.1 billion as of 31 December 2023.

During the fourth quarter of 2023 the Bank's funding cost increased by 12bps and on 31 December 2023 stood at 77bps, mainly due to higher time-deposit rates.

Finally, the Bank rests on a very solid Liquidity Buffer standing at the highest level of €25.6 billion on 31 December 2023.

The next tables present the key components of NBG's LCR, as per the respective guidelines on LCR disclosure (EBA/ITS/2020/04).

### Strategies and processes in the management of the liquidity risk

NBG Group has established a robust liquidity risk management framework, which is primarily outlined in the Liquidity Risk Management Policy and is further augmented by the Contingency Funding Plan ("CFP") and the Asset Encumbrance Policy. The liquidity policy is designed with an aim to be aligned with NBG Group Risk Strategy and to meet all the requirements set by the European Commission, the European Central Bank and the Bank of Greece.

Moreover, via the Funding Plan, NBG Group explores its capacity to execute planned actions which affect funding, achieving, in the medium to long run, sustainable funding structures that support the planned growth in the Asset side.

### Structure and organisation of the liquidity risk management function

NBG manages, monitors and measures liquidity risk through the Corporate Treasury and the Capital Markets and Structured Finance ("CMSF") that report to the Group Treasurer, and the Risk Management Unit (Financial & Liquidity Risk Management Division) that reports to the CRO.

### Degree of centralisation of liquidity management and interaction between the group's units

NBG follows a centralized liquidity risk governance model and the body in charge of liquidity management is the Group Treasury, which is responsible for coordinating access to the capital markets in order to fulfill the liquidity needs of the Group.

### Scope and nature of liquidity risk reporting and measurement systems

NBG has completed a pivotal infrastructure project, which was the in-house IT liquidity platform. This module enables NBG to

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fully automate, integrate and seamlessly produce the full set of internal and regulatory liquidity reporting, and stress testing, thus optimizing the monitoring and management of liquidity risk, which proved extremely useful during the pandemic crisis.

Furthermore, the database of the liquidity platform has been complemented with a large set of historical data, which has further enhanced historical analysis capabilities, targeting to support liquidity stress testing exercises.

#### **Policies for hedging and mitigating the liquidity risk and strategies and processes for monitoring the continuing effectiveness of hedges and mitigants**

In the Liquidity Risk Management Policy, it is analyzed how the Bank manages all Liquidity Risk types. Specifically, regarding the managing of intraday liquidity, the Bank's dedicated unit of the Treasury Division (the MM Desk) closely monitors all intraday positions and ensures that any gap in the Central Bank's current account can be mitigated through the available counterbalancing capacity.

#### **Outline of the bank's contingency funding plans**

The Contingency Funding Plan ("CFP") is a dedicated document of the Bank, which describes the governance and the specific corrective actions and measures that could be taken in case of a liquidity emergency and which is periodically updated, if required, in order to ensure its effectiveness.

Based on the CFP, NBG monitors a set of relevant indicators and metrics that could potentially trigger the CFP activation discussion at the ALCO level.

Upon the activation of the CFP, the Group ALCO will prepare and approve (in co-operation with the subsidiary ALCO, in case of a liquidity crisis in a subsidiary) a crisis-specific Action Plan, which adheres to all local regulatory requirements. It should be noted that, given the liquidity contingency state of the Greek market over the previous years, the actions included in the CFP Action Plan have essentially been tested for their effectiveness in a real life environment and have been deemed as successful, since they have allowed NBG to continue to operate, despite the adverse circumstances encountered.

#### **Use of stress testing**

Liquidity stress tests allow the Bank to assess the potential impact of exceptional but plausible stress scenarios on its liquidity position. The results of the stress tests enable the Bank to assess the adequacy of its liquidity buffer against potential adverse shocks. Stress testing is conducted on a regular basis, while the Bank can also perform it on an ad-hoc basis. Stress testing is performed at least monthly and results are reported to the ALCO & BRC.

Via the ILAAP, the Bank performs annually a comprehensive set of liquidity stress tests, capturing severe market-wide and idiosyncratic economic shocks, including a long-term stress test over a 3-year horizon, in which the Bank's Business Plan is tested under an adverse macroeconomic scenario, designed by the Economic Analysis Unit.

Additionally, other ad-hoc short-term stress test exercises, in order to examine specific extraordinary events, (e.g. the COVID-19 crisis), may be performed when deemed necessary.

#### **Adequacy of liquidity risk management arrangements**

The Bank maintains and continuously improves its liquidity management framework, approved by ALCO and BRC, that describes how the Bank manages, monitors, measures and

reports liquidity risk. The framework contains policies, metrics, and comprehensive processes that are frequently updated and further enhanced to capture market and bank-specific developments.

Additionally, the Bank's liquidity risk management framework is further reviewed and evaluated by the Single Supervisory Mechanism ("SSM") and the Single Resolution Board ("SRB") ensuring its effectiveness, continuous improvement and suitability.

#### **Institution's overall liquidity risk profile associated with the business strategy**

The Bank's current liquidity state is at its strongest levels historically, as it is outlined by the Basel III regulatory liquidity metrics, which are significantly higher than their respective regulatory minimums. The overall risk profile of NBG also encompasses the maintenance of a very high liquidity buffer and a steadily increasing deposit base. More specifically, the Group's risk appetite, regarding its liquidity position, is summarized in the following statements, expressed in the current Risk Appetite Framework:

- "NBG aims to promote self-funded growth, through preserving a stable funding mix, mainly comprised of customer deposits at a sustainable rate."
- "NBG targets to always preserve the LCR well above minimum regulatory level and also maintain an adequate liquidity buffer going forward."
- "NBG aims to preserve the NSFR level above minimum regulatory levels and extend the average tenor of its liabilities in alignment to its Business Plan, in order to enhance its longer-term available funding."

#### **Customised measurement tools or metrics**

In order to effectively monitor liquidity risk, the Bank has introduced an additional risk appetite metric with specific related limits, in the current Risk Appetite Framework. Except for the RAF limits on the regulatory metrics of Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR), the Bank also measures and manages an internal liquidity risk metric, the Liquidity Buffer (HQLAs), which stands at the highest historical level of €21.8 billion as of 31 December 2023, well above the risk tolerance limit.

#### **Liquidity exposures and funding needs at the level of individual legal entities, foreign branches and subsidiaries**

The Group's subsidiaries measure, report and manage their own individual Liquidity Risk, ensuring they are self-sufficient in case of a local crisis.

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Table 75: EU LIQ1 - Quantitative Information of Liquidity Coverage Ratio 2023

| € mio                                                     |                                                                                         | Total unweighted value |            |            |            | Total weighted value |            |            |            |
|-----------------------------------------------------------|-----------------------------------------------------------------------------------------|------------------------|------------|------------|------------|----------------------|------------|------------|------------|
| Quarter ending on                                         |                                                                                         | 31.03.2023             | 30.06.2023 | 30.09.2023 | 31.12.2023 | 31.03.2023           | 30.06.2023 | 30.09.2023 | 31.12.2023 |
| Number of data points used in the calculation of averages |                                                                                         | 12                     | 12         | 12         | 12         | 12                   | 12         | 12         | 12         |
| HIGH-QUALITY LIQUID ASSETS                                |                                                                                         |                        |            |            |            |                      |            |            |            |
| 1                                                         | Total high-quality liquid assets                                                        |                        |            |            |            | 23,638               | 23,752     | 23,568     | 23,252     |
| CASH-OUTFLOWS                                             |                                                                                         |                        |            |            |            |                      |            |            |            |
| 2                                                         | Retail deposits and deposits from small business customers, of which:                   | 35,894                 | 35,940     | 35,696     | 35,351     | 2,151                | 2,170      | 2,168      | 2,153      |
| 3                                                         | Stable deposits                                                                         | 31,126                 | 31,034     | 30,718     | 30,363     | 1,556                | 1,552      | 1,536      | 1,518      |
| 4                                                         | Less stable deposits                                                                    | 4,768                  | 4,905      | 4,978      | 4,989      | 595                  | 618        | 632        | 635        |
| 5                                                         | Unsecured wholesale funding                                                             | 13,464                 | 13,149     | 12,652     | 12,652     | 5,551                | 5,348      | 5,111      | 4,989      |
| 6                                                         | Operational deposits (all counterparties) and deposits in networks of cooperative banks |                        |            |            |            |                      |            |            |            |
| 7                                                         | Non-operational deposits (all counterparties)                                           | 13,464                 | 13,149     | 12,652     | 12,412     | 5,551                | 5,348      | 5,111      | 4,989      |
| 9                                                         | Secured wholesale funding                                                               | 0                      | 0          | 0          | 0          | 2                    | 0          | 0          | 0          |
| 10                                                        | Additional requirements                                                                 | 1,248                  | 1,400      | 1,406      | 1,406      | 1,248                | 1,400      | 1,406      | 1,401      |
| 11                                                        | Outflows related to derivative exposures and other collateral requirements              | 1,248                  | 1,400      | 1,406      | 1,401      | 1,248                | 1,400      | 1,406      | 1,401      |
| 13                                                        | Credit and liquidity facilities                                                         |                        |            |            |            |                      |            |            |            |
| 14                                                        | Other contractual funding obligations                                                   | 360                    | 269        | 227        | 227        | 338                  | 246        | 203        | 201        |
| 15                                                        | Other contingent funding obligations                                                    | 12,857                 | 13,596     | 14,102     | 14,345     | 736                  | 779        | 808        | 820        |
| 16                                                        | TOTAL CASH OUTFLOWS                                                                     |                        |            |            |            | 10,026               | 9,943      | 9,696      | 9,565      |
| CASH-INFLOWS                                              |                                                                                         |                        |            |            |            |                      |            |            |            |
| 18                                                        | Inflows from fully performing exposures                                                 | 730                    | 701        | 682        | 735        | 594                  | 568        | 547        | 603        |
| 19                                                        | Other cash inflows                                                                      | 187                    | 213        | 240        | 260        | 184                  | 210        | 236        | 256        |
| 20                                                        | TOTAL CASH INFLOWS                                                                      | 917                    | 914        | 922        | 996        | 777                  | 778        | 783        | 859        |
| EU-20c                                                    | Inflows Subject to 75% Cap                                                              | 917                    | 914        | 922        | 996        | 777                  | 778        | 783        | 859        |
|                                                           |                                                                                         |                        |            |            |            | TOTAL ADJUSTED VALUE |            |            |            |
| 21                                                        | LIQUIDITY BUFFER                                                                        |                        |            |            |            | 23,638               | 23,752     | 23,568     | 23,252     |
| 22                                                        | TOTAL NET CASH OUTFLOWS                                                                 |                        |            |            |            | 9,249                | 9,166      | 8,913      | 8,706      |
| 23                                                        | LIQUIDITY COVERAGE RATIO (%)                                                            |                        |            |            |            | 255.9                | 259.8      | 264.7      | 267.2      |

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Table 75: EU LIQ1 - Quantitative Information of Liquidity Coverage Ratio 2022

| € mio                                                                                     | Total unweighted value |          |          |          | Total weighted value |          |          |          |
|-------------------------------------------------------------------------------------------|------------------------|----------|----------|----------|----------------------|----------|----------|----------|
| Quarter ending on                                                                         | 31.03.22               | 30.06.22 | 30.09.22 | 31.12.22 | 31.03.22             | 30.06.22 | 30.09.22 | 31.12.22 |
| Number of data points used in the calculation of averages                                 | 12                     | 12       | 12       | 12       | 12                   | 12       | 12       | 12       |
| <b>HIGH-QUALITY LIQUID ASSETS</b>                                                         |                        |          |          |          |                      |          |          |          |
| 1 Total high-quality liquid assets                                                        |                        |          |          |          | 21,999               | 22,642   | 22,870   | 23,170   |
| <b>CASH-OUTFLOWS</b>                                                                      |                        |          |          |          |                      |          |          |          |
| 2 Retail deposits and deposits from small business customers, of which:                   | 33,051                 | 33,925   | 34,752   | 35,500   | 1,924                | 1,987    | 2,049    | 2,112    |
| 3 Stable deposits                                                                         | 29,229                 | 29,867   | 30,446   | 30,929   | 1,461                | 1,493    | 1,522    | 1,546    |
| 4 Less stable deposits                                                                    | 3,822                  | 4,059    | 4,306    | 4,571    | 462                  | 493      | 527      | 565      |
| 5 Unsecured wholesale funding                                                             | 12,572                 | 13,011   | 13,510   | 13,598   | 5,300                | 5,496    | 5,652    | 5,657    |
| 6 Operational deposits (all counterparties) and deposits in networks of cooperative banks |                        |          |          |          |                      |          |          |          |
| 7 Non-operational deposits (all counterparties)                                           | 12,572                 | 13,011   | 13,510   | 13,598   | 5,300                | 5,496    | 5,652    | 5,657    |
| 9 Secured wholesale funding                                                               |                        | 0        | 0        | 0        |                      | 3        | 3        | 3        |
| 10 Additional requirements                                                                | 1,125                  | 1,032    | 1,091    | 1,156    | 1,125                | 1,032    | 1,091    | 1,156    |
| 11 Outflows related to derivative exposures and other collateral requirements             | 1,125                  | 1,032    | 1,091    | 1,156    | 1,125                | 1,032    | 1,091    | 1,156    |
| 13 Credit and liquidity facilities                                                        |                        |          |          |          |                      |          |          |          |
| 14 Other contractual funding obligations                                                  | 527                    | 532      | 478      | 402      | 508                  | 512      | 457      | 381      |
| 15 Other contingent funding obligations                                                   | 9,882                  | 10,633   | 11,345   | 12,062   | 565                  | 608      | 649      | 689      |
| 16 TOTAL CASH OUTFLOWS                                                                    |                        |          |          |          | 9,422                | 9,638    | 9,900    | 9,997    |
| <b>CASH-INFLOWS</b>                                                                       |                        |          |          |          |                      |          |          |          |
| 18 Inflows from fully performing exposures                                                | 711                    | 725      | 727      | 758      | 578                  | 595      | 603      | 617      |
| 19 Other cash inflows                                                                     | 200                    | 154      | 160      | 167      | 197                  | 151      | 158      | 164      |
| 20 TOTAL CASH INFLOWS                                                                     | 911                    | 879      | 887      | 924      | 774                  | 746      | 760      | 781      |
| EU-20c Inflows Subject to 75% Cap                                                         | 911                    | 879      | 887      | 924      | 774                  | 746      | 760      | 781      |
| <b>TOTAL ADJUSTED VALUE</b>                                                               |                        |          |          |          |                      |          |          |          |
| 21 LIQUIDITY BUFFER                                                                       |                        |          |          |          | 21,999               | 22,642   | 22,870   | 23,170   |
| 22 TOTAL NET CASH OUTFLOWS                                                                |                        |          |          |          | 8,648                | 8,892    | 9,139    | 9,217    |
| 23 LIQUIDITY COVERAGE RATIO (%)                                                           |                        |          |          |          | 254.7                | 254.7    | 250.5    | 251.6    |

### Explanations on the main drivers of LCR results and the evolution of the contribution of inputs to the LCR's calculation over time

It is evident from the tables above that the Bank's LCR remains significantly above the regulatory limit, despite TLTRO III repayments, reflecting the continuous improvement of NBG's liquidity profile, driven by the customer deposits growth, and the successful MREL issuances.

### Explanations on the changes in the LCR over time

LCR level followed an upward trend over time, in line with the growth of deposits and the successful MREL issuances.

### Explanations on the actual concentration of funding sources

NBG's funding through the ECB TLTRO III refinancing operations decreased and it will be eliminated during 2024, which will subsequently lead to zero funding from the ECB.

### High-level description of the composition of the institution's Liquidity buffer

The Bank's robust Liquidity Buffer is comprised mainly of cash deposited with the Bank of Greece, collateral eligible for funding with the ECB and unencumbered tradable collateral that could be used for secured funding with Financial Institutions.

### Derivative exposures and potential collateral calls

The Bank's derivatives portfolio is mostly used for hedging purposes.

The risk associated with additional cash collateral, which the Bank could potentially post for margin calls, is captured in the LCR calculation through the input "Additional requirements" and it could also be comfortably mitigated by its robust liquidity buffer.

### Currency mismatch in the LCR

The Currency mismatch risk of the Bank is low as approximately 95% of NBG's assets are denominated in EUR and therefore EUR is the only material currency for the LCR calculation.

There are no other items in the LCR calculation, which are considered relevant for the Bank's liquidity profile and are not captured in the LCR disclosure template.

## LIQUIDITY RISK

Table 76: EU LIQ2 - Net Stable Funding Ratio 31.12.2023

| € mio                                |                                                                                                                                                               | Unweighted value by residual maturity |        |             |        | Weighted value |
|--------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------|--------|-------------|--------|----------------|
|                                      |                                                                                                                                                               | No maturity                           | < 6m   | 6m to < 1yr | ≥ 1yr  |                |
| Available stable funding (ASF) Items |                                                                                                                                                               |                                       |        |             |        |                |
| 1                                    | Capital items and instruments                                                                                                                                 | 7,626                                 | 0      | 0           | 938    | 8,564          |
| 2                                    | Own funds                                                                                                                                                     | 7,626                                 | 0      | 0           | 938    | 8,564          |
| 3                                    | Other capital instruments                                                                                                                                     | 0                                     | 0      | 0           | 0      | 0              |
| 4                                    | Retail deposits                                                                                                                                               | 0                                     | 39,135 | 3,941       | 1,065  | 41,682         |
| 5                                    | Stable deposits                                                                                                                                               | 0                                     | 33,569 | 3,388       | 911    | 36,020         |
| 6                                    | Less stable deposits                                                                                                                                          | 0                                     | 5,566  | 553         | 154    | 5,661          |
| 7                                    | Wholesale funding:                                                                                                                                            | 0                                     | 14,128 | 758         | 1,917  | 8,359          |
| 8                                    | Operational deposits                                                                                                                                          | 0                                     | 0      | 0           | 0      | 0              |
| 9                                    | Other wholesale funding                                                                                                                                       | 0                                     | 14,128 | 758         | 1,917  | 8,359          |
| 10                                   | Interdependent liabilities                                                                                                                                    | 0                                     | 0      | 0           | 0      | 0              |
| 11                                   | Other liabilities:                                                                                                                                            | 90                                    | 2,140  | 0           | 26     | 26             |
| 12                                   | NSFR derivative liabilities                                                                                                                                   | 90                                    |        |             |        |                |
| 13                                   | All other liabilities and capital instruments not included in the above categories                                                                            |                                       | 2,140  | 0           | 26     | 26             |
| 14                                   | TOTAL AVAILABLE STABLE FUNDING (ASF)                                                                                                                          |                                       |        |             |        | 58,630         |
| Required stable funding (RSF) Items  |                                                                                                                                                               |                                       |        |             |        |                |
| 15                                   | Total high-quality liquid assets (HQLA)                                                                                                                       | 0                                     | 0      | 0           | 0      | 468            |
| EU-15a                               | Assets encumbered for more than 12m in cover pool                                                                                                             | 0                                     | 0      | 0           | 0      | 0              |
| 16                                   | Deposits held at other financial institutions for operational purposes                                                                                        | 0                                     | 0      | 0           | 0      | 0              |
| 17                                   | Performing loans and securities:                                                                                                                              | 0                                     | 5,743  | 2,672       | 27,830 | 26,756         |
| 18                                   | Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut                                    | 0                                     | 1,003  | 0           | 0      | 0              |
| 19                                   | Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions          | 0                                     | 1,600  | 1           | 232    | 393            |
| 20                                   | Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:              | 0                                     | 2,802  | 2,410       | 17,433 | 17,425         |
| 21                                   | With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk                                                      | 0                                     | 0      | 0           | 0      | 0              |
| 22                                   | Performing residential mortgages, of which:                                                                                                                   | 0                                     | 254    | 191         | 6,144  | 5,445          |
| 23                                   | With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk                                                      | 0                                     | 0      | 0           | 0      | 0              |
| 24                                   | Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products | 0                                     | 83     | 70          | 4,021  | 3,494          |
| 25                                   | Interdependent assets                                                                                                                                         | 0                                     | 0      | 0           | 0      | 0              |
| 26                                   | Other assets:                                                                                                                                                 | 0                                     | 2,485  | 23          | 10,220 | 11,253         |
| 27                                   | Physical traded commodities                                                                                                                                   | 0                                     | 0      | 0           | 0      | 0              |
| 28                                   | Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs                                                           | 0                                     | 850    | 0           | 0      | 722            |
| 29                                   | NSFR derivative assets                                                                                                                                        | 0                                     | 125    | 0           | 0      | 125            |
| 30                                   | NSFR derivative liabilities before deduction of variation margin posted                                                                                       | 0                                     | 693    | 0           | 0      | 35             |
| 31                                   | All other assets not included in the above categories                                                                                                         | 0                                     | 818    | 23          | 10,220 | 10,371         |
| 32                                   | Off-balance sheet items                                                                                                                                       | 0                                     | 0      | 0           | 5,197  | 520            |
| 33                                   | TOTAL REQUIRED STABLE FUNDING (RSF)                                                                                                                           |                                       |        |             |        | 38,997         |
| 34                                   | NET STABLE FUNDING RATIO (%)                                                                                                                                  |                                       |        |             |        | 150.3          |

## LIQUIDITY RISK

Table 76: EU LIQ2 - Net Stable Funding Ratio 30.06.2023

| € mio                                       |                                                                                                                                                               | Unweighted value by residual maturity |        |             |        | Weighted value |
|---------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------|--------|-------------|--------|----------------|
|                                             |                                                                                                                                                               | No maturity                           | < 6m   | 6m to < 1yr | ≥ 1yr  |                |
| <b>Available stable funding (ASF) Items</b> |                                                                                                                                                               |                                       |        |             |        |                |
| 1                                           | Capital items and instruments                                                                                                                                 | 7,035                                 | 0      | 0           | 424    | 7,458          |
| 2                                           | Own funds                                                                                                                                                     | 7,035                                 | 0      | 0           | 424    | 7,458          |
| 3                                           | Other capital instruments                                                                                                                                     | 0                                     | 0      | 0           | 0      | 0              |
| 4                                           | Retail deposits                                                                                                                                               | 0                                     | 36,984 | 2,922       | 2,992  | 40,617         |
| 5                                           | Stable deposits                                                                                                                                               | 0                                     | 31,689 | 2,496       | 2,549  | 35,025         |
| 6                                           | Less stable deposits                                                                                                                                          | 0                                     | 5,296  | 426         | 442    | 5,591          |
| 7                                           | Wholesale funding:                                                                                                                                            | 0                                     | 12,985 | 1,100       | 2,641  | 9,189          |
| 8                                           | Operational deposits                                                                                                                                          | 0                                     | 0      | 0           | 0      | 0              |
| 9                                           | Other wholesale funding                                                                                                                                       | 0                                     | 12,985 | 1,100       | 2,641  | 9,189          |
| 10                                          | Interdependent liabilities                                                                                                                                    | 0                                     | 0      | 0           | 0      | 0              |
| 11                                          | Other liabilities:                                                                                                                                            | 425                                   | 3,000  | 0           | 0      | 0              |
| 12                                          | NSFR derivative liabilities                                                                                                                                   | 425                                   |        |             |        |                |
| 13                                          | All other liabilities and capital instruments not included in the above categories                                                                            |                                       | 3,000  | 0           | 0      | 0              |
| 14                                          | <b>TOTAL AVAILABLE STABLE FUNDING (ASF)</b>                                                                                                                   |                                       |        |             |        | <b>57,289</b>  |
| <b>Required stable funding (RSF) Items</b>  |                                                                                                                                                               |                                       |        |             |        |                |
| 15                                          | Total high-quality liquid assets (HQLA)                                                                                                                       | 0                                     | 0      | 0           | 0      | 441            |
| EU-15a                                      | Assets encumbered for more than 12m in cover pool                                                                                                             | 0                                     | 0      | 0           | 0      | 0              |
| 16                                          | Deposits held at other financial institutions for operational purposes                                                                                        | 0                                     | 0      | 0           | 0      | 0              |
| 17                                          | Performing loans and securities:                                                                                                                              | 0                                     | 7,494  | 2,271       | 26,571 | 25,556         |
| 18                                          | Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut                                    | 0                                     | 3,011  | 0           | 0      | 0              |
| 19                                          | Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions          | 0                                     | 1,467  | 144         | 242    | 460            |
| 20                                          | Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:               | 0                                     | 2,700  | 1,883       | 16,278 | 16,272         |
| 21                                          | With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk                                                      | 0                                     | 0      | 0           | 0      | 0              |
| 22                                          | Performing residential mortgages, of which:                                                                                                                   | 0                                     | 252    | 192         | 6,354  | 5,623          |
| 23                                          | With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk                                                      | 0                                     | 0      | 0           | 0      | 0              |
| 24                                          | Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products | 0                                     | 64     | 52          | 3,697  | 3,201          |
| 25                                          | Interdependent assets                                                                                                                                         | 0                                     | 0      | 0           | 0      | 0              |
| 26                                          | Other assets:                                                                                                                                                 | 0                                     | 2,725  | 22          | 10,802 | 11,884         |
| 27                                          | Physical traded commodities                                                                                                                                   | 0                                     | 0      | 0           | 0      | 0              |
| 28                                          | Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs                                                           | 0                                     | 987    | 0           | 0      | 839            |
| 29                                          | NSFR derivative assets                                                                                                                                        | 0                                     | 0      | 0           | 0      | 0              |
| 30                                          | NSFR derivative liabilities before deduction of variation margin posted                                                                                       | 0                                     | 944    | 0           | 0      | 47             |
| 31                                          | All other assets not included in the above categories                                                                                                         | 0                                     | 794    | 22          | 10,802 | 10,998         |
| 32                                          | Off-balance sheet items                                                                                                                                       | 0                                     | 0      | 0           | 5,020  | 502            |
| 33                                          | <b>TOTAL REQUIRED STABLE FUNDING (RSF)</b>                                                                                                                    |                                       |        |             |        | <b>38,383</b>  |
| 34                                          | <b>NET STABLE FUNDING RATIO (%)</b>                                                                                                                           |                                       |        |             |        | <b>149.3</b>   |



## ASSET ENCUMBRANCE

## 15 ASSET ENCUMBRANCE

## 15.1 Information on importance of encumbrance

The following is the disclosure for the year ended 31 December 2023, of on-balance sheet encumbered and unencumbered assets, and off-balance sheet collateral based on median values (median of the quarterly values reported by the NBG Group)), as required by Part Eight of CRD IV.

Table 77: EU AE1 - Encumbered and unencumbered assets 31.12.2023

| € mio                                              | Carrying amount of encumbered assets |                                             | Fair value of encumbered assets |                                             | Carrying amount of unencumbered assets |                         | Fair value of unencumbered assets |                         |
|----------------------------------------------------|--------------------------------------|---------------------------------------------|---------------------------------|---------------------------------------------|----------------------------------------|-------------------------|-----------------------------------|-------------------------|
|                                                    |                                      | of which notionally eligible EHQLA and HQLA |                                 | of which notionally eligible EHQLA and HQLA |                                        | of which EHQLA and HQLA |                                   | of which EHQLA and HQLA |
|                                                    | 010                                  | 030                                         | 040                             | 050                                         | 060                                    | 080                     | 090                               | 100                     |
| <b>010 Assets of the reporting institution</b>     | <b>8,136</b>                         | <b>703</b>                                  |                                 |                                             | <b>64,913</b>                          | <b>13,335</b>           |                                   |                         |
| 030 Equity instruments                             | -                                    | -                                           |                                 |                                             | 421                                    | -                       |                                   |                         |
| 040 Debt securities                                | 703                                  | 703                                         | 774                             | 774                                         | 14,725                                 | 13,335                  | 13,912                            | 12,553                  |
| 050 of which: covered bonds                        | -                                    | -                                           | -                               | -                                           | -                                      | -                       | -                                 | -                       |
| 060 of which: asset-backed securities              | -                                    | -                                           | -                               | -                                           | -                                      | -                       | -                                 | -                       |
| 070 of which: issued by general governments        | 703                                  | 703                                         | 774                             | 774                                         | 12,894                                 | 12,566                  | 12,173                            | 11,843                  |
| 080 of which: issued by financial corporations     | -                                    | -                                           | -                               | -                                           | 1,612                                  | 759                     | 1,518                             | 700                     |
| 090 of which: issued by non-financial corporations | -                                    | -                                           | -                               | -                                           | 219                                    | 10                      | 221                               | 10                      |
| 120 Other assets                                   | 7,433                                | -                                           |                                 |                                             | 49,767                                 | -                       |                                   |                         |

Table 77: EU AE1 - Encumbered and Unencumbered Assets 31. 12.2022

| € mio                                              | Carrying amount of encumbered assets |                                             | Fair value of encumbered assets |                                             | Carrying amount of unencumbered assets |                         | Fair value of unencumbered assets |                         |
|----------------------------------------------------|--------------------------------------|---------------------------------------------|---------------------------------|---------------------------------------------|----------------------------------------|-------------------------|-----------------------------------|-------------------------|
|                                                    |                                      | of which notionally eligible EHQLA and HQLA |                                 | of which notionally eligible EHQLA and HQLA |                                        | of which EHQLA and HQLA |                                   | of which EHQLA and HQLA |
|                                                    | 010                                  | 030                                         | 040                             | 050                                         | 060                                    | 080                     | 090                               | 100                     |
| <b>010 Assets of the reporting institution</b>     | <b>22,380</b>                        | <b>8,616</b>                                |                                 |                                             | <b>56,786</b>                          | <b>4,446</b>            |                                   |                         |
| 030 Equity instruments                             | -                                    | -                                           |                                 |                                             | 194                                    | -                       |                                   |                         |
| 040 Debt securities                                | 8,616                                | 8,616                                       | 7,781                           | 7,766                                       | 5,439                                  | 4,446                   | 5,259                             | 4,317                   |
| 050 of which: covered bonds                        | -                                    | -                                           | -                               | -                                           | -                                      | -                       | -                                 | -                       |
| 060 of which: asset-backed securities              | -                                    | -                                           | -                               | -                                           | -                                      | -                       | -                                 | -                       |
| 070 of which: issued by general governments        | 8,581                                | 8,581                                       | 7,750                           | 7,735                                       | 4,509                                  | 4,190                   | 4,404                             | 4,091                   |
| 080 of which: issued by financial corporations     | 25                                   | 25                                          | 21                              | 21                                          | 695                                    | 256                     | 622                               | 226                     |
| 090 of which: issued by non-financial corporations | 10                                   | 10                                          | 10                              | 10                                          | 235                                    | -                       | 233                               | -                       |
| 120 Other assets                                   | 13,764                               | -                                           |                                 |                                             | 51,153                                 | -                       |                                   |                         |

## ASSET ENCUMBRANCE

Table 78: EU AE2 - Collateral received 31.12.2023

| € mio      |                                                                          | Fair value of encumbered collateral received or own debt securities issued |                                                    | Fair value of collateral received or own debt securities issued available for encumbrance |                                                    |
|------------|--------------------------------------------------------------------------|----------------------------------------------------------------------------|----------------------------------------------------|-------------------------------------------------------------------------------------------|----------------------------------------------------|
|            |                                                                          | 010                                                                        | 030<br>of which notionally eligible EHQLA and HQLA | 040                                                                                       | 060<br>of which notionally eligible EHQLA and HQLA |
| <b>130</b> | <b>Collateral received by the reporting institution</b>                  | <b>923</b>                                                                 | <b>923</b>                                         | <b>3,051</b>                                                                              | <b>3,051</b>                                       |
| 140        | Loans on demand                                                          | -                                                                          | -                                                  | -                                                                                         | -                                                  |
| 150        | Equity instruments                                                       | -                                                                          | -                                                  | -                                                                                         | -                                                  |
| 160        | Debt securities                                                          | -                                                                          | -                                                  | 3,051                                                                                     | 3,051                                              |
| 170        | of which: covered bonds                                                  | -                                                                          | -                                                  | -                                                                                         | -                                                  |
| 180        | of which: asset-backed securities                                        | -                                                                          | -                                                  | -                                                                                         | -                                                  |
| 190        | of which: issued by general governments                                  | -                                                                          | -                                                  | 3,051                                                                                     | 3,051                                              |
| 200        | of which: issued by financial corporations                               | -                                                                          | -                                                  | -                                                                                         | -                                                  |
| 210        | of which: issued by non-financial corporations                           | -                                                                          | -                                                  | -                                                                                         | -                                                  |
| 220        | Loans and advances other than loans on demand                            | -                                                                          | -                                                  | -                                                                                         | -                                                  |
| 230        | Other collateral received                                                | 923                                                                        | 923                                                | -                                                                                         | -                                                  |
| 240        | Own debt securities issued other than own covered bonds or ABSs          | -                                                                          | -                                                  | -                                                                                         | -                                                  |
| 241        | Own covered bonds and asset-backed securities issued and not yet pledged |                                                                            |                                                    | 1,500                                                                                     | -                                                  |
| <b>250</b> | <b>TOTAL ASSETS, COLLATERAL RECEIVED AND OWN DEBT SECURITIES ISSUED</b>  | <b>9,059</b>                                                               | <b>703</b>                                         |                                                                                           |                                                    |

Table 78: EU AE2 - Collateral received 31.12.2022

| € mio      |                                                                          | Fair value of encumbered collateral received or own debt securities issued |                                                    | Fair value of collateral received or own debt securities issued available for encumbrance |                                                    |
|------------|--------------------------------------------------------------------------|----------------------------------------------------------------------------|----------------------------------------------------|-------------------------------------------------------------------------------------------|----------------------------------------------------|
|            |                                                                          | 010                                                                        | 030<br>of which notionally eligible EHQLA and HQLA | 040                                                                                       | 060<br>of which notionally eligible EHQLA and HQLA |
| <b>130</b> | <b>Collateral received by the reporting institution</b>                  | <b>865</b>                                                                 | <b>865</b>                                         | <b>4,700</b>                                                                              | <b>4,700</b>                                       |
| 140        | Loans on demand                                                          | -                                                                          | -                                                  | -                                                                                         | -                                                  |
| 150        | Equity instruments                                                       | -                                                                          | -                                                  | -                                                                                         | -                                                  |
| 160        | Debt securities                                                          | -                                                                          | -                                                  | 4,700                                                                                     | 4,700                                              |
| 170        | of which: covered bonds                                                  | -                                                                          | -                                                  | -                                                                                         | -                                                  |
| 180        | of which: asset-backed securities                                        | -                                                                          | -                                                  | -                                                                                         | -                                                  |
| 190        | of which: issued by general governments                                  | -                                                                          | -                                                  | 4,700                                                                                     | 4,700                                              |
| 200        | of which: issued by financial corporations                               | -                                                                          | -                                                  | -                                                                                         | -                                                  |
| 210        | of which: issued by non-financial corporations                           | -                                                                          | -                                                  | -                                                                                         | -                                                  |
| 220        | Loans and advances other than loans on demand                            | -                                                                          | -                                                  | -                                                                                         | -                                                  |
| 230        | Other collateral received                                                | 865                                                                        | 865                                                | -                                                                                         | -                                                  |
| 240        | Own debt securities issued other than own covered bonds or ABSs          | -                                                                          | -                                                  | -                                                                                         | -                                                  |
| 241        | Own covered bonds and asset-backed securities issued and not yet pledged |                                                                            |                                                    | -                                                                                         | -                                                  |
| <b>250</b> | <b>TOTAL ASSETS, COLLATERAL RECEIVED AND OWN DEBT SECURITIES ISSUED</b>  | <b>23,245</b>                                                              | <b>8,122</b>                                       |                                                                                           |                                                    |

## ASSET ENCUMBRANCE

Table 79: EU AE3 - Sources of encumbrance 31.12.2023

| €<br>mio |                                                   | Matching liabilities,<br>contingent liabilities or securities lent | Assets, collateral received and own debt securities issued other than covered bonds and securitisations encumbered |
|----------|---------------------------------------------------|--------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|
|          |                                                   | 010                                                                | 030                                                                                                                |
| 010      | Carrying amount of selected financial liabilities | 3,703                                                              | 7,996                                                                                                              |
| 011      | of which: central banks                           | 1,850                                                              | 3,264                                                                                                              |

Table 79: EU AE3 - Sources of encumbrance 31.12.2022

| €<br>mio |                                                   | Matching liabilities,<br>contingent liabilities or securities lent | Assets, collateral received and own debt securities issued other than covered bonds and ABSs encumbered |
|----------|---------------------------------------------------|--------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|
|          |                                                   | 010                                                                | 030                                                                                                     |
| 010      | Carrying amount of selected financial liabilities | 13,613                                                             | 22,297                                                                                                  |
| 011      | of which: central banks                           | 11,491                                                             | 16,529                                                                                                  |

The Bank's principal sources of liquidity are its deposit base, ECB funding currently via the Targeted Long-term Refinancing Operations ("TLTROs") with ECB, repurchase agreements (repos) with major FIs and wholesale funding through the placement of the Senior Preferred bonds, as well as the Tier II notes.

As at 31 December 2022, the Group and the Bank have the following main types of encumbrance for funding purposes mainly with the ECB, other Central Banks and FIs:

- trading and investment debt instruments;
- loans and advances to customers at amortised cost; and
- covered bonds backed with mortgage loans.

In addition, as at 31 December 2023, the Group and the Bank

have pledged an amount of €315 mio included in "Due from banks" with respect to a guarantee for the non-payment risk of the Hellenic Republic, as well as Greek Government Bond of €463 mio with EIB for trade finance purposes. Also, collaterals are placed by the NBG Group for the market value of derivative transactions or as margin to the clearing system.

ECB funding and repos with FIs are collateralized mainly by high quality liquid assets, such as, EU sovereign bonds, Greek government bonds and T-Bills, as well as by other assets, such as highly rated corporate loans and covered bonds issued by the Bank. ECB funding at 31 December 2023 was €1.9 billion from €8.1 billion 31 December 2022. For more details of sources of liquidity and developments within 2023, please refer to [Section 14](#).

## 16 REMUNERATION POLICIES & PRACTICES

The Bank is committed to an integrated Human Resources Management Policy and hence, has introduced procedures and has taken necessary measures in order to describe the general framework and basic principles for determining the remuneration of all employees working in the Bank and the Group. The governance arrangements and decision making process regarding the remuneration policy are presented in the following paragraphs.

### 16.1 The proportionality principle

The Bank applies the provisions of the current regulatory remuneration framework in a way and to the extent that is appropriate to its size, internal organization, nature, scope and complexity of its activities. In particular, the Bank aims to match the Remuneration Policy and practices with the individual risk profile, risk appetite and strategy of the Bank and its Group.

In order to apply the proportionality principle, the following (indicatively) criteria are taken into consideration (including the criteria provided in the EBA/GL/2021/04 guidelines):

1. The size of the Bank, particularly relating to the value of its assets and liabilities, its exposure to risk, the level of its regulatory own funds, as well as the number of staff and branches of the Bank;
2. The internal organization of the Bank, its listing on regulated markets, the use of internal methods for the measurement of capital requirements and its corporate goals; and
3. The nature, scope and complexity of its business activities and in particular, the type of its business activities, its Group dimension and activity on an international level, its extended customer base and variety of the type of clients, the portion of High Risk clients and/or activities over the total of clients and/or activities, the relative risks, the complexity of its products and contracts, etc.

### 16.2 Human Resources and Remuneration Committee

The Human Resources and Remuneration Committee (HRRC) was established by a Board decision (meeting no. 1259/5.5.2005) in order to provide assistance to the Bank's Board of Directors in performing its duties in respect of attracting, retaining, developing and motivating executives and employees of the highest professional and moral caliber, developing and maintaining a coherent system of values and incentives for human resources throughout the NBG Group, in cooperation and alignment with any other competent body overseeing related issues, such as ethics and culture and strategic priorities, developing a framework for fairly evaluating effort and rewarding performance, and ensuring indicatively that, i) the preparation and implementation of the Group Remuneration Policy and the relevant procedures comply with the legislative and regulatory framework, ii) the Group Remuneration Policy and the relevant practices are in alignment with the Bank's Environmental, Social and Governance (ESG) strategy and relevant long-term objectives, the Bank's Risk Appetite, as well as with voluntary commitments made by the Bank, iii) performance evaluation

includes ESG related criteria and promotes behavior consistent with the successful achievement of ESG related targets/objectives and ESG related risk approach.

In particular, the Committee ensures the adoption on behalf of the Bank of a clear, well documented and transparent remuneration policy, which shall be consistent with the Bank's values, culture, business strategy, ESG strategy, risk profile and risk appetite, shall not encourage excessive and short-term risk-taking, shall promote sustainability and ethical behavior and shall be gender neutral and support equal treatment. The responsibilities of the HRRC include among others the following:

- formulating, reviewing regularly and monitoring the implementation of Group HR policies and practices, such as in relation to staff appointment, evaluation and promotion, training, diversity (including career planning aspects and measures to ensure equal treatment and opportunities for staff of different genders), as well as ensuring that the Remuneration Policy is up to date and review regularly, and at least whenever there are changes in the applicable regulatory framework, the Group Remuneration Policy with particular focus on the impact and incentives created by risk, capital and liquidity management and propose to the Board any amendments deemed necessary. Where periodic reviews reveal that the remuneration policies do not operate as intended or prescribed or where recommendations are made, the HRRC shall ensure that a remedial action plan is proposed, approved and timeously implemented;
- monitoring regularly the implementation of Group Remuneration Policy on the basis of reports from annual reviews performed, and submitting proposals to the Board when necessary. To this end, the Committee shall receive information on Internal Audit findings that may be relevant to the appropriate implementation of the Remuneration Policy which the Bank applies. The Committee shall cooperate with other Committees of the Board, whenever required, and shall ensure the proper involvement of the internal control and other relevant functions (e.g. Risk, Compliance, Audit, Human resources, Finance) within the respective areas of expertise and where necessary seek external advice;
- submitting proposals to the Board on the Group's aggregate level of bonuses as well as on the adoption of new, or amendment of old, longterm share-related incentive plans;
- evaluating the performance of the Bank's Senior Management (including positions of General Managers and Assistant General Managers), with the exception of the performance evaluation of the Group Chief Audit Executive and the Group Chief Compliance Officer whose performance are evaluated by the Audit and the Compliance, Ethics and Culture Committee respectively, and the Chief Risk Officer whose performance is evaluated by the Board Risk Committee;
- submitting proposals to the Board regarding remuneration of Senior Management, upon proposal of the CEO, or of other positions that may be prescribed by the applicable regulatory framework or the Bank's Labor Regulation; and

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- supervising the remuneration of the Group Chief Compliance Officer and the Chief Risk Officer whose appointment and performance assessment is overseen by the Compliance, Ethics and Culture Committee in the case of the Group Chief Compliance Officer and by the Risk Committee in the case of the Chief Risk Officer.

The Committee is consulted by the Audit Committee as may be necessary in the Audit Committee's responsibility for approving the Group Chief Audit Executive remuneration, while the appointment and performance assessment of the Chief Audit Executive is overseen by the Audit Committee.

While preparing its decisions on remuneration, the Committee should consider that such remuneration should reflect the powers, duties, expertise and responsibilities of each person, while in fulfilling the said duty, the Committee should pay particular attention to the impact of its decisions on risk profile and management.

The Committee is governed by a Charter, which has recently been reviewed. The Charter in force was approved by the Board on 26 May 2023 and effective as of 26.10.2023<sup>8</sup>.

The Committee shall solely consist of non-executive members of the Board, which shall be at least three in number. One member shall be the HFSF Representative at the Board of Directors. In their majority (including the Chair, excluding the HFSF representative) Committee members shall be independent non-executive Board members, in accordance with the definition of independence included in NBG's Corporate Governance Code and in any case according to the provisions of the legal and regulatory framework in force. The Committee composition shall include members possessing experience in the financial sector, while at least one member shall possess adequate expertise and professional experience in risk management and audit activities, mainly in alignment of remuneration policy with the risk and capital profile of the Bank.

The members of the Committee (including the Chair and Vice-Chair) are appointed by the Board of the Bank, following recommendation by the Board's Corporate Governance and Nominations Committee. The Committee members shall be selected on the basis of their competence and experience. The Committee is currently composed of five non-executive Members, of which four are independent and one is the HFSF Representative at the Board of Directors. The Committee members shall be appointed for a term of one year, which shall be automatically renewed for successive one-year renewal terms, unless otherwise decided. In any case, the mandates of the Committee members shall automatically expire if they cease to be members of the NBG Board. Committee members' term shall not exceed nine years in total. The Committee convenes at least four times per year and keeps minutes of its proceedings and reports regularly to the Board of Directors.

The Committee is currently comprised of the following members:

Mr Periklis Drougkas has been appointed as the Representative of the Hellenic Financial Stability Fund on the Board of Directors as of 23 July 2018. The HFSF Representative is entitled to participate in the Board Committees, and has the rights and authorities prescribed by Law 3864/2010 as in force and the Relationship Framework Agreement between the National Bank

of Greece and the Hellenic Financial Stability Fund, as each time

**Table 80: Board HRRC Members**

| Human Resources and Remuneration Committee |                                         |
|--------------------------------------------|-----------------------------------------|
| Chair                                      | Anne Marion – Bouchacourt               |
| Vice- Chair                                | Elena Ana Cernat                        |
| Member                                     | JP Rangaswami                           |
| Member                                     | Athanasios Zarkalis                     |
| Member                                     | Periklis Drougkas (HFSF representative) |

in force. Pursuant to Law 3864/2010 (article 10 §2b), as amended and in force, the Representative of the HFSF on the Bank's Board, has veto powers regarding the distribution of dividends and the benefits and bonus policy concerning the Chairman, the Chief Executive Officer and the other members of the Board of Directors, as well as whoever exercises general manager's powers and their deputies as long as the ratio of non-performing loans to total loans, as calculated in accordance with subsection g(ii), of paragraph 2 of Article 11 of Commission Implementing Regulation (EU) 2021/451, exceeds 10%.

During 2023, the Human Resources and Remuneration Committee convened ten times. During 2023, the key workings of the Committee included among others:

- Monitoring of Performance Management System ("PMS") implementation (conclusion of PMS cycle - 2022 review, 2023 goal setting).
- Review of NBG Group Remuneration Policy and of NBG Directors' and Senior Managers' Remuneration Policy according to Greek Law 4548/2018.
- Continuous oversight/monitoring of the Human Resources master plan.
- Review of the defined contribution pension scheme for Senior Staff positions.
- Review of variable remuneration cycle (Head Office Schemes payout for the assessment period 2022, retention based Long Term Incentive scheme (LTI) for Senior Management, as well as performance based LTI scheme for Directors, Stock awards program, regulation and list of beneficiaries).
- Launch of 2023 Voluntary Exit Scheme ("VES") – Update on 2023 VES results.
- Review of Proposals on adjustments of Executive remuneration terms.
- Review of the overall framework/compensation scheme for Senior Managers.
- Update on Succession Planning for Senior Leadership positions (jointly with the CGNC).
- Review and approval of policies that fall under its responsibilities.
- Review and validation of the list of Identified Staff (Risk Takers) with criteria provided by Commission Delegated Regulation 923/2021.
- Update on Learning Initiatives, review of training programs and initiatives for personnel upskilling/reskilling Detailed

<sup>8</sup> It is noted that following the revisions of Board Committees Charters, as of 01.03.2019 proposals to the Board regarding the remuneration of Board

members falls within the competence of the Corporate Governance and Nominations Committee.

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information regarding the responsibilities, the composition and the operation of the HRRC of the Bank's Board is available in the Bank's website [www.nbg.gr](http://www.nbg.gr) (<https://www.nbg.gr/en/group/esg/corporate-governance/bod-committees/human-resources-and-remuneration-committee>), as well as in the Group and the Bank's Annual Financial Reports, as a part of the Board's Corporate Governance Statement.

### 16.3 Remuneration Policy

The Bank's and the Group's remuneration practices are consistent with the framework provided by Greek Law 4261/2014 (which transposed European Directive 2013/36/EU CRD IV), as amended and in force, Greek Law 4548/2018, Greek Law 3864/2010 ("the HFSF Law") as each time in force, EBA/GL/2021/04, the Bank of Greece Governor's Act 2577/2006, as lastly amended by the Bank of Greece Executive Committee Act 178/5.2.10.2020, the Bank of Greece Executive Committee's Act 158/10.5.2019, and the Relationship Framework Agreement between the Bank and the HFSF as each time in force.

NBG is committed to ensuring fair treatment in terms of remuneration regardless of gender identity, age, race, ethnicity, sexual orientation, ability, social background, religious or ethical values system and political beliefs, union action or participation in workers' councils/organizations, or any other category protected by law.

Furthermore, in line with regulatory provisions, the Remuneration Policy is designed with particular attention to avoiding incentive elements (especially in variable compensation) inducing behaviors not aligned with the Bank's aim for sustainable business results or inconsistent with its risk appetite.

Specifically, variable remuneration is supported by the annual performance management process assuring consistency and clarity of relevant performance objectives, including environmental-, social- and government- (ESG-) and climate-related objectives as well as broader behavioral expectations aligned with business strategy, culture and values.

The Remuneration Policy is aligned with NBG's operating model, business, risk- and ESG-strategy objectives and long-term interests. In particular, the Remuneration Policy is based on the following principles:

- maximizing value by supporting the Group's strategy;
- aligning with shareholders' long-term interests;
- considering the interests of customers, employees, society and the environment and ensuring they are appropriately balanced with those of shareholders;
- ensuring no discrimination based upon business related behaviors or characteristics, and, particularly, emphasizing gender-pay-neutrality for all staff;
- rewarding competitively the achievement of long-term sustainable performance, so as to attract new talent and motivate NBG employees;
- encouraging environmental and social responsibility and corporate citizenship.

Moreover, the Remuneration Policy reaffirms the Group's corporate culture and values, aims at promoting ethical conduct and behaviors, meritocracy, transparency and, within given constraints, follows market trends and dynamics. Its end goals are:

- to allow NBG to attract, motivate and retain key talent;
- to align NBG's business goals with employees' remuneration;
- to enable NBG to maintain a competitive and flexible cost structure;
- to promote fairness and meritocracy;
- to promote the long-term sustainable growth of its customers, employees, society and environment;
- to safeguard the internal risk appetite, including climate-related, and environmental-, social- and governance-related (ESG) risks by promoting prudent risk-taking and appropriate conduct practices;
- to stimulate behaviors consistent with any ESG voluntary commitments;
- to discourage excessive risk-taking.

The Policy applies to all NBG staff, meaning all employees of the Bank. Nonetheless, as required by Law 4548/2018, the remuneration of Board Members and Senior Management (specifically, General Managers and Assistant General Managers) is governed by the provisions of the (separate) NBG Directors' & Senior Managers' Remuneration Policy (see below). The Policy also sets out specific principles applying to categories of staff whose professional activities have a material impact on the organization's risk profile.

Group companies adopt similar Remuneration Policies, in line with the principles set out in the Group Remuneration Policy, adjusted appropriately and in a proportionate manner to their size and internal organization, as well as to the nature, scope and complexity of their activities, market conditions and regulatory environment (including sector and corporate CLAs) of the country (or countries) they operate.

The Group Remuneration Policy was revised during 2023 by the Board of Directors, held on 30 March 2023, following proposal by the Human Resources and Remuneration Committee.

The main amendments brought within the revised Policy include additional provisions to consider severance payments, sign-up bonuses or other retention schemes, enhancements to further align with the ESG perspective and updates in legal framework and EBA Guidelines references, e.g. L. 3864/2010 (the "HFSF Law") as lastly amended by Law 4941/2022 and as each time in force, and EBA/GL/2021/04.

The Bank further monitors developments in the applicable framework.

### 16.4 Bank Units

The following Divisions of the Bank, in accordance with their respective responsibilities, shall be involved in the design, review and implementation of the Remuneration Policy:

- Group Human Resources Divisions
- Group Corporate Governance and Compliance Divisions
- Group Legal Divisions
- Group Audit Divisions
- Group Internal Control Independent Sectors
- Group Risk Management Divisions
- Group Finance Divisions

External experts may participate in the development and periodical review of the Remuneration Policy, whenever the Board sees fit. However, during 2023 no such external expert advice was sought.



## 16.5 Remuneration Policy Governance

The Policy is regularly reviewed and at least at every material change. Policy revisions are approved by the Bank's Board of Directors (non-executive members), following a proposal by the HRRC.

Group HR is responsible for submitting proposals on Remuneration Policy Revisions to the HRRC.

## 16.6 Main characteristics of the remuneration system of the Bank according to the Bank's Remuneration Policy

The remuneration practices of the Bank are in compliance with the provisions of the existing regulatory framework concerning all staff, as well as with regulatory provisions regarding identified staff - specific categories of staff determined in accordance with Regulation (EU) No. 923/2021.

The basic principles and the most important design characteristics of the remuneration system of the Bank, which are aligned with applicable labor legislation, Collective Labor Agreements and Business Collective Labor Agreements, as well as relevant guidelines of the supervisory authorities, are described below.

### 16.6.1 Remuneration structure

The NBG Group allocates all remuneration components to either fixed or variable remuneration, in line with the criteria provided by the applicable Regulatory framework. Moreover, through differentiating fixed and variable remuneration components over time and across functions, it ensures that remuneration is closely linked to both short- and long-term business strategy and objectives.

The maximum ratio of fixed to variable remuneration shall be determined in compliance with the provisions of the Regulatory framework, internal risk appetite as well as the competitive environment and international best practices.

The Board of Directors shall set the appropriate ratio between the fixed and the variable component of total remuneration, whereby the following principles shall apply:

- the annual variable remuneration component shall not exceed 100% of the annual fixed remuneration component of the total annual remuneration, for each individual. A lower maximum percentage may apply;
- any approval of a higher than 100% ratio shall be applied with the approval of the General Meeting of Shareholders and provided that the overall level of the variable component does not exceed 200% of the fixed component of the total remuneration for each individual.

In exceptional and duly justified cases, a different ratio may be set for individuals classified as Material Risk Takers (Identified Staff).

Notably, the ratio between the variable and fixed remuneration components is set in line with at-the-time market-based valuation of the respective instruments, independently of any

potential future (ex post) risk adjustments or fluctuation in their price or in the prices of other related components.

Pursuant to the Annual General Meeting of the Shareholders (General Assembly) held on July 28, 2023, a Stock Awards Program was established for Senior Management executives and/or staff of the Bank and the Group companies. The purpose of the 2023 Program was to provide incentives to attract, and achieve long-term retention of executives and/or staff suitable, capable, highly skilled and qualified and whose abilities and efforts safeguard the interests of the Bank and the Group companies. Beneficiaries received variable remuneration in the form of common registered shares with voting rights (Common Equity Tier 1 instruments), hence aligning individual incentives with the Bank's long-term interests (including a well-balanced risk-taking profile) in compliance with the legislative and regulatory framework.

Furthermore, in 2023, the Bank implemented a defined contribution pension plan for senior staff positions with the goal of providing retirement benefits that are competitive in the market and aligning with international best practices.

### 16.6.2 Criteria used for determining variable remuneration

The NBG Group reserves the option (discretionary right) to grant its employees variable remuneration.

In view of driving long-term, sustainable value creation, NBG's variable remuneration is designed to incentivize and reward achievements by tying pay directly to performance outcomes over short, medium, and long-term time horizons. To foster alignment between the interests of shareholders, management, and employees, performance measures are based on the Company's overall outcomes, relevant business unit performance, as well as individual achievements. Notably, short-term variable remuneration is paid out in cash and in a single installment, unless otherwise determined by the applicable Legal and Regulatory framework, as each time in force.

Group HR is responsible to design variable remuneration systems, in collaboration with competent functions and in accordance with the relevant Internal/Legal framework as this each time applies. The remuneration systems are approved by the Board of Directors following the recommendation of the Human Resources and Remunerations Committee.

### 16.6.3 Risk alignment of remuneration

In accordance with the applicable Regulatory framework, the remuneration of staff whose professional activities could have a material impact on the organization's risk profile - "Material Risk Takers (Identified Staff)" - is subject to additional provisions. Their identification, in line with the qualitative and quantitative criteria as per the provisions of the at each time applicable Legal and Regulatory framework, is conducted by the Group Corporate Governance and Compliance function, in cooperation with the competent units. In line with the Regulatory framework as well as with prudent risk management practices, Risk Takers are not provided with variable remuneration promoting excessive risk-taking practices (transaction-specific risks), nor are they rewarded for taking (cumulatively) risks which exceed the risk

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tolerance threshold of the organisation (Risk Appetite framework limits).

Additionally, one of NBG's main priorities is to deploy a sound conduct risk assessment mechanism aligned with NBG Group values and strategy, its internal risk culture and Risk Appetite Framework, aiming to supplement and safeguard prudent risk-taking through appropriate conduct practices. NBG Group defines and manages conduct risk explicitly as part of its risk management framework. There are robust processes in place to ensure that risk, reputation and conduct related matters, as well as financial losses and impairments, and other breaches of the risk management framework are specifically considered when assessing performance and determining variable remuneration rewards. Variable remuneration is granted through processes which promote accountability, reward appropriate behaviors and penalize inappropriate ones.

The Bank's Conduct Risk Assessment Committee is responsible to ensure that variable remuneration is aligned with appropriate conduct throughout the organization. In this context, the Committee sets the criteria and the relative framework by which conduct risk assessment is applied in terms of variable remuneration payment, as well as reviews, endorses and monitors conduct risk findings and takes appropriate proactive measures as necessary. These processes may result in a downward adjustment or cancelation of variable remuneration where/as appropriate.

### 16.7 Adjustment / deferral / retention / claw back of variable remuneration

The Bank's Remuneration Policy foresees particular provisions including on deferral of at least 40% of variable remuneration for at least 4 to 5 years, or in the case of a variable remuneration component of a particularly high amount, of at least 60% of the amount, as well as on retention of instruments forming part of variable remuneration, with a view to aligning incentives with the Bank's longer-term interests and taking into consideration performance and performance-linked current and future risks over time.

The Bank may suspend, entirely or in part, the payoff of variable remuneration, if specific ratios (such as capital adequacy, liquidity etc.) are not met or if the financial situation of the Bank/Group has deteriorated significantly.

Respectively and, without prejudice to the provisions of labor Law, any variable remuneration paid should be reclaimed if, following such payment, it is discovered that the performance for which the variable remuneration was offered derived from practices that are inconsistent with the principles and policies of the Bank / Group. More specifically, in case of violations of regulations / procedures, misconduct, failure to meet appropriate standards of fitness and propriety, or other equally serious cause, or participation in or responsibility for conduct which resulted in significant losses, the Bank/Group Company shall assess the situation and shall be entitled to use any and all legal means available to claim the return of such amounts from the employee.

### 16.8 Payment / vesting

For the distribution of vested variable remuneration, the financial and capital strength of the Bank/entity and/or Group at the time

of distribution is taken into account. In the event that financial and capital performance is significantly deteriorating, total variable remuneration (including payments of remuneration vesting from previous periods) will be postponed, reduced or altogether cancelled. Specifically, the Bank/entity and/or Group reserves the right to postpone, reduce or cancel previously vested (or vesting) payments, upon recommendation of the respective local (Bank/entity) or Group Finance or Risk functions to the HRRC and following the approval of the Board of Directors. Notably, in such cases of postponement, reduction or cancellation of vested (or vesting) payments, vintages of outstanding payments should be treated in a fair and proportionate manner.

### 16.9 Remuneration of senior management

In accordance with Directive (EU) 2017/828, as this has been (partly) transposed into the Greek legal framework with Greek Law 4548/2018 on Sociétés Anonymes, listed companies are required, among others, to establish a remuneration policy as regards directors and shareholders have the right to vote on the remuneration policy at the General Meeting. Additionally, in accordance with article 110 para 1 of Law 4548/2018, by statutory provision the Policy may also include in its scope the key management personnel, as defined in International Accounting Standard (IAS) 24 para 9.

The Directors' Remuneration Policy was initially approved by the Bank's Annual General Meeting of Shareholders held on 31 July 2019 and was lastly revised in 2023 by the Bank's Annual General Meeting of Shareholders, held on 28 July 2023, following proposal of the Board of Directors, as assisted by the Corporate Governance and Nominations Committee and the Human Resources and Remuneration Committee.

The main amendments brought within the revised Policy include adjustments required in alignment to the provisions of Law 4941/2022 amending HFSF Law (Law 3864/2010) and the successful completion of the Bank's Restructuring Plan; further reference within the Policy to Environmental, Social and Governance (ESG) strategy objectives; inclusion of reference to Stock Award Program of article 114 of Law 4548/2018 and further description of the different possible components of remuneration. More detailed information may be found within the Draft Resolutions/Board Remarks on the items of the Agenda of the Annual General Meeting of Shareholders (<https://www.nbg.gr/en/group/investor-relations/reports/taktiki-geniki-syneleusi-tis-28-07-2023>).

The NBG Board of Directors' & Senior Managers' Remuneration Policy shall be applicable for a period of four years, unless revised earlier or in cases of temporary derogations, in alignment with the relevant applicable provisions.

The revised NBG Directors' and Senior Managers' Remuneration Policy was approved by the Annual General Meeting of Shareholders of 28 July 2023 by 86.99% favourable votes and no amendments were required to incorporate votes/shareholders' opinions expressed on the Policy.

The NBG Board of Directors' & Senior Managers' Remuneration Policy is available on the Bank's website, at [www.nbg.gr](https://www.nbg.gr/en/group/esg/corporate-governance/corporate-governance-framework) (<https://www.nbg.gr/en/group/esg/corporate-governance/corporate-governance-framework>).

The remuneration of Senior Managers (namely, General Managers and Assistant General Managers) is approved by the Board, following the recommendation of the HRRC upon proposal of the CEO. Particularly in relation to the remuneration of Senior Managers of the risk and control functions, namely the Group Chief Audit Executive, the Group Chief Compliance and Corporate Governance Officer, and the Group Chief Risk Officer, the HRRC works closely with the Audit Committee, the Compliance, Ethics and Culture Committee and the Risk Committee, respectively, in order to consult before approving their remuneration, in accordance with the respective Committees' Charters provisions. The remuneration of Senior Managers is determined as provided for under the terms of their relevant contracts, taking into account the salaries of peers in the Greek and international banking and other sectors, as well as the Bank's financial position, risks undertaken and supervisory indicators, and within the approved by the Board relevant salary bands. Potential restrictions that may apply as per the applicable legal and regulatory framework shall be followed, in accordance with the specific provisions the framework prescribes and the conditions applying at the Bank per case, as further detailed within the Policy. For instance, in accordance with the provisions of Law 3864/2010, as lastly amended by Law 4941/2022 and as each time in force, (article 10 para 3), in the event that and for as long as the ratio of nonperforming loans to total loans may exceed ten percent (10%), or for financial reporting years up to and including 2022, Senior Managers' fixed remuneration could not exceed the total respective remuneration of the Governor of the Bank of Greece, and any variable remuneration (bonus) would be abolished. Further, for the period of participation of the Bank in the capital increase program of Article 7 of Law 3864/2010, variable remuneration may only take the form of shares or stock options or other means within the meaning of articles 52 or 63 of the Regulation (EU) 575/2013, according to article 86 of Law 4261/2014.

The HRRC shall ensure that the remuneration of the internal control functions (e.g., risk management, internal audit, compliance, financial control) personnel should not be linked to the performance of the business units they control. The HRRC supervises the remuneration of the Group Chief Compliance Officer and the Chief Risk Officer whose appointment and performance assessment is overseen by the Compliance, Ethics and Culture Committee in the case of the Group Chief Compliance Officer and by the Risk Committee in the case of the Chief Risk Officer. The Committee is consulted by the Audit Committee as may be necessary in the Audit Committee's responsibility for approving the Group Chief Audit Executive remuneration, while the appointment and performance assessment of the Chief Audit Executive is overseen by the Audit Committee. The Committee shall make recommendations to the Board on the design of the remuneration package and amounts of remuneration to be paid to the senior staff members in the control functions.

Following the decision of the Annual General Meeting of the Bank's Shareholders of 28 July 2023 which established a Program for the free distribution of shares (Stock Award Program) to Senior Management executives, and/or staff of the Bank and to Group companies, and the approved Regulation for the specific terms and conditions regarding the implementation of the Stock Award Program, the Board of Directors at its meeting of 30 November 2023 approved the list of beneficiaries for the first cycle of the Program, including the Executive Board Members,

General Managers and Assistant General Managers of the Bank and other executives of the Bank and its Group companies.

## 16.10 Directors' Remuneration

In accordance with Greek Law 4548/2018 article 110, listed companies are required to establish a remuneration policy as regards directors and shareholders have the right to vote on the remuneration policy at the General Meeting. Within this context, the Board of Directors, following proposal of the Corporate Governance and Nominations Committee, submitted the NBG Directors' Remuneration Policy to the Annual General Meeting of Shareholders (AGM), which approved it on 31 July 2019. Additionally, in accordance with article 110 para 1 of Law 4548/2018, by statutory provision the Policy may also include in its scope the key management personnel, as defined in International Accounting Standard (IAS) 24 para 9. The Directors' Remuneration Policy initially approved by the Bank's AGM held on 31 July 2019 and was lastly revised in 2023 by the Bank's AGM held on 28 July 2023, following proposal of the Board of Directors, as assisted by the Corporate Governance and Nominations Committee and the Human Resources and Remuneration Committee (for more details see section "Remuneration of senior management" above). The Policy shall be applicable for a period of four years, unless revised earlier or in cases of temporary derogations, in alignment with the relevant applicable provisions.

In all cases, Board Directors remuneration is approved by the Bank's Annual General Meeting of Shareholders, upon recommendation of the Board of Directors (non-executive members), following proposal by the Corporate Governance and Nominations Committee. The Bank's Annual General Meeting of Shareholders also determines their respective remuneration through to the next Annual General Meeting. The Executive members do not attend or take part in the Committee meetings at which their remuneration is discussed and decided. The remuneration proposal takes into consideration, among others, the general employment and payment conditions applying to the total of NBG staff, looking to ensure consistency, while also takes into account the differences in responsibilities and impact ability of each directorship position. The Board of Directors is authorised to examine on an ongoing basis the level of remuneration of the members of the Board of Directors taking into consideration the conditions of competition in the European and domestic banking sector, as well as the work provided by the members of the Board of Directors and adjust such remuneration, in compliance with the provisions of the each time applicable legal and regulatory framework, including Law 3864/2010, as lastly amended by Law 4941/2022 and as each time in force and subject to approval by the next Annual General Meeting of Shareholders.

Remuneration of the Chairman, the CEO and Board Members are determined annually or as provided for under the terms of their relevant contracts, taking into account benchmarking data of peers. Outside review/validation of the Remuneration Policy can be sought as may be deemed appropriate by the Corporate Governance and Nominations Committee from a well reputed specialized consulting company, which can be appointed in accordance with the provisions of the Corporate Governance Code and in line with the budget available. Directors' remuneration is paid proportionally for as long as each member

holds the corresponding position. New Directors that may be appointed during the term of this Policy shall be remunerated as provided herein and as per the relevant decisions of the General Meeting of Shareholders determining remuneration of Board members.

It is noted that the Executive Board Members do not receive any remuneration in their capacity as Members of the Board and of the Board Committees

Potential restrictions that may apply as per the applicable legal and regulatory framework shall be followed, in accordance with the specific provisions the framework prescribes and the conditions applying at the Bank per case. For instance, in accordance with the provisions of Law 3864/2010, as lastly amended by Law 4941/2022 and as each time in force, (article 10 para 3) for as long as the ratio of non-performing loans to total loans exceeds ten percent (10%), or for financial reporting years up to and including 2022, the Directors' fixed remuneration, could not exceed the total respective remuneration of the Governor of the Bank of Greece, and any variable remuneration (bonus) would be abolished. Further, for the period of participation of the Bank in the capital increase program of Article 7 of Law 3864/2010, variable remuneration may only take the form of shares or stock options or other means within the meaning of articles 52 or 63 of the Regulation (EU) 575/2013, according to article 86 of Law 4261/2014.

More information on the NBG Directors' & Senior Managers' Remuneration Policy is available in the Bank's website, (<https://www.nbg.gr/en/group/esg/corporate-governance/corporate-governance-framework>).

Remuneration of non-executive members of the Board is determined taking into account factors such as their duties, dedication and the time commitment inherent to the role that they undertake, but not to the short-term results of the Bank/Group. It is noted that currently, there are no active supplementary pension or early retirement schemes provided by the Bank to Non-Executive Directors. No variable compensation is received by the Non-Executive BoD Members, neither are they part of retirement plans, severance payment programs or performance incentives, unless as otherwise decided by the General Meeting of Shareholders.

The remuneration received by the Chairman of the Board, the executive and non-executive Directors for the year 2023, due to their relationship with the Bank, has already been published in the Bank's Annual Financial Report for the annual period ended 31 December 2023, as part of the Board's Annual Report, which is available in the Bank's website (<https://www.nbg.gr/en/group/investor-relations/reports/annual-financial-report-for-the-group-and-the-bank-31-12-2023>).

In accordance with the provisions of the NBG Board of Directors' & Senior Managers' Remuneration Policy Executive Members of the Board participate in pension schemes introduced by the Bank, as well as in the Stock Award Program established by the Bank following the respective approval of the AGM held on 28 July 2023. It is further noted that, more detailed information on the remuneration granted to the members of the Board of Directors during 2023 will be included in the fiscal year 2023 Directors' Remuneration Report. The fiscal year 2023 Directors' Remuneration Report will be published accordingly, along with the other documents on the items of the agenda of the Annual General Meeting of 2024.

## 16.11 Aggregate Quantitative Information on remuneration

Remuneration of senior management and staff members whose professional activities have a material impact on the Bank's risk profile, in accordance with the provisions of the Commission Delegated Regulation (EU) 2021/923 of 25 March 2021 supplementing the Capital Requirements Directive IV and repealing and replacing Delegated Regulation (EU) 604/2014, for the financial year 2023, is presented in the tables below, as obtained from Bank and Group data at the end of the reporting year.

## REMUNERATION POLICIES &amp; PRACTICES

Table 81: EU REM1 - Remuneration awarded for the financial year 31.12.2023

|        |                          |                                                                       | MB<br>Supervisory<br>function | MB<br>Management<br>function | Other senior<br>management | Other identified staff |
|--------|--------------------------|-----------------------------------------------------------------------|-------------------------------|------------------------------|----------------------------|------------------------|
| 1      | Fixed<br>remuneration    | Number of identified staff                                            | 11                            | 2                            | 25                         | 68                     |
| 2      |                          | Total fixed remuneration ( <i>mio</i> )                               | 1.69                          | 1.15                         | 7.95                       | 7.49                   |
| 3      |                          | Of which: cash-based                                                  | 1.67                          | 0.95                         | 6.99                       | 6.94                   |
| 4      |                          | (Not applicable in the EU)                                            |                               |                              |                            |                        |
| EU-4a  |                          | Of which: shares or equivalent ownership interests                    |                               |                              |                            |                        |
| 5      |                          | Of which: share-linked instruments or equivalent non-cash instruments |                               |                              |                            |                        |
| EU-5x  |                          | Of which: other instruments                                           |                               |                              |                            |                        |
| 6      |                          | (Not applicable in the EU)                                            |                               |                              |                            |                        |
| 7      | Variable<br>remuneration | Of which: other forms                                                 | 0.02                          | 0.2                          | 0.96                       | 0.55                   |
| 8      |                          | (Not applicable in the EU)                                            |                               |                              |                            |                        |
| 9      |                          | Number of identified staff                                            | 11                            | 2                            | 25                         | 68                     |
| 10     |                          | Total variable remuneration ( <i>mio</i> )                            | 0                             | 1.11                         | 6.76                       | 1.39                   |
| 11     |                          | Of which: cash-based                                                  | 0                             | 0                            | 0                          | 1.39                   |
| 12     |                          | Of which: deferred                                                    |                               |                              |                            |                        |
| EU-13a |                          | Of which: shares or equivalent ownership interests                    | 0                             | 1.11                         | 6.76                       | 0                      |
| EU-14a |                          | Of which: deferred                                                    | 0                             | 0.67                         | 4.06                       | 0                      |
| EU-13b |                          | Of which: share-linked instruments or equivalent non-cash instruments |                               |                              |                            |                        |
| EU-14b |                          | Of which: deferred                                                    |                               |                              |                            |                        |
| EU-14x |                          | Of which: other instruments                                           |                               |                              |                            |                        |
| EU-14y |                          | Of which: deferred                                                    |                               |                              |                            |                        |
| 15     |                          | Of which: other forms                                                 |                               |                              |                            |                        |
| 16     |                          | Of which: deferred                                                    |                               |                              |                            |                        |
| 17     |                          | Total remuneration (2 + 10) ( <i>mio</i> )                            | 1.69                          | 2.26                         | 14.71                      | 8.88                   |

Table 82: EU REM5 - Information on remuneration of staff whose professional activities have a material impact on institutions' risk profile (identified staff) 31.12.2023

| Management body remuneration                            |                               |                              |             | Business areas        |                   |                     |                        |                                                 |      | All<br>other | Total |
|---------------------------------------------------------|-------------------------------|------------------------------|-------------|-----------------------|-------------------|---------------------|------------------------|-------------------------------------------------|------|--------------|-------|
|                                                         | MB<br>Supervisory<br>function | MB<br>Management<br>function | Total<br>MB | Investment<br>banking | Retail<br>banking | Asset<br>management | Corporate<br>functions | Independent<br>internal<br>control<br>functions |      |              |       |
| 1 Total number of identified staff                      |                               |                              |             |                       |                   |                     |                        |                                                 |      |              | 106   |
| 2 Of which: members of the MB                           | 11                            | 2                            | 13          |                       |                   |                     |                        |                                                 |      |              | 13    |
| 3 Of which: other senior management                     |                               |                              |             | 1                     | 8                 | 2                   | 9                      | 5                                               | 0    |              | 25    |
| 4 Of which: other identified staff                      |                               |                              |             | 25                    | 24                | 0                   | 6                      | 12                                              | 1    |              | 68    |
| 5 Total remuneration of identified staff ( <i>mio</i> ) | 1.69                          | 2.26                         | 3.94        | 3.19                  | 7.36              | 0.92                | 6.87                   | 5.02                                            | 0.23 |              | 27.53 |
| 6 Of which: variable remuneration ( <i>mio</i> )        | 0                             | 1.11                         | 1.11        | 0.76                  | 2.51              | 0.4                 | 2.79                   | 1.67                                            | 0.02 |              | 9.27  |
| 7 Of which: fixed remuneration ( <i>mio</i> )           | 1.69                          | 1.15                         | 2.83        | 2.43                  | 4.85              | 0.52                | 4.08                   | 3.35                                            | 0.21 |              | 18.26 |



# List of abbreviations

| Abbreviation   | Definition                                 | Abbreviation         | Definition                                                |
|----------------|--------------------------------------------|----------------------|-----------------------------------------------------------|
| <b>ABS</b>     | Asset-Backed Securities                    | <b>IAS</b>           | International Accounting Standards                        |
| <b>ACC</b>     | Additional Credit Claims                   | <b>ICAAP / ILAAP</b> | Internal Capital / Liquidity Adequacy Assessment Process  |
| <b>AFS</b>     | Available for Sale                         | <b>ICMA</b>          | International Capital Markets Association                 |
| <b>A-IRB</b>   | Advanced Internal Ratings Based (Approach) | <b>ICT</b>           | Information and Communication Technology                  |
| <b>ALCO</b>    | Asset Liability Committee                  | <b>IFRS</b>          | International Financial Reporting Standards               |
| <b>ALM</b>     | Asset Liquidity Management                 | <b>IMA</b>           | Internal Model Approach                                   |
| <b>AMC</b>     | Asset Management Companies                 | <b>IRB</b>           | Internal Ratings Based (approach)                         |
| <b>AML</b>     | Anti-Money Laundering                      | <b>IRRBB</b>         | Interest Rate Risk in the Banking Book                    |
| <b>APP</b>     | Asset Purchasing Program                   | <b>IRS</b>           | Interest Rate Swaps                                       |
| <b>APS</b>     | Asset Protection Scheme                    | <b>ISDA</b>          | International Swaps and Derivatives Association           |
| <b>ATHEX</b>   | Athens Exchange                            | <b>IT</b>            | Information Technology                                    |
| <b>BAC</b>     | Board Audit Committee                      | <b>ITS</b>           | Implementing Technical Standards                          |
| <b>BC</b>      | Bankruptcy Code                            | <b>IVS</b>           | International Valuation Standards                         |
| <b>BCBS</b>    | Basel Committee on Banking Supervision     | <b>JST</b>           | Joint Supervisory Team                                    |
| <b>BoG</b>     | Bank of Greece                             | <b>KPI</b>           | Key Performance Indicator                                 |
| <b>BoS</b>     | Board of Supervisors (EBA)                 | <b>KRI</b>           | Key Risk Indicator                                        |
| <b>bps</b>     | Basis Point                                | <b>LCR</b>           | Liquidity Coverage Ratio                                  |
| <b>BRC</b>     | Board Risk Committee                       | <b>LGD</b>           | Loss Given Default                                        |
| <b>BRRD</b>    | Bank Recovery and Resolution Directive     | <b>LR</b>            | Leverage Ratio                                            |
| <b>BTAR</b>    | Banking Book Taxonomy Alignment Ratio      | <b>M&amp;A</b>       | Mergers and Acquisitions                                  |
| <b>BU</b>      | Business Unit                              | <b>MDA</b>           | Maximum Distributable Amount                              |
| <b>C&amp;E</b> | Climate & Environment                      | <b>MIS</b>           | Management Information System                             |
| <b>CBR</b>     | Combined Buffer Requirements               | <b>ML</b>            | Money Laundering                                          |
| <b>CCB</b>     | Capital Conservation Requirement           | <b>MoB</b>           | Months on Book                                            |
| <b>CCF</b>     | Credit Conversion Factor                   | <b>MRA</b>           | Moody's Risk Advisor                                      |
| <b>CCM</b>     | Climate Change Mitigation                  | <b>MREL</b>          | Minimum Requirements for Own Funds & Eligible Liabilities |
| <b>CCO</b>     | Chief Credit Officer                       | <b>MRO</b>           | Main Refinancing Operations                               |
| <b>CCP</b>     | Code of Civil Procedure                    | <b>MVS</b>           | Model Validation Sector                                   |
| <b>CCR</b>     | Counterparty Credit Risk                   | <b>MVU</b>           | Model Validation Unit                                     |
| <b>CCyB</b>    | Countercyclical Capital Buffer             | <b>NACE</b>          | Nomenclature of Economic Activities                       |
| <b>CDS</b>     | Credit Default Swap                        | <b>NBG</b>           | National Bank Of Greece, S.A                              |
| <b>CEBS</b>    | Committee of European Banking Supervisors  | <b>NCA</b>           | National Competent Authority                              |
| <b>CEF</b>     | Credit Equivalent Factor                   | <b>NFC</b>           | Non-Financial Corporates                                  |
| <b>CEO</b>     | Chief Executive Officer                    | <b>NII</b>           | Net Interest Income                                       |
| <b>CET1</b>    | Common Equity Tier 1                       | <b>NMRF</b>          | Non-Modellable Risk Factors                               |
| <b>CFO</b>     | Chief Financial Officer                    | <b>NPE</b>           | Non Performing Exposure                                   |
| <b>CMS</b>     | Collateral Management System               | <b>NPL</b>           | Non Performing Loan                                       |
| <b>COO</b>     | Chief Operations Officer                   | <b>NPV</b>           | Net Present Value                                         |
| <b>CPRS</b>    | Climate Policy Relevant Sectors            | <b>NRA</b>           | National Resolution Authorities                           |
| <b>CRD</b>     | Capital Requirements Directive             | <b>NSFR</b>          | Net Stable Funding Ratio                                  |
| <b>CRM</b>     | Corporate Rating Model                     | <b>NZ Framework</b>  | Net Zero Framework                                        |
| <b>CRO</b>     | Chief Risk Officer                         | <b>O/N</b>           | Overnight                                                 |
| <b>CRR</b>     | Capital Requirements Regulation            | <b>OCP</b>           | Open Currency Position                                    |
| <b>CSA</b>     | Credit Support Annex                       | <b>OCR</b>           | Overall Capital Requirement                               |
| <b>CSPP</b>    | Corporate Sector Purchasing Program        | <b>OCW</b>           | Out-of-Court Workout                                      |
| <b>CSRBB</b>   | Credit Spread Risk in the Banking Book     | <b>OR</b>            | Operational Risk                                          |



## APPENDIX

|                      |                                                              |                |                                                     |
|----------------------|--------------------------------------------------------------|----------------|-----------------------------------------------------|
| <b>CSR</b>           | Corporate Social Responsibility                              | <b>ORCO</b>    | Operational Risk Management Committee               |
| <b>CVA</b>           | Credit Valuation Adjustment                                  | <b>ORMF</b>    | Operational Risk Management Framework               |
| <b>DCD</b>           | Domestic Credit Division                                     | <b>ORR</b>     | Obligors' Risk Rating                               |
| <b>DGSD</b>          | Deposit Guarantee Schemes Directive                          | <b>O-SII</b>   | Other Systemically Important Institution            |
| <b>dpd</b>           | days past due                                                | <b>OTC</b>     | Over-the-counter                                    |
| <b>DoD</b>           | Definition of Deafult                                        | <b>P&amp;L</b> | Profit and Loss                                     |
| <b>DTA</b>           | Deferred Tax Asset                                           | <b>P2G</b>     | Pillar 2 Guidance                                   |
| <b>DTC</b>           | Deferred Tax Credit                                          | <b>P2R</b>     | Pillar 2 Requirement                                |
| <b>EAD</b>           | Exposure at Default                                          | <b>PD</b>      | Probability of Default                              |
| <b>EBA</b>           | European Banking Authority                                   | <b>PE</b>      | Performing Exposures                                |
| <b>EBF</b>           | European Banking Federation                                  | <b>PELTROs</b> | Pandemic Emergency Long-Term Refinancing Operations |
| <b>EBITDA</b>        | Earnings Before Interest, Tax, Depreciation and Amortization | <b>PEPP</b>    | Pandemic Emergency Purchase Program                 |
| <b>EC</b>            | European Commission                                          | <b>PMO</b>     | Project Management Office                           |
| <b>ECAI</b>          | External Credit Assessment Institutions                      | <b>ppts</b>    | Percentage points                                   |
| <b>ECB</b>           | European Central Bank                                        | <b>PSE</b>     | Public Sector Entity                                |
| <b>ECL</b>           | Expected Credit Losses                                       | <b>PSI</b>     | Private Sector Involvement                          |
| <b>EDIS</b>          | European Deposit Insurance Scheme                            | <b>QCCP</b>    | Qualifying Central Counterparty                     |
| <b>EFSF</b>          | European Financial Stability Facility                        | <b>RAF</b>     | Risk Appetite Framework                             |
| <b>EIB</b>           | European Investment Bank                                     | <b>RAPM</b>    | Risk-Adjusted Performance Metrics                   |
| <b>EIF</b>           | European Investment Fund                                     | <b>RCF</b>     | Risk Culture Framework                              |
| <b>EIOPA</b>         | European Insurance & Occupational Pensions Authority         | <b>RCSA</b>    | Risk and Control Self-Assessment                    |
| <b>EL</b>            | Expected Loss                                                | <b>RES</b>     | Renewable Energy Resources                          |
| <b>ELA</b>           | Emergency Liquidity Assistance                               | <b>RIMA</b>    | Risk identification & materiality assessment        |
| <b>EPC</b>           | Energy Performance Certificate                               | <b>RTS</b>     | Regulatory Technical Standards                      |
| <b>ERBA</b>          | External Ratings Based Approach                              | <b>RWA</b>     | Risk Weighted Assets                                |
| <b>ESA</b>           | European Supervisory Authorities                             | <b>SA</b>      | Standardized Approach                               |
| <b>ESG</b>           | Environmental, Social & Governance                           | <b>SAU</b>     | Special Assets Unit                                 |
| <b>ESM</b>           | European Stability Mechanism                                 | <b>SB(L)</b>   | Small Business (Lending)                            |
| <b>ESMA</b>          | European Securities & Markets Authority                      | <b>SEC</b>     | Securities and Exchange Commission                  |
| <b>ESRB</b>          | European Systemic Risk Board                                 | <b>SFDR</b>    | Sustainable Finance Disclosure Regulation           |
| <b>ETEAN</b>         | Hellenic Fund for Entrepreneurship and Development           | <b>SGP</b>     | Stability & Growth Pact                             |
| <b>EU</b>            | European Union                                               | <b>SICR</b>    | Significant Increase of Credit Risk                 |
| <b>EVE</b>           | Economic Value of Equity                                     | <b>SL</b>      | Specialised Lending                                 |
| <b>EVS</b>           | European Valuation Standards                                 | <b>SME</b>     | Small & Medium Enterprises                          |
| <b>EW</b>            | Early Warning                                                | <b>SPPI</b>    | Solely Payments of Principal and Interest           |
| <b>ExCo</b>          | Executive Committee                                          | <b>SPV</b>     | Special Purpose Vehicle                             |
| <b>FBE</b>           | Forborne Exposures                                           | <b>SR</b>      | Securitization Repositories                         |
| <b>FI</b>            | Financial Institution                                        | <b>SRB</b>     | Single Resolution Board                             |
| <b>F-IRB</b>         | Foundation internal ratings-based (approach)                 | <b>SRCO</b>    | Segment Risk & Control Officer                      |
| <b>FRTB</b>          | Fundamental Review of the Trading Book                       | <b>SREP</b>    | Supervisory Review and Evaluation Process           |
| <b>FSB</b>           | Financial Stability Board                                    | <b>SRM</b>     | Single Resolution Mechanism                         |
| <b>FVTOCI</b>        | Fair Value Through Other Comprehensive Income                | <b>SSM</b>     | Single Supervisory Mechanism                        |
| <b>FVTPL</b>         | Fair Value Through Profit or Loss                            | <b>ST</b>      | Stress Test                                         |
| <b>FX</b>            | Foreign Exchange                                             | <b>STS</b>     | Single, Transparent, Standardized (securitization)  |
| <b>GAAP</b>          | Generally Accepted Accounting Principles                     | <b>sVaR</b>    | Stressed Value at Risk                              |
| <b>GAR</b>           | Green Asset Ratio                                            | <b>TF</b>      | Terrorist Financing                                 |
| <b>GHG emissions</b> | Greenhouse Gas Emissions                                     | <b>TFEU</b>    | Treaty on the Functioning of the European Union     |
| <b>GGB</b>           | Greek Government Bond                                        | <b>TLAC</b>    | Total Loss Absorbing Capacity                       |
| <b>GHOS</b>          | Governors and Heads of Supervision                           | <b>TLTRO</b>   | Targeted Long-Term Refinancing Operations           |
| <b>GICD</b>          | Group International Credit Division                          | <b>TRIM</b>    | Targeted Review of Internal Models                  |
| <b>GL</b>            | Guidelines                                                   | <b>TSCR</b>    | Total SREP Capital Requirement                      |

## APPENDIX

|                 |                                                       |             |                             |
|-----------------|-------------------------------------------------------|-------------|-----------------------------|
| <b>GMORM(D)</b> | Group Market & Operational Risk Management (Division) | <b>URCO</b> | Unit Risk & Control Officer |
| <b>GMRA</b>     | Global Master Repurchase Agreement                    | <b>UAT</b>  | User Acceptance Testing     |
| <b>GRC</b>      | Governance Risk & Compliance                          | <b>UTP</b>  | Unlikelihood to Pay         |
| <b>GRCA(D)</b>  | Group Risk Control & Architecture (Division)          | <b>VaR</b>  | Value at Risk               |
| <b>GRCD</b>     | Group Retail Credit Division                          | <b>VCV</b>  | Variance-Covariance         |
| <b>G-SII</b>    | Global Systemically Important Institution             | <b>WAM</b>  | Weighted Average Maturity   |
| <b>HCMC</b>     | Hellenic Capital Market Commission                    |             |                             |
| <b>HDB</b>      | Hellenic Development Bank                             |             |                             |
| <b>HFSF</b>     | Hellenic Financial Stability Fund                     |             |                             |
| <b>HRRC</b>     | Human Resources and Remuneration Committee            |             |                             |
| <b>HTCS</b>     | Held to Collect and Sell                              |             |                             |