NATIONAL BANK
OF GREECE

Group and Bank

Annual Financial Report

31 December 2022

March 2023

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National Bank of Greece

Who we are: National Bank of Greece S.A. (hereinafter “NBG” or the “Bank”) was founded in 1841 and its shares have been listed on the Athens Exchange since 1880. The Bank’s headquarters are located at 86 Eolou Street, 10559 Athens, Greece, (Register number G.E.MH. 237901000), tel. (+30) 210 334 1000, www.nbg.gr. By resolution of the Board of Directors, the Bank can establish branches, agencies and correspondence offices in Greece and abroad. In its 182 years of operation, the Bank has expanded on its commercial banking business by entering into related business areas. The Bank and its subsidiaries (hereinafter the “NBG Group” or “Group”) provide a wide range of financial services including mainly retail, corporate and investment banking, non-performing management & Specialized Asset Solutions, transactional banking, leasing, factoring, brokerage, asset management, real estate management and insurance related services. The Group operates mainly in Greece but also abroad through its branch in Cyprus and its subsidiaries in North Macedonia, Cyprus, Romania, Bulgaria, Luxembourg, Netherland and U.K. Following the respective Bank’s decision in 2021, the Group ceased its operation in Egypt, Malta and NBG London Branch; and therefore the NBG Egypt Branch, the NBG London Branch and the subsidiaries NBG Malta Ltd (formerly known as NBG Bank Malta Ltd) and NBG Malta Holdings Ltd are currently under liquidation.

The Bank is one of the four systemic banks in Greece and one of the largest financial institutions in Greece by market capitalization, holding a significant position in Greece’s financial services sector.

For further details on our Business Overview, see section “*Economic and financial review*”.

About our **Purpose, Vision and Values**

Purpose: Our Purpose Statement Is **“Together We Create Future”.**

Vision: Our vision is to become the **“Bank of First Choice”** for customers, talent, and investors. A trustworthy, human, responsive bank, that acts as a growth catalyst and unlocks potential for households, businesses, communities, and our employees.

Values: **Human, Trustworthy, Responsive, A Growth Catalyst**

Our Values

Throughout our history, from 1841 until today, we recognize that our successful business activity is mainly based on the fact that we operate guided by our Purpose, Vision and Values.

Our values are, and will remain etched in our DNA, in order to move forward together to the next day.

Human	Trustworthy	Responsive	A Growth Catalyst
			
Your needs and choices are at the centre of everything we do.	*We operate with transparency, knowledge and experience.*	*We provide flexible solutions tailored to your needs.*	*We accelerate progress and prosperity.*

About Environment, Social and Governance

In 2021, NBG launched a holistic Environmental, Social and Governance ("ESG") effort to ensure compliance with evolving regulatory framework, fulfilment of its commitment to the Principles for Responsible Banking ("PRB") of the United Nations Environment Program Finance Initiative ("UNEP-FI") and implementation of ESG best practices across the organization (covering management of credit and other types of risk, business strategy, products and services, reporting, as well as efforts to reduce NBG's direct and indirect emissions footprint). In line with 2021 above, NBG continued with further shaping its strategy and deepening the integration of ESG aspects, starting by integrating the ESG elements of climate and environmental into our activity and operations.

Our ESG Management Committee, chaired by the Chief Executive Officer ("CEO"), governs all strategic decisions related to ESG, a new Board Committee on Innovation & Sustainability has come into force, while a dedicated Group Corporate Social Responsibility & Sustainable Development Division has been established under the Group Chief Compliance and Corporate Governance Officer to oversee compliance and reputational risk matters pertaining to corporate social responsibility, sustainability and climate change. NBG has integrated the management of ESG topics across the three lines of defence, with the appointment of specific roles and responsibilities within existing organizational units, as well as the establishment of new ESG related teams. In this context, a new independent sector, the Climate & Environmental Strategy Sector, has been set up to define, coordinate and monitor implementation of Climate & Environmental Strategy across the front-line.

Key initiatives relevant to the implementation of the Climate & Environmental strategy and related risk management are being included in the Transformation Program to ensure high level of focus and execution discipline in the aforementioned critical areas (see Section "*Transformation Program*").

For further details on ESG & Sustainability, see section "*Non-Financial Statement*".

Gikas A. Hardouvelis

Chair of the Board of Directors

"2022 was a year of major accomplishments. National Bank of Greece S.A. continued to grow, investing in digital banking and its people, and emerging as the Bank of First Choice. Operating costs remained well contained. New production of loans supported the economy and generated healthy and sustainable interest and fee income, with core Return on Tangible Equity improving to 9.6% from 8.2% the year before, and the cost to core income ratio declining to 46.9% from 52.2% a year earlier.

A new strategic cooperation with EVO Payments Inc. on our merchant acquiring business is boosting profitability and opens new opportunities. Our leading capital position in Greece is growing even stronger, with a fully loaded Common Equity Tier 1 ("CET1") ratio of 15.7%, which is well above the regulatory minimum requirement.

Non-Performing Exposures ("NPEs") continued to decline in 2022, with the NPE ratio reaching mid-single-digit levels, as the amount of cured loans consistently exceeded the defaulted ones, thus producing negative net NPE formation. Opportunities are also opening from the millions of assets transferred to servicers by the banks. At NBG, we did not carve out our Troubled Assets Unit but, instead, created a new division called Specialized Assets Solutions, which kept the know-how of the troubled loan universe within the Bank and is now able to service it, providing advice and real estate" financing.

Our ground-breaking investments in technological infrastructure such as the replacement of our Core Banking System, are enhancing our operational efficiency, automating our processes, and improving our commercial offerings. Independent technological surveys by consulting companies place our Bank among the top digital champions globally and the best in Greece, an assessment which is also verified by the number of our digital banking users, the largest amongst Greek banks. These efforts and results are consistent with our vision to optimize our product and service offering to our clients, thus becoming the "Bank of First Choice".

At NBG we aim high, work as a team, and deliver tangible results. The Bank's Purpose Statement remains pivotal to our activities: "Together We Create Future." Together with our people and our customers, we adhere to our four-core values, aspiring to a Bank that is Human, Trustworthy, Responsive and A Growth Catalyst.

The Bank continues placing outmost importance in the maintenance of top-quality corporate governance and conduct standards. The Board of Directors and its committees are constantly overseeing all major developments, following an enhanced Board Working Model. They meet regularly and hold in depth lengthy discussions on strategy, current developments, and important areas such as ESG, Digital, Partnerships, and other.

Consistent with its ESG vision for the future, NBG leads the market in sustainable energy financing. In 2022 we supported 58 Renewable Energy Source projects with loans of €1.6 billion, up by 45% from the previous year. The Bank also supports its corporate clients' transition to sustainable business models in line with both their sector decarbonization paths and NBG's own Net-Zero mid- to long-term strategy. NBG supports inclusion and equal opportunities as well, participating for the sixth consecutive year in Bloomberg's Gender Equality Index.

The wide perimeter of NBG's ESG presence and digital transformation is evident in the numerous awards and distinctions it received in 2022. These include:

- *the "Best Corporate Governance Greece" by Capital Finance International ("CFI");*
- *the "Diamond Distinction" by Corporate Responsibility ("CR") Index;*
- *three prizes in the context of the World Finance Magazine's international awards "Digital Banking Awards 2022", as "Best Consumer Digital Bank in Greece", "Best Mobile App in Greece" and "Best Digital SME Bank in Greece";*
- *two prizes in the context of The Digital Banker Magazine's international awards "Digital CX Awards 2022";*
- *seven awards in the context of the "Digital Finance Awards 2022."*

NBG maintains the highest bank credit rating in Greece at BB- (based on the current rating from Fitch in January 2023), facilitating the country's effort to regain Investment Grade. The latter stands within reach, as the economy remains resilient to the severe geopolitical challenges from the Ukraine crisis and the concomitant escalation of energy and commodity-induced inflation shock.

Greece's economic performance exceeded expectations in 2022, with GDP growth outpacing the euro area average by a wide margin for a second consecutive year. Domestic growth was approximately 6% in constant price terms, compared with 3.5%, on average, in the euro area.

The revival of tourism, with revenue rising very close to the all-time high level of 2019, along with the decisive fiscal support, cushioned the inflation drag on disposable income. The business sector overcame the surge in production costs and remained healthy, with profits climbing to a 12-year high and gross fixed capital formation rising by 11.6%. The labor market also proved dynamic, with unemployment remaining on a steady downward path and labor income rising by 5.6%.

Positive wealth effects in 2022 provided additional support to domestic demand. Prices of residential real estate – which accounts for almost 90% of household wealth – rose by 10.4% year-over-year ("y-o-y") in September 2022, recording a cumulative appreciation of nearly 40% from their lowest point during the Greek crisis. Non-labor sources of personal income (interest, dividends, and rents) also exhibited a double-digit growth.

Chairman's Statement

Despite the accelerating monetary tightening by the European Central Bank ("ECB"), bank liquidity remained abundant and credit expansion in 2022 to the domestic private sector reached a 13-year high of c. €7.0 billion. Inward Foreign Direct Investment ("FDI") surged to an all-time high of c. €6.5 billion, setting the stage for increased capital formation.

A strong fiscal performance together with the inflation spike resulted in a sharp fall in public debt, estimated at c. 25% of GDP, and a primary deficit of c. 1.5% of GDP or even lower. The economy is heading to a small primary surplus and a new substantial decline in debt to GDP ratio in 2023.

All in all, the Greek economy entered 2023 in high gear. It is heading for an investment-led recovery within a less dynamic international environment. A strongly adaptable private sector and the utilization of the Recovery & Resilience Facility ("RRF") - related impetus – in which NBG has adopted a leading role through Ethniki 2.0 - provide support for Greece's overperformance in the current year and beyond.

Both the economy and the bank are anticipated to thrive in the years ahead. On the back of a recovering economy, NBG is focused on accelerating income growth and value generation, capitalizing on its strong fundamentals and a solid operating model of digital development and expansion.

NBG today enjoys the trust of its customers, the appreciation of its employees and the satisfaction of its shareholders. It thrives as an ever-transforming, competitive, stable, well-capitalized and highly profitable bank."

Athens, 13 March 2023

Gikas A. Hardouvelis

Chair of the Board of Directors

Chief Executive Officer's Statement

Pavlos K. Mylonas
Chief Executive Officer

"Economic growth in Greece remained strong throughout FY.22 overcoming inflation-induced risks and remains on a solid trajectory, supported by buoyant tourism, continued fiscal support, strong labor market conditions, as well as by the sharp recovery in corporate profitability. For NBG, 2022 was also a year of consistently strong financial performance, which was reflected across all business lines. Our net performing loan book expanded by an impressive €2.5 billion (equivalent to +10% y-o-y), driven by disbursements of €6.7 billon, mainly to corporates.

Our core operating profit has surged by 56.7% year over year ("y-o-y") to almost €700 million, far exceeding the full year guidance of c. €0.5 billion, while the profit after tax attributable to NBG equity shareholders reached €1,120 million, up by 29.2% y-o-y. This robust performance reflects the overperformance in all lines of the Income Statement: strong recovery in net interest income (+13.0% y-o-y), adding up to core income growth of 14.5% y-o-y.

Operating expenses remained contained, despite inflationary pressures and increased depreciation charges driven by our strategic IT investment plan, which includes the ongoing replacement of our Core Banking System.

Our robust liquidity, strong capital position and further improved asset quality, all provide the Bank with strong competitive advantages. Notably, full targeted longer-term refinancing operations ("TLTROs III") repayment still leaves NBG's cash position at c. €7 billion. Our strong capital position was enhanced with Common Equity Tier 1 ratio and Total Capital ratios at 15.7% and 16.8% respectively, on a fully loaded basis. Further, Non Performing Exposures formation remained negative throughout 2022, driving our NPE ratio down to 5.1%, below our FY.22 guidance of c. 6%.

On the transactions´ front, the closing of the Ethniki Hellenic General Insurance S.A. at the end of 1Q.22 allowed us to exit the 2019 Revised Restructuring Plan. NPE securitisations continued in 2022 with the signing of "Frontier II" transaction of c. €1.0 billion, in terms of gross book value as of 4Q.21, under the provision of Hercules Scheme II. In addition to NPE transactions, in 2022 we proceeded with our plan of establishing strategic partnerships with key players in the IT and non-IT area. First, we established NBG Pay Single Member S.A., a joint venture with EVO Payments Inc in the merchant acquiring and payment processing services. Additionally, we are about to sign a new strategic partnership agreement with the technology company Epsilon Net S.A. specializing in Enterprise resource planning ("ERP") service provision to small business customers, which will support us further to expand our digital offering and develop a new distribution channel for our products and services to such customers.

On the back of our solid financial performance, the Bank's efforts in the Transformation Program that runs for over 4 years now, continue unabated to enhance our commercial effectiveness and operational efficiency. Just a few of its success comprise:

NBG, utilizing its own "Ethniki 2.0" services complementing the country's "Greece 2.0" program, was the first bank to approve financing under the Recovery & Resilience Facility ("RRF") in March 2022. By year-end 2022, we had a significant market share or c. €0.3 billion in RRF loans, 1/3 of which under the Green transition pillar.

In the retail business, we continued enhancing our digital offering, which now ranks among the top digital champions globally in the banking sector as indicated by independent surveys, with digital subscribers and active users reaching 3.7 million (+7.4% y-o-y) and 2.7 million (+10.5% y-o-y) respectively in 4Q.22.

For our People, the priorities in 2022 were the introduction of performance management, as well as rewards and upskilling. Specifically, we successfully launched the new Variable Remuneration Scheme directly linked to the new Performance Management System, introducing performance-based rewards. Training courses of more than 220,000 hours took place both for our Head Office and Branch Network employees. NBG twice provided additional special wage supplement to its employees during 2022 as a relief measure in light of high inflation. We also promoted our cultural transformation based on our 4 values (human, trustworthy, responsive, growth catalyst).

Centralization and automation efforts continue, through streamlining and automation of processes and upgrading technology, including the ongoing replacement of our Core Banking System.

In the area of ESG, the energy crisis further raised the importance of green transition and our efforts have accelerated towards this direction. We maintained our leading position in Renewable Energy Sources financing, incorporated ESG criteria in our corporate credit assessment process and enhanced measurement of our generated emissions to enable proper target setting and monitoring. Our sponsorship program continues with numerous initiatives supporting our society. Our key sponsorships in 2022 focused in restoring fire-impacted areas and promoting culture. Our governance standards are recognized as following best practices.

All the above successes are fully reflected in the upgrades of NBG's credit ratings since during 2022 by all rating agencies, reflecting the structural improvements in our asset quality, capital adequacy and core profitability, aided also by rising interest rates and economic growth in Greece. Notably, NBG maintains the highest credit rating in Greece, at 'BB-'.

Looking ahead, the solid fundamentals of the Greek economy should keep it in positive growth territory in 2023, outperforming the rest of Eurozone. In this environment and supported by a solid Balance Sheet and positive profitability momentum, we aspire to enhance our core Return on Tangible Equity further to over 12% by year-end 2025. Sustained positive organic capital generation creates options with regards to shareholder distribution. We also aspire to provide our clients expeditiously with advantageous products and services, maintaining their trust and confidence on NBG, the "Bank of First Choice"."

Athens, 13 March 2023

Pavlos K. Mylonas
Chief Executive Officer

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

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

(1) The Annual Financial Statements for the year ended 31 December 2022 have been prepared in accordance with the applicable accounting standards and present a true and fair view of the assets, liabilities, equity and results of operations of the Bank and of the companies included in the consolidation.

(2) The Board of Directors Report for the year ended 31 December 2022 fairly presents the evolution, the performance and the position of the Bank and of the companies included in the consolidation, including the description of the main risks and uncertainties they face.

Athens, 13 March 2023

THE CHAIRMAN OF THE BOARD OF DIRECTORS	THE CHIEF EXECUTIVE OFFICER	THE BOD MEMBER
GIKAS A. HARDOUVELIS	PAUL K. MYLONAS	MATTHIEU A. KISS

NATIONAL BANK
OF GREECE

Board of Directors' Report

2022

for the year ended 31 December 2022

Key Highlights

Strategic priorities for 2022-2024

Best Bank for our Clients
We deepen customer relationships, addressing their needs across channels and expanding our offering through strategic partnerships

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

Healthy Balance Sheet & Specialised Asset Solutions
We maintain a healthy balance sheet, while capturing emerging opportunities in the ecosystem of servicers and investors

People, Organisation & Culture
We revamp our Human Resources platform and enhance our culture, building a modern and flexible organisation

Efficiency & Agility
We eliminate inefficiencies and tightly manage spend, improving profitability in a sustainable manner

Climate & Environment
We address climate-related and environmental risks, while capturing opportunities from the transition of households and businesses

About **NBG's Transformation Program**

About NBG's Transformation Program

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

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

c.40 initiatives / c.90 subinitiatives in 2022
driving sustainable changes in line with our Business Plan

1,000+ colleagues
across the whole organization actively involved in the Transformation Program

2022 Group Financial Results

Adjusted Group profit for the year from continuing operations at €881 million, up 5.9% on an annual basis

Adjusted Group profit for the year from continuing operations

€881 million for the year ended 31 December 2022 (31 December 2021: €832 million).

Bank's new loan disbursements

Loan disbursements reach €6.7 billion +36.7% year-over-year ("y-o-y"), driven mainly by corporates.

Non-Performing Exposures ("NPEs")

Group NPE stock amounted to €1.8 billion, with NPE ratio at 5.2%.

Liquidity

Group deposits grew by €1.7 billion to €55.2 billion, Liquidity Coverage Ratio ("LCR") and Net Stable Funding Ratio ("NSFR") stand comfortably above regulatory requirements.

Common Equity Tier 1 ratio ("CET1")

The Group's Common Equity Tier 1 ("CET1") and Total Capital ratios as at 31 December 2022 were 16.6% and 17.7% respectively, exceeding the OCR ratios of 11.75% for 2022, post capital relief measures, and 14.50% for 2023.

Digital functionality

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

The introduction of new digital capabilities in combination with campaigns to promote digital channels led to a significant acceleration of digital usage and engagement:

- Digital active users reach 2.7 million (+10.5% y-o-y).
- 17.5% y-o-y increase in transactions via digital channels.
- 25.1% y-o-y increase in sales via digital channels.

Non-financial

Selected Awards & Accomplishments

- ### Awards & Distinctions

  "Best Corporate Governance Greece" – CFI, "CR-Index Award 2021-2022" – Diamond/Praise for the Society.

- ### Gender diversity

  At 31% (one Executive Member and three Independent Non-Executive Members of the Board of Directors) are women.

- ### NBG Carbon Footprint initiative

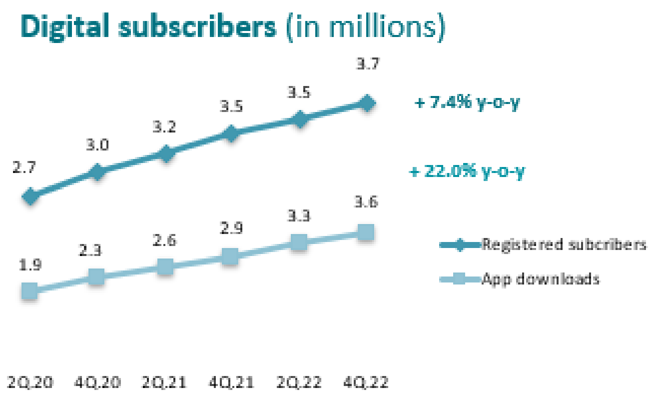
  Measurement of our Scope 3 indirect emissions, for both 2020 and 2021, and in particular of our Scope 3 financed emissions, according to the Partnership for Carbon Accounting Financials ("PCAF") methodology.

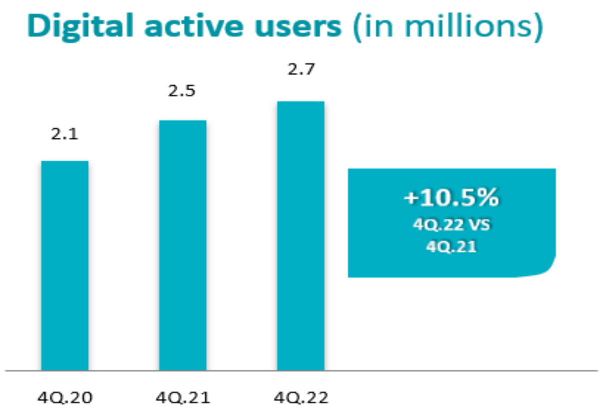
Acceleration of digital transformation and new digital functionalities

A digital leap forward creating a new competitive advantage

	Key digital metrics	New digital functionalities
Onboard	• **Digital subscribers** 3.7 million (+7.4% y-o-y). • **Mobile app downloads** 3.6 million (+22.0% y-o-y).	• **Digital onboarding** enhancements. • **Online Sole Proprietorship onboarding** via NBG Mobile Banking (January 2023).
Engage	• **Digital active users (12 months)** 2.7 million (+10.5% y-o-y). • **Digital active users (1 month):** 2.3 million (+10.6% y-o-y).	• **Contactless Payments via Mobile Banking**: NBG cards on Google Pay and Apple Pay. • **FX transfers** for all bank customers. • Request for remittances' fate and request for amendment via Internet Banking. • Internet & Mobile Banking based on **Accessibility Compliance** standards for people with disabilities. • **Instant notifications** service for business users. • Second Authentication Factor using **Push OTP.**
Gross-sell	• **Digital sales** c.275 thousand products (+25.1% y-o-y).	• **Expansion of online repayments to a wide range of** lending products**.** • **New products added in the digital sales portfolio** (new credit card offering, Money Box savings tool, New Generation investment). • Increase of **Express personal loan** credit limit from €2,000 το €6,000.

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





Key achievements and significant developments of NBG Group in 2022

Large scale Transformation Program

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

The Transformation Program addresses the strategic priorities that leverage on our strengths and address our weaknesses. Through more than four years of implementation, the Transformation Program has delivered impressive results in terms of core profitability – fully in line with the Bank's financial and business targets up to 2024 – and tangible improvements to NBG's business and operating model. These results are delivered through discrete workstreams encompassing c.40+ initiatives and involving 1,000+ managers and employees of the Bank.

NPE reduction plan

From December 2015 to December 2022, the Group achieved a decrease of €22.6 billion of the NPE stock through a combination of organic and inorganic actions, with Group NPE stock as of 31 December 2022 at €1.8 billion (Bank: €1.6 billion). Similarly, the NPE ratio dropped from 46.8% to 5.2% post to the Project "Frontier" derecognition and the Project "Frontier II" classification as Held for Sale. More specifically, NPE reduction continued in 2022, with the stock of domestic NPEs reduced further by €0.5 billion to €1.6 billion, reflecting mainly inorganic actions (see below "*Disposal of NPE portfolios*").

Domestic NPE ratio dropped by c. 190 basis points ("bps") to 5.1% in 4Q.22, with NPE coverage at 88.4% from 77.5% in 4Q.21.

International NPE ratio and coverage in 4Q.22 settled at 9.2% and 60.5%, respectively.

Furthermore, as per the regular European Central Bank ("ECB") calendar, the revised NPE targets for the 2023-2025 period will be submitted to the Single Supervisory Mechanism ("SSM") on 31 March 2023.

Disposal of NPE portfolios

Project "Frontier II"

On 25 November 2021, the Bank decided the disposal of a portfolio of Greek NPEs in the form of a rated securitization that will utilize the provisions of the Hellenic Asset Protection Scheme ("Hercules II", see below). The Project "Frontier II" accounted for c. €1.0 billion, in terms of gross book value as of 31 December 2021. The portfolio consists of predominantly secured Large Corporate, Small and Medium Enterprises ("SMEs"), Small Business Lending ("SBL"), Mortgage Loans and Consumer Loans. On 29 June 2022, the Bank announced the submission of the application under Hercules II, for the securitisation of Project Frontier II. The application relates to the provision of a guarantee by the Greek State on the senior notes of an amount up to €460 million.

Subsequently, 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 is estimated to be completed within the 2Q.23, subject to required approvals.

The transaction is being implemented in the context of the Bank's NPE deleveraging strategy and is in line with the targets submitted to the SSM.

Hellenic Republic Asset Protection Scheme

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

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

Moreover, 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, with no material changes in terms.

Project "Pronto"

In December 2021, the Bank decided the disposal of the non-performing leasing exposures including: the sale of Probank Leasing S.A. shares, the sale of the Bank's leasing portfolio (ex-FBB) and the sale of NBG Leasing S.A. lease portfolio. The gross book value of the Bank's and NBG Leasing's leasing portfolios, as of 31 December 2022, amounted to c. €51 million. The closing of the transaction is expected to be completed within the 2H.23.

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 31 December 2021, through a joint securitization process under HAPS. In August 2022, the Bank together with the other Greek financial institutions submitted to the Greek Ministry of Finance a joint application for inclusion of the senior notes to be issued in the context of the Solar Securitization in the HAPS scheme.

The transaction is expected to be completed within the 2Q.23, subject to required approvals.

Divestments

Planned disposal of subsidiary under 2019 Revised Restructuring Plan commitments

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

On 24 March 2021, the Bank's Board of Directors approved the sale of the 90.01% out of 100.00% stake in Ethniki Hellenic General Insurance S.A. ("Ethniki Insurance" or "NIC") and authorized the Bank's Management to proceed with the signing of the Share Sale and Purchase Agreement ("SPA") with CVC Capital Partners ("CVC") on 26 March 2021. The transaction was approved by the Extraordinary General Meeting of NBG's Shareholders held on 21 April 2021.

The closing of the transaction took place on 31 March 2022, following the reception of the required supervisory approvals by national and EU authorities.

Other divestments

CAC Coral Ltd

On 16 October 2020, the Bank announced that it has entered into a definite agreement with Bain Capital for the disposal of its 100% stake in a Cypriot Credit Acquiring Company, CAC Coral Ltd (Project "Marina"), which contains a portfolio of non-performing corporate, SME and consumer and mortgage loans with total gross book value of c. €325 million (€200 million of allocated collateral value) as of 30 June 2019. The portfolio consists predominantly of legacy non-performing loans. The transaction is being implemented in the context of NBG's NPE deleveraging strategy and in accordance with the Operational Targets submitted to the SSM.

The closing of the transaction took place on 15 July 2022, following the reception of the required approvals by the competent regulatory authorities.

Other transactions

Strategic Partnership of NBG with EVO Payments Inc

On 17 December 2021, the Bank announced that it has entered into a long-term strategic partnership with EVO Payments, Inc ("EVO") to provide merchant acquiring and payment processing services.

Following the receipt of all required regulatory approvals, the Bank announced on 9 December 2022, that it has completed the sale of 51.00% of NBG Pay Single Member Societe Anonyme (NBG PAY S.M.S.A.) share capital to EVO for a consideration of €158 million.

NBG PAY S.M.S.A. comprises NBG's Merchant Acquiring Business following a spin-off. In addition, a long-term exclusive commercial agreement was signed between NBG, NBG PAY S.M.S.A. and EVO, where NBG will offer to its merchants the market-leading, card acceptance solutions of NBG PAY S.M.S.A., through the proprietary products and processing platforms of EVO.

Significant value creation is expected from the synergies that the partnership will create from combining NBG's wide client base with EVO's technological expertise in the payments business.

Strategic Partnership of NBG with Epsilon Net S.A.

On 16 November 2022, the Bank announced the signing of memoranda of understanding ("MoU") of a strategic cooperation agreement and the acquisition of a minority interest of 7.5% in Epsilon Net S.A., as well as the possibility of acquiring a further 7.5% three years after the completion of the initial transaction. The respective MoU was performed in the context of the Bank's strategy to expand its operations through partnerships in the fintech space.

Cease of Group's operations in London, Malta & Egypt

NBG London Branch

In May 2021, the Bank decided to cease its operation in the U.K. through its branch and is currently under liquidation.

NBG Malta Ltd

In October 2021, the Bank decided to cease its operation in Malta. Subsequently, on 11 August 2022, the subsidiary surrendered its banking licence and was placed into liquidation. Therefore, its name was changed from NBG Bank (Malta) Ltd to NBG Malta Ltd since it no longer qualifies as a financial institution.

NBG Egypt Branch

In May 2021, an official approval was received by the Central Bank of Egypt for the downsize and ultimately cease of the Bank's branch operations in Egypt (see below "*2019 Revised Restructuring Plan*"). NBG Egypt Branch is currently under liquidation.

Financial highlights

Adjusted Group profit after tax ("PAT") from continuing operations at €881 million with Core Operating Profit ("COP") up by 56.7% y-o-y

Adjusted Group profit after tax ("PAT") from continuing operations reached €881 million for the year ended 31 December 2022, with COP up by 56.7% y-o-y, driven by the improved core income by 14.5%, a sharp decrease in loan impairments by 20.5%, and operating expenses base discipline despite increasing inflationary pressures (up by 2.8% y-o-y).

Net Interest Income ("NII") at Group level increased by 13.0% y-o-y to 1,369 million, mainly reflecting positive loan volume effects, complemented by accelerating repricing in 2022 and partially offset by a reduction in loan interest income due to NPE deleveraging and lower NII from targeted longer-term refinancing operations ("TLTROs").

Net fee and commission income reached €347 million, expanding by 20.9% y-o-y, supported by significant growth in all business areas, driven by higher transaction demand.

Operating expenses remained contained

Operating expenses for the year ended 31 December 2022 increased by 2.8% y-o-y to €805 million on the back of strong cost containment efforts, despite the inflationary pressures. Depreciation and administrative and other operating expenses ("G&As") increased by 5.5% and 7.5% respectively y-o-y, mainly due to charges driven by a reinforced IT investment strategy, and inflation pressures, respectively.

Domestic performing loans additions accelerated in FY.22 at €8.0 billion

Disbursements in FY.22 reached at €8.0 billion, pushing net domestic Performing Exposures ("PE") higher by €2.5 billion y-o-y driven mainly by corporates.

ECB exposure to significantly lower funding terms under TLTRO, while domestic deposit increased by savings deposits

The Bank continues to benefit from ECB's temporary liquidity measures and its participation to the favourable ECB funding as of 31 December 2022, amounted to €8.1 billion (31 December 2021: €11.6 billion), consisting exclusively of TLTROs, while the Group's customer deposit balance stood at €55.2 billion, an increase of €1.7 billion compared to 31 December 2021, mainly due to saving deposits. Bank's secured interbank funding transactions decreased by €1.1 billion compared to 31 December 2021 and amounted to €0.1 billion as at 31 December 2022.

During the year ended 31 December 2022, interest income recorded in respect to funding transactions with ECB and included in Net Interest Income amounted to €19 million (FY.21: €113 million, accrued at a rate of -1%).

2019 Revised Restructuring Plan

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

The 2019 Revised Restructuring Plan included a number of commitments to implement certain measures and actions (the

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

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

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

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

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

Divestment of domestic non-banking activities: In May 2019 the Bank had completed the sale of its remaining stake in NBG Pangaea REIC (currently Prodea Investments S.A.). Regarding the NIC, the transaction was closed on 31 March 2022 (see above "*Sale of a majority equity holding in Ethniki Hellenic General Insurance S.A.*"). The Commitment has been attained.

Divestment from international operations: The Bank reduced its international activities, by disposing certain subsidiaries in the years 2016 - 2019. The only non-complete divestment from international operations, since the Bank complied with its commitments with the run-off of NBG Cyprus assets, relates to the Bank's branch network in Egypt. In May 2021, an official approval was received by the Central Bank of Egypt for the downsize and ultimately cease of operations in Egypt.

As communicated by DG Competition in June 2022, the restructuring period and the mandate of the Monitoring Trustee for NBG has ended, as NBG complied with its commitments with the exception of the run-off of NBG Egypt. It is noted, that the size of asset deleveraging remaining in NBG Egypt is very limited compared to the overall assets NBG deleveraged, and that NBG exceeded the overall level of deleveraging required by the commitments of its Restructuring Plan. The effort to complete the wind-down of NBG Egypt is in progress.

Regulatory developments

2022 Climate Risk Stress Test

For the 2022 Climate Risk Stress Test that the Bank successfully completed the 2022, see section "*Risk Management - Management of Risks - Climate and environmental Risk*".

MREL Requirements

See section "*Economic and Financial Review – MREL Requirements*").

Other

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

In light to its 181 year long history, NBG which is closely linked to the creation and development of the Hellenic Republic and to the philhellene individuals responsible for establishing the Bank – has turned to the 15 charitable and cultural institutions to provide input, recognizing their highly commendable work and contribution to the wider Greek community, in order to create a focus of understanding for the celebration of our National rebirth.

The purpose of the "Initiative" and its actions

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

Ukraine crisis

On 24 February 2022, Russia invaded Ukraine where in addition to the humanitarian crisis it has caused in the region, it has had negative economic consequences for the global economy mainly through higher energy and commodity prices that have fuelled higher inflation which has produced weaker confidence in households and business. The extent of these effects will depend to a great extent on how the conflict evolves. The invasion also escalated tensions between Russia and the U.S., NATO, the EU and the U.K.. The US has imposed and is likely to impose material additional, financial and economic sanctions and export controls against certain Russian organizations and/or individuals, with similar actions implemented by the EU and the U.K. and other jurisdictions. In 2022 the U.S., the EU and the U.K., each imposed packages of financial and economic sanctions that, in various ways, constrain

[1] Excluding NIC.

transactions with numerous Russian entities and individuals; transactions in Russian sovereign debt; investment, trade and financing to and from certain regions of Ukraine. For a further information on the effect of the Ukrainian crisis see section "*Economic and Financial Review – Global Economy & Financial Environment*".

The Group has taken all necessary measures to comply with sanctions imposed by the competent authorities. Management is closely monitoring the developments and assessing periodically the impact that these may have on the Group's operations and financial position.

The Group has an insignificant exposure in any positions in securities, interbank transactions (secured or unsecured), derivatives, or commercial transactions, related to Russia or Ukraine, or to the Ruble, or with any Bank or subsidiary that is domiciled in these countries.

The Group also examined indirect exposure through its corporate loan portfolio. Corporate clients that were analysed had one of the following characteristics:

- *Business Activity*: Companies that sell their products/services in the affected countries or have local presence through subsidiaries/ branches.
- *Supplier(s):* Companies with key suppliers in the affected countries.
- *Shareholder(s)*: Key shareholder(s) or final beneficiary or other key stakeholder is of Russian nationality/citizenship.

As a result of the Ukrainian crisis, the expected impact from first order effects on the underlying obligors, that meet the above criteria, was deemed immaterial.

The Group also continuously invests in infrastructure to prevent, detect, and mitigate cyber threats. NBG already has in place a robust framework supported by experienced staff and appropriate IT infrastructure to minimize the probability of a cyber intrusion. From the onset of the crisis, NBG has proactively augmented this framework with a significant number of preparedness and security enhancement actions which will help reduce the impact of any such attacks.

For further information see Section "*Risk Management - Other Risk Factors - Cyber security*".

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 four 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. The Transformation Program has been designed and is being delivered across Workstreams, each led by a senior executive of the Bank.

Delivering the Transformation

Since its launch, the Transformation Program has been structured into six-month 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 added to the Transformation Program, while existing ones are adjusted or removed throughout the year. Each annual cycle begins and ends with a Ceremony, aiming to review progress made, acknowledge achievements, and embed lessons learned from each Season in our future planning. In parallel, a strong Transformation Program Office ("TPO") has been established to:

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

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

Transformation Program achievements in 2022

During 2022, more than 1,000 staff have been directly involved in the Transformation Program in at least one of c. 40 initiatives and c.90 sub-initiatives, achieving significant tangible results across all Workstreams:

Workstreams	Key achievements in 2022
Best Bank for our Clients	• Operationalization of Ethniki 2.0 program, playing a leading role in the Greek loan market for new and existing Corporate and Investment Banking ("CIB") customers and their ecosystems, leveraging the National Recovery and Resilience Facility ("Greece 2.0"). • Roll out of new extroverted Small Business service model in branches and implementation of high impact productivity improvements in Small Business lending process. • Increase in cross-selling and creation of new fee generation streams in Corporate, with a comprehensive and tailor-made offering of services through the Corporate Transaction Banking ("CTB") unit. • Enhancement of cross-selling in Retail through improved offering in terms of cards, investments & bancassurance products and analytics-driven campaigns. • Acceleration of customers' migration to digital channels, through the offering of new solutions and customer experience enhancements: – *For individuals*: NBG cards live on Google wallet / Apple Pay, new transactions and products available on internet & mobile banking. – *For businesses/ corporates*: new business mobile app live and enhancements in online legalisation services; digital migration to online platforms (Client Trade & i-FX) and continuous development of innovative solutions via Application Programming Interfaces ("APIs"). • Acceleration of branch network transformation, incl. operations streamlining and customer-centricity/ sales training to all Branch staff.
Healthy Balance Sheet	• Revision of Troubled Assets Unit operating model, following completion of NPE clean up. • New business setup ("Specialized Asset Solutions") to capture emerging revenue generation opportunities in the emerging ecosystem of servicers and investors (e.g., acquisition financing, Real Estate Operating companies ("REOCo") financing). • Successful containment of NPE flows and organic reduction of legacy NPEs.
Efficiency & Agility	• Targeted efforts to optimise operating model and capacity efficiencies in selected Head Office functions. • Targeted efforts to optimise non-staff costs, including real estate spend factoring in a more flexible working model.
Technology & Processes	• Core Banking System ("CBS") replacement program in progress. • Continued reengineering of core process centralizations (e.g., Small Business lending) and automations (e.g., Corporate workflow). ■ Expansion of usage of new technologies, incl. Robotics Process Automation ("RPAs"), Artificial Intelligence ("AI"), Optical Character Reader ("OCR") and new Banking Accounting Engine deployed.
People, Organisation & Culture	■ Conclusion of the new Performance Management System ("PMS") for 2021 performance cycle and variable payment compensation for 2021, in line with PMS results. ■ Delivery of learning programs with a focus on the frontline (incl. customer service & sales training for branches, and Credit underwriting for Corporate) in the context of NBG Academy. ■ Completion of 2nd Employee Engagement Survey and launch of related action plans. ■ Deployment of SAP Success Factors as the new core HR IT system. ■ Review of talent pool and succession planning across the organisation.
ESG & Enterprise Risk Management	• Baselining of Greenhouse Gas ("GHG") emissions (incl. financed emissions for 2020 - 2021). • Roll-out of ESG assessments for new originations and renewals in Corporate. • Ongoing alignment to UNEP FI Principles of Responsible Banking ("PRB") and EU Taxonomy.

Strategic Priorities for 2023-2024

Between now and 2024 the Bank will pursue the following strategic priorities:

Workstreams	Strategic priorities until 2024
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, we continue to strengthen our relationship managers' frontline (primarily for the Small Business and Premium segments), a stronger focus on fee-generating products (e.g., investment products, cards and bancassurance), and further enhancement of sales capacity through third party partnerships (e.g., retailers, e-commerce, agents). – In the case of Corporate banking, we are 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 in collaboration with the Bank's CTB unit. – Across Retail and Corporate, we are enhancing our range of solutions to enable the transition of households and businesses to a more sustainable model. A core part of our strategy remains to support Greek businesses in capturing opportunities in the context of the Recovery & Resilience Facility ("RRF"), including funding for investments in the context of green transition. • Across segments, advanced analytics use improves clients' targeting, while digital channels and strategic partnerships with third parties play an increasingly important role in onboarding, engaging, and selling to customers.
Specialized Asset Solutions[2]	• Completing the clean-up of the bank's balance sheet, targeting NPEs of c.3% of gross loans by 2025, while retaining best-in-class capital ratios. • Capturing revenue generation opportunities in the emerging ecosystem of investors and servicers (e.g., acquisition financing, REOCo financing).
Efficiency & Agility	• Further enhancing efficiency and productivity through continuous improvements in the Bank's business and operating model. • Reducing areas of high external spend such as real estate, factoring in a flexible working model.
Technology & Processes	• Implementing the new 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. • 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).
People, Organisation & Culture	• Continuing to modernise Human Resources processes and practices to attract, mobilise and incentivise our people. • Further developing talent through flagship leadership programs for high potential talent, coupled with "on demand" learning and targeted curricula for priority roles. • Rolling out comprehensive actions to enhance the Bank's corporate culture and desired behaviours in line with our core values.
Climate & Environment	• Incorporating climate-related and environment considerations in the Bank's business strategy, incl. setting specific targets with respect to our direct and indirect GHG emissions. • Capturing business opportunities in green, sustainable and transition finance, as households and businesses transition to a more sustainable model. • Addressing the business challenges and managing the risks emanating from climate and environment change. • Adhering to the highest disclosure standards, including non-financial and ESG reporting.

[2] Renamed as of 1 January 2023 (previously Healthy Balance Sheet).

Economic and Financial Review

Key developments in the Macroeconomic and Financial environment

Global Economy & Financial Environment

The global economic recovery lost steam in 2022

Renewed lockdowns in China and elevated geopolitical uncertainty due to the war in Ukraine took their toll on economic activity

Monetary policy tightening was substantial in order to curb multi-year high inflation

The European Central Bank

Raised all three policy interest rates by 250 bps in 2022.

Announced an anti-fragmentation tool (Transmission Protection Instrument, ("TPI")) to reduce, inter alia, the volatility of euro area sovereign bond spreads.

Discontinued net asset purchases under Asset Purchase Program ("APP") & Pandemic Emergency Purchase Programme ("PEPP") and announced the reduction of APP repurchases.

The Federal Reserve

Increased the target range of the Federal Funds Rate by 425 bps in 2022.

Communicated that ongoing increases in the target range will be appropriate.

Reduced US Treasury and agency Mortgage-Backed securities holdings by USD 474 billion to USD 8.0 trillion.

Global growth slowed in 2022, with risks remaining to the downside

The global economic recovery lost steam in 2022, with real gross domestic product ("GDP") increasing by +3.4% from +6.2% in 2021 mainly due to less favourable financial conditions amid faster-than-expected monetary policy tightening to stem elevated inflation. Global inflation accelerated to +8.8% in 2022 (annual average) from +4.7% in 2021, albeit the pace of increase has decelerated in the final quarter of 2022. In addition, lockdown measures in China to control COVID-19 infections contributed significantly to the slowdown of domestic and offshore economic activity. Finally, high energy costs due to the war in Ukraine and related sanctions on Russia took their toll on households' purchasing power and businesses' investment decisions.

In that context, the euro area economy has decelerated noticeably in the second half of 2022, though the slowdown of activity was less-than-anticipated, as fiscal support was substantial, households drew down their stock of pandemic-related savings and businesses adapted to the energy shock. Overall, real GDP growth was +3.5% in 2022 compared with +5.3% in 2021. The consumer price index ("CPI") rose to +8.4% (annual average), with broadening price pressures, after averaging +2.6% in 2021. In the United States ("US"), growth slowed to +2.1% in 2022 from +5.9% in 2021 as, *inter alia*, fiscal policy turned restrictive and financing conditions tightened considerably. Private consumption and business investment contributed positively. On the other hand, residential investment has recorded seven quarters of contracting activity and net exports subtracted from overall growth, as imports increased faster than exports. CPI Inflation, after rising by +4.7% (annual average) in 2021, continued to post remarkable increases in 2022 (+8.0%). Finally, economic activity in China recorded its second-slowest pace since 1976. Real GDP growth decelerated to +3.0% in 2022 from +8.4% in 2021, mainly due to zero-tolerance policies against COVID-19 and the related drag in activity, as well as the property market slowdown. CPI Inflation increased by +2.0% (annual average) in 2022, from a mean value of +0.9% in 2021.

Monetary policy has tightened in response to surging inflation. The Federal Reserve ("Fed") increased its main policy interest rate by 425 basis points in 2022, while stepped down the pace of interest rate increases to 25 basis points in February 2023, bringing the target policy rate to a range of 4.5% to 4.75%. The Fed communicated that ongoing increases in the target range will be appropriate. According to the Summary of Economic Projections ("SEP", December 2022), participants in the Federal Open Market Committee expect an increase in the Federal Funds rate to 5.1% by end-2023. In addition, net large-scale asset purchases ceased in March 2022 and the Fed began reducing US Treasury and agency Mortgage-Backed securities holdings in June 2022. The Fed will continue reducing its holdings by USD 95 billion per month, with the balance sheet standing at USD 8.4 trillion or 33% of 2022 GDP from USD 8.8 trillion in 2021.

In Europe, the ECB increased all three policy interest rates by 250 basis points in 2022 as inflation pressures have been amplified by the war in Ukraine, the recovery of the economy post COVID-19 and tight labor markets. The ECB stayed the course in February 2023 with another 50 basis points increase to 3.0% (Main Refinancing Operations), 3.25% (Marginal Lending Facility) and 2.5% (Deposit Facility Rate). According to the ECB, there is a strong commitment for an additional interest rate hike of 50 basis points in March 2023, and then it will evaluate the subsequent path of monetary policy.

Regarding large-scale asset purchases, the ECB discontinued net asset purchases under the Pandemic Emergency Purchase Programme ("PEPP") in March 2022 and under the APP as of 1 July 2022. The ECB announced in December 2022 that APP repurchases will be reduced by €15 billion per month, on average, from March to June 2023, while the subsequent pace will be determined over time. The ECB will continue to reinvest in full the principal payments from maturing securities by applying flexibility across jurisdictions in the PEPP portfolio until, at least, the end of 2024. Moreover, the favourable cost of funding conditions for commercial banks, applicable under targeted longer-term refinancing operations (TLTRO III) ended, as expected, on 23 June 2022. In addition, the ECB adjusted upwards, in October 2022, the interest rates applicable to targeted longer-term refinancing operations (TLTRO III) to reinforce the transmission of policy rates to bank lending conditions, which tightened substantially further in the fourth quarter of 2022 for loans to businesses and to households, according to the ECB Bank Lending Survey, offering banks at the same time additional voluntary early repayment dates. As a result, the balance sheet of the Eurosystem has declined to €7.9 trillion or 59% of 2022 GDP from €8.6 trillion in 2021.

At the same time, the ECB announced the TPI, to safeguard the smooth transmission of monetary policy across jurisdictions. The TPI can be activated to counter unwarranted, disorderly market dynamics that pose a serious threat to the transmission of monetary policy across the euro area. The ECB will be able to purchase public sector, mainly, bonds in jurisdictions experiencing a deterioration in financing conditions not warranted by country specific macroeconomic fundamentals. The scale of TPI purchases is not restricted ex ante, and it will depend on the severity of the risks facing monetary policy transmission, while the ECB accepts "pari passu" treatment with respect to bonds purchased by the TPI. Potential purchases under the TPI will regard securities with a remaining maturity of between one and ten years. In addition, the member states in which the ECB may conduct purchases under the TPI should pursue sound fiscal and macroeconomic policies, whereas the following criteria will be applied in the decision process for the activation of the TPI: i) reliable fiscal policy and not being subject to an excessive deficit procedure; ii) absence of severe macroeconomic imbalances; iii) fiscal sustainability and; iv) complying with the commitments submitted in the recovery and resilience plans for the Recovery and Resilience Facility and with the European Commission's country-specific recommendations.

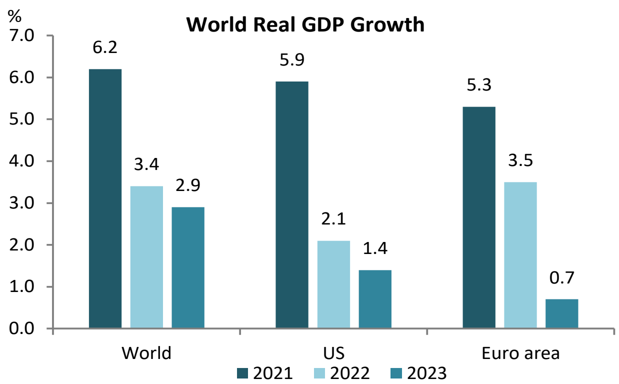
2022 saw a rise in risk aversion, as surging inflation, central banks' shift towards more restrictive stance and war-inducing uncertainty led risk premia and government bond interest rates simultaneously higher. Global equities recorded significant losses, with the Morgan Stanley Capital International All Country World Index ("MSCI ACWI") declining by -19.8% in USD terms. In a similar vein, speculative grade corporate bond spreads widened both in the USD and the EUR spectrum by circa 170 basis points to 480 and 495 basis points, respectively, amid growing risks to the economic outlook. Nominal long-term Government bond yields increased in the United States by 237 basis points to 3.9%, while the inversion of the yield curve -- short term interest rates above long-term bond interest rates -- reignited recession concerns. German ten-year nominal Government bond yields rose by 272 basis points to 2.5%, their highest level since 2011, with euro area periphery Government bond spreads widening modestly. The euro depreciated by -6% against the US Dollar to 1.07, sliding below parity in the second half of August, though appreciated in nominal trade-weighted terms by +1.5% in

2022. A deteriorating economic environment, particularly in China, took its toll on industrial metals' prices, whereas energy and agricultural commodities increased, albeit solely due to gains in the first half of the year. Overall, the S&P/GS Commodities Index increased by +26% in the first half, followed by losses of -14% in the second half of 2022. Having said that, investors' risk appetite has improved since October 2022 due to falling inflation rates, lower natural gas prices and the significant relaxation of COVID-19 restrictions in China, which paves the way for a complete re-opening of the economy. Global equity prices have moved higher by +7% since the start of 2023 ("MSCI ACWI"), with banks at the forefront, and Global Aggregate bond prices have increased by +2.5% for the same period.

2023 outlook

Looking forward, the cumulative tightening of financial conditions and the gradual unwinding of fiscal stimulus, is expected to slow down the growth rate of the global economy to a subpar +2.9% in 2023 from +3.4% in 2022, according to the International Monetary Fund (IMF). Risks are tilted to the downside, including a faster-than-anticipated tightening of monetary policy due to persistently elevated inflation that fails to engineer a soft landing for the global economy. The prolonged war in Ukraine remains a source of concern, with any escalation jeopardizing to disrupt gas supplies to Europe, hurting, initially, the industrial sector of the economy and pushing up global energy prices, fueling inflation further. Moreover, the emergence of new COVID-19 variants could cause renewed economic and supply-chain disruptions. On the positive side, a potential unwinding of policy-related and international trade-related uncertainties, could improve the pace of growth of the global economy, as balance sheets of households and corporates are lacking the large imbalances that have been built ahead of the Global Financial Crisis. Moreover, the earlier-than-expected re-opening of the Chinese economy implies, *inter alia*, a faster recovery for the international trade, amid easing supply bottlenecks.

World GDP Growth



Source: IMF, January 2023

Greek Economy

Resilient demand, high private sector adaptability and fiscal overperformance in 2022 set a solid starting point for 2023

The upward trend in economic activity has been sustained until end-2022, setting a favorable starting point for 2023, with the Greek economy successfully responding to the challenges of the energy/inflation crisis.

Employment increased by 5.4% y-o-y in 12M.22 and the unemployment rate fell to a 13-year low of 11.6% in December 2022, with some first signs of modest wage increases.

The adaptability and resilience of the competitive corporate sector to sharply rising production costs, combined with strengthened pricing power, on the back of supportive demand conditions, led corporate profits (gross operating surplus, "GOS") to a 10-year high in 9M.22, of €22 billion.

The revival of tourism and services activities in general, following the full lifting of COVID-19 restrictions, brought revenue back to their all-time high of 2019.

Bank lending growth to the private sector accelerated to 6.3% y-o-y in December 2022 – a 14-year high (since July 2009) – on the back of a new surge in credit to non-financial corporations (+ 11.8% y-o-y) in December 2022.

House prices increased by 11.2% y-o-y in 3Q.22, posting a cumulative appreciation from their lowest point in 3Q.17 (during the 10-year crisis) of 39.3%.

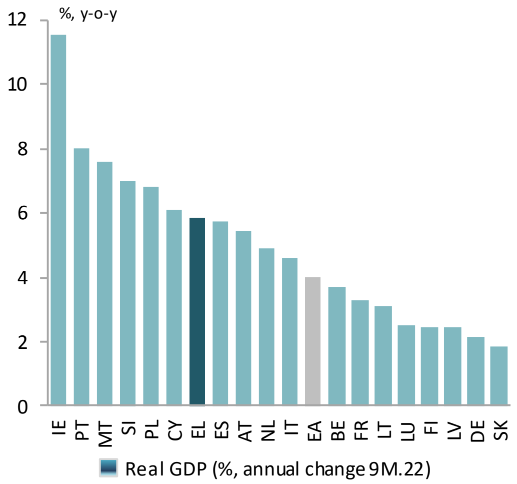
Economic growth in Greece is expected to exceed the euro area average in 2023, despite a considerable slowing in economic growth in European economies, buoyed by several resilient supportive factors.

Persistent energy-related challenges and underlying inflation, high geopolitical uncertainty, the lagging impact of the ongoing monetary policy tightening and limited margins for additional fiscal support shape the background of key risk factors for 2023.

The Greek economy remained on a strong growth trend in 9M.22 and is expected to have outperformed the euro area average by a wide margin in FY.22, for a second consecutive year (GDP growth of

5.9% y-o-y in 9M.22, compared with 4.0% for the euro area average and estimated FY.22 growth of 5.3% and 3.5%, respectively)[3]. Activity losses related to the pandemic have been rapidly reversed, with FY.22 GDP, in constant price terms, expected to exceed its 2019 level by 3.7%[4]. The economy exhibited remarkable resilience to the severe energy-related headwinds and the rapid transmission of imported inflation pressures, capitalizing on i) the adaptability of the private sector; ii) the revival of tourism and services activities in general; iii) the additional fiscal support against energy cost pressures, which exceeded the euro area average in 9M.22; and iv) the substantial liquidity reserves of financially sound firms and households.

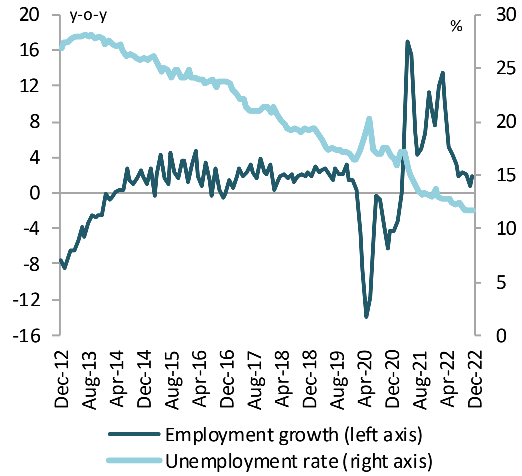
GDP growth in euro area economies (9M.22, in constant price terms)



Source: European Commission

Private consumption increased by 9.5% y-o-y and gross fixed capital formation by 10.2% in 9M.22, with the latter climbing to an 11-year high of 13.6% of GDP[5]. Labour market conditions remained highly supportive, offsetting part of the inflation hit on disposable income. Employment increased by 5.4% y-o-y in 12M (+79K additional employees y-o-y in December and +207K on average 12M) and the unemployment rate fell to a 13-year low of 11.6% in December[6]. A modest adjustment in total private sector wages, bolstered by a 9.7% increase in the minimum wage, which is estimated at c. 2.5-3%[7].

Labor market trends



Source: ELSTAT

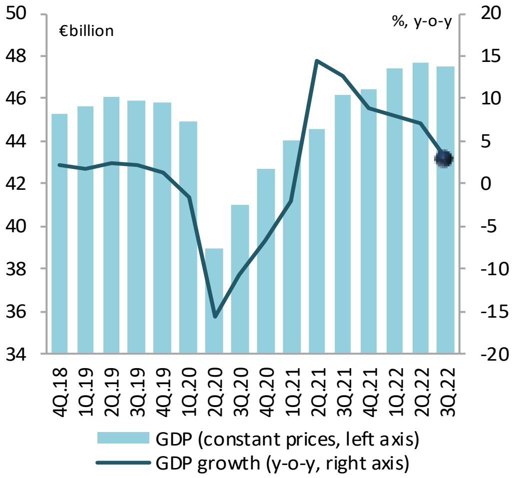
Positive wealth effects and increasing non-wage income supported household spending. Residential real estate prices, which account for more than 80% of household wealth, rose by 10.4% y-o-y in 9M.22 (+11.2% y-o-y in 3Q.22), recording a cumulative appreciation of nearly 40% between 3Q.17 and 3Q.22, thus reducing the distance from their all-time high in 2008 to c. -20%[8]. Moreover, the mixed income of households (including proceeds from entrepreneurial activity, rental, interest, and dividend income) is estimated to have increased at a double-digit pace for a second consecutive year (12.2% in 9M.22), at the highest level since 2009 in EUR billion terms[9].

Gross fixed capital investment increased in 9M.22 (by a solid 10.2% y-o-y), rising to an 11-year high of 13.7% of GDP, whereas the capacity utilization rate in industry remained significantly above its 10-year average in 12M.22, with survey data on current production trends and new orders remaining at expansion territory, above their respective long-term average levels, despite a modest weakening compared to 9M.22[10].

Business turnover increased by 20.5% y-o-y in November 2022 (+42% in 11M.22 or +€102 billion y-o-y in the same period) and exhibited strong growth, even when excluding industrial sectors affected by energy-price volatility such as fuels and electricity (+19.8% y-o-y in November and 27% in 11M.22)[11]. Similar, trends are observed in the euro area suggesting that the impact of energy and inflation shocks on activity has proven less severe than initially feared until end-2022.

[3] Sources: ELSTAT, Gross domestic product, 3rd Quarter 2022 & European Commission, Autumn Forecast, November 2022 & NBG Economic Analysis estimates
[4] Source: NBG Economic Analysis estimates
[5] Sources: ELSTAT, Gross domestic product, 3rd Quarter 2022
[6] Source: ELSTAT, Labour Force Survey (monthly estimates), December 2022
[7] Source: Ministry of Labour, Ministerial decision n. 38866/2022 & n. 107675/2021 & NBG Economic Analysis estimates
[8] Source: Bank of Greece, Indices of residential property prices, 3rd Quarter 2022
[9] Source: ELSTAT, Quarterly Non-Financial Sector Accounts, 3rd Quarter 2022
[10] Source: ELSTAT, Gross fixed capital formation, 3rd Quarter 2022 & Bank of Greece, Bulletin of Conjunctural Indicators, November-December 2022 & European Commission Business, and consumer survey database, December 2022
[11] Source: ELSTAT, Evolution of Turnover of Enterprises, November 2022 and 3rd Quarter 2022

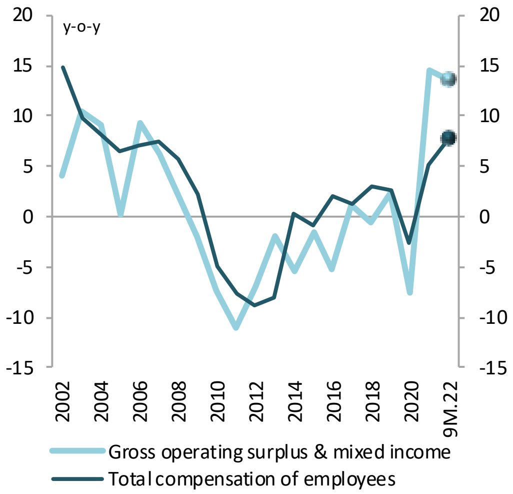
GDP: level in billion euro & annual change



Source: ELSTAT

Profits from entrepreneurial activity, as measured by the economy-wide gross operating surplus, excluding mixed income, increased at a 10-year high of €45 billion in 9M.22, exhibiting the highest growth rate in 20 years[12] boosted by strong demand and economic activity.

Gross operating surplus & mixed income and labor compensation (national accounts)

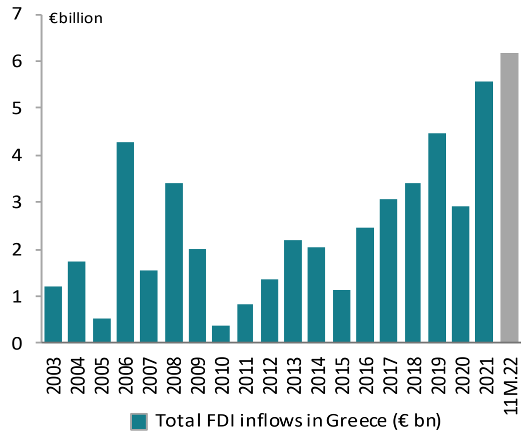


Source: ELSTAT

The buoyancy of business profits reflects the adaptability and resilience of the competitive corporate sector to sharply rising production costs, combined with strengthened pricing power, aided by favourable demand conditions.

This encouraging performance has been achieved despite a strongly negative terms-of-trade shock which, has been combined with strong demand, leading to a further widening of the current account deficit to the highest level since 2011 (-8.5% of GDP in 11M.22). This deficit is expected to narrow gradually, as global commodity prices start to subside and import-demand normalizes, following a spike in 2021-22, offsetting the pressure from a potential weakening in external demand. Moreover, FDI inflows to the Greek economy climbed to a new all-time high of €6.2 billion in 11M.22, already exceeding the FY.21 record of €5.4 billion. This trend sets the stage for additional business and economic transformation going forward as well as for increased, growth-enhancing, gross fixed capital formation. A part of these inflows (€1.3 billion in 9M.22) has been directed to real estate investments, adding strength to the market[13].

Greece: Total foreign direct investment (FDI) inflows

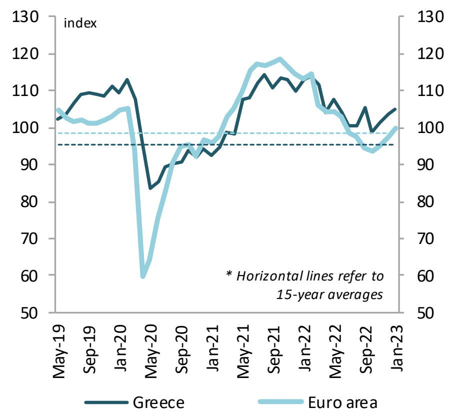


Source: Bank of Greece

Leading indicators of economic activity have exhibited higher-than-expected resilience in 4Q.22 and January 2023. Economic sentiment increased to a 4-month high of 104.9 in January 2023 (101.3 in 4Q.22), exceeding the euro area average for a 9th consecutive month, and reversing the sudden deterioration in October 2022[14].

Industrial and retail trade confidence posted healthy m-o-m increases, services exhibited resilience, whereas consumer confidence returned at pre-war levels in December 2022 and January 2023 with an improvement in households' assessment of their financial situation in 2023 and a drop in consumers' inflation expectations to the lowest point since February 2022.

Economic sentiment indicator



Source: European Commission

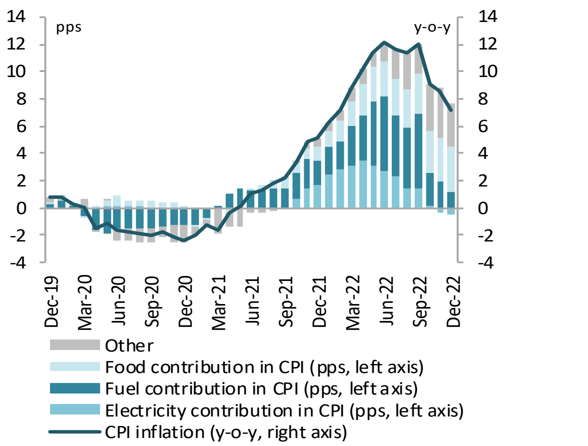
[12] Source: ELSTAT, Gross domestic product, 3rd Quarter 2022

[13] Source: Bank of Greece, Balance of Payments (monthly data), November 2022

[14] Source: EU Commission, Business, and consumer survey database, December 2022

Greece's responsiveness to mounting energy challenges was remarkable, reflected in a 14.3% y-o-y decrease in electricity demand in December 2022 (-11.2% y-o-y on average since the beginning of the war in Ukraine)[15], as well as by a 19% y-o-y decline in natural gas import volume for domestic consumption, combined with a swift substitution of Russian gas for LNG in the national energy mix (drop in Russian NG share in total NG imports by 33% y-o-y in 4Q.22).[16]

Energy & food contribution in CPI growth (year-over-year)



Source: ELSTAT

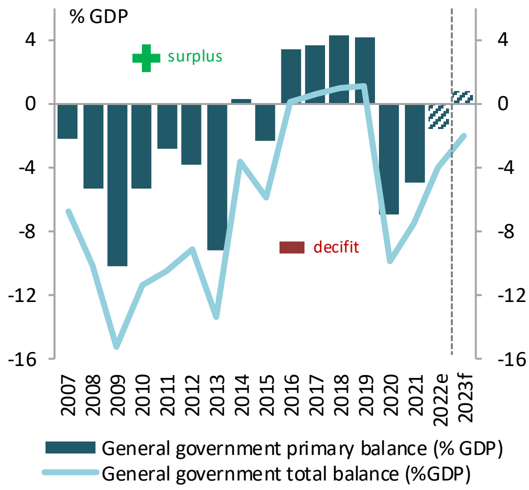
Consumer price inflation, as measured by the Harmonized Index of Consumer Prices ("HICP"), has showed signs of slowing (8.6% y-o-y in 4Q.22 and 7.6% in December 2022, compared with 11.5% in 3Q.22), declining below the euro area average of 10% y-o-y in 4Q.22, for the first time since end-2021. This improvement primarily reflected falling energy prices with early signs of stabilization in core inflation in December 2022 (deceleration to 5.9% y-o-y from 6.8% in November 2022), although food price growth accelerated to a new high of 15.4% y-o-y in December 2022(12.8% y-o-y in 3Q.22)[17].

The ongoing deceleration in imported commodity price inflation and lower energy prices (brent crude oil at 89 USD/barrel in 4Q.22 and 82 USD/barrel in January 2023, compared with 101 USD/barrel in 3Q.22, and natural gas at 95 €/MWh in 4Q.22 and 62 €/MWh in January 2023, compared with 200 €/MWh in 3Q.22[18]) bode well for a slowing in CPI inflation, in 2023, to an estimated average of 5.6% despite the persistence of core inflation (5.4% y-o-y in 4Q.22 and 2.8% in 9M.22)[19].

Strong cyclical tailwinds bolstered the fiscal performance vis-à-vis the upwardly revised fiscal targets for 2022, despite the additional energy support measures in 4Q.22 and early 2023. Fiscal support to households and firms in FY.22 is estimated at c. €11.5 billion, in gross value terms, mostly comprising of subsidies to electricity bills and other energy-related support[20]. State Budget primary deficit stood at 3.3% of GDP, 0.9 pps (€1.8 billion) in 12M.22 below the annual Budget 2023 target (-2.5% of GDP lower compared with 12M.21 or -36% y-o-y) pointing to further upside risks for 2022 fiscal outcome, which is going to be finalized in April 2023. The Government Budget for 2023 targets to a 0.7% of GDP primary surplus, from an estimated primary deficit of -1.6% in 2022.

This target is achievable with relatively limited impact on activity, due to the fiscal and macroeconomic overperformance in 2022 and related positive carryover effects. Greece's public debt as % of GDP declined by an outstanding 24.7 pps, on an annual basis, in 3Q.22 – the largest improvement among euro area countries – to 178.2% of GDP. For 2023, a further decline to 159.3% is expected according to the 2023 Budget[21].

Primary and total general government balance (ESA 2010)

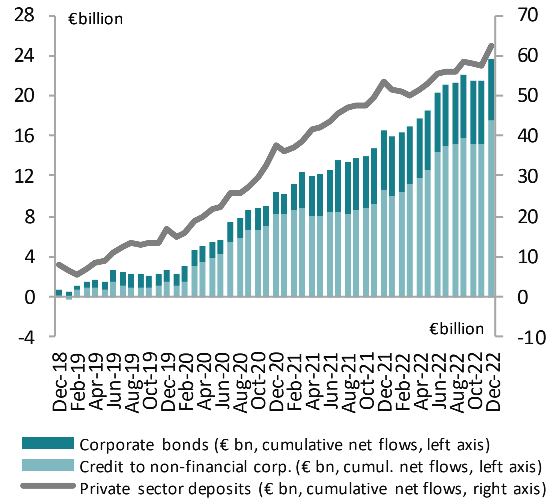


Sources: ELSTAT, Hellenic Ministry of Finance, Eurostat, IMF

Despite the turnaround in the global monetary policy cycle, financial conditions in Greece remained favorable, with bank credit growth at 9.1% y-o-y in December 2022, led by credit to corporations (+12.3% y-o-y), outpacing the euro area average since 2Q.22, for the first time since 2011 (excluding the 2020 spike which has been driven by COVID-19-related State guarantee schemes)[22].

[15] Source: Independent Power Transmission Operator (ADMIE), Monthly Energy Bulletin, December 2022
[16] Source: DESFA, Press Releases, January 2021 & January 2022
[17] Source: European Commission, Harmonized Indices of Consumer Prices database, December 2022
[18] Sources: Federal Reserve Bank of St. Louis & European Energy Exchange databases
[19] Sources: Monthly evolution of Goods, Services and Core Index, December 2022 & NBG Economic Analysis estimates
[20] Source: Hellenic Ministry of Finance, Budget 2023 & NBG Economic Analysis estimates
[21] Source: Hellenic Ministry of Finance, Budget 2023
[22] Sources: Bank of Greece, Monetary and Banking Statistics, December 2022 & European Central Bank, Statistical Data Warehouse, December 2022

Net bank lending, net corporate bond issuance and bank deposits (cumulative increase)



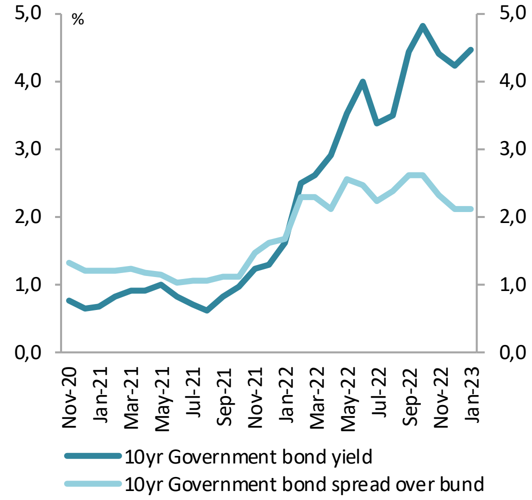
Sources: Bank of Greece, Thompson Reuters

Greek banks' deposits and loans recorded further considerable increases in 2022. Private sector deposits increased by €8.6 billion in 12M.22, with the outstanding balance reaching a 12-year high of €189 billion in total, despite the further strengthening of private consumption. Bank lending growth to the private sector accelerated to 6.3% y-o-y in December 2022 – a 14-year high (since July 2009) – buoyed by a new surge in credit to non-financial corporations to 11.8% y-o-y (the highest pace for 2022 next to the +12.3% in September). The cumulative net (of repayments) flow of bank loans to non-financial corporations in 12M.22 amounted to €6.8 billion, which is the highest annual reading in 14 years, aside from the State guarantee driven rebound in 2020 (€6.7 billion)[23].

10-year Greek government bond yields rose to 4.1% in H2.22, from 2.6% in H1.22 and 0.9% on average in 2021, due to the tightening in monetary policy conditions and a broad-based re-rating of sovereign bond prices to the new inflation conditions. The spread over bund increased to 240 bps in H2.22 from 220 bps in H1.22, declining further to 206 bps in January 2023, with the yield of the German 10-year bond also increasing to 1.8% in H2.22 from 0.6% in H1.22 and -0.33% in 2021. Greece's sovereign securities remained eligible in the context of flexible reinvestments of capital of maturing bonds under PEPP (after its expiration in March 2022).

The combined impact of the above-described supportive factors underpinned Greece's resilient growth performance in 2022, with the annual GDP growth expected to exceed 5% according to NBG, official sector and consensus estimates, accompanied by increasingly positive economic spillovers across firms and households.

Gross 10-year Greek Government bond yield & spread over bund



Source: Bank of Greece

Greek Macro Outlook More Resilient than the euro area average in a Challenging 2023

Greece's growth performance in the current year, but also in the medium term, is expected to be supported by the following factors:

- Solid investment growth, on the back of a strong pipeline of private investment and increasing impact of the Recovery & Resilience Facility ("RRF"). Gross fixed capital formation is expected to rise at a double-digit pace, for a 3rd consecutive year, bolstered by positive demand prospects, high capacity-utilization rates and strong profitability. Moreover, the impact from the investment of RRF will start to show from 2023 onwards, due to time lags between the funds' absorption (€11.1 billion of grants and loans, cumulatively, until early-2023, corresponding to about 1/3 of total available funding for Greece) and the final capital spending[24]. Similarly, the €14 billion of inward Foreign direct investment ("FDI") investment in 2020-22 sets the stage for a further strengthening of fixed capital formation[25].
- The positive momentum of services activities and especially tourism, which are less sensitive to terms-of-trade shocks, input costs and personal income fluctuations. The experience of previous years suggests that external demand for tourism services − especially from euro area countries − exhibits resilience to economic variability but is highly sensitive to geopolitical or health-related risks. Moreover, the pricing power of Greek firms for 2023 has been significantly strengthened by the outstanding performance of Greek tourism in 2022, which bodes well for a further quality upgrade of related services looking forward.

[23] Source: Bank of Greece, Monetary and Banking Statistics, December 2022
[24] Source: European Commission, Recovery and Resilience scoreboard
[25] Source: Bank of Greece, Balance of Payments (monthly data), November 2022

- The underlying fiscal stance will remain supportive towards the most vulnerable population groups and SMEs, to cushion the impact of energy price volatility and core inflation on their disposable income. Substantial financial resources, committed in the 2023 Budget, under far more conservative forecasts of energy price trends, compared with the latest market developments. Moreover, the estimated overperformance in 2022 implies a stronger positive carryover effect, increasing the country's fiscal capacity. The return to a primary surplus of 0.7% of GDP[26] will be based on supportive cyclical factors.
- Modest wage increases, for the first time since the beginning of the Greek crisis. The strength of the labor market recovery, in conjunction with the increase in the minimum wage in 2022, supplemented by an additional hike in 2023 of the order of 5.5% to 9.5%, could entail an adjustment of average private sector hourly wage of c. 4-4.5% y-o-y in 2023, following an estimated 2-3% in 2022[27]. The transmission to average private sector wages will be partial, and weaker than the euro area average, preserving Greece's cost competitiveness gains in the previous decade.

However, growing concerns, over the impact on 2023 growth, of protracted energy-related uncertainty, persistent core inflation, and the ongoing tightening of monetary policy, led to a significant downward revision of official and private sector forecasts. Although energy challenges were more manageable in recent months, due to a combination of slowing demand, supply-side adjustments, and favorable weather conditions in Europe, it will take time for the European energy market to reach a new stable equilibrium.

The ambitious EU climate agenda, along with still sizeable geopolitical risks and heightened uncertainty regarding the speed of demand recovery in China, could also entail additional energy risks in 2023 but also prompt more ambitious restructuring efforts and new investments.

Looking forward, although headline inflation has shown signs of moderation recently, due to the easing of energy and supply-chain pressures by end-2022, underlying inflation pressures remain persistent due to the extreme intensity of the original shock and its complex transmission process through the production chain. Moreover, fiscal policy is expected to play a less active role in supporting activity, as most economies attempt to rebalance their fiscal positions, following three years of decisive expansion, in order to cushion the impact of COVID-19 and energy-related shocks. The inflation drag on disposable income (including lagged effects from 2022), will remain sizeable in Greece during 2023, despite the expected moderation in inflation, translating into a material slowing in consumer spending which will also tend to weaken the firms' pricing power from their current robust levels. The ongoing monetary policy tightening by the ECB will be fully transmitted to lending costs, over the course of 2023, weighing on the financial position of households and firms as well as on their willingness to finance their consumer and investment decisions through new lending. However, the effective interest rates in the Greek economy will remain below their long-term averages with the policy rate increases partly offset by declining country-specific risk premia and a further risk re-rating of the economy.

Overall, the Greek economy seems well positioned to deal with the above challenges and continue outperforming its euro area peers, capitalizing on sustainable growth catalysts and the strong momentum built in 2021-22. For 2023, the growth rate is expected to range from 1.0%-2.0%, according to NBG forecasts and the latest official and private sector consensus estimates, being surrounded by a broadly symmetric balance of risks, assuming no further escalation of geopolitical stress. It should be noted that economic activity in 4Q.22 seems to have held up better than expected in both Greece and the euro area economies, possibly setting a higher starting point for 2023.

Furthermore, there are upside risks from a better-than-expected energy price scenario, as Greece had been more negatively affected by the energy shock during 2022, due to its relatively high dependence on energy imports as well as on commodity intensive inputs, which rallied in 2022. Current trends in energy and non-energy commodity markets point to a significant easing of pressures in most segments, compared to the estimates made in 2H.22. A crystallization of this positive trend could pose an upside risk for 2023 growth. On the other hand, a recurrence of energy tensions would bring the Greek economy to a disadvantaged position entailing additional downside risks for economic growth, given the decreasing capacity for large scale fiscal interventions.

The Macroeconomic Environment and the Banking Sector in North Macedonia[28]

Against a challenging backdrop, North Macedonia saw GDP growth slowing down markedly in 2022, with economic activity returning to pre-COVID-19 levels, albeit with a significant delay compared with regional economies

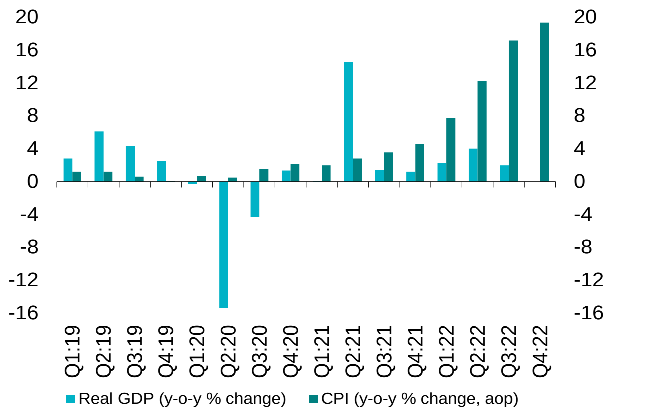
GDP growth is estimated to have eased to 2.4% in 2022 from 3.9% in 2021, a performance weaker than that of regional economies and the EU (up by an estimated 4.2% and 3.6%, respectively). Gross capital formation was the main driver of economic growth, reflecting strong build-up in inventories, in the face of record-high global energy and food prices, as well as higher public investment. At the same time, following the re-opening of the economy from COVID-19 restrictions, and thanks to bold policy support, private consumption added markedly to economic growth, with its contribution, however, shrinking significantly compared with 2021, due, *inter alia*, to surging

[26] Source: Hellenic Ministry of Finance, Budget 2023
[27] Source: NBG Economic Analysis estimates & Market Sources

[28] Source: Published data from the Central Bank, the National Statistical Agency and the Ministry of Finance of the country and processed by the NBG.

inflation. Unsurprisingly, against the backdrop of solid domestic demand and persistent global supply disruptions, net exports remained a large drag on overall growth.

GDP Growth & Inflation



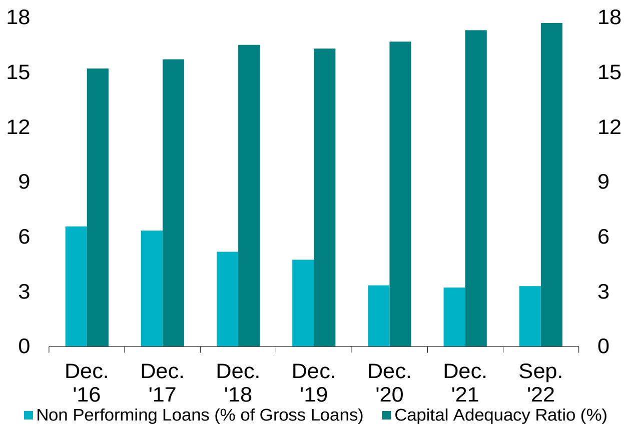
Source: National Statistical Agency of North Macedonia

Amid higher global energy prices, external accounts deteriorated markedly in 2022, with the current account deficit widening to an estimated 7.5% of GDP from 3.1% in 2021. Importantly, stronger non-debt generating foreign direct investment inflows, together with the proceeds from sovereign debt issuance and financing support from the EU and the IMF, helped to more than cover the external financing gap, leading FX reserves to rise by €220 million to €3.9 billion in December 2022 (covering c. 4 months of imports of goods and non-factor services).

The performance of the banking sector remained strong in 2022, despite the challenges lying ahead

Released figures show that the banking sector's profits increased to €174 million (annualised) in the first three quarters of 2022 from €157 million the same period in 2021, with the (annualised) return-on-average-equity ratio firming slightly to a 13.7%, at the same time, on stronger pre-provision operating income. Indeed, net interest income rebounded in the first three quarters of 2022, in line with solid growth in business volumes (credit to the private sector increased by 9.7% y-o-y in September against a rise of 6.3% in September 2021), while net non-interest income continued to grow at a robust pace, at the same time, driven by net fees and commission income and FX gains. Stronger net operating income was only partly offset by higher provisioning charges. Indeed, with asset quality pressures already building up (the ratio of non-performing loans to total gross loans rose slightly to 3.3% in September from a low of 3.1% in early-2022) against an increasingly challenging economic backdrop, banks increased provisions markedly in the first three quarters of 2022, albeit from a low base. Importantly, the sector remained well-capitalised, with the capital adequacy ratio improving slightly to 17.7% in September 2022, well above the minimum regulatory threshold of 8.0%.

Banking System Fundamentals



Source: National Bank of the Republic of North Macedonia

Amid still elevated inflation, GDP growth is set to remain subdued in 2023, in line with weakening private consumption and net exports

With inflation projected to remain in double-digits until mid-year, biting seriously into households' (real) disposable income and savings, and consumer confidence having already plunged, private consumption cannot but be significantly affected in the period ahead. The withdrawal of several policy measures supporting the labour market should also take a toll. At the same time, in view of slowing economic growth in the EU (especially in Germany, which absorbs c. 50% of the country's total exports), net exports should remain a large drag on overall growth, despite weaker private consumption growth and the envisaged easing in strains in global supply chains. In this environment, economic growth should be mainly underpinned by fixed investment, which is expected to continue overperforming, led by the public sector.

Policies are not envisaged to sustain economic growth in 2023. Indeed, amid still elevated inflation and a wide current account deficit, the central bank cannot but maintain its tightening bias, raising further its key rate (to a projected 5.25% by mid-year from 4.75% in December 2022 and a low of 1.25% in early-2022). At the same time, fiscal consolidation is set to continue, albeit at a slow pace, following the gradual withdrawal of stimulus measures, with the budget deficit projected to narrow slightly to 4.0% of GDP in 2023, still above its pre-COVID-19 level.

All said, GDP growth is projected at a mere 1.6% in 2023. By then, the output loss relative to its pre-pandemic growth path would amount to slightly less than 10.0%, nearly double that of regional economies, reflecting, inter alia, the higher share of energy and food in domestic household spending, the economy's low energy efficiency as well as the relatively smaller scope for policy support, amid a sharp deterioration in external imbalances. As far as the latter is concerned, the precautionary 2-year agreement with the IMF should provide a critical safety net, in the event external financing conditions deteriorate abruptly. Worryingly, political noise is set to remain elevated in the period ahead, mainly surrounding the controversial deal settling the country's long-standing dispute with Bulgaria, which eventually, however, enabled the launch of accession talks with the EU. Against, this backdrop, and with the opposition pressing for early elections, further delays in the EU accession progress may be forthcoming.

Financial Results of 2022

FY.22 Adjusted Group profit after tax ("PAT") from continuing operations at €881 million with Core Operating Profit ("COP") (excluding trading and other income) at €694 million up by 56.7% y-o-y, reflecting the following key Income Statement movements:

- **NII up by 13.0% y-o-y to €1,369 million**, mainly reflecting positive loan volume effects, complemented by accelerating repricing in 2022 and increased income from securities, partly offset by Frontier deconsolidation and lower TLTRO NII.
- **Net fees and commissions at €347 million in FY.22 up by 20.9% y-o-y**, supported by significant growth in retail and corporate fees, in all business areas, driven by higher transaction demand.
- **Net trading income/(loss) & Net other income/(loss) at €344 million in FY.22 down by 14.9%,** mainly incorporating the gains in derivatives and Bilateral Credit Valuation Adjustment ("BCVA") following the increase in the interest rates during FY.22, while FY.21 benefited mainly from the non-recurring gains from the Greek government bond swap transaction amounted to €209 million.
- **Operating expenses up by 2.8% y-o-y** (down by 0.2% in personnel expenses, G&As up by 7.5% and depreciation up by 5.5%) on the back of strong cost containment efforts, despite the inflationary pressures. Depreciation and G&A's increased mainly due to charges driven by a reinforced IT investment strategy and inflation pressures, respectively.
- **Loan impairments for FY.22 at €217 million from €273 million in FY.21,** down by 20.5%, in alignment with the improvement of the macroeconomic environment.
- **FY.22 Cost: Core Income drops to 46.9% vs 52.2% a year ago**, driven by strong and sustainable core income recovery and operating expenses base discipline despite increasing inflationary pressures.
- **FY.22 Cost of Risk** at 70bps on a normalising trend, consistent with formation trends and high coverage. Total CoR in FY.21 stood at 98 bps.

NPE performance

- **NPE balance** at Group level as at 31 December 2022 was reported at €1.8 billion**,** recording a total reduction of €0.5 billion compared to 31 December 2021, mainly attributed to write-offs and inorganic actions (see section "*Key Highlights- NPE reduction plan*").
- **NPE ratio** decreased to 5.2% as at 31 December 2022, compared to 7.0% (or 13.6% pro-forma, including the senior bond from the Frontier securitization) as at 31 December 2021.
- **NPE coverage ratio** stood at 87.3% as at 31 December 2022, increasing from 77.2% as at 31 December 2021.

Group deposits up 3.2%

Group deposits increased by €1.7 billion and stood at €55.2 billion as at 31 December 2022 compared to 31 December 2021. The increase is mainly attributed to the increase of the most stable deposit class (the savings deposits & other) by €3.0 billion, more than offsetting the decrease of time deposits and current and sight accounts.

CET1 ratio at 16.6%

- **FY.22 CET1 and total Capital ratio** at 16.6% and 17.7% respectively, exceeding the OCR ratio of 11.75% for 2022, post capital relief measures, and 14.50% for 2023.

Income Statement | Group

€ million	FY.22	FY.21	Y-o-Y
Net interest income	1,369	1,212	13.0%
Net fee and commission income	347	287	20.9%
Core Income	**1,716**	**1,499**	**14.5%**
Net trading income / (loss), Net other income/(loss) and Share of profit / (loss) of equity method investments	344	404	(14.9)%
Total income	**2,060**	**1,903**	**8.3%**
Operating Expenses	(805)	(783)	2.8%
Core PPI	**911**	**716**	**27.2%**
PPI	**1,255**	**1,120**	**12.1%**
Loan impairments	(217)	(273)	(20.5)%
Core Operating Profit[1]	**694**	**443**	**56.7%**
Operating Profit	**1,038**	**847**	**22.6%**
Adjusted profit before tax	**1,038**	**847**	**22.6%**
Taxes	(157)	(15)	>100%
Adjusted PAT (continuing operations)	**881**	**832**	**5.9%**
EVO transaction (net of tax)	237	-	-
Discontinued Operations, Non controlling interest and other	**2**	**35**	**(94.3)%**
PAT attributable to NBG equity shareholders	**1,120**	**867**	**29.2%**

[1] Excludes Net trading income / (loss), Net other income/(loss) and Share of profit / (loss) of equity method investments.

Key Ratios | Group

Profitability	**FY.22**	**FY.21**	**Δ**
NIM (bps)	213	212	1
Cost of Risk (bps)	70	98	(28)
Cost: Income	39.1%	41.1%	(2.0)%
Cost: Core Income	46.9%	52.2%	(5.3)%
Liquidity	**31.12.2022**	**31.12.2021**	**Δ**
Loans-to-Deposits ratio	58.6%	56.9%	1.7%
LCR	259.2%	242.0%	17.2%
NSFR	146.3%	134.5%	11.8%
Capital	**31.12.2022**	**31.12.2021**	
CET1 ratio	16.6%	16.9%	
RWAs (€ billion)	36.4	34.7	

Going concern

Going concern conclusion

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

a) the significant recurring profitability both at Group and Bank level;

b) the current access to the Eurosystem facilities with significant collateral buffer and LCR and NSFR which is well above 100% and the current level of ECB funding solely from TLTROs (already down to €8.1 billion as at 31 December 2022 from €11.6 billion as at 31 December 2021);

c) the Group's CET1 ratio at 31 December 2022 which exceeded the OCR requirement;

d) the extensive and continuous fiscal and monetary support of the European and Greek authorities in response to the unprecedented COVID-19 crisis in 2020 and 2021;

e) the activation of new fiscal measures in response to the inflation pressures; and

f) the Group's insignificant exposure to Russia and the Ukraine and Management's actions with respect to the Ukraine crisis (see Section "*Key Highlights - Key achievements and significant developments of NBG Group in 2022 – Other - Ukraine crisis*".

Profitability

The profit attributable to NBG equity shareholders for the year ended 31 December 2022 amounted to €1,120 million and €813 million for the Group and the Bank, respectively whereas the corresponding amounts for the year ended 31 December 2021, amounted to €867 million and €729 million, respectively.

Earnings per share increased from €0.86 in 2021 to €0.97 in 2022 for the Group whereas the corresponding figure for the Bank increased from €0.80 in 2021 to €0.90 in 2022.

Liquidity

As at 31 December 2022, funding from the ECB solely through TLTROs decreased to €8.1 billion from €11.6 billion as at 31 December 2021 (solely TLTROs). Additionally, as at 31 December 2022, the Bank's decreased its interbank transactions with foreign financial institutions to €0.1 billion from €1.2 billion as at 31 December 2021, while the Bank's liquidity buffer stood at €25.9 billion (cash value), with the LCR and NSFR ratios well above 100%.

Capital adequacy

The Group's CET1 and Total Capital ratios as at 31 December 2022 were 16.6% and 17.7%, respectively, exceeding the OCR ratio of 11.75% for 2022, post capital relief measures, and 14.50% for 2023 (see Note 4.6 of the Annual Financial Statements).

Macroeconomic developments

Please refer to section above "*key developments in the Macroeconomic and Financial environment - Greek Economy*", for Greece's economy performance in 2022 and the prospects for 2023.

Events after the reporting period

There are no events after the reporting period.

Dividends

Greek Law 4548/2018 active from 1 January 2019, on Greek companies imposes restrictions regarding the dividend distribution. Specifically, the law states that no distribution to the shareholders can take place, if, on the day on which the last financial year ends, the total shareholders' equity, is or, following this distribution, will be, lower than the amount of the share capital increased by the reserves the distribution of which is forbidden by law or the Articles of Association, credit balances in equity (i.e. OCI) the distribution of which is not allowed and any unrealised gains of the year. Such share capital amount is reduced by the amount for which payment has not yet been called.

In addition, the law states that any distributable amount shall not exceed the profit of the last financial year on an unconsolidated basis net of tax, plus retained earnings and reserves the distribution of which is allowed and has been approved by the General Meeting, less any unrealised gains of the year, any losses carried forward and any amounts required by law or its Articles of Association to be allocated towards the formation of reserves.

Due to the above restrictions there were no distributable funds available by the end of 2021, therefore the Annual General Meeting of the Bank's shareholders held on 28 July 2022 took no decision on dividend distribution.

With regards to the dividend distribution out of the 2022 profits, the Bank's Board of Directors will assess its proposal to the Bank's Annual Shareholders General Meeting of 2023 on the basis of the ongoing discussions with the supervisory authorities.

Furthermore, pursuant to the HFSF Law, and in line with the provisions of the Relationship Framework Agreement with the HFSF, the HFSF's representative who sits on the Board of Directors has a veto right over decisions regarding the distribution of dividends.

Trend information

Economic activity in Greece remained on an upward trend in y-o-y terms in 2022, showing resilience to the persistent headwinds from high inflation and elevated geopolitical uncertainty and outpacing the euro area average. The revival of tourism and other service activities, additional energy-related fiscal support, and self-sustained improvements in the labor market and business environment cushioned the inflation drag on disposable income.

The Group's FY.22 financial results demonstrate sustained strength across business lines: core operating profit, up by 56.7% y-o-y, the quality of our balance sheet nears that of European peers, with net NPEs at €0.8 billion and no signs of pick up in NPE formation and Group's CET1 and Total Capital ratios at 31 December 2022 were 16.6% and 17.7%, respectively, exceeding the OCR ratio of 11.75% for 2022, post capital relief measures, and 14.50% for 2023.

More specifically, in terms of profitability, 2022 Group Core Operating Profit accelerated to €694 million (+56.7% y-o-y), while profit for the period attributable to NBG equity shareholders reached €1,120 million (+29.2% y-o-y). These developments reflect NII growth mainly due to the expansion from our performing exposures portfolio, which was up by €5.4 billion y-o-y, the increased interest rates and increased income from securities. Furthermore, it reflects impressive net fee and commission income growth of 20.9% y-o-y, as well as steadily normalizing CoR of c.70bps, against the remained contained Operating Expenses despite high inflation.

With regards to asset quality, our domestic gross NPE exposure dropped to €1.6 billion implying an NPE ratio of 5.1%. More importantly though, organic NPE formation remains negative with no sign of a pick-up in the default rate of our clients, previously under State or Bank sponsored support programs, or the increase in inflation.

Our capital buffers remain robust, with CET1 and total capital ratios as at 31 December 2022 standing at 16.6% and 17.7%, respectively, benefiting from strong profitability far exceeding credit RWA expansion despite their sharp acceleration.

Looking ahead, the Group will continue building on the strong momentum of the Group's successful Transformation Program, with a steady focus on supporting the clients and the Greek economy navigate this critical period. At the same time, loyal to our guidance and continuing on a strong track record of credibility, we will continue delivering at or above the operational and financial targets we have set, adding value to our clients and shareholders.

However, underlying inflation pressures remain high and appear more persistent worldwide, leading major central banks (including the ECB) to rapidly tighten their monetary policy, with markets expecting additional interest rate hikes until mid-2023. This tightening could affect macroeconomic and financial conditions over the course of 2023, due to the timing lags in monetary policy's transmission mechanism. Adverse lagged effects, along with the persistent impact of the energy crisis, underlie the weakened economic outlook for the global and European economy for 2023. The ECB, in its latest publication on macroeconomic forecasts, expects a slowing of GDP growth in the euro area to 0.5% in 2023 from an estimated 3.4% in 2022. At the same time, the lift of COVID-19 restrictions in China – which is expected to bolster demand for commodities – and the continuation of the Ukrainian crisis, in conjunction with other sources of geopolitical uncertainty that remain relevant in 2023, could pose additional challenges as regards the control of inflation and/or the resolution of energy challenges, which could translate into weaker economic outcomes in 2023 and beyond. An escalation of the crisis in Ukraine could have far-reaching economic and social implications for Europe, which are impossible to credibly quantify, in a period of limited capacity for additional fiscal or monetary policy interventions.

On a positive note, the Greek economy is expected to outperform the euro area in the baseline scenario for 2023, on the back of: i) stronger carryover effects from its solid economic growth momentum in 2022; ii) a more defensive position in the credit cycle, with the business sector hardened by multiyear restructurings and exhibiting lower leverage levels and sizeable liquidity buffers, fueled further by significant 2022 activity; and iii) increasing support from the Recovery and Resilience Facility ("RRF"), providing a significant boost to fixed capital investment in 2023 (see above to the "*Economic and Financial environment - Greek Economy*").

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.

On 14 December 2022, the Bank as being identified by the SRB as the Single Point of Entry ("SPE") of the Group and the only entity required to maintain an MREL capacity, received from the Bank of Greece the SRB's decision that should meet by 31 December 2025 an MREL target of 23.53% of TREA and 5.88% of LRE on a consolidated basis. In addition, as per the MREL decision the Bank should always meet from 1 January 2022 onwards, the requirement of 14.79% of TREA and 5.85% of LRE on a consolidated basis, while through the linear build-up of the requirements the Bank should meet from 1 January 2023 onwards, the requirement of 16.91% of TREA and 5.88% of LRE on a consolidated basis. To the above requirements the capital buffer requirement ("CBR") must be added, which from 1 January 2022 stands at 3.25% increases to 3.50% from 1 January 2023 and expected to stand at 3.50% until 31 December 2025. The Bank meets both the LRE requirements and the 1 January 2023 interim non-binding target of 20.41% of TREA (including CBR).

Finally, according to the abovementioned SRB's decision, no subordination requirement is set for the Bank.

More specifically, in 2022 and in the context of the Bank's strategy to increase its MREL, the Bank proceeded with the following issuances:

- on 15 November 2022, the Bank completed the placement of €500 million senior preferred bonds with a coupon of 7.25% and a yield of 7.50%. The bonds mature in five years and are callable in four years;
- on 18 November 2022, the Bank completed the placement of €150 million senior preferred bonds with a coupon and yield of 6%. The bonds mature in 2.5 years and are callable in 1.5 years; and
- on 25 November 2022, the Bank completed the placement of GBP 200 million senior preferred bonds with a coupon and yield of 8.75%. The bonds mature in 4.5 years and are callable in 3.5 years.

Business Overview

Group main activities at a glance:

Continuing operations:

In Greece

- Retail banking
- Corporate and investment banking
- NPE management (Legacy Portfolio) & Specialized Asset Solutions
- Other Activities
  - Real Estate
  - Global Transaction Services
  - Leasing
  - Factoring
  - Brokerage
  - Asset management

Outside of Greece:

Two banking subsidiaries:

- Stopanska Banka A.D.—Skopje (Stopanska Banka) and
- NBG Cyprus Ltd.

Leasing sector

- Leasing DOOEL Skopje.

Discontinuing operations:

In Greece

One subsidiary in the leasing sector

- Probank Leasing S.A.

The Bank is the principal operating company of the Group, representing 94.7% of the Group's total assets, excluding non-current assets held for sale, as at 31 December 2022. The Bank's liabilities represent 97.1% of the Group's total liabilities, excluding liabilities associated with non-current assets held for sale, as at 31 December 2022.

Activities in Greece

The Bank is one of four systemic banks in Greece and it holds a significant position in Greece's banking sector. As at 31 December 2022, the Bank had a total of 345 Units (328 Branches including 9 Retail i-bank Tellerless, 16 Transaction Offices and 1 Branch Annex). Furthermore, the Bank, through 1,485 ATMs (628 onsite and 857 off-site), offered an extensive network covering – even in the most remote areas of the country.

Activities in Greece include the Bank's domestic operations, Ethniki Leasing S.A (Ethniki Leasing) and Ethniki Factors S.A. (Ethniki Factors). The Group's domestic operations accounted for 95.4% of its total lending activities as at 31 December 2022 (the Domestic Banking gross loans) and for 96.7% of its deposits (the Domestic Banking deposits).

Retail Banking

2022 Highlights

Grew lending in Mortgages, Consumer and Small Business Lending ("SBL") (new disbursements +80.5% y-o-y for mortgages, +21.1% y-o-y for fixed term Consumer loans and +16.5% y-o-y for SBL).

Strengthened the Net fee and commission income by +24.1% y-o-y, driven mainly by cards, payments and investments, primarily as a result from the revival of tourism transaction- based fees, new products and services.

Doubled mortgage disbursements through brokers compared to 2021, due to the revised commercial strategy, implementing new competitive pricing, product flexibilities, pursuing and activating existing partnerships with Brokers and Intermediaries, as well as recruiting new ones.

High achievements in all metrics related to Business Banking clientele resulting in exceeding market share targets in new financing and achieving a substantial increase in net fee and commissions income (+9.4%).

Design and introduction of an extrovert service model for Business Banking clients. Third-party cooperation's continued dynamically, with accounting offices and consultancy firms, aiming at promoting Small Business Loans.

Signed a significant number of new synergies of strategic importance for Business to Business ("B2B") financing.

Full absorption for the retail banking portfolio of the funds disposed through the Pan-European Guarantee Fund ("EGF"), for the financing of investment and business plans of Small and Medium Enterprises ("SMEs") and Small Midcaps.

New workflow and organizational redesign incorporating auto approval swim lanes was successfully implemented, enabling improved productivity of Small Business Underwriting Centers.

Successful implementation of Business Banking service model in Branch Network resulting to high level customer-centric service to Business Banking clientele.

Enhanced the Bank's "Embedded Banking" strategy by establishing a specialized sector with the mission to manage and boost partnerships and promote holistic financing solutions to individuals and small businesses (e.g. financing through car dealers/ merchants/ retailers/ marketplaces/ real estate agents/ agricultural firms and other).

With 5.7 million cards in circulation its leading position in the domestic cards market was maintained. Cards issuing and acquiring turnover grew by 16.3% and 23.6% y-o-y respectively, including debit, credit and prepaid cards.

Completed the spin-off of our acquiring segment into NBG Pay and the sale of 49% to EVO Payments Inc.

Significantly grew investment volumes by ~500 million (net inflows from Mutual Funds of NBG Asset Management S.A., and participations for the "New Generation" investment product) despite turbulent market conditions.

Private Banking maintained its Assets under Management ("AUM") base and Return on Asset ("RoA") levels, despite market appreciation and turbulence that forced central banks to increase interest rates repeatedly throughout the year.

Continued the branch network optimization in terms of footprint, operating model, performance management, image and service for the fourth consecutive year.

In-branch transactions decreased by an additional 15.6% y-o-y contributing to the migration to digital channels effort (current share at 3.3% of the total monetary transactions performed within the branch).

Strengthened digital business, proving in practice its capability to lead the trends in the digital market: 10.5% y-o-y increase in active users within the last 12 months, accompanied by a notable 22.0% increase in the Bank's mobile application downloads and 31.4% increase in transactions via mobile banking.

Enriched the digital banking offering with new functionalities, such as FX transfers and request for remittances' fate/request for amendment via internet banking and extended online repayment to a wide range of lending products for business customers. The respective enrichment further contributed to the enhancement of the digital customer journey and the overall upgrade of digital customer experience.

Enabled contactless payments via smartphones with Google Pay & Apple Pay (expanded functionality for credit cards).

Value Based Methodology ("VBM") incorporation in regular reporting and decision-making process.

Concluded strategic review of Mobile Application Waiz related to account Information services and stopped operations in August 2022. Reassigned all team members within Bank's Digital Banking, Digital Transformation and Loyalty Divisions.

Strategic areas

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

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

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

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

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

Activity

2022 was a stimulating year for the Retail Banking Division. The increased geopolitical uncertainty, the resilient inflationary pressures and the growing uncertainty over potential economic recession, urged the Bank to react through innovation and extroversion in order to overcome any impediments, showing immediate reflexes along with effective leadership. Furthermore, the Transformation Program continued at its pace, with a wide range of strategic initiatives being delivered. Hence, in 2022, the Retail Banking Division continued its overwhelming growth based on the implementation of the following key initiatives:

Customer-centric service model: The customer-centric service model aiming to strengthen customer's relationship with the Bank, through increased customer penetration, services usage and dedicated relationship managers for specific high-value segments. Organizational business needs are supported by a staffing model that is yearly redefined through continuous education on customer experience and integrity selling. Tellerless type of branches were also introduced during 2022.

To reinforce customers' loyalty and engagement, the "Go4More" program provides an effective tool to promote products and services to different clientele segments. Thus, Go4more expanded further its merchant network and upgraded its technical functionalities to respond to client's needs and preferences, strengthening the already aware profile of the Bank in matters of society and environment. More precisely, "THE GREEN CITY" recycling rewards program was added to "Go4More" partners' network, a collaboration that enables members of both programs to convert the points from recycling to Go4More points, supporting in practice Bank's commitment to a more sustainable tomorrow.

Mortgage Lending: the adoption of various strategic / tactical actions led to increased disbursements, achieving Bank's targeted market share. More specifically:

- Increased simplification of the end-to-end mortgage loan disbursement processes, through centralization and automation.
- Optimized the "mortgage loan application" through internet banking contributed to the further reduction of Branch Network workload.
- Adopted a competitive pricing of variable rates products, while adding mixed interest rate options for the funding of Bank's owned residential properties.
- Enhanced sales further through existing and new partnerships with main market brokers, providing new competitive features.

Consumer Lending: The Bank continued granting loans of the co-funded "EXOIKONOMO-AUTONOMO" program, regarding energy efficiency and residence autonomy improvement, with 100% subsidy of interest rate and zero fees.

Moreover, the Bank achieved new partnerships with market-leading retailers, capturing new marketplaces while grew existing key partnerships. Finally, through coordinated actions, it improved its overall positioning regarding car financing through dealers/ third parties, focusing also on used vehicles.

Small Business Lending: In 2022, the Bank significantly increased its disbursements and market share mainly due to the design and implementation of a Small Business value-proposition, which offers new products, while maintains its customer-centric approach, supporting small businesses in these challenging economic times.

Thus, the Bank continued its active participation and cooperation with State and European programs, providing products through the European Investment Fund ("EIF") and the Hellenic Development Bank ("HDB"). At the same time, it managed to offer a more preferential pricing for green energy investment projects, competitive in market respect, either through special products, such as programs through European Investment Bank ("EIB") or through Bank's own funds.

Moreover, in order to further strengthen disbursements on business loans, the Bank actively started cooperation with third-party companies, such as accounting offices, consultancy firms, and other.

A significant initiative regarding repricing to Key Accounts segment clientele, was extensively implemented during the year.

Finally, during 2022, a redesign project was finalized establishing a new operational model in the underwriting process, improving the overall performance of Small Business underwriting centers. Specifically, further automations and improvements have been introduced in the collection of data and information for applicants, the required documents accompanying the applications and use of pricing applications. In parallel, the new operational model offers a high level of standardization in the underwriting process and reduces the required "time to yes". These enhancements were also supported by revised credit sanctioning guidelines and manuals which introduce alternative swim lanes in credit assessment based on the fulfillment of a number of criteria related to operational complexity of applications and the risk profile of the SMEs / guarantors / applicant's shareholders.

Cards (issuing & acquiring): The Bank, in its endeavor to upgrade its products and achieve its strategic goal for increasing the credit cards' portfolio, launched three new credit cards: silver, gold, black, adding new, attractive features such as concierge service, a wide range of insurance benefits, free FX, etc. In addition, cards' plastics were redesigned in vertical orientation and aesthetically improved. Inclusion of the entire card's portfolio in digital wallets has been completed. The Bank utilized all its resources, in order to alternate its processes for card acquisition, so that they become simpler and more customer friendly. Courier service is activated for sending and collecting client documents as well as an application was launched for remote documents signing (e-signature). The Bank entered into a new strategic agreement with Mastercard targeting the further growth of NBG cards portfolio. Completion of the acquiring business carve out via our strategic partnership with EVO Payments and the formation of NBG Pay S.M.S.A.

Investments: The Bank:

a) Launched and continuously enhanced new and innovative products and services, namely:

   i. Structured Investment Product "New Generation": initially launched with partial capital guarantee and further enhanced to offer full capital guarantee plus minimum guaranteed return at maturity.

   ii. Fixed-term Mutual Fund "Delos Extra Income" with attractive annual dividend and return prospect at maturity.

b) Boosted investment fee revenue through the introduction of a tiered entry-fee pricing scheme.

c) Enhanced investments on digital offering, enabling acquisition of selective investment products via internet banking.

d) Launched an "end-to-end investment journey" reengineering initiative within the context of the Bank's Transformation program, which has already yielded significant results.

Deposits: The Bank:

a) Expanded fund transfers digital capability whilst deploying know-your-customer ("KYC") controls.

b) Increased deposit and intermediation fee revenues through re-pricing of specific products and services, such as deposit bundles and transfer of funds.

Bancassurance: During 2022, new contract sales continued recording growth (+ 19.5% y-o-y). In terms of product offering, a new Unit-linked Single Premium product was launched with 80% "protection". Moreover, a combined product proposal was introduced for customers who participate in a new Unit-linked Single Premium product, to exclusively participate in a "New Generation" investment product with 100% capital guarantee and minimum guaranteed return at maturity.

Approximately 26K collateral properties, from a loan portfolio managed by third party servicer ("Cairo (I & II)" project), were insured.

Furthermore, in the context of salesforce insurance sales culture enhancement, classroom sales training courses were conducted for Branch Network employees in close collaboration with NIC. Finally, an end-to-end process was designed for the promotion of Bancassurance products via outbound telemarketing.

Private Banking: Sales volumes and RoA remained at 2021 levels with clients rebalancing their portfolios towards lower risk exposures. Market revaluation effect on AUM was fully recovered by new AUM additions mainly from existing AUM deepening and referrals coming from Premium segment. Portfolio performance was enhanced by a prompt switch from equities to selective short duration fixed income positions. Cash and near cash positions presented an anemic increase compared to 2021 levels.

Premium Banking: The Bank:

a) improved premium banking service delivery by (i) designing and implementing clientele segmentation in a way to provide discrete service model and value proposition for each sub-segment, (ii) establishing scheduled appointments as the leading offer of premium banking service and (iii) conducting customer surveys;

b) boosted investment product sales by designing and implementing: (i) innovative investment products with partial capital guarantee adapted to premium banking customers, (ii) focused training workshops and pilot training programs enhancing premium banking RMs and (iii) investment training tool in order to allow premium banking RMs to familiarize with the available options for each investment profile and develop an integrated investment plan for the premium banking customers.

Mass segment: The Bank:

a) successfully implemented the annual informational and promotional campaigns plan, that aimed at communicating to customers at the right time, via all available channels, the appropriate offer of high fee generating products,

b) strengthened the cybersecurity strategy by improving the technical infrastructure, developing new card and account protection functionalities, and implementing information and education campaigns, aiming at maintaining the balance between customer experience and the transaction security.

Branch network: Optimization of branch network footprint and migration of transactions to ATM/APS continued (currently 118 onsite lobby ATMs and 358 APSs), with targeted unit mergers, aiming at saving resources and rationalizing its operation. Specifically, 12 branch mergers were completed within 2022. As of 31 December 2022, the NBG Network consisted of 345 Units (328 Branches including 9 Retail i-bank Tellerless, 16 Transaction Offices and 1 Branch Annex).

Furthermore, the branch network has been equipped with new PC terminals while the digital signature functionality was extended. More than 3,000 employees were trained on customer experience and sales. At the same time, key business processes re-engineering continued, improving further the customer experience and freeing time for dedicated staff to concentrate on other customer-servicing / sales activities. Indicatively, some of them are:

- the automation and/or redesign of transaction controls;
- the centralization of small business import/export documentation collection as well as that of corporate and SMEs administrative activities;
- the activation of the eGov-KYC feature in branch tablets; and
- the deployment of new scanner equipment at the branch staff services.

To enhance the disengagement of the Network from non-sales related operations, a Special Operations Unit was established and is hosted in Stadiou Branch, carrying out specific non-cash operations for selected customers of large branches.

Digital business: In 2022, the Bank strengthened its digital offering to its business customers with new solutions and functionalities; the Bank expanded online repayment to a wide range of lending products and set instant notifications service. In addition, FX transfers and request for remittances' fate or amendment were made available via internet banking for all Bank customers. Furthermore, the Bank enabled contactless payments via mobile with Google Pay and Apple Pay (expanded functionality for credit cards), and boosted sales by adding new products to its digital portfolio of products: new credit cards, Money Box savings tool, New Generation investment and the increase of the Express personal loan credit limit to €6 thousands.

Moreover, aiming at further protecting its customers against phishing, the Bank enabled accounts and cards' security settings management via digital banking.

As part of the integration with eGov KYC, customers have the capability to update their personal ID via digital channels without uploading any documents or visiting a branch.

Finally, at the end of 2022, the Bank increased customer convenience by offering all Bank's cardholders the ability to simply tap their card on any Near Field Communication ("NFC") enabled ATM.

Finally, the Retail Banking Division through its independent Segment Risk & Control Sector, continued addressing the following actions across the whole Retail Banking Function:

- Enhancement of the Internal Control System.
- Alignment of its activities with those of the Risk and Control Functions, as well as Group Internal Audit.
- Achievement of a high degree of readiness & compliance against all regulatory obligations, as well as increased risk and control awareness.

2023 Priorities

In 2023, the Retail Banking Division aims are to concentrate on providing solutions that will weather client uncertainty in an increasingly volatile market environment; extending its 2022 success, to achieve the goals & targets set by the 2023-2025 Business Plan, along with the objectives of the Transformation Program. Nonetheless, the Bank's main strategic areas remain the increase in business volumes, the strengthening of the relevant market shares, the increase in net interest and commission income, leveraging on all channels to deliver results, while creating value for and collecting value from its robust / loyal customer base. Existing partnerships will be strengthened, while extroversion will lead to further broaden them to new business segments. Finally, the focus on human resources of the Retail Banking Division will be fortified through continuous training, technical support, and performance rewarding. Specifically, there will be efforts to:

Gain market leadership in the "EXOIKONOMO 2021" program regarding residential energy efficiency improvements; participate in the new co-funded "SPITI MOU" program, as well as in the new subsidized/co-funded "EXOIKONOMO-ANAKAINIZO" program regarding residential energy efficiency improvements and renovation works; review and enhance mortgage operations/loan process to minimize "time to money" and improve customer journey; revisit variable interest rate products, aiming to further expand mortgage lending and increase the respective market shares; increase partnerships with main market brokers.

Offer all types of consumer loans via internet and mobile banking; increase consumer lending/ car loans through the enhancement of existing partnerships as well as the formation of new ones. The B2B platform and business web-based portal, aiming at the upgrade of the customers' as well as partners' digital experience (customer journey), in 2023, is planned to support the submission of loan requests for the customers of other commercial partners beyond the car-selling companies.

Further increase the market share of Small Business loans and offer support to small businesses through programs available from State and European programs; enhance business financing for the development of Photovoltaic Parks through both Bank's own funds as well as in cooperation with third parties (EIB, HDB, EIF) which design special products for "green loans".

Additional improvements in Small Business underwriting centers will be implemented to improve efficiency.

Assess all current developments through legislation and/or Banking Authorities, in order to design and offer lending products / services that have a climate – environmental footprint.

Boost credit cards sales by: (i) exploiting the Bank's clients base as well as new distribution channels through the new partnerships with big retailers; and (ii) leveraging on the capabilities of the new automated procedures.

Expand the contactless card reader functionality and include all NFC enabled debit, credit, dual, prepaid, and tokenized foreign or domestic cards.

Strengthen and at the same time promote the investments and bancassurance value proposition by introducing new products with a focus on small business, life – investments products with capital "protection", as well as specialized products through digital channels.

Capitalize on 2022 performance and Client satisfaction to improve market positioning and AUM share. Enhance the open platform with third party underwritten structured products. Continue exploiting opportunities for yield enhancement available in the bonds market and closely monitor equities for a trend reversal.

Exploit further the branch network as the key driver/ channel in achieving results, with a focus on performance management & service excellence. Increase tellerless branches operation and extend queue management system.

Integrate gradually operations into paperless procedures. This project includes training of network users on the new system, to adopt change.

Maintain its significant market position on internet and mobile banking, through continuously enriching its list of digital products and services, focusing on active users and their engagement with the Bank with new mobile banking application / redesign internet banking service dedicated to business and corporate customers and new revamped mobile banking application for retail customers.

Launch a new application aiming to attract new, young (18-30 years old) customers.

Increase investment products penetration by enriching value proposition and improving, among others, Premium Banking customer experience.

Redesign the Mass Segment overall strategic plan, implement an improved branch organizational structure to support the new service model, providing the mass segment team the necessary tools, both training and systemic.

Keep on improving Business Banking service model through: (i) Relationship Managers training, (ii) new product and services development, (iii) improvement of customer experience in all touchpoints, and (iv) leverage on all financing programs and instruments to further increase financing footprint in SB market shares.

Corporate and Investment Banking

2022 Highlights

Major transformation projects which concern the automation of credit proposal, successful launch of the first modules of Corporate Customer Relationship Management ("CRM");

Value Based Methodology ("VBM") incorporation in regular reporting and decision-making process;

Design and initial groundwork of Corporate and Investment Banking ("CIB"), training on new credit proposal and new Service Model - Centralization of Corporate Service Unit ("CSU");

Expansion in a majority of portfolio and especially at transportation-storage, hotel & restaurants, energy- waste management, etc;

RRF and European Guaranteed Bank ("EGF") programs implementation;

Business awareness & actions taken in relation to existing portfolio quality and the direct implications of the Russia - Ukraine crisis.

Strategic areas

2022 has been a challenging year, with the Russia - Ukraine crisis, inflation and interest rate increase still being the primary factors for economic development around the world. Many major clients have prepaid their exposures as a result of excess liquidity combined with the high benchmark interest rates in global markets.

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

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

Activity

CIB, being aware of difficult conditions that have arisen from post COVID-19 pandemic years and Russia - Ukraine crisis, keeps providing a high level support to its customers, as it has done in the past.

The ongoing transformation process has continued with remarkable results during the latest seasons, focusing on becoming the Bank of First Choice with superior coverage product, client experience and processes. The coverage and service model revamping has been an ongoing process that will offer a unique experience through new digital capabilities and enhance our business intelligence capabilities/ tools, in order to create incremental value for our clients and our shareholders. In 2022, CIB focused on the following areas:

Growing further the SME segment in strategic sectors with growth potential;

Enhancing cross selling through Corporate Transaction Banking ("CTB") including digital solutions/ Application Programming Interface ("APIs");

Exploiting growth opportunities in the booming shipping sector without sacrificing credit quality;

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

Essentially, NBG's Investment Banking is issuer advisor, joint coordinator and lead underwriter in several IPO's listing on the ATHEX;

Incorporating the ESG assessment into the loan origination process (ESG transaction assessment, ESG obligor assessment);

Leveraging the RRF for investment projects on Green Transition and Digital Transformation;

Attracting specific programs for Green Investments such as EIB Green Investment Program;

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

In 2022 the following were achieved:

Substantially increased revenue and profitability, surpassing the Net fees and commission budget in all divisions, whilst focusing on sustainable growth of the corporate portfolio;

Further expanded our digital capabilities with our clients, providing several conveniences and services (e.g. online repayments, digital onboarding), as well as enhanced our internal reporting and management tools;

Participated on first syndication of RRF in Greece;

Launched the first modules of Corporate CRM.

Corporate banking includes the following divisions:

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

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

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

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

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

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

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

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

During the past year, several events have affected the shipping in a local or even global scale, disrupting major shipping routes and supply chains: overarching scarcity of equipment and available space, congestions at ports due to increased consumer demand, the Russian-Ukraine war leading to higher fuel prices, COVID-19 induced lockdowns etc. Despite the market instabilities deriving from all these factors, the Bank maintained and expanded its customer base and balances. The Bank monitors closely all developments on the shipping industry, with an increased focus in the energy and commodities prices fluctuations, as well as the environmentally friendly and sustainable maritime transportation trend.

2023 Priorities

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

- Robustly growing the SME segment in strategic sectors with growth potential;
- Maintaining a leadership position in large Structured Finance transactions (i.e. Energy with focus in renewable energy, Real Estate, Leveraged Acquisition Financing, Infrastructure);

- Maximizing the Bank's share of wallet across products in large groups;
- Promoting a more supportive and "next to the client" business approach;
- Strong portfolio development in Energy efficiency investments and Renewable Energy Sources ("RES") projects;
- Streamlining of credit approval implementation;
- Further enhancement of credit process with the improvement of the workflow toolkit.

To this end, the main targets of CIB are:

- To further develop cross selling by expanding and deepening partnerships across the entire range of products and services offered to our customers, with a particular focus on transactional banking and non-capital intensive revenue streams;
- To further grow the corporate portfolio, increasing the share of banking cooperation on a selective basis (especially in the SME segment) and forging sustainable growth of revenues and profitability, also via the use of various financial instruments such as the RRF), Infrastructure Fund (TAMYPOD), EIB Green Investments, European Regional Development Fund ("ERDF") Guarantee Fund for SMEs;
- To maintain our focus on providing credit to healthy, export-oriented medium-sized businesses. Special emphasis is placed on business sectors such as tourism, energy, logistics, pharmaceutical manufacturing (particularly generics), agri-food;
- To be the leading player in major development transactions, and generally support sustainable investment projects that generate value for our customers and the economy as a whole;
- To adapt on the consequences of the inflation pressures and rapid change in global benchmark interest rates;
- To empower our corporate coverage teams, freeing-up time to focus on client support/ advisory and new business development;
- To expertly complete the CIB training cycle regarding the new credit proposal capabilities and uses;
- To develop and launch portfolio dashboard and customer 360 view modules on CRM;
- To successfully launch and integrate the new service model - CSU;
- To attract and retain talent while further developing our people;
- To further improve our clients' experience and retain costs by streamlining our credit underwriting and client on-boarding processes;
- To maintain top-class levels of risk management and sound risk culture;
- To enhance digital channels' capabilities and introduce self-service functionalities;
- To further diversify our credit exposure and income generation drivers, especially in Large Groups and Shipping;
- To expand our shipping portfolio maintaining the quality of clients and collaterals and at pricing and terms that will allow to enhance our profitability, always taking into account the developments and the long-term prospects of the shipping markets;
- To further grow our Investment Banking business;
- To remain committed in advancing NBG's Transformation Program and the rapid deployment of the actions and strategic targets set out therein;
- To focus on the development and marketing of new products and services, targeting at enhancing business access to programs with favorable financing terms, while offering tailor-made solutions that meet businesses' financial needs.

Finally, the CIB Division through its independent Segment Risk & Control Sector, accelerated the enhancement of the relevant Internal Control system by ensuring that appropriate controls are designed in the segment's streamline operations. The continuous alignment of Segment Risk & Control Sector activities with those of the Risk and Control Functions, as well as the positive tone set by the management of the Corporate Banking Division ensures that awareness and understanding of risk is constantly promoted while internal control culture is cultivated.

NPE management (Legacy Portfolio) & Specialized Asset Solutions

2022 Highlights

Revision of Troubled Assets Unit operating model, following completion of NPE clean up.

Setup Specialized Asset Solutions as a new business in order to capture emerging revenue generation opportunities in the emerging ecosystem of servicers and investors.

Successful containment of NPE flows and organic reduction of legacy NPEs.

Strategic areas

The key strategic objectives of NPE management & Specialized Asset Solutions Division are:

The completions of the clean-up of the Bank's balance sheet, targeting NPEs of c.3% of gross loans by 2025;

Revenue generation opportunities in the emerging ecosystem of investors and servicers (e.g., acquisition financing, Real Estate Operating companies ("REOCo") financing);

NPE Management (Retail Collection Unit & Special Assets Unit)

The Bank under the Trouble Asset Unit ("TAU") has established two dedicated and independent internal units, one responsible for the management of the Bank's retail loans (the Retail Collection Unit ("RCU")) and the other for the Bank's corporate delinquent exposures (the Special Assets Unit ("SAU")). The two units have the end-to-end responsibility for their respective troubled asset exposures. Regarding corporate governance, the units report to the General Manager – Head of Legacy Portfolio & Specialized Asset Solutions, as well as to a dedicated Arrears and non – performing loans ("NPL") Management Committee, which in turn reports to the Board Risk Committee. Furthermore, there are tangible Group initiatives regarding the management of real estate, related to workout actions (auctions, foreclosures and repossessions) with strong involvement of the Group Real Estate Management experts and the monitoring by the Senior Executive Committee. Moreover, with the appointment of the Segment Risk and Control Officer in 2021 the Division aims to further strengthen the Bank's effort to effectively manage operational risks, the design of adequate and efficient controls and their operating effectiveness, as well as to ensure adherence to the Bank's various internal and external regulatory obligations.

In 2022, Trouble Asset Unit ("TAU") reorganized in order to achieve a more efficient operational model. All Small Business exposures below €1 million were transferred from SAU to RCU resulting to a more a transparent NPE management solution for Corporate and Retail exposures.

Total NPE portfolio at Group level amounted to €1.8 billion as at 31 December 2022 compared to €2.3 billion as at 31 December 2021.

Following NBG's decision to not proceed with the carve out the Troubled Assets Unit, the Bank is in the position to:

- control NPE inflows;
- preserve balance sheet health; and
- explore opportunities arising in the secondary market that evolves from the workout of NPE portfolios that have exited the banking system.

To this end, in 2022, the Bank established the Specialized Asset Solutions Unit (see section below "*Specialized Asset Solutions*") responsible for the end to end coverage of the respective market, by offering a full spectrum of financing solutions (i.e., portfolio acquisition, REOCo financing, Real Estate financing to end buyers) to the ecosystem of NPE's servicers and investment funds.

Corporate Special Assets management

SAU | Organizational Structure

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

After reorganization, SAU consists of three divisions and one new TAU Strategy & Projects sector. Two out of three Divisions focus on Corporate NPE management/administration and the third on planning and controlling issues

Borrowers of Corporate NPE management division are segmented into three categories based on the following criteria:

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

SAU | Organic Actions for the reduction of NPEs

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

Tailored made restructurings aiming to reduce the debt repayment obligations to sustainable levels;

Assessment of alternatives to reduce the bank debt, without, however, forgiving a possible future upside, achieved through debt-to-equity transactions, convertible bonds, issuance of preferred shares or through profit participating bonds;

Debt-to-asset transactions or amicable asset sales aiming to reduce bank debt through the proceeds from the sale of non-core assets, usually as a part of a holistic solution of the obligor with the Banks;

Further improvement of interbank cooperation (Project Solar).

SAU uses a number of different forbearance, resolution and foreclosure measures, following international best practices, but tailored to the current economic and legal environment in Greece. Appropriate tools to measure the viability of debtors, fully integrated into the IT environment of the Bank, as well as net present value ("NPV") analysis for the prioritization of alternative modification solutions are also used. In 2022 and upon the successfully completion of prior securitizations and bilateral sales, SAU performance based mostly on organic actions (curings).

A. Collaboration with the other banks

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

B. Denounced Portfolio Management

The Bank denounces a loan contract when a borrower is in default and is non-cooperative and/or non-viable. The denouncement of a contract can also be decided due to the bankruptcy or dissolution of the debtor's company or initiation of legal actions against the borrower by other creditors. Although the primary strategy for the denounced portfolio is the recovery through the liquidation of collateral, settlement solutions are also available, even after the denouncement through amicable and viable arrangements. During 2022, 193 auctions were expedited by SAU with a total opening price of €91 million.

SAU Inorganic Actions for the reduction of NPEs

The NPE Management Strategy includes several projects aiming to an expedited reduction of NPEs through inorganic actions (portfolio sales, as well as bilateral agreements mainly concerning Large Corporate cases). The securitizations of Frontier II and Solar portfolios are in progress and aimed to be completed within early 2023.

Retail collections management

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

RCU consists of three Divisions, which focus on:

Collections operations, managing all the available client channels.

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

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

As at 31 December 2022, RCU managed €2.9 billion of mortgage loans, consumer loans, credit cards and micro business loans, that are:

A. 1+ days past due ("dpd").

B. Current (0 dpd) and classified as Forborne Exposures ("FPE" & "FNPE").

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

Such channels include:

Call centers

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

NPL Hubs

(specialized Branches within regular bank Branches)

Bank Branches

Law offices

(external law firms and internal law office)

Mail

Alternative channels

(SMS, website, etc.)

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

COVID-19 - support measures expiration: The initiatives that supported borrowers during 2022 to resume payments after the end of payment moratorium and aimed to support borrowers affected by COVID-19 measures (e.g. Gefyra 1, Ethnogefyra, Gefyra 2) expired in 2022. After the initiatives' expiration, limited effect was observed on the portfolio quality.

Adjustment of RC capacity:

During 2022, RC adjusted its capacity to the reduced portfolio under management. The portfolio reduction can be attributed to the organic reduction as well as to the Frontier II securitization. The capacity reduction by 48% was facilitated by RCs flexible structure, that allows the increase or reduction of the capacity based on the business needs.

Inflation measures:

Due to rising inflation during 2022, a program that supports vulnerable borrowers with loans covered by primary residence is expected to initiate in 1Q.23. This program will provide a subsidy to borrowers verified through a supporting platform.

Small Business SBL Legal Entities Initiatives:

During 2022, RC Small Business Legal Entities portfolio was transferred from SAU to RC. Initiatives supported the transition and the application of an effective management strategy.

Strategy & products

The restructuring strategy was aligned with the individuals. New products were introduced for Small Business Legal Entities (Split & Settle, Restart). The products were aligned with the rest of the retail portfolio.

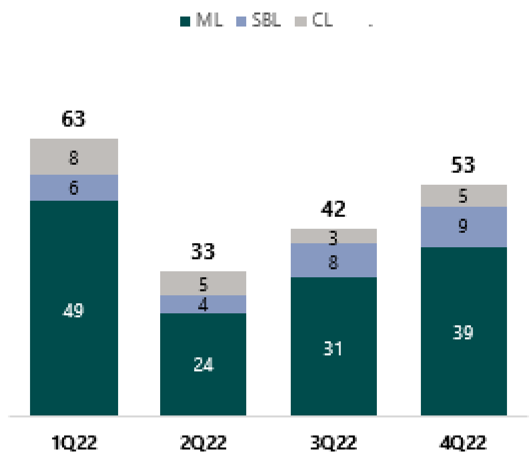
Channels

Assigned 100% of the SBL Legal Entities' portfolio in three Retail SBL hubs specialized into treatment of Legal Entities. Double treatment (utilizing the Internal Collection Center or Legal Offices) is enabled for 100% of Small Business Legal Entities portfolio.

Restructurings:

Restructurings of the NBG Retail portfolio reached €191 million.

The RCU quarterly restructuring volume (in € million)



Foreclosures / Auctions

The majority of the portfolio with legal actions was included in the Frontier II portfolio. During 2022, 128 auctions were held, of which 24 auctions were successful.

Introduction of the updated insolvency framework

Regarding the new insolvency framework introduced by Greek Law 4738/2020, 1,897 applications with NBG participation have been submitted. 208 applications have been implemented (€8.9 million) following the creditors' restructuring approvals and the borrowers' agreements.

2022 RCU and SAU portfolio sales / securitizations

See section "*Key Highlights - Key achievements and significant developments of NBG Group in 2022 - Disposal of NPE portfolios–Project "Frontier II*").

Specialized Asset Solutions

Given the ending phase of the NPE deleveraging process, the rehabilitation of these portfolios serves as an opportunity for NBG to diversify and enhance its sources of income. While servicers are speeding up efforts to meet agreed business plans, NBG aim is to capture opportunities arising from the workout of sold/securitized portfolios.

In particular, NBG is focusing on the following key strategies and aims to be the Bank of first choice in this emerging market:

i) Acquisition Financing: Selective financing of **NPE portfolio buyers** in primary & secondary market.

ii) REOCo financing: Financing of **NPE portfolio buyers** or **Real Estate portfolio investors** to acquire Real Estate collaterals (and subsequently sell them).

iii) Real Estate Financing: Financing of **end buyers of Real Estate assets** (individuals & businesses) through a referral framework with key market participants or ad hoc transactions.

iv) **Reperforming** portfolio acquisition (as and when the market matures in accordance with EBA guidelines).

Ultimately, the Specialized Asset Solutions aims to bring rehabilitated assets and borrowers back into the banking system, actively supporting in this way the effort to increase the bankable population of the country after years of crisis and balance sheet deleveraging, supporting the further growth of the Greek economy.

To this end, the new Unit has managed to complete several transactions in 2H.22, reaching and exceeding its 2022 target of €200 million disbursements, while building significant pipeline for 2023.

Other Activities

Group Real Estate

Group Real Estate is responsible for the comprehensive management of the NBG Group's total real estate portfolio and for the provision of valuation and technical services on a fully integrated basis. The real estate portfolio is composed of properties owned or leased by the Group to house its operations (branch network, administrative offices and headquarters), the portfolio of repossessed assets ("REOs"), and special purpose vehicles housing large properties.

Over the past few years, Group Real Estate has undertaken an increasingly more important role in the Bank's strategic objectives, expanding its activities beyond its traditional real estate management activities to include asset repossession, maturation and divestment of properties, thereby actively contributing to the Bank's NPE reduction strategy and the overall targets of the Healthy Balance Sheet Workstream of the Bank's Transformation Program.

2022 Highlights

Despite turbulent market conditions globally, 2022 was the second year in a row of very successful property sales. REO divestment targets were exceeded, achieving a historic record period performance. More specifically:

- Total Group real estate sales reached 389 properties with value of c. €64 million, yielding significant profits.
- 377 properties with value of c. €44 million from the total sales were sold through the website portal, either via electronic tender or through the buy now process.

In the context of the Bank's Environmental Strategy, Group Real Estate completed several ESG implementation projects with respect to its buildings. The most notable were:

- ✓ the installation of sophisticated energy monitoring systems in buildings with high consumption levels;
- ✓ first year of operation of PV solar panel installation of 1.8 MW capacity on warehouse roofs of Bank's logistics subsidiary, covering more than half of total energy consumption;
- ✓ property energy efficiency upgrades, in the context of which lighting, heating and cooling systems were significantly upgraded;
- ✓ the installation of water consumption reduction systems in several buildings;

Strategic areas

REO business

Key drivers for REO's successful performance were the adoption of a new strategy for the comprehensive management of all promotional channels (electronic channels, brokers, branch network) and the transition from a traditional model of physical tenders to a more flexible, integrated model, in order to ensure the efficient exploitation of real estate portfolios with a large geographical spread.

More specifically, for the promotion of REOs, as well as other properties of the Group, an Agents' registry with nationwide coverage was created and, the web portal www.realestateonline.gr was significantly upgraded, incorporating a platform for electronic tenders, ensuring transparency, greater efficiencies and further enhancing flexibility in real estate transactions.

As of 31 December 2022, there were 1,771 properties with value of c. €204 million ready for sale through the portal, with an additional c. 1,118 properties valued at c. €138 million to be uploaded within 2023 and a further c. 946 properties valued at c. €100 million to follow.

In addition to the above, as part of the Transformation Program, the remaining properties held in the Bank's legacy portfolio, consisting of c. 400 properties, were transferred to the REO Division for maturation and divestment, a process expected to last up to five years.

Property Management and Technical Services

The continuation and successful completion of the energy upgrading of the Group's buildings is a key target in the coming years, in order to further reduce the Group's carbon footprint.

Activities in 2022

In 2022, the Property Management Division intensified its efforts on the Bank's Real Estate spending optimization objectives with respect to the Branch Network and Headquarters' Buildings under the relevant Transformation Program, reducing overall costs via lease terminations and subleasing of vacant spaces to third parties. In addition, the Property Management Division enlisted the assistance of expert advisors for the resolution of long-standing issues stemming from burdened legacy assets owned both by the Bank and Group's Special Purpose Vehicles ("SPVs").

Group Real Estate houses all the valuations and related real estate advisory activities of the Group through the Property Valuations and Advisory Division ("PVAD"). The PVAD is responsible for conducting all types of valuations, technical assessments & investment plan appraisals (e.g. hotels, malls, renewable energy plants, industrial plants) for movable (equipment, machinery, airplanes, intangible assets, goods & commodities) & immovable collateral assets. Moreover, it provides multifaceted relevant services and support to all Group Business Units (Corporate, Retail, TAU, Leasing, owned real estate assets) and ad hoc appraisal services to third parties. The PVAD has a total manpower of 54 experts (engineers & economists) and manages a network of c. 400 External Valuers throughout Greece.

With respect to the PVAD core service area, 2022 was a productive year with c. 50,000 valuations with a total value of c. €18 billion and an additional c. 25,000 valuation reviews. Furthermore, thanks to its professional expertise, PVAD offered valuation services to third-party institutional clients, the most notable being the revaluation of OTE Estate's asset portfolio.

Overall, due to its unique expertise, PVAD crucially contributes to a significant number of regulatory projects and Bank initiatives, such as ESG related activities and financings.

The Technical Services Unit offers a wide spectrum of technical services to the NBG Group, starting from its services of facility management of Bank buildings, focusing primarily on maintenance and refurbishment of Group infrastructure and facilities (1,204 Sites), to the undertaking of specialized studies and projects, provision of certifications, surveys, property controls, and fire safety. In this context, the Technical Services Unit ensures the Group's compliance with all rules and regulations of a technical nature pertaining to buildings.

In 2022 the most significant project initiatives of c. €25 million budget, were the:

- restructuring of the Branch Network and
- renovation of several Branches;

Furthermore, Technical Services Unit provided:

- technical advice to the Group's warehouse subsidiary with respect to its new logistics expansion investment program and the extension of solar panel installations for further energy efficiencies; and
- technical support for the development and relocation of Stopanska Banka's Headquarter Building in Skopje.

Global Transaction Services Activity

The Global Transaction Services Division ("GTS") of NBG serves the transactional product needs of Large Corporates, Small & Medium Size enterprises, Financial Institutions as well as Small Businesses and individuals. Products & Services offered include Payments Import & Export Collections, Letters of Guarantee ("LG"), Letters of Credit ("LC"), Stand By Letters of Credits ("SBLCs"), as well as structured financing solutions facilitating cross border Trade and covering the entire supply chain.

2022 Highlights

During 2022, GTS:

- effected drawdowns of €795 million via structured Trade financings and maintained a Letter of Guarantee book (incl. SBLCs) of €4.2 billion;
- maintained a leading market share in import and export products by SWIFT Traffic, as well as in local payments;
- won Global Finance "Best Trade Finance Bank" award for the 10th year in a row.

Strategic areas

In the context of the Bank's strategic Transformation Program that aims at improving the operational efficiencies and developing the expertise of GTS, the Bank is constantly investing in new technologies, with related projects being in full progress, offering clients integrated flows and instant messaging options.

Leveraging on NBG's competitive advantages, GTS further develops the close cooperation and coordination with the Bank's business and functional units, targeting "new to Trade" clients, further penetration to the existing client base and design/implementation of innovative solutions that will contribute to the improvement of profitability and operational cost measures.

Moreover, during the post COVID-19 period, GTS managed to respond in the best possible way to the Bank's client requests, offering top quality services and subject matter expertise in Payments and Trade Finance solutions. Our goal remains to support in an efficient and consistent way our clients' business and expansion plans in the international competitive landscape, offering specialized quality service, flexible solutions and quick response times.

Another pillar of the GTS Division is Correspondent Banking. The Bank maintains one of the largest domestic branch and international correspondent networks, offering a full range of transaction banking services, something that distinguishes us as the "Bank of First Choice" and trusted partner for most of the world's leading Financial Institutions. Consistently, we meet the highest requirements for quality, timely and efficient transaction banking services supported by our dedicated, on-the-ground, Customer Service Team (Greek & English speakers).

Activities in 2022

In Trade Finance, on a full year basis, c. 55% of Import transactions were conducted via digital platform i-bank Trade Finance. GTS has concluded both the integration and commercialization of the LG module into the new i-bank Trade Finance platform (with c. 20% of LGs from Corporate clients being executed via this digital channel), as well as, the centralization of the Small Business clients' LG book.

In parallel, we have kicked off the project of Optical Character Recognition ("OCR")/Intelligent Character Recognition ("ICR") implementation, to further automate Trade Finance transactions' processing and address compliance challenges, with Funds Transfers & Collections transactions having gone live in December 2022. LCs & LGs are scheduled to follow in mid-year 2023.

Finally, GTS implemented the digital signature facility for the signing of Letter of Guarantee Application forms and contracts, aiming at further improving the clients' experience and expediting the issuance & execution processes. The roll out of the digital signatures to the remaining Trade Finance product portfolio is in progress.

At the same time, GTS designed specialized and customized solutions, supporting our Greek clients in the realization of their business plans, offering access to markets of interest, at the optimal cost structures. Our trade desk in Cyprus is staffed by subject matter experts, offering advisory services and market intelligence.

In parallel, the EIB and European Bank of Reconstruction and Development ("EBRD") Trade Facilitation programs, that NBG actively participates as Issuing Bank provide an extra Trade corridor for our clients, leveraging on our cooperation with international and supranational organizations.

In Payments, GTS has upgraded its Payments platform and was the first Bank in Greece to implement the European Instant Payments. In addition, GTS has launched Mass payments import files functionality, offering a Host to Host streamlined payments processing across corporate banking clientele. GTS also upgraded the post payment services in e-banking, improving customers' experience for payments cancellation queries and investigations.

Leasing

The Bank began its leasing activities in 1990 through its subsidiary, Ethniki Leasing S.A.. Ethniki Leasing S.A. leases land and buildings, machinery, energy parks, transport equipment, furniture and appliances, computers and communications equipment.

Furthermore, in 2022 and for fourth consecutive year, Ethniki Leasing S.A. remains the champion of the new business implementation amounting to €233 million.

More specifically, the new business carried out in 2022 by all Greek leasing companies, amounted to €617 million (source: Association of Greek Leasing Companies, 2022 statistical data), where 37.8% was covered from Ethniki Leasing S.A.

Factoring

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

Brokerage

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

Since the beginning of 2022, NBG Securities strengthened its operations, implementing its strategic plan, which includes initiatives to upgrade several internal functions, resulting in improved efficiencies and enhanced quality of customer service.

In 2022, NBG Securities increased its market share on the Athens Stock Exchange to 10.2% from 10.0% in the previous year.

Asset Management

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

As of 31 December 2022, total assets under management in mutual funds and discretionary asset management amounted to €1.7 billion, with NBG Asset Management maintaining a market share in mutual funds in Greece of 8.9% (Source: Hellenic Fund and Asset Management Association—report of 31 December 2022). The number of clients serviced by NBG Asset Management are in excess of 39,000, including 66 Institutional investors.

€ million	2022	2021
Mutual Funds under management	963	904
Discretionary Funds under management	740	795
Total Funds under management	**1,703**	**1,699**
Market Share	**8.9%**	**8.1%**

The 22 mutual funds of NBG Asset Management, among them four in Luxembourg, cover a wide range of investment categories (Equity, Bond, Balanced and Fund of Funds) in Greece and International markets. In 2022, NBG Asset Management created a new innovative mutual fund with the main characteristics to be the fixed duration, the payment of an annual dividend and the pursuit of its capital preservation. Such a wide spectrum of investment products gives great flexibility to investors who wish to build their personal investment plan according to their investment profile and objectives through mutual fund portfolios with a high degree of diversification.

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

- Discretionary Portfolio Management Investment Services;
- Advisory Services.

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

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

Activities outside Greece

As at 31 December 2022, the Group's international network comprised 66 branches, which offer traditional banking services and financial products and services. The Bank has also two commercial banking subsidiaries, in North Macedonia and Cyprus. In 2021, the Bank decided to cease its operation in the NBG London Branch and NBG Egypt Branch and its banking subsidiary in Malta, which are currently under liquidation.

The Bank's international operations accounted for €2.6 billion or 3.4% of the Group's total assets excluding non-current assets held for sale as at and for the year ended 31 December 2022. Loans and advances to customers were €1.6 billion at 31 December 2022, whereas deposits "Due to customers" amounted to €1.8 billion at 31 December 2022.

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

Non-current assets held for sale at 31 December 2022 comprise of Probank Leasing S.A. (Project "Pronto"). Furthermore, it also includes the contemplated loan portfolio disposals relating mainly to Projects "Frontier II", "Solar" and "Pronto".

Related Party Transactions

Based on the existing regulatory framework, the Group must disclose any transaction between the Bank, its subsidiaries and all its related parties as defined in IAS 24 "Related Parties", which took place during the year ended 31 December 2022. Management's total compensation, receivables and payables must be also disclosed separately. Regarding the transactions with the Bank's main shareholder HFSF, other than the ordinary shares issued by the Bank and held by HFSF, no material transactions or balances exist with HFSF. The following table presents the transactions between the Bank and its subsidiaries, while there are no significant transactions with its associates.

For further details, see Note 42 of the Annual Financial Statements.

Subsidiaries

(€ million)	Assets	Liabilities	Income	Expenses	Off Balance Sheet (net)
National Securities Single Member S.A.	1	95	3	1	35
NBG Asset Management Mutual Funds S.A.	1	37	4	-	-
Ethniki Leasing S.A.	666	23	14	1	70
NBG Property Services Single Member S.A.	-	1	-	-	-
Pronomiouhos Single Member S.A. Genikon Apothikon Hellados	1	32	-	2	1
NBG Greek Fund Ltd	-	-	-	-	-
National Bank of Greece (Cyprus) Ltd	12	18	1	2	29
NBG Management Services Ltd	-	2	-	-	-
Stopanska Banka A.D.-Skopje	47	11	2	-	-
NBG International Ltd	-	26	-	-	-
NBG Finance Plc	-	51	-	-	-
NBG Asset Management Luxembourg S.A.	-	-	-	-	-
Ethniki Hellenic General Insurance S.A. (Group)*	-	-	6	2	-
KADMOS S.A.	-	-	-	-	-
DIONYSOS S.A.	-	-	-	-	-
EKTENEPOL Construction Company Single Member S.A.	-	1	-	-	-
Mortgage, Touristic PROTYPOS Single Member S.A.	-	1	-	-	-
Hellenic Touristic Constructions S.A.	-	-	-	-	-
Ethniki Ktimatikis Ekmetalefsis Single Member S.A.	-	-	-	-	-
NBG International Holdings B.V.	-	46	-	-	-
NBG Leasing SRL.	3	-	-	-	-
NBG Finance (Dollar) Plc**	-	2	-	-	-
NBG Finance (Sterling) Plc**	-	1	-	-	-
NBG Malta Ltd***	-	191	-	-	-
Ethniki Factors S.A.	554	13	14	-	434
ARC Management One SRL (Special Purpose Entity)	-	-	-	-	-
ARC Management Two EAD (Special Purpose Entity)	-	-	-	-	-
I-BANK DIRECT S.A.**	-	1	-	-	-
Probank Leasing S.A.****	33	6	1	-	-
Probank Insurance Brokers S.A.	-	2	-	-	-
Bankteco EOOD	-	-	-	-	-
CAC Coral Limited*****	-	-	1	-	-
Stopanska Leasing DOOEL Skopje	-	-	-	-	-
Total	**1,318**	**560**	**46**	**8**	**569**

**The disposal of Ethniki Hellenic General Insurance S.A. and its subsidiaries was completed on 31 March 2022.*
***Companies under liquidation.*
****In October 2021, the Bank decided to cease its operation in Malta through its subsidiary NBG Bank Malta Ltd and from 31 August 2022, the subsidiaries are under liquidation. NBG Malta Limited, formerly known as NBG Bank Malta Limited surrendered its banking license on 11 August 2022 and subsequently placed into liquidation.*
*****Probank Leasing S.A., has been reclassified as Non-current assets held for sale (See Note 29 of the Annual Financial Statements).*
******The disposal of CAC Coral Ltd was completed on 15 July 2022.*

The Independent Auditors

The Board of Directors' Audit Committee reviews the independence of the Independent Auditors, as well as their relationship with the Group, including monitoring mandates for non-audit services and the amount of audit and non-audit fees paid to the auditors. In accordance with the requirements set by the Relationship Framework Agreement, the Bank has to rotate its auditors every five years. According to article 28 par. 2 of Greek Law 4701/2020, HFSF and the financial institutions which have received capital support by HFSF, or the beneficiary financial institutions that resulted from fully or partial carve-outs of banking operations in the context of Greek Law 4601/2019 (corporate transformation law), may decide to extend the contracts with their external auditors beyond the five-year period, for a period not exceeding 10 years in total, according to article 17 of Regulation (EU) 537/2014 (L158) provided that the General Meeting of the financial institution approves the relevant reasoned proposal of the Board of Directors, following the recommendation of the Audit Committee.

The appointment of PwC was approved by the 2017 Annual General Meeting of the NBG Shareholders held on 30 June 2017 which elected PwC for the first time as the statutory auditors of the Bank and the Group for the year ended 2017. Following the positive assessment and proposal of the Audit Committee and subsequent relevant reasoned proposal of the Board of Directors to the Annual General Meeting of the Bank's Shareholders of 28 July 2022 in accordance with article 28 par. 2 of Greek Law 4701/2020, the Annual General Meeting of the NBG Shareholders held on 28 July 2022 appointed PwC as the statutory auditors of the Bank and the Group for the year ended 31 December 2022.

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

Risk Management

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

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

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

Group Risk Management Governance Framework

(Audited)

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

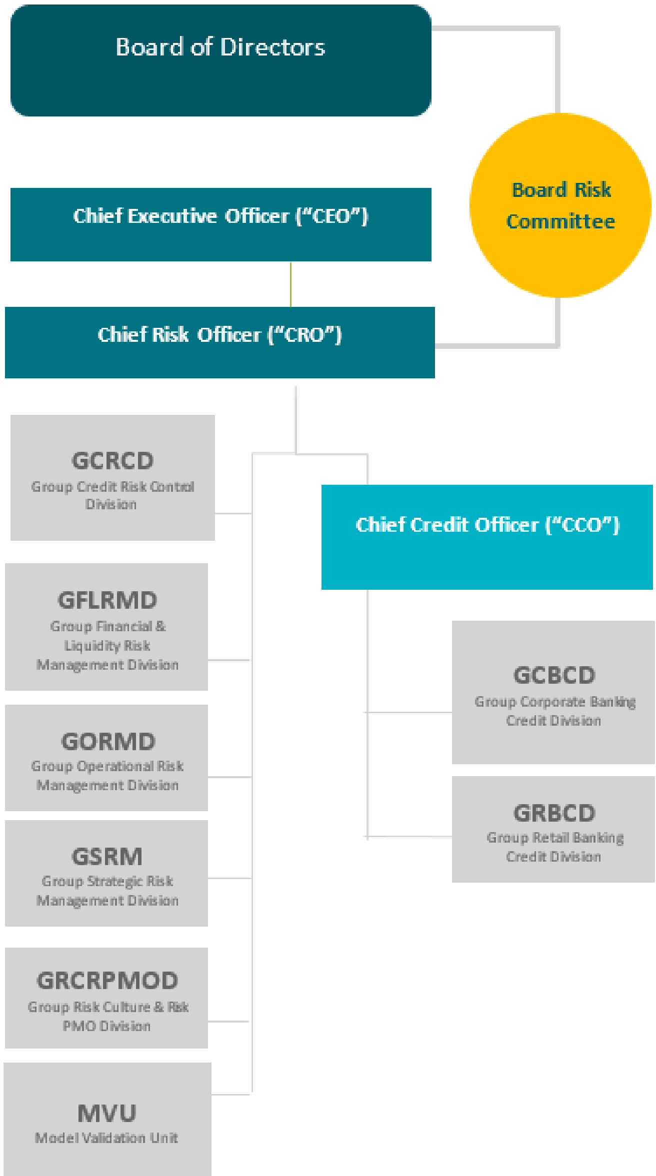
The Board of Directors bears the ultimate accountability for NBG's risk position. It signs off on the risk strategy and risk appetite and monitors the effectiveness of risk governance and management advised by its two specialized committees: the Board Risk Committee ("BRC") and the Board Audit Committee.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

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

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

The Group Risk Management Function

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



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

Group Risk Management

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

In addition, the 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.

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

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;
- 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;

- prepare credit risk reports, in collaboration, when required, with the relevant units, for the purpose of either internal evaluation and information 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 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 Subdivisions;
- Operational Risk Framework Development Subdivision;
- Operational Risk Reporting Subdivision; and
- Operational Risk Awareness and Training Subdivision.

Group Strategic Risk Management Division ("GSRM")

The mission of GSRM, 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:

- monitoring, analysing & evaluating risks that are evident or related to the Business Strategy of the Group and may negatively impact the profitability and the dynamic structure of the Balance Sheet for both the Bank and/or the Group;
- analyzing the hypothesis and assumptions embedded in the Strategic Planning, Business Planning (business model mapping) and Future Profitability;
- analyzing risks related to the implementation of the Business Strategy;
- analyzing risks and potential impacts measured via appropriate Key Risk Indicators ("KRIs") and stemming from deviations in relation to the expressed targets set in the Business Strategy & Business Planning;
- developing scenarios and the execution of Stress Testing Exercises;
- performing sensitivity analyses related to the risks entailed in the dynamic profitability evolution and of the Asset & Liability Structure;
- monitoring the development, execution, and revising of financial targets related to the Strategy of NPE's;
- selecting and using appropriate performance measures which are adjusted based on risk (risk-adjusted performance metrics) aiming to evaluate the Strategy Risks;
- executing industry wide Stress Test exercises according to regulatory demands and guidelines (EBA, SSM, etc) in cooperation with the involved units;
- executing modelling and sensitivity analyses under different scenarios;
- monitoring of the evolution of NPEs;
- monitoring of the dynamic evolution of Assets & Liabilities (Dynamic Asset Liability Management ("ALM")); and
- exercising 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/experts across risk types (including the C&E Stress testing).

The GSRM consists of the:

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

Group Risk Culture & Risk PMO Division ("GRCRPMOD")

The mission of the GRCRPMOD 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 GRCRPMOD consists of the following:

- the Risk Culture Subdivision;
- the Risk PMO Subdivision;
- the Risk Segment Risk & Control Subdivision.

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 review the results of on-going model monitoring.

The MVU consists of the:

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

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

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

Risk Profile Assessment

In February 2022, the Bank enhanced its Risk Taxonomy and developed 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.
- **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 o monthly basis to the Senior Management, as well as in the Internal Capital Adequacy Assessment Process ("ICAAP") Report where its forward-looking dimension is presented.

Internal Capital Adequacy Assessment Process ("ICAAP")

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

ICAAP objectives are the:

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

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

Risk Materiality Assessment

Risk Type (Level 1)	Action following materiality assessment
Credit Risk	Calculation of internal capital / Assessment per business unit & entity
Counterparty Credit Risk	Calculation of internal capital
Market Risk	Calculation of internal capital
Operational Risk	Calculation of internal capital / Scenario Analysis
Liquidity Risk	Analytical assessment through the ILAAP exercise
IRRBB	Calculation of internal capital
Real Estate Risk	Calculation of internal capital
Country Risk (incl. Sovereign)	Calculation of internal capital
Strategic/Business Model Risk	Scenario Analysis / Assessment of Bank's actions to mitigate risk
Securitization Risk	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 Model Risk also from a solvency perspective, as their analysis includes forward looking scenarios, which 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 "Total Internal Capital" consists of two steps: in the first step, internal capital per risk type is calculated on a Group basis. NBG Group has developed methodologies allowing the calculation of the required internal capital for quantifiable risks. These are reassessed on a regular basis and upgraded in accordance with the global best practices. In the second step, internal capital per risk type is summed up to yield the Group's "Total Internal Capital".

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

For 2022, 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 CET1 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 as well as reverse stress tests and sensitivity analysis were also performed, aiming at increasing the Group's awareness of its vulnerabilities.

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

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

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

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

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

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

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.

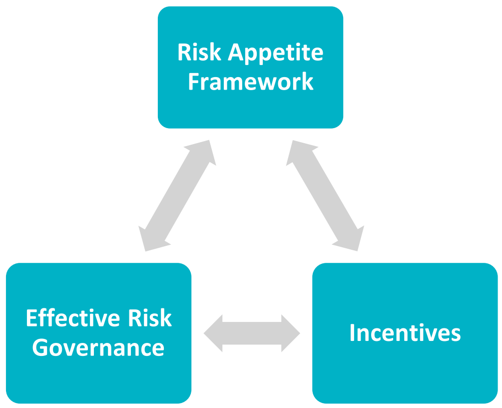
The objective of the Bank is to establish a sound and consistent Risk Culture across all Units that is appropriate for the scale, complexity, and nature of the Bank's business, in line with regulatory/supervisory requirements and in accordance with best business practices, based on solid values which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

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

NBG has in place an effective RCF that:

1. Is aligned with the 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;
6. Establishes the governance arrangements for its update and monitoring.

Risk Culture: Foundational Elements



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:

Trainings

- Mandatory on a Bank-wide scale or targeted to specific audience.
- Driven by new Policies or other Governance Documents approval.
- Familiarization with processes and other developments.

Workshops

- Support on carrying out duties under the scope of established Roles & responsibilities.
- Meetings for educating and providing assistance on implementation issues.
- Deep-dive sessions on assessing projects' outcome.

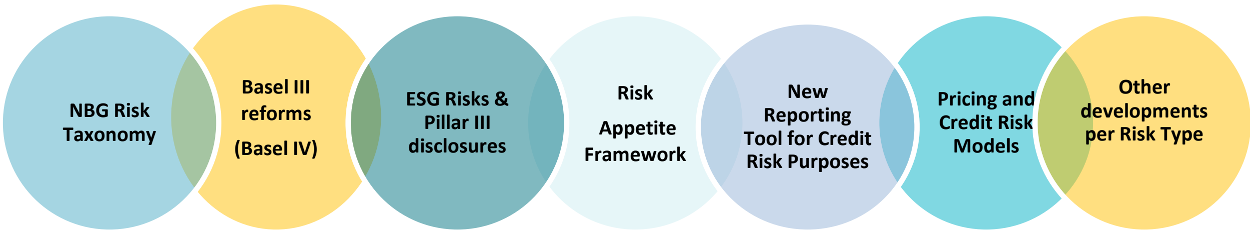
Governance & Processes

- Enhancements in line with regulatory developments and best practices.
- Design and implementation of new Roles and Methodologies.

Other Activities

- Ad hoc activities based on identified needs.
- Communication initiatives: Teasers, newsletters, postings.
- Cross-functional collaboration.
- Cross-group collaboration.
- OpRisk Forums & OpRisk Portal Access to Risk Spotlight External Events Database.

New developments within 2022 and 2023 initiatives



NBG Risk Taxonomy

In order to integrate Enterprise Risk Management ("ERM") practices and enhance the overall risk Group Management Framework, the Risk Management Function reviewed and updated the NBG Risk Taxonomy Framework, in collaboration with all involved parties. NBG Risk Taxonomy Framework was approved by the Senior Executive Committee in February 2022.

The 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.

In terms of taxonomy content, Risk Types were reviewed and updated with additional emphasis on the Non-Financial Risks (Operational Risk and Strategic Risk) as well as on the pursuit of alignment with new regulatory requirements (i.e., the incorporation of ESG risk factors) and best practices.

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.

Risk Types

Risk Type Level 1	Risk Type Level 2
Credit Risk	Concentration Risk
	Residual Risk
	Underwriting Risk
Counterparty Credit Risk	Pre-settlement Risk
	Settlement Risk
	CVA Risk
	Wrong-way-Risk
	Concentration Risk
Market Risk	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
Liquidity Risk	Funding Risk
	Asset Encumbrance Risk
	Concentration Risk
Interest rate risk in the banking book (IRRBB)	Gap Risk
	Basis Risk
	Option Risk
	Credit spread risk from non-trading book activities ("CSRBB")
Real Estate Risk	
Pension Risk	
Country Risk	Sovereign Risk
	Transfer Risk
	Convertibility Risk
Strategic/Business Model Risk	Strategic Positioning Risk
	Strategy Execution Risk
Securitization Risk	
Operational risk	Internal Fraud

Risk Type Level 1	Risk Type Level 2
	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

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

Strategic/Business Model Risk

In the context of the review of the NBG Risk Taxonomy (see above), the current or prospective risks of the Group's Business Model on the viability and sustainability, i.e. the Business Model becoming obsolete or irrelevant and/or losing the ability to generate results aligned with the Group's strategic objectives and stakeholders' expectations, were redefined.

These risks are associated with vulnerabilities in Strategic Positioning or Strategy Execution (delivery) as a result of external or endogenous risk factors and possible inability to effectively react thereon.

The impact of Strategic risks is demonstrated through:

1. failure to deliver the expected results, i.e., material deviations from a defined Business plan in terms of Profitability, Capital and/or Brand perception; and
2. long term deterioration of competitiveness, i.e., worsening relative position compared to peers benchmarks in strategically important areas.

More specifically:

Strategic Positioning risk: the prospective risk in the Group's long-term competitive position, i.e. the Business model becoming obsolete or irrelevant. The Strategic positioning risk impact is demonstrated through relative underperformance compared to peers benchmarks in strategically important areas. The risk sources are potential vulnerabilities in the strategic design, lack of diversification in revenue generation, external disruptive factors (such as new market entrants) and inability to effectively/timely adapt the Business model components to the market dynamics (adaptability in terms of value proposition, customer segments, servicing channels, partnerships, internal resources utilization and efficiency).

Strategy Execution risk: The current or prospective risk to profitability and/or Franchise (Brand) perception, due to failed or inadequate delivery of a defined Business plan. Execution risks are arising from changes in the external business environment (competition, regulation, market conditions) or from endogenous failure to successfully conclude strategic initiatives and projects in line with the Business plan, and the inability to react effectively thereon.

Basel III reforms (Basel IV)

The EBA and the ECB affirmed the importance of timely and faithful implementation of the outstanding Basel III reforms in the EU, to ensure banks can withstand future crises and a necessary condition for the proper functioning of the European and global financial systems, and supported the decision of the Basel Committee to delay the implementation date of the final Basel III reforms by two years to 2025.

Thus, Basel IV /Basel III reforms specific modifications are effective from 1 January 2025. More specifically, the Bank has to properly implement in its processes, systems and practices the respective reforms that improve risk capture and risk granularity of Standardized Approach and in parallel to seek for best practices, in collaboration with Business Units, regarding loan granting taking into account the risk diversification implied by the new rules.

Credit Risk: The main changes in Credit Risk under Standardized approach introduced in the legislative package are the following:

- Increased CCF for off-balance sheet items.
- Higher RWAs% of 250% and 400% in riskier speculative investments.
- Introduction of Grades for the unrated institutions based on quantitative and qualitative criteria.
- Introduction of two methods for risk weighting for Residential/Commercial Real Estate, namely "loan splitting approach" and "Loan To Value ("LTV") approach", each applicable upon satisfaction of specific eligibility criteria.
- Introduction of new asset classifications for Residential/Commercial Real Estate, namely "Income producing real estate" and "Loans financing land acquisition, development or construction".
- Introduction of new category of performing retail exposures (transactors) with RWAs% of 45%.

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 ("RRAO").

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 i.e. the Loss Component and the Business Indicator Component.

ESG Risks & Pillar III Disclosures

In June 2021, the EBA published its Report on ESG risks management and supervision. The Report, which is a key component of the EBA's broader ESG work, provides a comprehensive proposal on how ESG factors and ESG risks should be included in the regulatory and supervisory framework for credit institutions and investment firms, focusing on the resilience of institutions to the potential financial impact of ESG risks across different time horizons.

The Report outlines the impact that ESG factors, especially climate change, can have on institutions' counterparties or invested assets, affecting financial risks, illustrates available indicators, metrics and evaluation methods that are needed for effective ESG risk management and identifies remaining gaps and challenges on this front. It also provides recommendations for institutions to incorporate ESG risks-related considerations in strategies and objectives, governance structures, and to manage these risks as drivers of financial risks in their risk appetite and internal capital allocation process and calls for a phase-in approach. To that end, NBG has embedded the relevant points in its ICAAP and RAF whereas it also assesses ESG Risk through idiosyncratic sensitivity analysis in ICAAP Stress Testing exercise.

Following a public consultation initiated in March 2021, EBA published in January 2022 binding Implementing Technical Standards on Pillar III disclosures on ESG risks, to put forward comparable disclosures for all the above factors and their ratios, including the Green Asset Ratio ("GAR"), on exposures financing taxonomy-aligned activities, such as those set under Paris Agreement goals.

Institutions will have to start disclosing this information from June 2022. The first disclosure will be annual and thereinafter it will be semi-annual. This means that in practice the first disclosure will take place in 2023 for the disclosure reference date as of the end of December 2022, with a phase in period for the disclosures on institutions until June 2024, when the whole set of the required information (i.e. GHG emissions, GAR, Banking Book Taxonomy Alignment Ratio ("BTAR")) will be disclosed.

The Bank has analyzed the associated instructions and broken down all relevant information required, is in the process of determination of relevant involved Units/Owners, set up a project that is also included as a sub initiative in Transformation Program in order to properly and effectively seek for all needed additional information and to be able to respond to the regulatory requirements starting from 4Q.22. Moreover, the ultimate goal is to incorporate all the required information in IT systems leading to a fully automated internal procedure and controls in order to be able to deliver timely and efficiently the requested templates.

Risk Appetite Framework ("RAF")

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

An effective RAF is fundamental to a strong risk management and governance framework. The RAF is not just a Key Performance Indicator (KPI) monitoring system; it constitutes an essential mechanism to support the Board of Director's oversight of the strategy execution within the risk boundaries that the Group is willing to operate. Through the RAF, overall aspirations of the Board of Directors are translated to specific statements and risk metrics, enabling planning and execution, while promoting firm-wide thinking. In 2022, the RAF was updated to reflect the latest developments and to get aligned with the new Business Plan of the Group.

NBG has in place an effective RAF that:

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

Within this context, the RAF allows:

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

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

New Reporting Tool for Credit Risk Purposes

Synergies among IT and Credit Risk Units for the architecture and implementation of a new in-house module for the union and blending of credit risk data, supported mainly from the IT infrastructure, as well as, from excel files in order to be consistent with the Financial Statements, i.e. other assets. The new module will carry out the automation and integration of all credit risk reporting requirements according to the Basel III framework. Moreover, the module will be updated accordingly with the new rules of Basel IV (Basel III reforms specific modifications), effective from 1 January 2025.

Pricing and Credit Risk Models

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

The Bank, in 4Q. 22, has initiated the revision and update of the components factored in the Risk-based Corporate & Retail Pricing models, i.e., incorporating actual Funding cost curves, operational expenses & Credit Risk. The update will be completed within 2023 and all relevant amendments will be incorporated in Pricing Guidelines.

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, a new suite of models for the Small Business portfolio was developed. The new models will facilitate the Bank's strategic expectation regarding Small Business segment. More specifically, 23 new models were developed, utilizing 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.

The systemic implementation of the newly developed models and the alignment with the existing Small Business Swimlane framework is expected to be completed within 2023. Additionally, a set of new data sources (e.g. open banking data) will be explored aiming to further enhance Small Business modelling.

New Corporate Rating Model

In February 2022, the implementation of the New Corporate Rating Model ("CRM") was completed and the model was launched into production. New CRM which is the core model of NBG's Underwriting Platform, "Moody's CreditLens (CL)", is an optimized model, with more recent, representative data which is also enhanced with Early Warning System capabilities (i.e., integration of customer behavioral score in the evaluation process) and is expected to provide more accurate ratings, facilitating the Bank's lending activities.

IFRS 9 Models Review in 2022

IFRS 9 SME Retail PD and LGD

In 2022, NBG finalized and launched two new models for the Retail SME portfolio, which are utilized for IFRS 9 purposes from 4Q.22 onwards. The new models are considered as major developments in the Bank because, in contrast to the previous methodologies used, they have the ability to produce obligor specific risk sensitive estimates. The SME Retail PD produces estimates at an account level and the SME Retail LGD considers three basic model components that lead to the implementation of conceptually sound estimates.

IFRS 9 / Consumer Term Loans LGD

Within 2022, the Bank re-developed, finalized and launched a new Consumer Term Loans LGD model which is utilized for IFRS 9 purposes from 4Q. 22 onwards. This fully re-designed new model incorporates the new Definition of Default, utilizes macro FLI in all of its components and handles various issues concerning the initial model version.

IFRS 9 Models Review in 2023

In the context of IFRS 9 Models Review project, a re-development phase of Retail Non-SME Revolving Products models is underway. This is the sole remaining loan segment where the initial models' version is still applied, and the scope of the project is to help the Bank achieve high quality and sound implementation of IFRS 9 principles that meet regulatory expectations across loan portfolios.

Moreover, IFRS 9 Corporate and SME Retail EAD models' development will be finalized and will be implemented in the Bank's systems.

In addition, the optimization of the Project Finance scorecard has been initiated and is expected to be completed and implemented by the end of 2023. Project Finance is one of the five different rating models comprising NBG's Corporate Credit Rating System ("CCRS") and is used in order to assess Corporate exposures, where the purpose is to finance the development or acquisition of large, complex and expensive installations. The new scorecard will ensure full alignment with the regulatory expectation.

Update of Credit Risk Model Development Policy

In 2023, 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 2022 are summarized below:

- Following the successful completion of SSM's onsite investigation, NBG received ECB's approval for the inclusion of Vega risk in the VaR model, which improves the risk factor coverage, accuracy and robustness of the model and, consequently, the estimation of Market Risk capital charges.
- Implementation of a new methodology based on ISDA's Standard Initial Margin Model ("SIMM") for the calculation of the Potential Future Exposure ("PFE") of derivative transactions with corporate clients.

Moreover, the following actions are scheduled for 2023:

- Inclusion of Vega risk in the VaR/sVaR calculations since January 2nd 2023, based on ECB's approval letter.
- Transition of all PFE calculations to a new simulation engine, which utilizes the existing Market and Counterparty Credit Risk infrastructure.
- 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.
- Update of Market Risk Policy and Methodology documents, to reflect the inclusion of Vega risk in the VaR model.
- Delivery of the EBA 2023 Stress Test templates related to Market Risk, Counterparty Credit Risk and Liquidity Reserves.

○ Interest Rate Risk in the Banking Book

Policy interest rates have been increasing steadily since 2H.22, mainly as a monetary policy response to recent inflationary pressures linked to the rise of energy prices and exacerbated by the war in Ukraine. This important development marks the transition from near-zero to new, substantially increased interest rate levels, which has propagated to all major market interest rate benchmarks. The Bank has monitored closely the effect of these developments to the core interest rate risk metrics of the Balance Sheet and designed appropriate RAF metrics changes, in order to better capture the Bank's Risk Appetite in this shifting interest rate environment.

In this context, the RAF update project, which is due to be completed in 1Q.23, will include substantial changes in the IRRBB NII sensitivity metrics, in order to align the Bank's Risk Appetite to this risk type in the current interest rate environment.

Additionally, the GFLRMD formulated and presented to the ALCO Committee a new framework for monitoring and managing Credit Spread Risk in the Banking Book, in order to comply with the updated Regulatory requirements. The Bank plans to conclude during 2023 the definition of the Credit Spread Risk in the Banking Book framework, with the completion and approval of the relevant Policy Document.

○ Liquidity Risk

In the context of continuously improving its Liquidity Risk Management Framework and respond to the regulatory requirements, the Bank completed in 2022 the following exercises/enhancements:

- The submission of the updated documents "Identification of Key Liquidity Entities" and "Identification of Key Liquidity Drivers", as part of the wider SRB Resolution.
- The enhancement of operational efficiency of the in-house liquidity application with the implementation of archiving and restoring processes.

Moreover, several enhancements and new initiatives are planned to be implemented during 2023. More specifically:

- Update of Liquidity Risk Management Policy and Contingency Funding Plan, as per the supervisory requirements.
- Submit the required by SRB document in the context of the 2023 liquidity in resolution project.
- Implement the new guidelines for the supervisory Additional Liquidity Monitoring Metrics ("ALMM").

Operational Risk Management

In a continuous effort to further improve Operational Risk Management throughout the Group several initiatives were undertaken during 2022.

A significant accomplishment was the successful implementation of the Operational Risk Management Module of the Governance, Risk and Compliance ("GRC") Platform. The transition to the new platform was completed on time and the ORM module is fully operational since 1Q.22. Additionally, GORMD's certified personnel provides Group wide training on the new capabilities of the platform on an ongoing basis. 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. The scope of the Project comprised the following steps:

- Definition of Roles & Responsibilities and depiction in a Responsible, Accountable, Consulted, and Informed ("RACI") matrix.
- Assessment of the adequacy of all related documents such as Mandates, Policies, Frameworks.
- Design or update of the reporting and monitoring procedures.
- Definition of the relative risk metrics (KRIs).

Another key enhancement was the review & update of NBG's KRI Dashboard. All KRIs were reviewed in order to further improve their relevancy and consistency with Bank's Risk Profile, whereas all KRIs thresholds were also reviewed and calibrated. Furthermore, new KRI Dashboards were developed for major domestic (NBG Leasing S.A., NBG Factors S.A.) and foreign (NBG Cyprus Ltd, Stopanska Banka A.D. -Skopje) subsidiaries.

Additionally, a major initiative was the enhancement of the Outsourcing Risk monitoring process. The Bank updated its Outsourcing Policy in June 2022 and developed a detailed Outsourcing Procedure, which encapsulates the whole outsourcing process lifecycle. GORMD continued with the ongoing monitoring of the Outsourcing Risk that includes, among others, the review of all Outsourcing Risk Assessments, the evaluation of Critical Outsourcing Arrangements and the relevant Exit Plans, as well as, the preparation of regular reporting to the Outsourcing Committee and the Board of Directors. The Bank is also in the process of reviewing and validating the risk assessment methodology used to assess the Outsourcing Risk per Outsourcing Engagement. Other projects which were completed in 2022 and related to the enhancement of management of Operational Risk are the following:

- The Operational Risk Management Framework, as well as, the relevant Policy & Guidelines documents were revised in order to incorporate all new regulatory developments BCBS Principles on the Sound Management of Operational Risk & Operational Resilience.
- Aiming at the identification and measurement of potential future, significant operational risk exposures, the Bank's Executive and Senior Management conducted for a fourth consecutive year, an evaluation of the Group's main risks (Top Operational Risks) based on the Scenario Analysis Methodology.
- 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.
- GORMD completed the review and reclassification of the recorded operational internal loss events, based on the updated Operational Risk Taxonomy in order to facilitate better analysis and proactive risk management.
- The monitoring of Cyber Risk and the review of all ICT & Business Continuity documents was an additional priority given by Group Operational Risk in 2022. Besides, GORMD continued with consulting & advising on services delivered on Cloud and also participated in the Power Outage Scenario Implementation.
- Finally, GORMD reviewed and commented upon approximately 60 Bank Policies, as well as on New & Updated Products & Services designed and implemented by the Bank.

Finally, and in order to establish and develop a number of Risk Culture initiatives, Group Operational Risk applied an extensive Operational Risk training program that was provided throughout the Group. A number of 44 Training Sessions with 2,069 FTE Training hours was delivered to all SRCOs & URCOs, as well as, to other Bank employees involved in the implementation of Operational Risk Programs (RCSA, Internal Events, KRIs). A new initiative was the training on Outsourcing Risk Management that was delivered to the Bank's Business Units Heads in 4Q.22. Additional training sessions for URCOs have been scheduled for 2023. 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.

Moreover, a number of enhancements and new initiatives are planned to be implemented during 2023. More specifically:

Participation in the Transformation Project

- Engagement in ESG Workstream that includes C&E Scenario Analysis, Stress testing & Reporting.
- Additional Enterprise Risk Management initiatives.

GRC Reporting Capabilities

- Group Operational Risk, works on the development of GRC reporting templates by utilizing Power BI capabilities.

Transition to Basel IV

- Operational Risk Management prepares for the transition to Basel IV regarding Operational Risk, based on the New Standardized Approach.

2023 Stress Test

- GORMD participates in the 2023 Stress Test, along with all involved Risk Units.

Consulting and monitoring of ICT & Outsourcing Risks

- GORMD will keep monitoring ICT Risks providing consultation in Cyber & Business Continuity related Projects and Initiatives, as well as to Assessments and other Actions related to the management of Outsourcing Risk.

Implementation of the annual RCSA Plan

- GORMD will continue with the implementation of the 2023 RCSA plan and initiation of the RCSA cycle for the identification and assessment of operational risks and their associated controls.

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

Management of Risks

Credit Risk

(Audited)

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

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

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

Credit Policies of each subsidiary are approved by the competent local boards or committees, following a recommendation by the responsible officers or subsidiaries' bodies, according to the decisions of the Bank and the provisions of the Credit Policies. Each proposal must bear the prior consent of the Group Chief Credit Officer ("CCO"), or the Head of NBG's Group Retail Credit Division depending on the portfolio, in collaboration with the Head of NBG's 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.

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

Concentration Risk

(Audited)

The Bank manages the extension of credit, controls its exposure to credit risk and ensures its regulatory compliance based on an internal limits system. The 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 RAF and are revised at least annually. Excesses of the Industry Concentration Limits should be approved by the BRC following a proposal of the General Manager of Group Risk Management CRO. Any risk exposure in excess of the authorized internal obligor limits must be approved by a higher level Credit Approving Body, based on the Credit Approval Authorities as presented in the Corporate Credit Policy.

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 1 capital adequacy is adjusted to ultimately take into account such concentration risks.

Market Risk

(Audited)

Market Risk is the current or prospective risk to earnings and capital arising from adverse movements in interest rates, equity and commodity prices and exchange rates, 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 Baking 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 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's exposure to commodity risk is limited, since the clients' positions in commodity derivatives are mostly hedged with exchange traded commodity futures.

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

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

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

The adequacy of the Market Risk Management Framework as a whole, as well as the appropriateness of the VaR model, were successfully reassessed by the SSM, in the context of the Targeted Review of Internal Models ("TRIM"). ECB concluded in its final Decision that NBG may continue calculating the own funds requirements for general market risk with the internal model approach, which verifies the robustness of the Bank's Market Risk management model. Furthermore, the Bank's independent 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. Finally, the GFLRMD implemented the new standardized approach for the calculation of the Market Risk capital requirements under Basel III (SA-FRTB), in the current risk engine. The revised framework came into force for reporting purposes in 3Q.21.

Interest Rate Risk in the Banking Book (Audited)

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

- Gap risk: the risk related to the timing mismatch in the maturity and re-pricing of assets and liabilities and off-balance sheet short- and long-term positions;
- Basis risk: arises from imperfect correlation in the adjustment of the rates earned on and paid on different instruments with otherwise similar repricing characteristics;
- Option risk: arises from embedded options in the Group's assets, liabilities or off-balance sheet portfolios.
- 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 or by expected credit (i.e., jump-to-default) risk.

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

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

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

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

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

Both metrics are used in establishing the Group's IRRBB capital requirements. The evaluation and review of IRRBB measurement systems and processes is undertaken annually by the Group's Internal Audit Division in relation to capital requirements calculations performed for the ICAAP exercise. Furthermore, the Bank's independent MVU granted full approval to the IRRBB model and has included IRRBB to its models' inventory and corresponding annual model recertification process.

A set of IRRBB limits are defined in the Group's RAF in relation to the EVE sensitivity measure and in alignment with the limits prescribed in the Supervisory Outlier Test of the latest IRRBB Regulatory Guidelines. In addition, the Bank has established internal IRRBB limits of the Bank's NII sensitivity to interest rate fluctuations. Both EVE and NII sensitivity limits are monitored and reported to the BRC as well as the ALCO on a monthly basis. The Group is exposed to increasing levels of IRRBB, amidst the current, increasing interest rates environment, which however remain within the limit structure prescribed in the Regulatory Guidelines.

Counterparty Credit Risk

(Audited)

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.
- 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.

Country Risk

(Audited)

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

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

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

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

GFLRMD monitors country risk exposure, as defined above, on a daily basis, mainly focusing on the countries where the Group has presence. Currently, the Group has limited exposure to country risk, since the main operations abroad are in Cyprus and Northern Macedonia.

Liquidity Risk

(Audited)

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 appetite approved by the BRC and to develop the policies, methodologies and procedures for identifying, measuring, monitoring and controlling Liquidity Risk, consistent with the nature and complexity of the Bank's activities. The Bank's executive and senior management is informed daily of the Bank's Liquidity Risk position, ensuring that the Group's Liquidity Risk stays within approved levels.

On a daily basis, senior management receives the Bank's liquidity report, which presents a detailed analysis of the Bank's funding sources, liquidity buffer, cost of funding and other liquidity metrics and indicators in line with the Bank's RAF, Recovery Plan and Contingency Funding Plan. Risk Management is also able to produce and report the LCR to executive management daily, leveraging the capabilities of the in-house developed liquidity platform. Additionally, Risk Management reports monthly to ALCO, all approved liquidity metrics and indicators, as well as liquidity stress testing outcomes, maturity gaps between assets and liabilities, and cost of funding evolution.

Liquidity Risk management aims to ensure that the Bank's liquidity risk is measured appropriately and reported frequently to confirm that liquidity metrics are within set risk appetite, and management is promptly informed of any developing liquidity risks. In addition, the Group's subsidiaries measure, report and manage their own individual Liquidity Risk, ensuring they are self-sufficient in a liquidity stress (i.e., not reliant to the Parent entity).

Current Liquidity Status

NBG's robust liquidity position has been successfully tested and confirmed during the last three years of continuous global challenges, starting with the COVID-19 crisis, and more recently with the energy crisis. The Bank's strong liquidity position stems from the stability of its funding sources, and from the high level of its liquidity buffer, making the Bank very resilient to a potential liquidity stress event.

On 31 December 2022, the Bank's strong liquidity profile is representative of a healthy liability side of the balance sheet. The funding structure has further improved by the inflow of customer deposits and the Bank's successful issuances of Senior Preferred Bonds, whilst the Bank maintains full access to the secured interbank markets. Moreover, LCR and NSFR, as well as the Bank's Liquidity Buffer currently stand at the highest historical levels.

Funding Sources and Key Liquidity Metrics

The Bank's principal sources of liquidity are its customer deposits, Eurosystem funding, which is gradually decreasing, repurchase agreements (repos) with FIs and wholesale funding through the issuance of (MREL-eligible) securities. 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 own issued covered bonds.

During 2022, the Bank strengthened its liquidity profile, as customer deposit balance continued its upward trend and stood at €53.7 billion on 31 December 2022, driven by an increase in the Bank's most stable deposit class, the saving deposits by €2.4 billion. Moreover, MREL capacity was significantly improved, with the successful issuance of €0.8 billion Senior Preferred bonds in 4Q.22.

Additionally, the Bank's participation to the ECB TLTRO III refinancing operations, decreased to €8.1 billion in 4Q.22, compared to €11.6 billion the year prior, driven by the increase, as announced by the ECB in October 2022. The Bank's secured interbank funding transactions decreased by €1.1 billion compared to 31 December 2021 and amounted to €0.1 billion as at 31 December 2022 as well.

All the aforementioned developments, increased the Bank's LCR and NSFR during 2022, to historically high levels. More specifically, on 31 December 2022 the Bank's LCR stood at 250.2% (Group: 259.2%), and the Bank's NSFR stood at 146.7% (Group: 146.3%). Finally, Loan-to-Deposit ratio stood at 57.7% and 58.6% as of 31 December 2022, on a domestic (Greece) and on a Group level, respectively.

During 2022 the Bank's funding cost moderately increased by 32 bps and on 31 December 2022 stood at 30 bps, while ECB interest rates increased by a total of 250bps. The cost of funding increase was mainly attributed to the 2022 MREL issuances and the TLTRO-modality changes.

Finally, the Bank's ample liquidity buffer, which stood at €25.9 billion as at 31 December 2022, increased by €1.4 billion compared to 31 December 2021. More specifically, it comprises of €13.6 billion in the form of cash deposited with the Bank of Greece and other cash deposited in Nostro accounts, €6.4 billion of collateral eligible for ECB funding and €5.9 billion of unencumbered collateral that could be used for secured interbank funding with FIs.

Operational Risk

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

The Group Operational Risk Management Division is responsible for overseeing and monitoring the risks assessment, providing appropriate tools and methodologies, coordination and assistance to the Business Units and proposing appropriate risk mitigation measures. Furthermore, regularly reviews the Group's ORMF in order to ensure that all relevant regulatory requirements are met.

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

In particular, under this ORMF, NBG aims to:

1) establish a consistent Group-wide approach to operational risk management leading to a proactive approach in avoiding unexpected events and minimizing of operational risk losses;
2) support the Group's business strategy by ensuring that business objectives are pursued in a risk-controlled manner;
3) improve the quality of operational risk information leading to more informed risk decision-making and capital allocation;
4) ensure consistency with best practices and compliance with regulatory (quantitative and qualitative) requirements;
5) promote a Group-wide operational risk awareness and culture further contributing to process efficiency and control effectiveness.

The GORMD reports to the Operational Risk Management Committee ("ORCO"), a sub-committee of the Senior Executive Committee. ORCO, that has the overview of the ORMF implementation, meets regularly on a quarterly basis, providing a semi-annual report to the Senior Executive Committee. In January 2022 an Outsourcing Committee was established, which operates in accordance with the applicable legal and regulatory framework and is responsible for overseeing the outsourcing arrangements' risk of the Group.

The overall responsibility for the management of Operational Risk relies within the First Line of Defence Business Units (please refer to section "*Corporate Governance Statement - E. Internal Control System and Risk Management*" of the Board of Directors Report for the Lines of Defence), that are responsible and accountable for directly identifying, assessing, controlling and mitigating operational risk within their business activities in compliance with the Bank's policies and procedures.

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

- **The RCSA** process: it is a recurring, forward looking process performed on an annual basis aiming at the identification and assessment of the operational risks faced by the Group. The scope of RCSA extends to all business lines, thereby to all business, support or specialized Units;
- **The Internal Events Management** process: NBG requires accurate and timely knowledge of operational risk related internal events and has therefore established an appropriate event management process that covers the event life cycle, comprising the event identification, categorization, analysis, on-going management, remediation actions and reporting;
- **The Key Risk Indicators definition and monitoring** process: NBG defines as Key Risk Indicator any simple or combined data variable, which allows the assessment of a situation exposing the Bank to operational risk, as well as its trend, by monitoring/comparing its values over time. Therefore, KRIs are metrics providing early warning signs, preventing and detecting potential risks and vulnerabilities in the activities of the Bank;
- **The Scenario Analysis** process: NBG defines Risk Scenario as the creation of a potential event or consequence of events that expose the organization to significant operational risks and can lead to severe operational losses. Scenario Analysis is the process that reveals all the long-term exposures to major and unusual operational risks which can have substantial negative impacts on the organization's profitability and reputation;
- **The Training Initiatives and Risk Culture awareness** actions: Group Operational Risk Management Division designs and implements training programs on operational risk and the ORMF, the use and implementation of programs, methods and systems as well as other actions aiming at knowledge sharing and the establishment of Operational Risk culture Group-wide.

Model Risk

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

Model Risk occurs primarily for two reasons:

- a model may produce inaccurate outputs due to errors in its design, methodology, data inputs or implementation;
- a model may be used incorrectly or inappropriately, without following the proper considerations regarding its limitations and assumptions.

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

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

- *Key Policy and Governance Elements*: The MVU regularly updates the Bank's Model Validation Policy, develops and introduces in a phased approach, documents and guidelines subordinate to the Policy to enhance the actual MRM Framework. Based on them, relevant controls have been designed and an issue and action plan management workflow has been inaugurated. The MVU has compiled a set of business processes in the form of workflows, that serve the management of models' lifecycle and has also developed a Model Risk quantification methodology. The latter has been approved in April 2020 and is utilized for ICAAP reporting purposes.
- *Model Risk Management Tools and Platform:* The MVU has put in effect automation tools, has developed in-house processes and has created libraries containing internally built code, following best practices and engineering standards, to effectively perform all quantitative validation tasks. The MVU is also participating in the new Common *GRC* platform implementation team. All necessary actions regarding the Common GRC platform's MRM module that will mainly assist the Unit's day-to-day business, including the IT configuration of the platform and the extended UAT phases that have contributed to the module's release to production in December 2020, have been duly completed. The module has been meticulously customized to comply with the existing MRM Framework thus facilitating its integration into the Unit's and the Bank's daily processes. An MRM module User Workbook, which meets the training needs of the platform's delegated users by incorporating the module's various functionalities, has been compiled by the Unit. Furthermore, the Unit has already proceeded with the registration of most material models in the module's embedded Model Inventory.

MVU has undertaken further initiatives towards the above two directions. Firstly, an update of the Model Validation Policy and its Annexes has been drafted, mainly focusing on their alignment with the Bank's internal control mechanisms, their enhanced integration with the MRM Framework's recent developments and the compliance with the requirements of the recent regulatory developments.

Moreover, the MRM module's use is scoped to be further expanded by completing the registration process of all the Bank's models being in use, including even those recognized as non-material, that are not currently contributing to the quantification of Model Risk. Additionally, MVU plans to formulate processes related to the existing communication needs through the issuance of specific directives concerning the adoption of MRM module's use and the widened introduction of the comprising model lifecycle workflows, the training of the appropriate personnel and finally, will be working towards embedding the reporting stream produced by various Risk and Control Units into the Common GRC Platform, integrating all reports being pertinent to the Model Risk management process as encoded in the controls developed by the MVU, the related Policy documents and their Annexes.

The Key aspects of the Model Risk Management framework are:

- *Policies and Processes:* In an effort to ensure the accurate, timely and flowless Model Risk quantification process and to manage it in its entirety, a comprehensive set of guidelines regarding the models' lifecycle being in effect as well as Policy and methodology documents relevant to model governance, management and validation have been elaborated. The set consists of clear and streamlined workflows and methodology documents resulting from MVU's expertise and "deep dive" analysis which are concerning the Banks' existing business processes and the relevant regulatory framework.

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

- *Issues and Action Plans:* The MVU has accomplished a specific issue tracking business process, implemented in the Bank's new Common GRC platform, for the purpose of communicating model issues to the model owners, tracking their statuses, approving action plans regarding the necessary mitigating initiatives, keeping track of their accomplishment and finally reporting the completion of issues' resolution to the BRC. This multitude of processes ensures that validation exercises are contributing effectively to maintain the models sound and functional, keeping them fit for purpose and assisting at the same time active Model Risk management while ensuring that their business essence is not to be solely performed for the fulfilment of reporting need and purposes.

- *Model Inventory and Model Risk Management Module:* The Group's Risk Units have worked extensively towards the adoption of a workflow management system which aims among other purposes, to automate most of the procedures being pertinent to the models' lifecycle. This need will be covered by the Model Risk Management module being part of the Common GRC Platform, that also incorporates a self-contained model inventory comprising a thorough and concise model registry in terms of model attributes. These attributes can provide the required supportive evidence to the mentioned issues workflow management system. Furthermore, they will be utilized – in their entirety or partly – as a pool of necessary inputs for Model Risk estimation purposes. The inventory is intended to become the Bank's comprehensive model repository and to play an essential role in the centralized and holistic approach of Model Risk assessment.

The structure of the Model Risk Management process followed by the MVU, is built around a set of distinct phases.

Initially, when the development of a new model is decided, the model has to be registered in the Model Inventory by its owner. Effective Model Risk Management requires the maintenance of a complete and exhaustive inventory, comprising the entirety of the models employed by the Bank, so that the prioritization of the validation exercises and also the tiering and the monitoring of the Model Risk can be adequately supported. During the models' development phase, the MVU is kept informed of the performed process's progress status. Upon model development completion, the Model Inventory is updated by the model owner with the essential material that is needed to conclude the model materiality tiering, the Model Risk assessment and the model review and finally the completion of the validation process as a whole.

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

Following the model's approval by the competent management level or committee, the model is implemented in the appropriate system. The implementation phase constitutes an additional source of Model Risk. The MVU conducts an implementation review to assess if the implementation process and all available reports covering the IT and UAT tests were suitably performed and examined, with the aim to determine if the deployed model is fit for the intended purpose and functions as expected. Deployed models and their correct use are regularly monitored by their owners, while they are also re-visited by the MVU through ongoing validation exercises (yearly in case of models that present material Model Risk, or less frequently for the rest of the models), focusing mainly on models' discriminatory power, accuracy and stability. Any validation exercise could potentially lead to the issuance of RAIs and could possibly trigger the necessity of creating a new model version in case of required material model changes. The latter could consequently kick-off a new model lifecycle and maintenance set of actions, as described above.

Climate and environmental Risk

Acknowledging the importance and potential impact of 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, the Bank:

- Incorporated C&E risks in its Risk identification, by recognizing in its Risk Taxonomy Framework ESG as transversal, cross-cutting risks rather than stand-alone risks and considering them as drivers of existing types of financial and non-financial risks.
- Developed the methodological approach to assess the materiality of ESG risks as drivers of existing types of financial and non-financial risks. The Outcome of the first Materiality Assessment was included in the 2022 ICAAP and ILAAP Reports.
- Assigned the responsibility for the management of C&E risks throughout its organizational structure, cascading down through the three lines of defence and simultaneously established new Committees (Innovation and Sustainability Committee and ESG Management Committee) as a proof of effectiveness.
- Incorporated ESG risks/drivers in the Risk Management Framework of the existing risk types and implemented the necessary enhancements into their area of expertise, as follows:
    - The Bank incorporated the assessment of ESG risks in its **Credit Granting & Monitoring Process** of the corporate portfolio. In this context, documentation, and tools (i.e., ESG process guidelines, user manuals, ESG scoring methodologies, ESG specific scorecards) have been developed and are used by the corporate underwriters in order to assess and classify obligors and transactions in terms of ESG related risks and sustainability lending criteria.
    - ESG related qualitative and quantitative risk metrics (C&E metrics for monitoring purposes) have been introduced to the **Risk Appetite Framework** of the Bank.
    - The Bank aligned the **NBG Risk Taxonomy** and all other **Operational Risk Programs** with the inclusion of ESG risks based on the requirements set by the competent authorities.
    - The Bank incorporated ESG risks in the **ICAAP/Internal ST Frameworks**.
    - The Bank has leveraged on its existing Stress Testing processes and infrastructure and complied with the **EU-wide Climate Risk Stress Test** submission requirements (1H 2022) in terms of completeness and timeliness. The Bank has proceeded with high priority data enhancements in this context, utilizing external sources as well as proxy modelling, which form a basis for further enhancement of relevant capabilities.

In January 2022, the ECB launched a supervisory Climate Risk Stress Test to assess how banks are prepared for dealing with financial and economic shocks stemming from climate risk. The exercise was conducted in the first half of 2022, after which, the ECB published aggregate results.

This test was a learning exercise for banks and supervisors as well. It aimed to identify best practices, as well as vulnerabilities and challenges banks face when managing climate-related risks. Importantly, this was not a pass or fail exercise, nor did it have direct capital implications for supervised institutions.

In July 2022, NBG announced the successful completion of the 2022 Climate Risk Stress Test, with NBG's overall performance being in line with the average of the EU-wide participating institutions. In terms of advancement in the internal climate stress-testing capabilities (qualitative part of the Exercise), the Bank ranked above the average of the total EU sample, at Medium-Advanced level, while in the domestic banking sector, NBG's overall transition impact on Business Model viability was assessed as of relatively lower risk (Advanced scoring).

The 2022 Climate Risk Stress Test outcome reflects the firm commitment and progress made by NBG, setting the basis for an effective climate risk management framework and timely adaptation of processes and strategies, via ambitious plans for substantial investment in human and technical capabilities.

Going forward, the Bank is planning to further enhance the incorporation of ESG factors in its Risk Management Framework, as methodological approaches mature, quantification/analytical capabilities develop and additional climate and environmental data become available.

Moreover, key initiatives relevant to the implementation of the ESG strategy are being included in the Transformation Program to ensure high level of focus and execution discipline in the aforementioned critical areas. Planned actions are summarized as follows:

- Enhancement of C&E Credit Risk Capabilities through:
    - Integration of C&E risks in lending policies (limits, thresholds, etc.),
    - Adjustment of risk classification procedure via linking C&E risks with credit risk,
    - Incorporation of C&E risks into loan pricing, and
    - Regular monitoring of credit risk C&E risks.
- Launch regular operational Climate risk monitoring, covering materially affected risk types, for historical/static KRIs.

- Execute a pilot set of forward-looking Climate risk Stress projections (medium-term, under static approach).
- Develop methodology for measurement of GHG emissions & target-setting, including complete internal Financed Emissions' proxy measurement model, for standard use in historical measurement.

Other Risk Factors

Cyber security

The Bank is increasingly dependent on information and communication technologies to achieve its mission and carry out its day-to-day operation. Timely and valid information is necessary to support the Bank's business decisions. The Bank considers its information, as well as that of its Group of Companies, a strategic asset, and fully recognizes the importance of protecting and safeguarding it, as it is critical to its operation.

Information and communication technologies are subject to ever-increasing and complex threats, which exploit known and unknown system vulnerabilities with potentially serious impact on business operation, individuals, and critical infrastructure due to the breach of confidentiality, integrity, and availability of information that these systems process, store or transmit.

In a continuously evolving and changing digital global landscape, there is an increase of information security risks in the banking sector:

- The rapid growth of important technological breakthroughs (e.g., Cloud, Quantum computing, 5th generation networks, artificial intelligence - AI, Internet of Things – ("IoT").
- Unpredictable geopolitical developments.
- The increased use of new technologies and digital applications to provide services to consumers and companies, in the midst of an unprecedented pandemic (COVID - 19), with shocking consequences for humanity.

In fact, after all, the more the society and the economy rely on the digitization of processes and services, the more the attack surface, or else, the perpetrators' opportunities for malicious actions increase, compelling all relevant bodies involved, in timely planning and an effective response.

Therefore, information security is a key success factor in the Bank's business activities. The need for information security is particularly important in this modern, sophisticated, and interconnected business environment.

The Group continuously analyzes its threat environment in order to identify the most important threats that may undermine the achievement of its business objectives.

The Bank has implemented appropriate security controls, aiming to mitigate the risks arising from cyber-attacks (Cyber Risk) and to facilitate the increase of its resilience to the challenges related to cybersecurity.

The most essential, among others, controls are outlined below:

- NBG Group has a designated Group CISO role who oversees the Information Security Function as well as the Group's Cybersecurity Division.
- NBG Group Enterprise Information Security Policy is the cornerstone for the implementation of a complete Information Security Management System, reflecting Management's commitment, the governance framework, and the Group's Information Security / Cybersecurity principles.
- The NBG Group Enterprise Information Security Policy is supplemented by an extensive set of Information Security Procedures and Guidelines (Information Security Management System), based on international standards, compliance regulations and best practices.
- The Bank has attained the ISO 27001 certification.
- The Bank has attained the PCI DSS certification.
- The Bank follows a multilayered approach for the protection of its information assets. This approach includes but is not limited to DDoS protection, information intelligence services, perimeter controls such as firewalls, IDSs / IPSs, Secure Email Gateways, Secure Web Gateways, Endpoint protection, Data Leakage Prevention (DLP) solution, Security Information and Event Management (SIEM) solution, 24X7 Security Operation Center ("SOC") etc.
- The Bank performs a modern Cyber Security Awareness program.
- The Bank carries out security reviews regularly, and whenever deemed necessary in accordance with best practices. The Bank complies to the applicable Greek and European regulatory framework and is subject to cybersecurity audits at least annually from regulators, the independent Group Internal Audit Function, external auditors for the Cybersecurity certifications that the Bank has attained, etc.
- The Bank has adopted best practices to ensure the Group's business continuity, enhancing its resilience to cyber-attacks.
- Although all necessary security measures are applied and enforced, the Bank maintains a cybersecurity insurance contract in the unlikely event of a successful cyber-attack or data breach.

NBG Group's cyber security systems continue to improve with the strengthening of detection, response, and protection mechanisms, in order to ensure high quality of customer service, protection of personal data, increase of service efficiency and secure business activity.

Deferred tax assets as regulatory capital or as an asset

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

The Group currently includes deferred tax assets ("DTAs") in calculating the Group's capital and capital adequacy ratios. As at 31 December 2022, the Group's DTAs, amounted to €4.7 billion (31 December 2021: €4.9 billion).

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

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

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

Furthermore, Greek Law 4465/2017 amended article 27 "Carry forward losses" by introducing an amortization period of 20 years for losses due to loan write offs as part of a settlement or restructuring and losses that crystallize as a result of a disposal of loans. In addition, in 2021 Greek Law 4831 further amended article 27 of Greek Law 4172/2013. According to this amendment the annual amortization / deduction of the debit difference arising from PSI losses is deducted at a priority over the debit difference arising from realized NPL losses. The amount of annual deduction of the debit difference arising from realized NPL losses is limited to the amount of the profits determined according to the provisions of the tax law as in force before the deduction of such debit differences and after the deduction of the debit difference arising from PSI losses. The remaining amount of annual deduction that has not been offset, is transferred to be utilized in the 20 subsequent tax years, in which there will be sufficient profit after the deduction of the above debit differences (PSI & NPL losses) that correspond to those years. As to the order of deduction of the transferred (unutilized) amounts, older balances of debit difference have priority over newer balances. If at the end of the 20-year amortization period, there are balances that have not been offset, these qualify as tax losses which are subject to the 5-year statutes of limitation.

As at 31 December 2022, the Group's eligible DTAs amounted to €3.9 billion (31 December 2021: €4.1 billion). The main condition for the conversion of DTAs to a Tax Credit is the existence of an accounting loss at Bank level of a respective year, starting from accounting year 2016 and onwards. The Tax Credits will be calculated as a ratio of IFRS accounting losses to net equity (excluding the year's losses) on a solo basis and such ratio will be applied to the remaining Eligible DTAs in a given year to calculate the Tax Credit that will be converted in that year, in respect of the prior tax year. The Tax Credit may be offset against income taxes payable. The non-offset part of the Tax Credit is immediately recognized as a receivable from the Greek State. The Bank is obliged to issue conversion rights to the Greek State for an amount of 100% of the Tax Credit in favour of the Greek State and will create a specific reserve for an equal amount. Common shareholders have pre-emption rights on these conversion rights. The reserve will be capitalized with the issuance of common shares in favour of the Greek State. This legislation allows credit institutions to treat such DTAs as not "relying on future profitability" according to Capital Requirement Directive ("CRD") IV, and as a result such DTAs are not deducted from CET1, hence improving a credit institution's capital position.

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

If the regulations governing the use of Deferred Tax Credit ("DTCs") as part of the Group's regulatory capital change, this may affect the Group's capital base and consequently its capital ratios. As at 31 December 2022, 64.7% of the Group's CET1 capital (including the profit for the period) was comprised of DTA eligible for DTC. Additionally, there can be no assurance that any final interpretation of the amendments described above will not change or that the European Commission will not rule the treatment of the DTCs under Greek law illegal and as a result Greek credit institutions will ultimately not be allowed to maintain certain DTCs as regulatory capital. If any of these risks materialize, this could have a material adverse effect on the Group's ability to maintain sufficient regulatory capital, which may in turn require the Group to issue additional instruments qualifying as regulatory capital, to liquidate assets, to curtail business or to take any other actions, any of which may have a material adverse effect on the Group's operating results and financial condition and prospects.

Non-Financial Statement

2022 Sustainability Highlights

In recognition of its ongoing endeavour to serve the needs of its stakeholders, and to provide full and transparent information on its sustainability actions, NBG received a number of important awards and distinctions in 2022 including:

Awards & Distinctions

"CR-Index Award 2021-2022"	NBG was awarded the top Diamond distinction for 2021-2022, for the fourth year running, in recognition of its overall contribution in the areas of Corporate Responsibility and Sustainable Development, within the Corporate Responsibility ("CR") Index 2021-2022 of the CR Institute.
"Best Corporate Governance-Greece" award from CFI	NBG has received for yet another year the "Best Corporate Governance-Greece" award for 2022 from the international organization Capital Finance International ("CFI"), on the basis of the corporate governance practices that it has in place. CFI enjoys the support of international bodies and organizations such as the Organisation for Economic Cooperation and Development ("OECD"), the European Bank for Reconstruction and Development ("EBRD") and the United Nations Conference on Trade and Development ("UNCTAD").
"Best Bank 2022"- HRIMA Business Awards 2022	NBG received the second "Best Bank Award - 2022" in the context of the Business Awards 2022 – HRIMA.
"Digital Banking Awards 2022"	NBG was awarded with three prizes in the context of World Finance Magazine's international awards "Digital Banking Awards 2022": **Best Consumer Digital Bank in Greece** **Best Mobile App in Greece** **Best Digital SME Bank in Greece**
"e-volution Awards 2023"	NBG was awarded with **Bronze award** in the category **"Best SEO for an e-Business",** organized by Boussias Communications.
"Digital CX Awards 2022"	NBG was awarded with two prizes in the context of **The Digital Banker** Magazine's international awards "Digital CX Awards 2022": **Best Retail Bank for Digital CX - Greece** **Best SME Bank for Digital CX – Greece**
"Digital Finance Awards 2022"	Organized by Boussias Communications under the auspices of the Labour Inspectorate Body (SEPE) and with the honorary support of the Electronic Business Lab (ELTRUN) of the Athens University of Economics and Business, where NBG won seven awards: **Platinum award** in the category **"Digital Banking"** for the service "**Full Digital Offering for Retail & Business Customers by NBG**" **Gold award** in the category **"Best Merchant Acquiring Digital Initiative"** for the service "**Online POS/e-commerce application for Business Customers by NBG**" **Gold award** in the category **"Best Internet Banking"**

	for the service "**New Corporate Internet Banking by NBG**" **Silver award** in the category **"Best Consumer/SME Lending Digital Initiative"** for the service "**Personal Express Loan by NBG**" **Silver award** in the category **"Best Fintech Solution"** for the service "**FinTech Solution – ERPs' Ecosystem through Direct Integration**" **Bronze award** in the category **"Best API Project"** for the service "**Customer Insights - Simplifying Customer's Digital Journey**" **Bronze award** in the category **"Best Digital Product Launch"** for the service "**Business Express Loan for Business Customers by NBG**".
"Loyalty Awards 2022"	For yet another year, go4more, NBG's total customer loyalty reward program, stole the limelight at the Loyalty Awards with six nominations: **Platinum award** in the category **"Best Promo Campaign / Contest"** **Gold award** in the category **"Best Promo Campaign / Contest"** **Silver awards** in the categories **"Banking & Insurance"** **"Best Short-Term Initiative"** **"Best Use of CRM"** **"Best In-house Loyalty Team"**

Memberships, Indices, Ratings and Certifications

The Bank's Memberships / Participations are listed below:

Memberships / Participations

UN Global Compact:	As of June 2018, NBG has joined the voluntary initiative of the United Nations, UN Global Compact as a Participant.
UNEP FI:	As of September 2020, recognizing the significance of responsible practices for ensuring the sustainability of its long-term operation, as well as the creation of value for its shareholders, customers, employees and the community at large, NBG has endorsed the UNEP FI Principles for Responsible Banking, aiming at further enhancing its commitment to its long-term strategic planning for contributing to a sustainable future for all.
Global Compact Network HELLAS:	As of June 2018, NBG has been a member of the local network of UN Global Compact, Global Compact Network Hellas ("GCNH"). Its role is to support UNGC Greek members to implement the 10 principles of the UN Global Compact and to create opportunities for cooperation and common actions with stakeholders.

The Hellenic Network for Corporate Social Responsibility:	As of December 2008, NBG has been a core member of the Hellenic Network for Corporate Social Responsibility ("CSR Hellas").
Hellenic Bank Association ("HBA"):	NBG is a core member of the Hellenic Bank Association, the body representing collectively banks, both Greek and international, operating in Greece. With regard to actions related to sustainable development, the HBA has set up an interbank Committee of which NBG is an active member.
Climate Action in Financial Institutions Initiative ("CAFI"):	In April 2020, NBG joined, as the first Greek Bank, the CAFI initiative. As a supporting member, NBG commits to advance towards the climate mainstreaming / Paris alignment journey and is therefore present at several events organized by the CAFI. In these events, representatives from other well recognized initiatives or institutions are sharing their expertise/experience in order to facilitate and to promote the Paris alignment process.
European Climate Pact:	In December 2021, NBG joined the European Climate Pact, showcasing concrete actions taken for the climate and the environment, through its Carbon Disclosure Project ("CDP"). The European Climate Pact is a Commission initiative to engage with different stakeholders and civil society with the aim to commit them to climate action and more sustainable behavior. The European Climate Pact will create a lively space to share information, debate and act on the climate crisis. It will offer support for a European climate movement to grow and consolidate. The European Climate Pact, is part of the Green Pact and helps the EU achieve its goal of being the world's first climate-neutral continent.

Indices & Ratings

The Bank's Indices, Ratings and Certifications are listed below:

Bloomberg Gender Equality Index 2023:

NBG was included for the 6th consecutive year in the group of international companies that make up the Bloomberg Gender Equality Index 2023. Currently 484 companies covering various sectors and 45 countries make up the index.

FTSE4Good Index Series:

NBG has been positively assessed for the 17th consecutive year for its social and environmental performance by independent analysts and as a result remains a constituent of the FTSE4Good Index Series.

MSCI ESG Rating:

In 2022 MSCI research maintained NBG to level "BBB", regarding the evaluation criteria used ("ESG Ratings"). NBG has been covered by MSCI for the 9th consecutive year.

Carbon Disclosure Project ("CDP"):

NBG published for the 16th consecutive year, information and data on its sustainability and climate change strategy, policy and actions, through the Independent Not-for-Profit Organization Carbon Disclosure Project, which holds the largest database of primary corporate climate change information. NBG was assessed and classified during 2022 with Level C "Awareness". Level C includes businesses that have proven recognition of the impact of climate change on their operation, as well as their own operation's impact on the environment.

ISS ESG Scores:

In 2022, ISS Corporate Solutions rated NBG with respect to the pillars of "Environment", "Society" and "Governance". The Bank was ranked in the highest Category 1 for the "Environment" and the higher category 2 for "Society" and "Governance" pillar. NBG has been covered by ISS for the 5th consecutive year.

Certifications

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

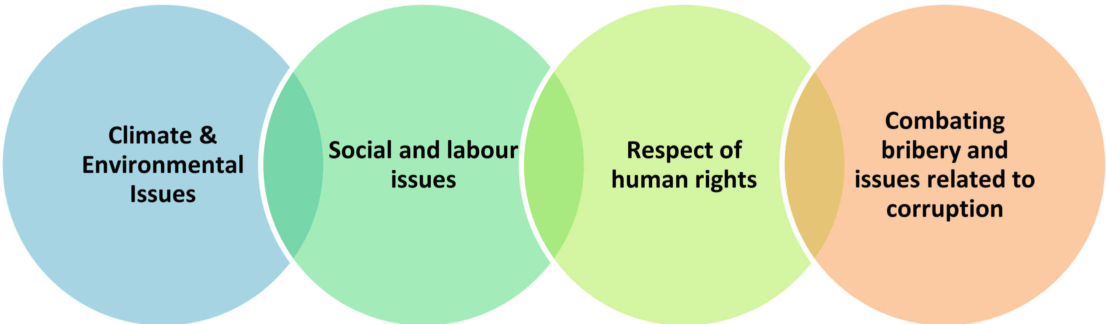
In the context of the Bank's Compliance with best international practices and Corporate Social Responsibility Standards, the Group Corporate Governance and Compliance General Division, after being successfully audited by the independent audit organization TÜV AUSTRIA Hellas, received on 26 September 2019 an Attestation for the implementation, monitoring and coordination of the corporate social responsibility principles for the Bank and the Group as defined in the international Guidelines of ISO 26000:2010. Following a demanding and highly successful certification process that was carried out in November 2021, the Bank maintained the abovementioned certification for yet another year. Currently, the Bank is in process to renew it.

ESG Report external assurance

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

International standards considered in preparing Non-Financial Statement

In accordance with the Articles 151 and 154 of Greek Law 4548/2018 as in force, the Bank is required to include in its Board of Directors Report a Non-Financial Statement disclosure aiming at the understanding of the development, performance, level and impact of the activities of the Bank and the Group. In the context of the aforementioned provisions, the Non-Financial Statement includes the following sub-sections:



Within the scope of the requirement for the disclosure of non-financial information, the Bank took into account international practices and standards such as the Organization for Economic Co-operation and Development ("OECD") Guidelines for Multinational Enterprises (2011), the Global Reporting Initiative ("GRI") Standards (Core option), the Sustainability Accounting Standards Board ("SASB") Standards, the ATHEX ESG Index, RobeccoSAM, the Climate Disclosure Standards Board ("CDSB"), the Task Force on Climate-related Financial Disclosures ("TCFD") and the EU Guidelines on non-financial reporting: Supplement on reporting climate-related information.

References required regarding NBG's business model are available in section "*Economic and financial review – Business Overview*". Additionally, the Bank, acknowledging the importance and potential impact of the risks stemming from climate-related and environmental factors, and aligning with the respective regulatory guidelines:

- has incorporated them in the NBG Risk Taxonomy, recognizing them as transversal, cross-cutting risks rather than stand-alone risks and considering them as drivers of existing types of financial and non-financial risks (Risk Themes); and
- is in the process of conducting the materiality assessment of climate-related and environmental risks in the course of the 2023 Internal Capital and Liquidity Assessment Processes ("ICAAP" and "ILAAP").

Moreover, the Bank has initiated multiple actions for the incorporation of climate-related and environmental risks in the overall Risk Management Framework, and is committed to monitoring, assessing and managing these particular risks going forward, in line with supervisory expectations.

A stakeholder focused approach

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

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

Stakeholders

NBG's stakeholders are comprised of persons and legal entities who influence and are influenced or are likely to be influenced by NBG's business decisions and activities.

The Bank applies specific procedures in order to identify its stakeholders. Accordingly, it recognizes the following basic groups as stakeholders:

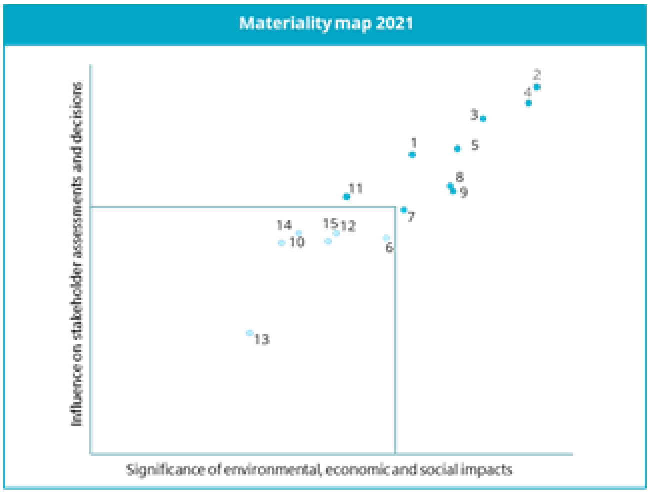
NBG communicates on a regular basis with each stakeholder group understanding the importance of this communication in obtaining the necessary information to improve its actions.

Stakeholder engagement aims at identifying key topics and mutually acceptable solutions with mutual benefits through correct business practices. The expectations of stakeholders, as well as the business environment in which the Bank operates, are constantly evolving. Evaluating the key issues helps us to identify and prioritize the environmental, socio-economic and governance issues that are of highest concern to stakeholders and the Bank. This process is carried out annually or no later than every two years and was last completed in October 2021. The main issues of concern including the basic engagement methods and their frequency, as recorded through the Bank's communication channels and assessed by the Bank in the context of implementing the AA1000APS.v3 standard, are as follows:

Main stakeholder groups	Main issues of concern	Communication and engagement channels	Frequency of communication and engagement: Daily	Quarterly	Annually	Ongoing basis	Ad hoc/On a case-by-case basis
Investors and Shareholders	▪ Impacts of products and services to the acceleration of the circular economy (resource efficiency/security). ▪ In-house environmental impacts. ▪ Impacts of products and services to the creation of employment. ▪ Impacts of products and services to the acceleration of economic convergence. ▪ Impacts of products and services to supporting inclusive and healthy economies.	**Presentation of Financial Results**	○	●	○	○	○
		Annual Financial Report	○	○	●	○	○
		Ordinary general meeting of shareholder	○	○	●	○	○
Customers	▪ Impacts of products and services to the creation of employment. ▪ Impacts of products and services to the acceleration of the circular economy (resource efficiency/security). ▪ Impacts of products and services to climate change. ▪ Impacts of products and services to the acceleration of economic convergence. ▪ Privacy & data security.	**Satisfaction surveys**	○	○	●	○	○
		Contact centre	●	○	○	○	○
		Sector for Governance of Customer Issues (complaints)	●	○	○	○	○
Suppliers and partners	▪ In-house environmental impacts. ▪ Impacts of products and services to climate change. ▪ Impacts of products and services to the acceleration of the circular economy (resource efficiency/security). ▪ Impacts of products and services to the acceleration of economic convergence. ▪ Impacts of products and services to the creation of employment.	**Evaluation process**	○	○	○	●	○
		Online participation in competitions	○	○	○	○	●
		Supplier relationships/complaints management	●	○	○	○	○
Business Community (Business Associations, Peers, Rating Agencies/Analysts etc.)	▪ Impacts of products and services to climate change. ▪ Impacts of products and services to the acceleration of the circular economy (resource efficiency/security). ▪ Impacts of products and services to the creation of employment. ▪ Risk management (i.e. incorporation of ESG Factors in Credit Analysis). ▪ Impacts of products and services to the acceleration of economic convergence.	**Meetings**	○	○	○	○	●
		Conferences	○	○	○	○	●
		Business organizations	○	○	○	○	●
Employees	▪ Dignity and equality (i.e. equal opportunities, diversity, human rights). ▪ Occupational health, safety and wellbeing. ▪ Human capital development. ▪ Impacts of products and services to the creation of employment. ▪ Privacy & data security.	**Internal communication channels with the Bank**	●	○	○	○	○
		Meetings and communication between NBG's employee unions and Management	○	○	○	○	●
		Staff evaluation	○	○	●	○	○
State and Regulators (i.e. Ministries, State Bodies, Regulatory Authorities, Intergovernmental organizations**)**	▪ Impacts of products and services to climate change. ▪ In-house environmental impacts. ▪ Dignity and equality (i.e. equal opportunities, diversity, human rights). ▪ Privacy & data security. ▪ Impacts of products and services to the creation of employment.	**Cooperation and consultation with institutional representatives of the State, the Bank of Greece and Regulatory Authorities**	○	○	○	○	●
Society – Communities	▪ Impacts of products and services to the creation of employment. ▪ Impacts of products and services to the acceleration of the circular economy (resource efficiency/security). ▪ Impacts of products and services to climate change. ▪ In-house environmental impacts. ▪ Impacts of products and services to the acceleration of economic convergence.	**Consultation with local representatives**	○	○	○	○	●
		Collaboration with local authorities	○	○	○	○	●
		Sponsorship	○	○	○	●	○
		Donations of goods	○	○	○	●	○

Material non-financial topics

Our Strategy has taken into account the GRI Materiality, Completeness, Sustainability Context and the Stakeholder Inclusiveness Principles. In 2021, we carried out a materiality e-survey that contributed to the shaping of our ESG strategy. Through the materiality e-survey, the material topics that NBG has identified as relevant to the impact it creates to its stakeholders and the broader economy, society and environment, were assessed, resulting in the materiality map found below, along with their prioritization.



Identified sustainability topics	
1.	In-house environmental impacts
2.	Impacts of products and services to climate change
3.	Impacts of products and services to the acceleration of the circular economy (resources efficiency/security)
4.	Impacts of products and services to the creation of employment
5.	Impacts of products and services to the acceleration of economic convergence
6.	Impacts of products and services to the provision of housing
7.	Impacts of products and services to supporting inclusive and healthy economies
8.	Customer financial protection
9.	Privacy & data security
10.	Human capital development
11.	Occupational health, safety and wellbeing
12.	Dignity and equality (i.e. equal opportunities, diversity, human rights)
13.	Governance body composition, roles and responsibilities
14.	Regulatory compliance and business ethics (i.e. anti-corruption, anti-competitive behavior, responsible tax payments, data protection, responsible procurement, remuneration policy etc.)
15.	Risk management (i.e. incorporation of ESG Factors in Credit Analysis)

***Note:** Material topics are 1-5, 7-9 & 11.*

The materiality analysis is a fundamental process towards shaping both our ESG Report as well as our ESG Strategy looking at the ESG impacts of NBG's activities. It should be noted that the results of the materiality analysis, conducted as part of ESG Report 2020, were also used for the purposes of the ESG Report 2021, after an internal validation process for 2021.

A new materiality analysis is scheduled to take place for ESG Report 2022, in compliance with GRI materiality methodology 2021. In accordance with the new methodology, the Bank shall describe:

- how it has identified actual and potential, negative and positive impacts on the economy, environment, and people, including impacts on their human rights, across its activities and business relationships; and
- how it has prioritized the impacts for reporting based on their significance.

ESG Strategy and approach

NBG ESG strategy overview

Environmental, social and governance topics have evolved so fast and so dramatically that have inevitably become a focal part 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 'greener' activities, while also financing the transition of businesses and households to a more sustainable operating model and NBG is attuned to this imperative with a heightened sense of responsibility.

NBG has decided to follow a holistic approach to ESG, defining, to begin with, its ESG strategy in 3 strategic pillars (see table below) that 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 recently 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. It is worth noting that our environment-related themes encapsulate our climate change and decarbonization strategy, which is being enhanced and detailed on an annual basis.

ESG pillars	ESG strategic themes	Our Values	SDGs
Environment	1. Lead the market in **sustainable energy financing.** 2. Accelerate transition to a **sustainable economy.** 3. Role-model **environmentally responsible practices**.	**Responsive** **Growth Catalyst**	
Society	4. Champion **diversity** & **inclusion**. 5. Enable **public health** & **well-being**. 6. Promote **Greek heritage, culture** & **creativity.** 7. Foster **entrepreneurship** & **innovation**. 8. Support **prosperity through learning** & **digital literacy**.	**Human**	
Governance	9. Adhere to the highest **governance standards**.	**Trustworthy**	

NBG Group Sustainability Policy

NBG has elaborated and adopted the NBG Group Sustainability Policy, which is publicly available on its website and is also communicated to its employees through environmental awareness announcements at NBG's website (https://www.nbg.gr/en/group/esg/environment/sustainable-development-policy).

The Policy adheres to the requirements of the applicable legislative and regulatory framework, as well as international practices included in international conventions and initiatives and aiming at sustainable development, corporate social responsibility and business ethics. Specifically, the Policy is based on:

1	The applicable legislation on sustainable development, sustainable and responsible financing / investment, management of environmental, social and governance risks, environmental, sustainable governance and transparency;
2	The relevant recommendations and decisions of European and international institutions;
3	The 17 Goals relating to Sustainable Development set by the United Nations;
4	The UNEP FI's Principles for Responsible Banking;
5	The Precautionary Principle, as formulated by the UN in accordance with the proclamation of the Rio Authority for Environment and Development (Precautionary Principle - Principle 15 of 'The Rio Declaration on Environment and Development');
6	The Principle of Materiality, as set out in line with GRI Standards, by which the Group is committed to prioritize, with the participation of its stakeholders, at least every two years the most important economic, social and environmental impacts it creates; as well as all the other GRI Principles for defining sustainability reports' content and quality;
7	The 10 Principles of the United Nations Global Compact;
8	The Task Force on Climate Related Financial Disclosures ("TCFD") recommendations.

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:

i. Reducing - and, where possible, offsetting - of 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);

ii. 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;

iii. 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;

iv. Protecting the reputation and reliability of the Group and the cultivation / strengthening of our renewed value system.

Non-Financial Statement Issues

Climate and Environmental Issues

The Bank, as one of the four systemically significant banks and one of the largest financial institutions in Greece, considering that climate and environmental issues are critical, both for the development of its activities and the decision-making processes, has already been adjusting to voluntary international practices as well as to evolving regulatory requirements. In particular, it has established and implements the Group Sustainability Policy, the Code of Ethics, the Corporate Governance Code, strategic themes encapsulating our climate change and decarbonization strategy as part of our overall ESG Strategy, the Sustainable Lending Criteria Framework and NBG's Green Bond Framework, while it has developed since 2004 an Environmental Management System which is in conformity with the requirements of the international standard ISO 14001.

Environmental impact and our approach

A key principle of the NBG Group's philosophy is to operate effectively, in a timely and decisive manner, focusing on its long-term sustainability and growth, ensuring sustainable development through innovative ideas and breakthrough solutions, while contributing to addressing the challenges of climate change for the benefit of all Stakeholders who trust its brand and reputation.

As regards the Bank's environmental impact in the context of strengthening its contribution to sustainable development, NBG is committed to reducing any adverse impact on the environment arising, primarily, from its financing operations, as well as from its own operations.

♦ **Environmental Impacts of financing activities**

The Bank's environmental footprint mainly derives from the activities facilitated through the provision of financing. Activities financed by NBG may lead to negative impacts in terms of increased Greenhouse gases ("GHG") emissions, resource depletion, biodiversity loss, pollution etc.

Recognizing climate change as a major environmental challenge of our times, the Bank commits to enhance its role as a financier and advisor in the transition effort to net zero. At the same time the Bank aims at promoting cyclical economy, reduced dependency on natural resources and environmentally responsible practices.

To achieve it:

- NBG focuses on implementing its overarching climate and environmental strategy (as an integral part of its overall ESG strategy) by promoting sustainable finance, investments, as well as, "green" banking solutions, and by offering products and services that mitigate climate change, and contribute to environmental protection and sustainable development.
- NBG has enhanced its lending policies and processes, incorporating environmental (including climate change), social and governance risks into the credit assessments for corporate clients, both at an obligor and at a transaction level, the latter performed with reference to the internally developed Sustainable Lending Criteria that are, aligned with the currently available technical screening criteria for the first two environmental objectives of the EU Taxonomy.
- NBG focuses on integrating climate-related environmental factors, as prescribed by relevant regulatory requirements and best market practices, into its risk management, reporting framework and governance model, strengthening the identification, monitoring and mitigation of climate and environmental issues.

♦ **Environmental impacts of internal operation and infrastructure**

The Bank commits to reduce the environmental footprint and the associated impacts (including on climate, water, air, land, biodiversity, use of resources) resulting from its own operation and management of its infrastructure. In this context, priority issues are:

- Improving the energy efficiency of its buildings.
- Conservation of natural resources and energy.
- Renewable energy sourcing.
- Efficient management of paper and solid waste.
- Rationalization of business-related travel and encouraging the use of public transport.
- Enhancement of the staff's environmental awareness.
- Compliance with environmental legislation.

- Deployment of environmental standards in the procurement process (including, inter alia, more in-depth supplier assessment).

Actions taken

In line with our three Climate and Environmental Strategic Themes for leading sustainable energy financing, accelerating sustainable transition, and role-modelling environmentally responsible practices, the Bank undertook in 2022 important initiatives and implemented projects with positive actual and potential impact. Moreover, important steps have been taken towards the enhancement of the Bank's internal practices (e.g., reporting and governance) in managing Climate and Environmental issues and risks, adopting supervisory requirements and recommendations (see Section "*Risk Management - Management of Risks - Climate and Environmental Risk*"). Specifically:

- **Climate and Environmental Strategic Themes:**
  - Specific product offerings have been designed and launched to serve our two Climate & Environmental Strategic Themes regarding leading the market in sustainable energy financing and accelerating transition to a sustainable economy.
  - Ongoing efforts are focusing on the containment of our carbon footprint, including both non-financed and financed emissions.
  - More details of our green products' characteristics & offering as well as of our GHG emissions measurement are specified in the respective section of "*Our performance*" below.

- **UNEP FI – Commitment to the Principles for Responsible Banking**

As a signatory of UNEP FI and for properly and effectively implementing the UNEP FI Principles for Responsible Banking ("PRB") within the designated four-year time frame, NBG fostered the implementation process by undertaking several actions, which are highlighted hereunder:

- Establishment of a dedicated Group Climate & Environmental Strategy Sector in order to further enhance the alignment process (PRB 5 – Governance and Culture).
- 2 SMART targets have been set, specifically: Target 1 – Climate: €600 million financing of renewable energy in 2022-2025, Target 2 – Inclusive, healthy economies: 3 million active digital users by the end of 2024 (PRB 2 – Impact and Target Setting).
- Development of NBG's PRB target monitoring and review process (PRB 2 – Impact and Target Setting).
- Submission and publication of NBG's 1st PRB Self-Assessment Report (PRB 6 – Transparency and Accountability).
- Submission and publication of NBG's 2nd PRB Self-Assessment Report at the end of April 2023 (PRB 6 – Transparency and Accountability).
- Determination of business specifications for fostering UNEP FI's systemic developments (PRB 6 – Transparency and Accountability).

For more information, please refer to NBG 1st PRB Self-Assessment Report at NBG's website (https://www.nbg.gr/-/jssmedia/Files/Group/esg/Ektheseis/Principles-for-Responsible-Banking.pdf?rev=ddafa2c556cd4458b87b6890b325bd24&hash=E94397B2121A0C0289C5502ECF745862)

- **Sustainable Lending Criteria and ESG Questionnaires**

The Bank has enhanced its lending policies and processes incorporating environmental (including climate change), social and governance criteria applied both at the obligor and the transaction level. In alignment with its broader sustainability strategy, NBG has established a Sustainable Lending Criteria Framework (SLCF), in order to identify and classify the activities included in its corporate lending portfolio, that contribute to the transition towards a more sustainable economy. The Framework outlines the logic of classification of an activity as sustainable, building upon the EU Taxonomy Regulation and the Sustainability-Linked Loan Principles (SLLP).

In conjunction with the SLCF, the Bank introduced in April 2022 new ESG Questionnaires and relevant assessment procedures (including sector-specific ones) to its lending processes, both for new lending and refinancings, at borrower and at transaction level. The aim is not only to fulfil existing and forthcoming regulatory requirements, but also to address the issue of ESG data availability and granularity by implementing a robust data collection process which sources client data useful for multiple purposes (https://www.bankingsupervision.europa.eu/ecb/pub/pdf/ssm.202011finalguideonclimate-relatedandenvironmentalrisks~58213f6564.en.pdf).

- **Green Bond**

In the context of promoting sustainable energy financing and playing a leading role in Greece's energy transition, NBG issued and listed a €500 million Green Preferred Senior Bond on the Luxembourg Stock Exchange in October 2020, the first Green Senior Preferred Bond issued by a Greek bank. Within the first year of the issuance, 70% of the proceeds were allocated to 42 renewable energy projects across Greece.

In 2022, the selection of eligible assets for the final allocation of proceeds has been completed, achieving full utilization by financing a total of 58 Renewable Energy Sources ("RES") projects. The proceeds have been used to finance or refinance eligible assets, new or existing loans and/or investments in equipment, development, manufacturing, construction, operation, distribution and maintenance of Renewable Energy ("Eligible Assets") from the generation sources, onshore wind energy, solar thermal energy and small hydro projects.

In addition, these selected eligible assets are expected to contribute towards the achievement of the SDG 7 (Affordable and Clean Energy), SDG 9 (Industry, Innovation, and Infrastructure) as well as SDG 13 (Climate Action).

For more details on NBG's Green Bond please see NBG's website (Sustainable and Green Bonds Framework (https://www.nbg.gr/en/group/investor-relations/debt-investors/sustainable-and-green-bonds-framework).

Climate-related Green Bond Ratio: 43.2%.

- **Resolving environmental complaints**

Regarding the Environmental Management of its operations, and in the issue of resolving environmental complaints, please note that during 2022, 7 complaints regarding the Bank's environmental impact were filed via official grievance mechanisms and were settled within the year. The said complaints concerned the following issues: condition of external areas/facades of Branches, repair of damages and atmosphere or cleaning inside the Branches.

The Bank always makes every possible effort to comply with the relevant regulations and the applicable legislation. In this context, the Bank completed all the appropriate measures regarding the cleaning of buildings and the restoration of any damages.

In 2022, 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.

The road ahead

NBG acknowledges that the journey to establishing sustainable and sound climate and environmental practices involves a series of actions within the short-, medium- and long-term horizons. To that end, the Bank is already pursuing key priorities across the three strategic themes encapsulating its climate change and decarbonization strategy as part of its overall ESG Strategy.

More specifically, considering the Bank's effort to promote **sustainable energy financing** and following the issuance of the Green Bond Framework, a Sustainable Financing Framework is being developed, which will include additional green financing categories alongside other -social in orientation- eligibility categories. NBG's goal is to further promote energy financing by leading regional RES projects and promoting sustainable solutions for small businesses, as well as offering innovative products that will facilitate the process of energy transition. Through its UNEP FI PRB Signatory role and target-setting, NBG has committed to €600 million RES disbursements for the period 2022-2025, a target on which the Bank remains well on track.

Regarding the Bank's goal to accelerate the **transition to a sustainable economy,** having established a financed emissions baseline (its GHG emissions inventory for 2020 and 2021, adding now 2022 in this time series), NBG is in the process of defining an emissions' reduction trajectory for specific sectors comprising its lending portfolios as the most impactful asset class, by applying science-based methodologies. Considering the results of the target setting process, the Bank will focus its actions on carbon intensive sectors, and in cooperation with its clients, will formulate specific plans to achieve the reduction in emissions required by the relevant transition pathway. NBG aims to strongly support its corporate clients throughout their decarbonization journey, by offering sustainable financing and continuous engagement (advisory role). Indicatively, corporate clients' initiatives already include the offering of targeted propositions for green transition in the context of the Ethniki 2.0 program, while new packaged solutions focusing on sustainable value chains are planned. The offering of targeted products to meet the increasing demand of retail customers, consumers and small businesses, for transition financing is being expanded e.g., through new partnerships for financing green transportation and housing ecosystems, over and above existing green products for the energy upgrades of homes, the purchase of hybrid or electric vehicles, etc. Additionally, via its Sustainable Financing Framework, the Bank will be able to channel funding to support entrepreneurship, innovation and opportunities for underprivileged groups.

In the context of adopting **climate & environmentally responsible practices,** the Bank will continue its efforts towards decreasing its operational (non-financed) emissions aiming to contribute to the Bank's net zero goal. NBG will continue supporting and sponsoring environment-related initiatives and will further accelerate the improvement of its ESG capabilities and infrastructure in terms of ESG data and reporting, governance, risk management, awareness & culture, etc.

Social and labour issues

Socio-economic impact

NBG constantly seeks to ensure that its contribution substantially impacts the country and its people, always looking ahead to the next day of Greek society. The Bank undertakes to contribute to the creation of 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 development of specific programs for CSR actions. Its relevant commitments cover the following issues: Contribution to the creation of jobs, promotion of decent work, economic development, entrepreneurship, housing, mobility, innovation, good health, education, gender equality, but also the protection and preservation of historical and cultural heritage through:

- the distribution of economic value to stakeholders including payroll, payments to suppliers, taxes;
- the allocation of funds, the provision of appropriate products and services for the needs of customers with the same standards of completeness, quality and good behavior and the provision of correct and adequate information. Note that NBG is in the process of developing its sustainable financing framework that will

incorporate eligible social activities, for the use of the proceeds of any future sustainable bond issuance;

- the protection of customers' financial decisions, of their data privacy and information concerning them and their interests in general;
- the provision of financial services and products with equal treatment and without exclusions;
- the access to finance without discrimination or exclusion;
- the "Responsibility" corporate responsibility program with actions for the support of social welfare programs, vulnerable social groups, health, and for contribution to the arts, culture and education;
- actions of the Bank's Cultural Foundation ("MIET"), and Bank's Historical Archive;
- the evolution of a working environment where the Bank ensures good and safe working conditions for its Staff, with equal rights and opportunities, with the implementation of a meritocratic performance appraisal system, and the provision of significant learning and development programs (including staff awareness programs on sustainable development issues) for the continuous enhancement of its staff's skills.

The development and retention of highly qualified staff is a primary concern of the Bank as it understands that its success is based on its staff. The relevant commitments of the Bank in this sphere include:

- ✓ Learning and Development of human capital.
- ✓ Health, safety and well-being at work.
- ✓ Dignity and Equality: Respect for Diversity.
- ✓ No Discrimination, Offensive Behavior or Social Exclusion.
- ✓ Respect for human rights.
- ✓ Defending the work-life balance.

Relevant Policies and Codes

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. 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.

Code of Ethics

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

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

The Bank and the Group's subsidiaries philosophy is founded on respect for each employee's personality. 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. To this end, the Group:

- Without restricting the independence of employees, fosters equality, diversity, respect and team spirit in a positive and fulfilling working environment.
- Does not tolerate any kind of discrimination or offensive behavior against one's personality (for example, moral, sexual or other kind of harassment, intimidation, persecution and other), or social exclusion or unfair treatment due to nationality, race, colour, ethnic or social origin, membership of a national minority, property, birth, disability, age, sexual orientation, gender, genetic features, family status, religious or political views or physical disabilities, veteran status, citizenship status, marital status, or pregnancy.
- Highly values the ideas and perspectives of employees from different backgrounds and who possess diverse talents and characteristics, which contribute to business growth and ensures that equal opportunities are provided to employees.
- Aims at implementing measures that ensure equal opportunities for all genders, including with regard to career perspectives and improving the representation of the underrepresented gender in management positions.

The 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 enhance 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.

The NBG Group Code of Ethics is posted on the Bank's website (https://www.nbg.gr/en/group/esg/corporate-governance/corporate-governance-framework). The NBG Group Code of Ethics is periodically reviewed, integrating new principles, updating and enriching the context of the respective Code, as well as redesigning the format of the Code, so as to facilitate a better understanding of the rules of conduct and obligations arising from the regulatory framework. In 2021, the revised NBG Group Code of Ethics e-learning program, which is obligatory for all the Bank's personnel, was launched. The aim of the Code of Ethics e-learning program, apart from ensuring that its principles and requirements are properly understood and implemented by the Bank's and the Group's personnel, was to include, as well the new/updated provisions of the Code, as well as the Bank's Purpose and Values (see Section "*Overview*") and high ethical standards in all operations.

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 and harassment due to gender and sexual harassment as soon as it comes to their notice. These reports can be made anonymously or not anonymously through the established whistleblowing channels.

Accordingly, the Bank is committed, both through the Policy and through its other procedures, to ensuring the complete confidentiality and protection of the complainant. All complaints will be taken seriously and investigated with full objectivity and independence. The Bank assures that those who make complaints will be protected from retaliation, and that the personal data of all parties involved will be protected through the implementation of the necessary technical and organizational security measures.

Responsible Procurement / outsourcing

Standing by its longstanding commitment to responsible operations, NBG has adopted policies, regulations and processes which are given formal substance in relevant Codes of Conduct ensuring transparency and impartiality as well as avoidance of conflicts of interest in its supplies and implementation of technical projects. NBG uses a Suppliers Relationship Management System (SRM-SAP), which facilitates cooperation with its suppliers representing most of the business sectors. Pursuant to the institutional framework, all parties involved in procurement and technical projects must be aware of and conform with the Bank's and the Group's Code of Ethics, which also applies to purchasing and technical projects. The Bank reviews and evaluates its suppliers (in terms of quality, certifications, respect for human/employee rights, etc.) on an ongoing basis. Regular sample qualitative and quantitative controls are carried out for every order and delivery of goods/equipment, etc.

In 2022, 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 has developed:

i. 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

ii. NBG Group's Outsourcing Policy where among others enacts the ESG questionnaire for the service providers.

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:

a. 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).

b. 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.

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 new 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 is 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. More information is available in Transparency of banking transactions (https://www.nbg.gr/en/individuals/questions/faq/transactions).

Our People

- **Training and Development**
- **Selection, Recruitment and Placement**
- **Health and Safety**
- **Gender Equality**
- **Staff number per geographical area**
- **HR Priorities for 2023**

Training & Development

In 2022, our Bank further strengthened its Training and Development momentum in line with its Purpose and Values, with particular emphasis on strengthening its Executives and upgrading their skills through extensive, systematic hands-on educational actions, utilizing a multitude of blended learning methods and tools.

We focused on the gradual roll-out of NBG Academy's new training approach in key roles of Corporate and Investment Banking, through the design and implementation of a specialized "Corporate Academy". The Academy's main goal is to align the training offered with the specific needs of the roles of Credit Analyst and Relationship Manager in Corporate and Investment Banking. To this end, a series of diversified Development Programs were designed for these two roles to strengthen targeted knowledge a particular emphasis on cutting-edge skills (behavioral skills, training in new technologies and trends in Business Banking, etc.). Over the past year c. 100 Relationship Managers and Heads of Sectors of the Corporate and Investment Banking Divisions were trained through this Academy focusing on:

- the key principles of Project Management methodology, ensuring application thereof in the numerous financing projects they implement and monitor on a daily basis;
- a targeted Sales Program designed to ensure that they meet the expectations of their advisory role, fostering long-term relationships of mutual trust.

Furthermore, large-scale and priority development actions were launched throughout the year for key populations, supporting the Bank's Transformation Program effort.

More specifically, special emphasis was placed throughout 2022 on the development of culture and skills of Branch Network Officers so as to ensure that they meet the expectations of their new advisory role, which places the Customer at the center, promoting first-class customer service and experience as well as building relationships of trust and mutual value. In addition, special emphasis was placed on the development of administrative and coaching skills of Branch Network Managers and Team Leaders, with a view to strengthening their managing skills in

Customer Service and Sales so that they can efficiently lead efforts to upgrade the Bank's services and guide their teams in delivering the best possible results. A total of 3,122 Branch Network Officers participated in these actions, in 195 events (a total of 84,634 man-hours of training).

More specifically, in 2022 the following Programs were implemented for Branch Network Officers:

- Sales Skills Development (Integrity Selling): three-day seminars attended by 960 employees
- Excellent Customer Service: Separate seminars for employees and Team Leaders, attended by a total of 2,061 employees
- Unlocking the Power of Sales: 5-day Coaching seminar with an emphasis on efficiency, attended by 101 Branch Managers.

In addition, a long-term Program designed to cultivate and strengthen skills and the mentality of NBG employees, who will support the Bank's management team (135 Managers, Deputy Managers and Independent Sector Heads), was successfully completed. The aim of this Program was to ensure that the said group will be able to address future challenges that the "new normality" brings, cope with the uncertainty of a rapidly changing environment, promote change demonstrating flexibility and empathy and form groups that will operate in a way that will unleash their creative potential, so that they find solutions and achieve high performance.

Likewise, it was considered as a top priority to provide for the development of Project Management skills among a population of c. 300 Officers with a crucial role in the promotion of the Bank's important projects, with a view to gradually creating a "community" that interacts and works on the basis of a common approach and methodology and in accordance with modern principles of Project Management.

For yet another year, particular emphasis was placed on training a large number of Program Developers in new cutting-edge technologies and programming codes, in order to support and further accelerate the Bank's digital transformation drive, while through a variety of in-house and external training programs we focused on:

- developing data management and analysis skills (including large-scale data) to gain valuable knowledge and draw useful conclusions,
- helping approximately 70 Operational Support Officers familiarize with the concepts and benefits of artificial intelligence, RPA, digital signatures and other digital trends as well as with the application of these technologies both in the wider market and within the Bank with emphasis on the resulting benefits.

In the context of implementing the regulatory framework regarding new certifications, 399 investment type a1-b and f2 certificates and 170 insurance agent certificates were obtained.

The renewal process was successful for 99% of the participants, resulting in the continuation of activity for 2,755 certified insurance intermediaries and the renewal of 395 investment certificates for another 5 years.

At the same time, new mandatory e-learning programs were made available relating to the updated Cyber-Security and Anti-Money Laundering policies, while e-learning programs on work ethics, the whistle-blowing policy and internal control continued to be available to all Group Personnel, significantly backing our efforts to establish a respective culture among our people.

Finally, the design and implementation of a new training system was completed as part of our efforts to improve the management of the training function and to systematically monitor the development of the desired skills by our staff.

Number of training events	Number of participants	Training Hours
1,351	55,890*	225,584

**Of which the unique participants amounted to 8,017.*

In 2022 Training and Development expenditure amounted to €2 million.

Talent acquisition & management

In the context of enriching initiatives that promote our people's development, we seek ways to enhance general and technical training, recognizing the importance of talent and of the need to continuously update and upgrade skills within the Bank in today's ever-changing work environment. In 2022, our efforts focused on identifying employees with great potential in the organization as well as employees with unique and critical know-how for the Bank leveraging common, specialized and internationally recognized methodology and tools. The scope of this action is to ensure employees' targeted development by designing personal development plans and participating in a Mentoring program, in addition to the utilization of training programs through the MOOC platform. By identifying and attracting specialized talent from the labour market we strengthened our workforce, utilizing new search tools through professional social networks and bodies, as well as through strategic partnerships with specialized companies, in guiding or complementing existing teams in key functional areas. In the context of promoting value-adding transfers within the Bank with a view to aligning our HR profile with the competitive market demands on an ongoing basis, we successfully provided for the staffing of new Bank Units, our main aim being the strategic centralization of key operations, such as the new business customer service model and the centralized task management SB hubs. Further, emphasis was placed on the provision of advice and guidance through personalized feedback and coaching sessions by specialized NBG consultants, and through the participation of targeted groups of employees in Evaluation & Development Centers. Attracting competent future executives across the organization remains a key priority as we expand our transformation efforts. To this end, the Bank continued to participate in university and career events, and strengthened its outward orientation by expanding its cooperation with eminent university bodies and agencies that boost youth employability.

Employee Experience Survey

In May 2022, the 2nd Employee Experience Survey was conducted, giving our people the opportunity to express their views pointing out what they think is working well in NBG and where there is room for improvements. A "Value Index" was also introduced in the survey in order to establish whether employees believe the behaviour of Senior Management and the Heads of Teams is consistent with the Bank's Values.

Employees were informed about the results of the Survey through open discussions held at team level. The aim of these discussions - 108 in total – was the preparation of action plans for the areas of concern in their day-to-day activities and to explore how, through targeted actions, they can enhance experience, cooperation and efficiency. By the end of 2022, 80% of the expected action plans had already been prepared.

Regular & Open Internal Communication at Bank level

Aiming to enhance transparency and open communication and to disseminate our strategy and orientation to our people, a roadmap of senior leadership touchpoints was prepared, according to which various actions were carried out, such as:

1. CEO Breakfasts, Management Team Visits to the Branch Network and customer contacts, meetings at General Division and/or team level.
2. **Launching "NBG Talks".** NBG Talks is a new platform of live talks given by specialized partners and experts from the market which are addressed to everyone here at NBG. The talks focus on 3 main pillars involving contemporary topics and concern:
   - efficiency in the work environment,
   - cultivation of soft-traits and mindset in the "new era" that affect the quality of our work experience,
   - matters of well-being, parenting, etc.
3. **Launching NBG Newsletter "The Bank is each and every one of us".** In April 2022, the new e-newsletter that replaced the magazine "Leading Ahead" was released. It includes a host of news and successes from the previous period but also surprise sections such as
   - "Special Corners" with interviews of members of the Management Team and
   - "Expert Talks" with guest professionals and experts from various sectors
4. **Central NBG Online platform for conferences/speeches/events.** In November 2022, the process for the supply of an online platform for the management of events and actions was completed, enabling the performance of virtual and hybrid live events/actions/conferences for the Bank's staff and its customers.
5. **"ASK HR" Function:**

   In the new "ASK HR" communication channel launched by the HR Division, employees can communicate by email or phone, as well as through the ASK HR Intranet site, where useful FAQs on various topics have been posted.

   During the second calendar year of operation of the new communication channel, ASK HR received 12,094 questions (9,034 phone calls and 3,060 emails), of which 95.20% were answered on the same day.

   On the ASK HR Intranet site, 23,064 views or hits were recorded across the various FAQ topics.

Health and Safety

Health and safety in the workplace remain a priority both for the Bank and the Group companies ensuring a safe working environment, enhancing the quality of employees' work experience, and preventing any associated risks.

In this context, the Bank conducts regular audits 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, which covers all its staff, while for hygiene and safety issues the Bank has set up the Health and Safety Committee. In seeking to address health and safety issues as efficiently as possible, the Bank holds seminars on related issues, such as fire safety (including fire-safety legislation), crisis management etc.

In 2022, the Incidence Rate (IR) amounted to 0.31 (IR= (total number of accidents / total working hours) x 200.000).

Gender Equality

In order to achieve essential equality between women and men at all levels, multiple initiatives have been put in place.

Equal employment opportunities for women and men are a priority for NBG. The number of employees for the women and men at Bank's level and the allocation per age ranges is as follows:

	Number of employees	%
Women	**3,608**	**53.8%**
Men	**3,098**	**46.2%**
18-29 y	180	2.7%
30-44 y	3,147	46.9%
45-59 y	3,291	49.1%
60+ y	88	1.3%

Staff number per geographical area

The number per geographical area from ongoing activities at Group level is broken down as follows:

Country	*Staff number on* **31 December 2022**
Greece	6,907
North Macedonia	947
Cyprus	119
Egypt	80
Bulgaria	32
Romania	14
Luxembourg	4
Total	**8,103**

Human Resources priorities for 2023

Human Resources priorities for 2023 include the following:

- training and fostering an ESG culture amongst our people
- further strengthening targeted knowledge and cutting-edge skills of Credit Analysts and Relationship Managers of Corporate and Investment Banking through their participation in "Corporate Academy" programs
- gradual roll-out of the new training approach adopted by the NBG Academy in crucial roles of other NBG business areas, including IT, Financial Services of the Bank, roles responsible for identifying, measuring, managing and reporting risks etc.
- targeted strengthening of knowledge, team mentoring skills as well as the customer-centric culture of the Branch Network
- training on the basic principles of customer experience management but also development of a relevant culture in selected Executives of our Bank who deal with product and process design, with a view to improving the degree of our Organization's response to our Customers' needs, as well as increasing the degree of customer satisfaction from crucial points of their interaction with our Bank.
- further development of our staff's project management skills
- design of the Bank's Succession Plan for critical roles ensuring leadership continuity
- further optimization and simplification of internal HR flows and procedures with a view to upgrading the level of services provided to colleagues
- investing in People Analytics with a view to creating added value to company results, through maximum utilization of data for drawing conclusions and making strategic decisions
- revision of the Regulations for the Protection of the Health and Safety of NBG Employees taking into account the provisions of Law 4808/2021 concerning the strengthening of the responsibilities of the Occupational Doctor for the prevention of violence and harassment at work, the obligations of employees relating to the implementation of health and safety rules at the place of remote working, as well as the measures taken by the Bank for the protection and safety of its employees in times of health crisis.
- implementation of actions related to Values & Behaviours, seeking, through a more holistic approach, to implement actions at diverse levels, in order to enhance the mentality/culture within the Bank, transforming our work environment into a place that inspires, supports and empowers.
- continuation of **optimization projects and launching of new, cutting-edge internal communication tools** with the supply of a new platform for push notifications/pop-ups.

Respect of human rights

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

For the sixth consecutive year the Bank's participation in the international index Bloomberg Gender Equality Index (GEI), proves the constant dedication to ESG issues, as well as its commitment to continue and strengthen gender equality initiatives and eliminate all forms of discrimination.

The Bloomberg Gender Equality Index ("GEI") is an internationally recognized gender equality index that is constantly expanding to a wide range of companies, now reaching 484 companies from 45 countries.

The Bank's policies on gender equality, non-discrimination (such as pay, education and development, benefits, etc.) and its corporate culture for labour equal opportunities were assessed for Bank's inclusion in the Gender Equality Index.

No incidents of discrimination have been recorded or reported across the entire NBG staff and no complaints have been filed by employees or third parties on discrimination incidents.

Combating bribery and issues related to corruption

In Greece, bribery (either active or passive) is considered a criminal act and is punished according to the provisions of the Penal Code. Furthermore, bribery is one of the main offenses of Greek Law 4557/2018, as in force, regarding the prevention of money laundering and the combat of terrorism. Moreover, Greece has ratified/adopted the following Conventions:

- The Convention of the OECD on Combating Bribery of Foreign Public Officials in International Business Transactions (through Greek Law 2656/1998); and
- The Convention on Combating Bribery of Foreign Public Officials of the EU Member States (1997), (through Greek Law 2802/2000).

The Group's fundamental values and principles governing its business activities strongly emphasize the importance of ensuring ethical conduct at all times, while the Group shows zero tolerance on corruption and bribery and it is of its high priorities to prevent and combat them. The Bank's activities entail exposure to corruption and bribery phenomena, which if not appropriately and timely managed, they may present a significant risk for the Bank, and could adversely affect its financial results, with a serious impact on the Bank and its subsidiaries' reputation, as well as on the further development of its activities, while they could cause adverse effects on the interests of its clients, shareholders and employees.

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

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

The Bank has in place procedures and internal controls which serve to mitigate potential risk and ensure that the Bank is compliant with laws and regulations, which in the event of non-compliance could have a material effect on the Financial Statements. The effective operation of these procedures and internal controls are independently monitored by the various 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 material identified incidents, 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. The Bank has appointed the external auditor for the period 2019-2021.

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 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.

Information on the Committee's responsibilities and workings in 2022 is presented below in the Corporate Governance Statement, under section "*D. Board of Directors and other management, administrative and supervisory Bodies*".

Additionally, detailed information on the responsibilities, composition and modus operandi of the Compliance, Ethics and Culture Committee is included in the Charter of the Committee posted on the Bank's website,

(https://www.nbg.gr/en/group/esg/corporate-governance/bod-committees/compliance-ethics-and-culture-committee).

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

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

Code of Ethics for Financial Professionals

The Code of Ethics for Financial Professionals sets out the key ethical obligations and standards of conduct applying to persons who are involved in the procedures for the preparation, compilation and submission of financial statements and other financial disclosures of the Bank and the Group companies.

Its main purpose is to promote ethical conduct, including the prevention of situations where there is actual or potential conflict of interest, to promote transparency and ethical conduct during the performance of Financial Professionals' duties as well as to ensure compliance with the applicable regulatory framework, complete and accurate preparation of financial statements and any other financial disclosures, timely submission of internal reports in the event of the Code's breach and binding of Financial Professionals to comply with the provisions of the Code and the ethical rules underlying the regulatory framework applying to the Bank and/or the Group companies.

Group Anti-bribery and Anti-corruption Policy

Aiming to further strengthen the commitment to the ethical values and credibility of the Bank and recognizing the negative consequences of its possible involvement in bribery or corruption events that could jeopardize both its reputation and its interests, the Bank has set in force the revised Group Anti-Bribery & Anti-Corruption Policy.

The Policy has been set according to the requirements of the legal framework for combating bribery and corruption, as well as, the international best practices and guidelines of international organizations and bodies for preventing and combating financial crime (OECD, FATF, Wolfsberg Group, etc.).

The revised Policy was circulated in the Bank in June 2021 and respectively communicated to the Group's Entities in Greece and abroad for their own actions.

This Policy applies to all activities and operations of the Group, irrespective of their jurisdiction, country or business including all activities performed by any Bank Unit, Group subsidiary or affiliate company, as well as by agents, consultants or others acting on behalf of or in co-operation with the Group. More specifically, the Policy:

- establishes the basic principles of the Bank and the Group Companies for preventing and combating bribery and corruption;
- applies to all third parties who provide services for or on behalf of the Group;
- applies wherever the Group does business;
- aims to manage, monitor and address all types of bribes that can take place within the context of the Bank's operations (e.g. Procurement, Credit, Branches, payments, disbursements etc.);
- aims to be embedded in the NBG Group's culture and its people's behavior and attitude.

Whistleblowing Policy for the Bank and the Group

The Bank has adopted the Whistleblowing Policy for the Bank and the Group through which procedures are established for the submission of confidential reports or comments by any party, either anonymously or not, regarding behaviour of the Bank and the Group's executives, which indicate the existence of an irregular activity or misconduct or omission relating to breaches in regards to internal Policies and Procedures. The Policy complies with the provisions of Greek Law 4261/2014 regarding the internal procedures for violation complaints, as well as the Directive 2019/1937 on the protection of persons who report breaches of Union law which entered into force in December 2021. Recently Greek Law 4990/2022 which transposed the Directive 2019/1937 on the protection of persons who report breaches of Union law has entered into force. The Bank is in process of further updating the Whistleblowing Policy.

A Whistleblowing e-learning program, which is mandatory for all the Bank's personnel was launched in June 2021. The e-learning program, among others, focuses on providing clear guidance to personnel on reporting, acting in good faith, of an incident or incidents that they discover while performing, or relating to, their duties, which indicate the existence of misconduct/serious irregularity; and highlights the fact that full confidentiality and protection of whistleblowers is ensured.

The Compliance, Ethics and Culture Committee of the Bank's Board of Directors is responsible for the establishment and the continuous monitoring of the implementation of these procedures, which ensure confidentiality and secrecy of the reports or comments received.

Contact details for the submission of confidential reports are available on the Bank's website www.nbg.gr (https://www.nbg.gr/en/group/esg/corporate-governance/whistleblowing).

Anti-Fraud Policy

The Bank, as all credit institutions, is exposed to the risk of fraud and illegal activities of any type, which, if not addressed in a timely and effective manner, they could have negative effects on its business activities, financial condition, results of its activities and its prospects for success.

Management, has among its highest priorities the prevention and combating of fraud as well as of any other irregular activity, and accounting and auditing practice inconsistent with international practices and applicable provisions, activities which are contrary to the fundamental Values and Principles governing the Bank and the Group's business activities.

Through the Anti-Fraud Policy, and taking into account the obligations stemming from the institutional, legal and regulatory framework, at a national and international level, the Bank aims at:

- defining specific principles and rules for the prevention and combating of fraud and developing a single business conduct for its handling;
- raising awareness and vigilance of Group employees for the detection and avoidance of actions related to fraud;
- encouraging the submission of confidential reports on suspicions of fraud, through appropriate communication channels that ensure the protection of the persons and the proper investigation of the reported incident;
- developing systems, procedures and control mechanisms that help to promote prevention and combating of fraud.

Prevention of conflicts of interest

The Bank and the Group Companies place emphasis and take the appropriate measures to handle cases that may cause or lead to conflict of interest within the context of the services they provide. With the purpose of preventing real or potential cases of conflict of interest, the Bank and the Group has adopted the following Policies:

- Policy for avoiding Conflicts of Interest for Board Members, Senior Executives and other Related Parties of NBG, to control and manage real or potential conflicts of interests between the Bank and its Board Members, Senior Executives and other Related Parties.
- Conflict of Interest Policy that sets out the framework for the prevention, detection and management of conflict of interest between the Bank, the Group and its customers, as well as among the customers themselves during the provision of investment and ancillary services.
- Policy for Connected Borrowers of the Bank and the Group in Greece, established with the purpose of ensuring that Connected Borrowers are not treated preferentially in comparison to non-Connected Borrowers, i.e., the same criteria as those stipulated by the relevant Credit Policies of the Bank shall apply for Connected Borrowers. The Policy establishes the basic rules applying in extending credits and in the treatment of requests for contract term modifications concerning loans of Connected Borrowers, while it facilitates the monitoring of appropriate implementation of the Policy through special functionality that has been developed in the Bank's system.

Policies for combating money laundering and terrorist financing issues

The Bank and the Group consider of primary importance the prevention and combating of money laundering and terrorist financing phenomena (Anti-Money Laundering / Counter-Terrorist Financing – ("AML/CFT")), through the use of their products and services. These actions are contrary to the fundamental values and principles governing the conduct of the business activities of the Group and lead or could lead to undesirable consequences, with a significant impact on the Bank and the Group companies' reputation as well as on the interests of its customers, shareholders and staff, exposing the Group to an unacceptable level of associated risks.

For this reason, and in compliance with applicable regulatory requirements for the prevention and combatting of AML/CFT issues, the Group has adopted the following Policies:

- AML/CFT Policy, which incorporates New Customers Acceptance Policy.
- AML/CFT Policy on Cross-border correspondent banking relationships.
- The NBG Group Sanctions Policy.
- The NBG Group Policy for Virtual Assets.

The Group AML/CFT Policy and Customer Acceptance Policy is frequently reviewed and updated, in order to effectively incorporate the current developments in the legislative and regulatory framework both at national and at EU level, as well as to include procedures already adopted by the Bank, especially regarding the use of digital channels for the establishment of new business relationships and all the important international trends regarding the assessment of ML/TF risks.

The NBG Group Sanctions Policy is one more evident step of the Group's commitment to comply with all laws, regulations and decisions related to sanctions. The Policy describes the required criteria and the systemic controls that the Group already adopts and implements in order to handle sanctions and restrictive measures efficiently and effectively.

The Policy for Virtual Assets, which incorporates all the current available national and international guidelines and legislation, supplements the AML/CFT Policy of the Bank and aims to identify, assess and effectively manage -via commensurate measures- the ML/TF risk connected to Virtual Assets.

The adoption of the above-mentioned Policies ensures compliance with the applicable regulatory requirements of the Supervisory Authorities on combatting ML/TF, averts the imposition of criminal and/or administrative sanctions against the Bank and the Group companies on the basis of direct or indirect involvement in ML/TF issues and protects the Group's good reputation by taking timely and appropriate measures that will prevent the use of its services for ML/TF purposes. The Policies are accompanied by the necessary procedures, guidelines and systemic implementations and are supported by appropriate IT systems for the continuous monitoring and identification of suspicious or unusual transactions or activities, aiming at the mitigation of ML/TF risks that are emerging in the Bank.

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).

By means of this Policy, the Bank aims to:

- ensure compliance of the Bank and its Group companies with the applicable legal and regulatory framework regarding the management of personal data;
- strengthen the information governance system at Group level and ensure that management of information containing personal data is carried out in accordance with the provisions of the applicable local legislation in the countries where the Group operates;
- ensure the protection of personal data in the context of integration of the Group's systems functions;
- clearly define the principles and rules governing the processing of personal data that come to the knowledge of the Bank and its Group Companies in the context of a business or other relationship, in order to protect the rights and fundamental freedoms of natural persons and particularly their privacy;
- raise staff awareness and provide guidelines for the avoidance of actions that could lead to administrative, civil or criminal penalties for violation of the provisions of the applicable national and European legislation on the protection of personal data;
- to safeguard the reputation and credibility of the Bank and the Group.

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.

Training Programs on Personal Data Protection

To educate and familiarize the Bank personnel with data protection issues and raise their awareness, a dedicated e-learning program has been developed, which is reevaluated periodically, while specific reference to data protection issues is included in seminars that are addressed to the Bank's personnel regarding the Bank's products and services.

Policies for the proper provision of Investment and Insurance Services

The Bank recognizes the need to maintain and operate effective organizational and administrative arrangements in order to act honestly, impartially, and professionally in the provision of investment or, as the case may be, ancillary services to clients as well as in insurance distribution activities so as to best serve their interests.

The Bank provides the investment services of receiving/transmitting and/or executing orders on behalf of clients in relation to financial instruments/investment products, and not, the investment services of portfolio management and investment advice.

To ensure compliance with the requirements of the EU regulatory framework on markets in financial instruments (Directive 2014/65/EU on markets in financial instruments/ MiFID II, as incorporated into Greek legislation with Law 4514/2018) and on the distribution of insurance products (Directive 2016/97/EU on the distribution of insurance products, as incorporated into Greek legislation with Law 4583/2018), the Bank has established a number of Policies, amongst others, the "Best Execution Policy", the "Conflicts of Interest Policy", the "Policy for the Control of Marketing Activities for Financial Instruments & Insurance Products", the "Financial Instruments & Insurance Products Governance Policy" and the "Suitability Policy on Insurance-based Investment Products".

Best Execution Policy

The Bank implements the Best Execution Policy which sets out the basic principles governing the receipt and transmission of orders to third parties and the execution of orders on behalf of clients. The Bank systematically monitors the implementation of this Policy and evaluates its effectiveness. With this Policy, it is able to demonstrate, whenever requested, that it is implementing all sufficient and enforceable measures foreseen by the relevant legislation to achieve the best execution of orders for all financial instruments whether traded on trading venues or over-the-counter. This Policy is implemented in accordance with the Law 4514/2018 for all transactions where the Bank receives and/ or transmits orders to third parties or executes orders on financial instruments for its clients who have been categorized as "Retail" or "Professional" according to MiFID II regulatory and legislative framework.

Conflicts of Interest Policy

In the context of sound, secure, transparent and effective provision of investment and/or ancillary services and insurance distribution activities, including insurance-based investment products, on behalf of clients, the Bank and the Group have established, implemented and maintained in written form the Conflict of Interests Policy concerning the identification and management of conflicts of interest within the Bank, the Group and clients, or among the clients themselves.

The Conflict of Interest Policy aims at providing clients with high-quality investment/ancillary services and insurance distribution activities, and to prevent or manage conflicts of interest.

Policy for the Control of Marketing Activities for Financial Instruments & Insurance Products

The Bank implements this Policy, in compliance with the current legislation, in order to ensure effective control of the marketing communication of its investment products and/or ancillary services, as well as insurance products provided to its clients and potential clients. The Bank ensures that the marketing communication is fair, impartial, decent, clear, intelligible, sincere, and not misleading.

Financial Instruments & Insurance Products Governance Policy

This Policy sets out the basic principles of product governance for manufacturers and distributors of financial instruments and insurance products that the Bank must follow when operating as a manufacturer and distributor of investment products and as a distributor of insurance products.

The Bank ensures that relevant staff participating in the distribution of financial instruments and insurance products possess the necessary expertise to understand the characteristics and risks of the offered products and the services provided as well as the needs, characteristics and objectives of the identified target market. The Bank, as distributor has in place adequate organizational arrangements for receiving from the products' manufacturers all relevant information and understandg each product's features and identified target market.

Suitability Policy on Insurance-based Investment Products

In the context of distribution of Insurance-Based Investment Products (IBIPs), the Bank has adopted the Suitability Policy on Insurance-based Investment Products, which complies with the applicable regulatory and legislative requirements and especially with the provisions of Greek Law 4583/2018 on the distribution of insurance products.

In the context of IBIPs distribution, the Bank conducts a suitability assessment and offers advice, which is reflected in the suitability statement. During the suitability assessment, the Bank obtains from the customer or potential customer, such information as is necessary for it to understand the essential facts and to have a reasonable basis for determining that its advice (personal recommendation) to the customer is consistent with such information. The said information relates to the customer's financial standing, including that person's ability to bear losses, knowledge and experience in the field of insurance-based investment products, and investment objectives, including risk tolerance and any sustainability preferences.

The Bank takes every measure needed to ensure the consistency, reliability and accuracy of the information received from customers. Accordingly, customers are encouraged to provide the information required for the suitability assessment.

Our performance

In line with the Bank's framework of operations as outlined above, the sustainable development initiatives that NBG undertook and developed in 2022, responding to the challenges and expectations of all stakeholders are presented below.

NBG fully recognizes its role in generating sustainable growth for its stakeholders, and has been applying increasingly systematic management techniques in its approach, aiming to promote economic development, support actions designed to foster environmentally friendly growth, further enhance the quality of its workforce, offer more efficient services to its customers, and contribute, in general, to the community.

Support to SMEs and professionals:

The Bank continued to launch initiatives within the context of supporting SMEs and professionals (with turnover up to €2.5 million) with a view to enhancing their growth and supporting their sustainability. In 2022, the Bank continued to launch relevant initiatives:

- In cooperation with the EIF, NBG:
  - participated in the program launched by the Pan-European Guarantee Fund (EGF) for the purposes of financing investment and business plans of SMEs and small MidCaps. The European Investment Fund (EIF),

acting as EGF's administrator, offered its guarantee at a rate of 70% for each loan.

- participated in the Investment Guarantee Fund, European structural and investment funds ("ESIF"), ERDF Greece Guarantee Fund ("EEGGF"), for the financing of investment and business plans by SMEs operating in Greece. The EIF guaranteed amounts to 80% of each loan. This guarantee scheme provides financing to SMEs for the purpose of investing in tangible and intangible assets, and working capital for their growth, on favourable terms.
- continued providing funds through the ESIF EAFRD Greece guarantee program of the Rural Development Guarantee Fund to facilitate access by businesses operating in the agricultural and agri-food sector to banking finance, NBG. The EIF guarantee amounts to 80% of each loan and is provided for up to 15 years as of the execution date of the loan agreement.

- NBG continued to provide financing through programs and actions in collaboration with the Hellenic Development Bank SA ("HDB"), including COVID-19 related forms of funding.
- Specifically, in 2022 the following forms of financing were granted and continue to be granted today:
  - Investment loans to SMEs through the Sub-Program 1 of the TEPIX II Entrepreneurship Fund. Such loans concern financing with reduced administrative costs at favourable rates, since 40% of the loan is granted by the HDB, bearing a zero interest rate.
  - Working capital loans backed by the EAT-TMEDE Guarantee Fund at a rate of 80% to finance construction and engineering/planning SMEs which intend to execute or have already executed works and/or studies of public interest regardless of the completion phase of such works and/or studies and which are active in eligible sectors.
- In 2022, the following programs were completed:
  - The COVID-19 Business Guarantee Fund Program, in collaboration with the HDB which provided working capital financing on favourable terms due to the guarantee provided, to meet the increased liquidity needs of businesses arising from the COVID-19 pandemic.
  - The COVID-19 Micro and Small Business Program, in collaboration with the Regional Development Fund of Western Macedonia, which aimed at granting new loans for working capital on favourable terms (subsidized interest rate for the first two years) to enhance liquidity of small and micro enterprises established in the region of Western Macedonia.

- In collaboration with the European Investment Bank ("EIB") and within the context of enhancing financial support for investments that work towards attaining climate action objectives, as well as sound businesses supporting female entrepreneurship and strengthening the presence of women in leading business positions, NBG continued to run the respective programs also within 2022.

- Through dedicated products, such as programs supported by the EIB, and Bank's own resources, NBG finances investment plans for green energy production through a fixed assets loan product for the implementation of photovoltaic parks.

- The BUSINESS EXPRESS loan – financing in the form of an overdraft limit, amounting from €6,000 to €35,000 – is continued to be available exclusively through the Bank's online banking platform. The product is provided entirely digitally, from the application through to disbursement, and is addressed to legal entities and sole proprietors/ freelance professionals with at least one completed financial year of business operations.

- Funds were allocated through the POS FINANCING product to businesses already in partner arrangements with NBG, which accept customers' credit/debit/prepaid cards for payments through an NBG POS terminal. The product involves an overdraft limit linked to the company's sight account, through which its business transactions are carried out.

- Continuation of the Government aid facility for the repayment of business loans for borrowers affected by the adverse effects of the COVID-19 pandemic (**BRIDGE II**). This involves a loan instalment subsidy (principal & interest) for a time period not exceeding 8 months as of the date of approval.

- In addition, recognizing the dynamic and growth potential of the agricultural sector as a key pillar of the primary sector of the Greek economy, the Bank in recent years has applied an expanded action plan for the sector's support and growth, using funding tools and solutions across the entire range of banking operations. In this context, NBG has been participating since 2017 in the initiative of the Ministry of Rural Development & Food promoting the distribution of the "Farmer's Card" to farmers/livestock breeders. The said product offers to those entitled to financial support for agricultural activity a boost in liquidity at favourable terms, so as to be able to cover their operational needs. In addition, NBG continued in 2022 its Contract Farming financing program by which it finances farmers and livestock breeders who work in partnership with selected agri-food trading or processing companies for the production of products that are bought by the latter on the basis of sales agreements between both parties. As a result, the production and trading cycle of the buyers and farmers is upgraded, and both sides enjoy significant benefits (reduction of production costs, better planning of inventories). For the 2022 production period, more than 700 farmers joined the program.

In addition, as part of supporting the sustainable economy transition, the Bank has established the Ethniki 2.0 program, in alignment with the Greece 2.0 vision, which includes

funding of green transition opportunities. The Bank continued to offer in 2022 green banking products, that have gained traction, as energy efficiency solutions and related home energy upgrades are currently in the epicenter of demand contributing to environmental protection:

- Loans on favourable terms for energy improvements in homes (Exoikonomo), co-funded by the HDB amounted to €35 million, as of 31 December 2022.
- "Estia Green Home", a loan for the purchase, repair or construction of energy upgraded homes, amounted to €27 million as of 31 December 2022.
- Consumer loans granted under favourable terms and conditions, for financing the purchase of new hybrid technology cars and electric vehicles with an outstanding balance of €15 million, as of 31 December 2022.
- Green loans are also offered to Small Business customers for the financing of the installation of solar panels and the construction of photovoltaic power stations, with an outstanding balance of €69 million as of 31 December 2022.
- NBG has continued playing a leading role in financing RES, with an outstanding balance of €1,570 million in that sector, as of 31 December 2022. In 2022, the Bank proceeded to credit approvals for participation in financing RES investments worth €867 million, contributing to the country's overall efforts to improve its environmental footprint.
- NBG also offers 5 ESG mutual funds as part of its investment offering.

Restructuring of retail banking loans (individuals & SMEs)

The total portfolio of restructuring consumer and housing credit amounted to €111 million, while the total portfolio of settlement for the respective credit amounted to €3,304 million. The total portfolio of restructuring and rescheduling SME's credit amounted to €279 million.

With a view to optimizing the handling of loan and advances to customers that require special management and providing real support to Greek businesses and the economy in general, the Bank has established two dedicated and independent internal units, one responsible for the management of the Bank's retail loans (the Retail Collection Unit ("RCU")) and the other for the Bank's corporate delinquent exposures (the Special Assets Unit ("SAU")).

The respective units seek to provide tailor-made restructuring aiming to reduce the debt repayment obligations to sustainable levels. Please refer to section "*Economic and financial review – Business Overview - NPE management (Legacy Portfolio) & Specialized Asset Solutions*".

Staff Learning and Development

Please refer above to section "*People - Training and development*".

Environmental footprint

Faced with the severe energy crisis that marked the entire socio-economic activity of the country and beyond, NBG showed its reflexes taking a series of practical energy saving measures, and also guiding and supporting its personnel in adopting such energy-saving and environment-friendly behaviours in and outside of work. Such measures come to add to the Bank's already rolled out plan of buildings' energy upgrades and other important initiatives with a notable climate impact (e.g. technology-enabled transformations, such as transition to cloud and paperless, that have a significant impact also on NBG's own carbon footprint). In this context and implementing its Sustainability Policy and Environmental Management System, the Bank carried out the following actions and initiatives in 2021 – 2022:

- Mainly due to a series of energy saving actions, in 2021, NBG's total energy consumption was 201,175,135 MJ, reduced by 5.3% compared to 2020 (212,498,242 MJ) and by 15.3% compared to 2019 (237,522,980 MJ). It is noteworthy, that NBG has achieved a 25% reduction of its energy consumption from 2018 to 2021 and aims to a >15% additional reduction until 2025.

➢ **NBG Carbon Footprint**

Approach to establishing a baseline and emissions reduction targets:

➢ **As part of our 2050 net-zero strategy**, we acknowledge that it is fundamental to understand where our emissions are generated from and determine the measures and actions towards emission reduction. While in previous years we had already gained a good understanding of our **Scope 1** (direct emissions we create) and **Scope 2** (indirect emissions resulting from the use of electricity) GHG emissions, in 2022 we focused our efforts on establishing **a baseline of our Scope 3 GHG emissions** (indirect emissions attributed to upstream and downstream activities taking place to provide services to our customers) for the first time. This will serve as a basis for determining initiatives and actions towards emissions reduction, while in parallel developing the Bank's **Net-Zero roadmap, for the short (2025)**, medium (2030) and long-term (2050), in line with the Science Based Targets initiative ("SBTi") requirements.

What we measured:

➢ For 2021, NBG's total **Scope 1** emissions amounted to 2,381 tCO_2e, slightly increased vs. 2020 (+5%). This is the Bank's direct GHG emissions (per the GHG protocol 'Scope 1 DIRECT' emissions of the Reporting Company's facilities and vehicles), therefore reflecting the increase in the bank's own operations.

➢ Regarding **Scope 2** emissions two different approaches were used: the location-based approach and the market-based approach. For 2021, based on the Guarantees of Origin that the Bank received by its main electricity provider, and applying the market-based approach, Scope 2 emissions displayed a reduction of 99% compared to 2020 levels.

- For the first time, the Bank added in the recent baselining exercise, Scope 3 non-financed emissions categories pertaining to indirect emissions as a result of the Bank's supply chain, other than its financing and investments (i.e., Scope 3, Categories 1-14). These were included in both measurements of 2020 and 2021 (recalculating for 2020 as needed). In particular, the Bank calculated the emissions resulting from its purchased goods and services (Category 1), fuel and energy related activities (Category 3), upstream transportation and distribution (Category 4), and waste generated in operations (Category 5), which were evaluated as most relevant to the Bank's activities and as most material in terms of environmental impact. Scope 3 non-financed emissions in 2021 were measured at 30,558 tCO_2e, reduced by 29.6% y-o-y (43,376 tCO_2e in 2020, recalculated).

Non-financed emissions	2020	2021
Scope 1 emissions (tCO_2e)	2,259	2,381
Scope 2 location-based emissions (tCO_2e)	20,989	19,161
Scope 2 market-based emissions (tCO_2e)	23,419	224
Scope 3 (excl. Cat.15) emissions (tCO_2e)	43,376	30,558
Total non-financed emissions* (tCO_2e)	**69,054**	**33,163**
**Using the market-based approach for Scope 2*		

- Similarly, for the first time, the Bank calculated Scope 3 financed emissions. As the case is with all Financial Institutions, our analysis showed that 'Investments' (Scope 3 Category 15) correspond to the vast majority of our emissions.

- For specific selected parameters - chosen on the basis of impact and materiality[29] and per the Partnership for Carbon Accounting Financials ("PCAF") minimum requirements, we measured Scope 3 Category 15 emissions and intensities for 2020 and 2021, as noted in the table below:

Financed emissions ("FE") and Intensities - Scope 3 (Cat.15)	2020	2021
D35 - Electricity, gas, steam & A/C FE (tCO_2e)	742,483	978,803
D35 - Electricity, gas, steam & A/C Intensity ($kgCO_2e$/MWh)	245	134
CRE FE (tCO_2e)	40,695	42,394
CRE Intensity ($kgCO_2e$/m2)	86	77
Mortgages FE (tCO_2e)	318,239	292,301
Mortgages Intensity ($kgCO_2e$/m2)	32	33

- Although for certain portfolios, such as sector D35, financed emissions increased in 2021 due to the increase of our lending activities, it is noted that portfolio intensities have declined or remained stable across portfolios, and compare favorably to benchmarks available from other European banks.

Notes on our financed emissions measurement methodology:

- In order to measure our emissions generated from the financing provided to our customers and from our investments (Scope 3 Category 15), we implemented the PCAF Standard[30] for 2020 and 2021. Specifically, in our analysis we took into account on-balance sheet drawn amounts of loans and investments as at 31 December 2020 and 2021 including mortgages, CREs, corporate loans, project finance and securities (corporate bonds, listed and unlisted equities). For financing we provide through corporate loans, project financing and securities (corporate bonds, listed and unlisted equities) we placed emphasis on emissions related to power generation (NACE D35) as the most material sectors in our portfolio in terms of financed emissions.
- According to the PCAF Standard, financed emissions of a Bank are calculated by multiplying the ''attribution factor'' by the emissions of NBG's borrower or investee. The ''attribution factor'' is determining the share of the outstanding amount of loans and investments of NBG over the total equity and debt of the company, project, etc. (or the property value of the property for mortgages and CREs). The most recent available financial data of our customers (equity and debt) were utilised for our calculations, along with the reported absolute emissions of the borrower or investee or financed asset, where these were available.
- It should be noted that our initial disclosures relied on our existing data collection processes. Following the calculation of our financed emissions for the first time, we have recognized areas for improvement that are related to our data collection systems, as well as to closer engagement with our customers. As we integrate new parameters in our data collection processes and our systems, the emissions calculation exercise will be further facilitated and will also become more efficient, while our data quality will improve.

- In 2022, NBG avoided 2,483,002 kg CO_2 emissions, through production of electrical energy from solar panels, operating in four of its buildings (corresponding to 2,510,619 kWh sold to the grid through net metering).

- NBG received Guarantees of Origin, certifying that 100% of the electricity supplied by its main provider, in 2022, derived from Renewable Energy Sources.

- Recycling programs were implemented with the participation of employees. Indicatively, 461 tonnes of paper, 1,887 kg of small and large batteries, and c. 115 tonnes of electronic and electrical equipment

[29] Includes assets from: Bank's commercial real estate (CREs) and Mortgages portfolios, and Bank's exposures in NACE sector D35 (Electricity, gas, steam and air conditioning supply) across the rest of the PCAF asset classes (Listed equity and Corporate bonds, Business Loans and Unlisted Equity, and Project Finance).

[30] The Global GHG Accounting and Reporting Standard for the Financial Industry | PCAF (carbonaccountingfinancials.com)

were recycled. In addition, 468 kg of low voltage lamps and lighting equipment and 323 kg of plastic and aluminum were recycled through the expansion of recycling across the Bank's branch network. All these recycling programs were implemented in cooperation with licensed contractors.

- In the context of NBG's environmental footprint efforts, a series of actions were carried out aiming at saving energy and natural resources, as noted below:
  - **Plug-In Hybrid Cars:** In 2022, a total of 51 Plug-in Hybrid cars were acquired, with their average carbon emissions amounting to 33gr CO_2 / km. The carbon emission reduction for 2022 by this initiative was estimated at **103 t CO_2 / year**.
  - **Car chargers:** 2022 saw the completion of a full program of car chargers' installation in all Bank's privately - used parking lots, covering all company cars parking in those facilities.
  - **Discontinuation of plastics from NBG Canteens:** By discontinuing plastic material usage in 4 NBG canteens, it is estimated that the use of **197,000** pieces of plastic (utensils, cups etc.) was avoided in 2022.
  - **Ecological cleaners:** By replacing the existing cleaning materials with 100% ecological, the usage of harmful cleaners was avoided in 2022 (estimated **25,300 lt** annually).
  - **Photocell taps:** By installing 343 photocell taps in 6 Administrative buildings, it is estimated that c. **6,600 m³** (or 6,600,000 lt) are saved per year.
  - **Recycling bins (paper / plastic / aluminum):** By installing recycling bins in 10 buildings, the following were collected (and recycled as appropriate) in 2022:
    - Ungraded paper: **8,800 kg.**
    - Plastic / Aluminum: **323 kg.**

- The ESG projects implemented in 2022, included the collaboration with a Strategic Energy Consultant for the Bank's Environmental Strategy, with respect to its buildings. In this context, sophisticated energy monitoring systems were installed in buildings with high energy consumption levels, whilst the property energy upgrade program was continued. Actions and initiatives included:
  - Lighting, heating and cooling system upgrades, in several buildings.
  - Installation of water consumption reduction systems, in several buildings.

  Furthermore, noteworthy ongoing projects included:
  - The energy efficiency retrofit, accompanied by a LEED certification of the Bank's Headquarters ("Karatza building");
  - acquiring ISO50001 certification for the Bank;
  - feasibility study of a large-scale energy efficiency retrofit project (i.e.: buildings' energy upgrade, installation of photovoltaics on NBG Group buildings).

  The continuation and successful completion of the energy upgrading of all of the Bank's buildings is a key target in the upcoming years.

Also, in 2022, additional measures for rationalizing energy use were implemented, triggered by the energy crisis in Europe. Specifically:

1. AIR CONDITIONING (Heating-Cooling-Ventilation).

   Reduction of air conditioning operating hours in the administration buildings, depending on the use of the building. Setting the thermostats, at a temperature not higher than 19°C in winter and not lower than 26°C in summer.

   Deactivation of the air conditioning, after the end of the work and the departure of the workers as well as when the outside temperatures allow it.

   Rational use of natural ventilation, especially on days when the weather conditions are unfavorable (intense cold or heat).

2. LIGHTING - Modification of external & internal lighting operation during the night. Specifically:

   Modification of the lighting operation during the night hours, by switching off the external lighting after 22:00 in the Administration buildings and in the Branches.

   Rational use of artificial lighting and its deactivation after the end of the work and the departure of the workers.

3. OTHER FACILITIES:
   - ✓ Rationalizing the use of water heaters and domestic hot water, when required.
   - ✓ Rationalizing the use of elevators.

- The development of processes/transactions with a view to reducing operating costs, rationalizing printing and saving natural resources (paper) was continued in 2022.

- As regards prevention of consumption of natural resources, note that in the course of the Bank's normal business activity the bulk of solid waste is paper. Since 2011, the Bank's correspondence (internal and to third parties) is fully managed by the Internal Electronic Document Management System, resulting in a significant reduction in printing and paper consumption. In 2022, 486,488 documents were exchanged through the Internal Electronic Document Management System, thus saving c. 1,216,220 page prints. Furthermore, the use of the e-signature application also contributed towards limiting paper consumption (c. 7.3 million print-outs during 2022). Additionally, since 2021, the connection of myNBG system and internet banking with e-Gov has been implemented, enabling customers to update their data digitally, without the need to submit documents. A total of 216,000 customers already have digitally updated over 1.3 million confirmation documents.

- As regards toner management, the Bank has arranged since 2014 the outsourcing of Managed Print Services

("MPS") printing needs of Central NBG Services hosted in central buildings and its Branch Network. Environmentally friendly management of waste originating from the device consumables, is also part of this outsourcing arrangement. This program leads to the reduction of printouts and, as a consequence, the reduction of paper and toner consumption. The project establishes centralized management of printing needs. The number of the system's current users amounts to c. 6,859 individuals. In 2022, the toners supplied through the MPS system totalled 6,141 items, while 2,884 items were recycled through the 2,748 MPS units. It is anticipated that the future benefit for the Bank will be a 25% - 35% reduction in printing costs.

- Aiming at environmental protection, the Bank launched its i-bank statement service whereby its customers receive electronic statements regarding their credit cards and mortgage or consumer loans and savings accounts and stopped receiving printed statements. Moreover, NBG's i-bank delivery channels are being enriched on an ongoing basis with new services and more transactions enabling customers to carry out transactions 24/7 from home or with their mobile phone. Note that more than 250,000 new users were registered in 2022 for NBG's Internet/Mobile Banking services, while transactions through digital channels increased more than 17% y-o-y.

Other related initiatives:

NBG has further enhanced its social and environmental awareness profile by adding **THE GREEN CITY** recycling reward program to its **go4more** (NBG's rewards/loyalty program) partners. **GREEN CITY** members recycle waste separated by type of material (paper, plastic, glass etc.) at the GREEN CITY Mobile Green Points (vans), earning points they can redeem at partnered businesses. The partnership between go4more and THE GREEN CITY, enables members of both programs to convert the points they collect from recycling, into go4more points, providing **€3 & €6 go4more vouchers** that can be redeemed at more than 7,500 go4more partners. The partnership between the two programs began in mid-August 2022 and has already been embraced eagerly by go4more members, as **more than 5,000 vouchers of a total value of over €16,000 have been awarded**. In 2023, the range of recyclable materials will be expanded.

- **Fixed asset donations 2022**

NBG reuses or donates (in case of depreciation or replacement) its equipment to various organizations and public services that need support in kind, in order to reduce its environmental impact and to enhance circular economy initiatives. For 2022 the Bank proceeded with 263 donations of 3,967 pieces of office furniture and electronic equipment.

NBG's social contribution

Demonstrating resilience against the ongoing adverse global health conditions, the energy challenges, geopolitical uncertainty and inflationary pressures which are taking place at a global level, creating an unfavorable economic climate, NBG - standing by its commitment to social support- during 2022 continued its sponsorship program, including "MIET", with funds amounting to c. €4.3 million. The three key pillars of the "RESPONSIBILITY" CSR program are: Community - Culture - Environment.

Specifically:

Community

Society

- Strengthening of actions to upgrade health services, with emphasis on the prevention and treatment of COVID-19.
- Development of social solidarity programs.
- Supporting the work of bodies and organizations with distinguished track records in the alleviation of social problems.
- Supporting vulnerable social groups and individuals.

Science / Research / Learning

- Sponsorship for scholarship programs for bachelor and master's degrees in Greece and abroad.
- Contribution to the enhancement of the education provided and support for educational programs.
- Sponsorships for research programs, awards, and support for innovative ideas.
- Support for scientific work and promotion of research, predominately in the form of sponsoring scientific meetings (conferences, workshops) covering the entire spectrum of sciences.
- Support for publications, conferences and other events dealing with investment and financial issues.

Sports

- Continuation of sponsorship support to sports organizations and distinguished individual athletes preparing for participating in international sporting events.

Culture Heritage / History /Art

- Sponsorship of the preservation and showcasing of the historical and cultural heritage.
- Sponsorship support for a variety of events and actions, in the context of celebrating the 200th anniversary of Greek Revolution.
- Support for actions and events that involve music and the performing arts.

NBG Cultural Foundation ("MIET")

The significant work of the MIET includes the promotion of literature, science and the arts.

MIET, with its distinguished actions claims a worthy leading role in Greece's cultural life.

NBG Historical Archive (NBG-HA)

Particularly noteworthy, is the NBG's Historical Archive, an important centre of documentation with regard to the economic, political, cultural and social history of the country, which brings together a complete historical archive, with time limits almost identical with the existence of the modern Greek state. Today, the NBG's Historical Archive operates in the fields of archival, historical, research, publishing and educational activities, pioneering in the implementation of new technologies regarding the management of its archival material.

Environment

- Support for programs and conferences that highlight the benefits of sustainable development and environmentally friendly technologies.
- Support for the production of publications and digital content in order to enhance environmental awareness and aiming to mitigate the effects of climate change.
- Contribution to the work of bodies that are involved in environmental preservation and sustainable development actions.

Information about Article 8 of the EU Taxonomy Regulation

Eligibility to EU Taxomony

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 also specifies 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 operations align with the 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.

From 1 January 2024, the Group will be required to disclose information on the extent to which its investments contribute to environmental objectives, the degree of alignment with the EU Taxonomy, and the principal adverse impacts of investment decisions on sustainability factors. The Group will also be required to disclose the Green Asset Ratio ("GAR") KPI which measures the extent to which activities in Group's balance sheet can be considered environmentally sustainable, according the Taxonomy's technical standards. These disclosure requirements aim to increase transparency and enable investors and the users of the Financial Statements to make informed decisions.

Before publishing the GAR in 2024, under Article 10, para 3 financial undertakings from *1 January 2022 until 31 December 2023, shall disclose:*

- the proportion in their total assets of the exposures to Taxonomy non-eligible and Taxonomy-eligible economic activities (see table below (a));
- the proportion in their total assets of the total exposures to central governments, central banks, supranational issuers and derivatives (as referred to in Article 7, paragraphs 1 and 2) (see table below (b));
- the proportion in their total assets of the total exposures to non-NFRD companies (as referred to in Article 7(3)) see table below (c));
- the qualitative information referred to in Annex XI (see table below (d)).

Credit institutions shall also disclose:

- the proportion of their trading portfolio and on demand inter-bank loans in their total assets.

Per Reporting Taxonomy eligibility and Taxonomy alignment the Group, prior to January 2024, is required to report on Taxonomy eligibility only. In this context, as financial undertaking, the respective requirement for the Group as of 31 December 2022, is presented below (*amounts in € million*):

	Article 10 (para 3)	Taxonomy eligible*	% coverage over Total Assets	Taxonomy non eligible**	% over Total Assets
(a)	**Total Assets**	9,084	**11.6%**	69,028	**88.4%**
	of which trading portfolio			*224*	*0.3%*
	of which on demand inter-bank loans			*227*	*0.3%*
(b)	**Total exposure to central governments, central banks and supranational issuers**			25,731	**32.9%**
	Total exposure to derivatives			1,962	**2.5%**
(c)	**Total exposure to non-NFRD[1] companies**			5,945	**7.6%**

Annex XI disclosures for qualitative information in support of the quantitative indicators including the scope of assets and activities covered by the KPIs, information on data sources and limitation

(d) The taxonomy eligibility has been assessed on the following assets and activities:

- financial assets at amortised cost;
- financial assets at fair value through other comprehensive income;
- investments in joint ventures and associates;
- financial assets designated at fair value through profit or loss and non-trading financial assets mandatorily at fair value through profit or loss;
- real estate collaterals obtained by credit institutions by taking possession in exchange for the cancellation of debts.

The following assets excluded from taxonomy eligibility assessment:

- financial assets held for trading;
- on-demand interbank loans;
- exposures to undertakings that are not obliged to publish non-financial information pursuant to Article 19a or 29a of Directive 2013/34/EU.

The European Commission has two approaches to calculate the eligibility ratio: mandatory reporting based on information that counterparties publicly disclose; and voluntary reporting, which is an estimate based on proxies when the information about eligibility of the counterparties is not available.

The Group's approach is to include the eligibility exposure for financial and non-financial undertakings under the mandatory approach, after capturing the data published by these undertakings (both based on average of capital expenditure eligibility and turnover eligibility) and provided by the internal customer segmentation (i.e. SME, Large corporate, small businesses & professionals).

The Group's eligible exposures mainly include mortgages and assets acquired through foreclosure proceedings amounted to €8.3 billion, as well as eligible loans and securities amounted to €770 million issued by Greek companies in the fields of energy, construction and manufacturing for which official information on the eligibility of the activities of our corporate clients was available when preparing this Annual Report.

Total exposure to non-NFRD companies mainly includes investment securities exposures to unlisted companies and associates, loans to SME companies and public sector corporations and exposures to non-large companies with average staff less than 500 employees.

However, a complete data collection has been a constraint when reporting taxonomy-eligible activities. The lack of robust data affects the presentation and accuracy of ratios for taxonomy-eligible activities, taxonomy non-eligible activities and non-NFRD entities.

The Complementary Delegated Act, which includes activities related to the nuclear and gas sectors, was adopted by the European Commission in 2022 and entered into force on 1 January 2023. The assessment of the eligibility of exposures for the financial year 2022 is based on disclosed eligibility KPIs for the financial year 2021, and these KPIs do not include activities under the Complementary Delegated Act. The Group is expected to have zero exposures connected to the prescribed economic activities.

Notes:

**"Taxonomy-eligible economic activity" means an economic activity that is described in the delegated acts adopted pursuant to Article 10(3), Article 11(3), Article 12(2), Article 13(2), Article 14(2), and Article 15(2), of Regulation (EU) 2020/852, irrespective of whether that economic activity meets any or all of the technical screening criteria laid down in those delegated acts;*

***"Taxonomy-non-eligible economic activity" means any economic activity that is not described in the delegated acts adopted pursuant to Article 10(3), Article 11(3), Article 12(2), Article 13(2), Article 14(2) and Article 15(2), of Regulation (EU) 2020/852.*

[1] For companies not obliged to publish non-financial information pursuant to Article 19a or 29a of the Non-Financial Reporting Directive ("NFRD") of Directive 2013/34/EU.

As per Transformation Program, Group's objectives are the ongoing alignment to UNEP FI Principles of Responsible Banking ("PRB") and EU Taxonomy. For Group's activities in 2022, see also above sub-section "*Non-Financial Statement Issues-Climate and Environmental Issues-Actions taken*"). Furthermore, details regarding Group's core activities are included in section "*Economic and financial review – Business Overview*".

NBG shares and shareholder structure

NBG Shares

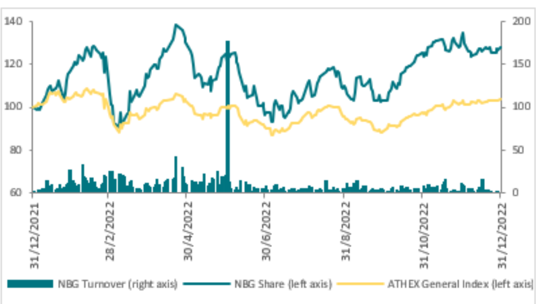
Despite the pandemic and the energy crisis, the positive performance of the Greek economy supported the market capitalisation of a number of listed companies. The banking sector further benefited from the significant progress made in reducing non-performing loans.

In this context, the General Index of the Athens Stock Exchange increased by 4.1% on an annual basis, with the Energy sector leading the rise, recording gains of 46.1% followed by the Industrial sector with gains of 24.3%. During this period, trading activity increased with the average daily value of transactions on the Athens Stock Exchange settling at €74 million in 2022 compared to €71 million in 2021.

Following the upward trajectory of the market, NBG's share price increased from €2.660 on 8 March 2022 (year low) to €4.060 on 21 April 2022 (year high), closing at €3.747 on 31 December 2022. NBG's market capitalization on 31 December 2022 stood at €3.4 billion from €2.7 billion on 31 December 2021. Finally, NBG's annual trading volume amounted to €2.2 billion in 2022, increasing by 57.6% compared to the previous year.

NBG Stock Market Data	2022	2021
Year-end price (€)	3.7	2.9
Year high (€)	4.1	2.9
Year Low (€)	2.7	1.8
Yearly standard deviation for NBG share price (%)	2.7	2.4
Yearly standard deviation for banking sector (%)	2.8	3.4
NBG market capitalization at year end (€ billions)	3.4	2.7
Annual trading volume (€ billions)	2.2	1.4
NBG to ATHEX trading volume ratio (%)	12.3	8.0

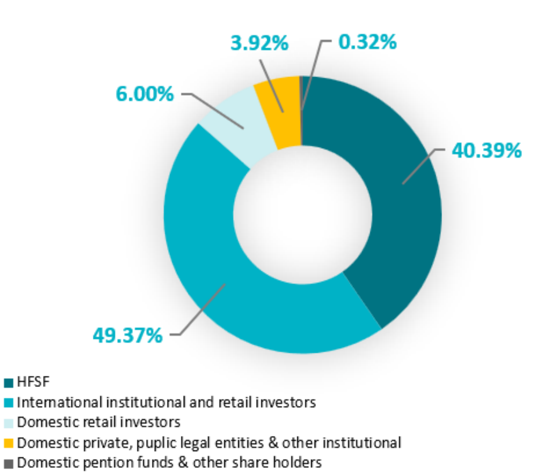
NBG Share Price & Turnover



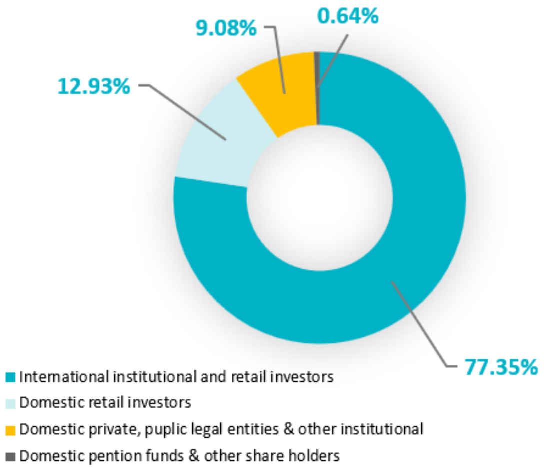
Shareholder Structure

As at 31 December 2022, NBG's share capital was divided into 914,715,153 common shares of a nominal value of €1.00 each. As at 31 December 2022, NBG's free float was broad-based, including c. 97,570 institutional and retail shareholders of which 40.39% is held by the HFSF, while 49.37% was held by international institutional and retail investors, and 6.00% by domestic retail investors. Excluding the HFSF's shareholding, the participation of international institutional and retail investors stood at 77.35% while domestic retail investors stood at 12.93%.

NBG's Shareholders Structure
as of 31 December 2022



NBG's Shareholders Structure (excl. HFSF)
as of 31 December 2022



Corporate Governance Statement

Introduction

In accordance with Article 152 of Greek Law 4548/2018 on Sociétés Anonymes, the Bank is obliged to include the Corporate Governance Statement, as a specific part of the Annual Board of Directors' Report. As per the said article, the Bank's Corporate Governance Statement includes the following sections, in which additional information required by other applicable framework, e.g. Greek Law 4706/2020 on "Corporate Governance for Sociétés Anonymes, Contemporary Capital Market, transposition of Directive (EU) 2017/828 of the European Parliament and of the Council, implementation measures of Regulation (EU) 2017/1131 and other provisions", is also included:

It is noted that additional information in relation to public offers for acquisitions, as mandated by Article 10 of the European Directive 2004/25/EC, required pursuant to par. 1 d) of Article 152 of Greek Law 4548/2018, is included in a separate section of the Board of Directors' Report, namely, the Supplementary Report to the Annual General Meeting of Shareholders.

A. Corporate Governance Code

The Bank's Corporate Governance Framework is aligned with the requirements of Greek and European legislation, the decisions and acts of the Bank of Greece, the guidance of the European Central Bank, the guidelines of the European Banking Authority and the European Securities and Markets Authority, as well as the decisions and guidance of the HCMC. Additionally, the stipulations of the Relationship Framework Agreement ("RFA") between the Bank and the HFSF as each time in force are applied.

In February 2006, the Bank's Board of Directors adopted a directional framework that describes the Bank's corporate governance structure and policy, while throughout the years this framework has been revised as deemed necessary, in alignment to regulatory provisions, guidelines, best practices and developments in the Bank's internal governance arrangements. As of June 2021, in accordance with article 17 of Greek Law 4706/2020, the Bank has adopted and follows the Hellenic Corporate Governance Code of the Hellenic Corporate Governance Council, which constitutes the Hellenic Corporate Governance Code for Companies with securities listed on the stock market, in accordance with Article 17 of Greek Law 4706/2020 and Article 4 of the Decision of the Hellenic Capital Market Commission (Decision 2/905/3.3.2021 of the Board of Directors of the HCMC). Further, the Bank's Corporate Governance Code includes additional provisions in compliance with more specific corporate governance framework applying to credit institutions, as well as provisions on internal arrangements and processes that the Bank implements in compliance with the relevant legal and regulatory framework. The Bank monitors developments in the applicable framework and relevant guidelines, as well as best practices in the area of corporate governance and proceeds to actions deemed appropriate in order to ensure compliance with the applicable legal and regulatory framework, as in force, as well as relevant guidelines. The Bank's Corporate Governance Code was lastly amended in February 2022, mainly to incorporate provisions on the newly established Board Innovation and Sustainability Committee.

The determination of authorities and responsibilities of the Bank's management bodies and the delegation of authorities of the Board of Directors to Bank's executives are carried out in accordance with its Articles of Association and the applicable legislation, as incorporated in the Bank's internal framework.

The Bank's internal Corporate Governance framework and the Hellenic Corporate Governance Code of the Hellenic Corporate Governance Council can be viewed on the Bank's website: www.nbg.gr (https://www.nbg.gr/en/group/esg/corporate-governance/corporate-governance-framework).

B. NBG's Corporate Governance Key Policies and Practices

The Bank continuously monitors developments in the applicable framework and relevant guidelines and best practices and proceeds to the actions deemed appropriate in order to ensure that the policies followed are in alignment with the prevailing applicable regulatory framework and relevant guidelines:

Group Governance Policy (B.1)	Includes the main corporate governance principles at NBG Group level and provisions concerning Group companies' governance bodies, collaborating with NBG, the Internal Control System and regulatory requirements, establishing a unified Corporate Governance Framework for the Group.
Group Remuneration Policy (B.2)	Sets out the general framework for remuneration throughout the Group and defines the basic principles on which the NBG Group approaches issues regarding the remuneration of executives and employees.
NBG Board of Directors' & Senior Managers' Remuneration Policy (B.3)	Sets out the general framework for the remuneration of the members of the Board of Directors and Senior Managers (General & Assistant General Managers), in accordance with the applicable legal and regulatory provisions, and in alignment with the principles set out in the NBG Group Remuneration Policy, and covers the total remuneration awarded to all Board Directors (Executive and Non-Executive), i.e. fixed and variable remuneration, including benefits, participation in Committees fees and other potential compensation, as well as the total remuneration awarded to all members of Senior Management (i.e. General Managers and Assistant General Managers).
Policy for the Annual Training of members of the Board of Directors and its Committees	Establishes procedures with the purpose of supporting the Board of Directors in enhancing its performance and expanding the relevant skill base and competencies. More detailed information on this Policy is included in Section "*D. Board of Directors and other management, administrative and supervisory Bodies/ Induction, Continuous Education and Training of Directors*".
Board Self-Assessment Policy	Sets out the procedures for the evaluation of the Board of Directors and Board Committees collective performance and the evaluation of Directors on an individual basis with the view of ensuring the effective workings of the Board of Directors. More detailed information on this Policy is included in Section "*D. Board of Directors and other management, administrative and supervisory Bodies/ Evaluation of the Chief Executive Officer, the Board of Directors and the Board Committees*".
Board Nomination Policy (B.4)	Sets the framework and describes the process for the nomination of candidates to the NBG Board, as well as the re-appointment of Board members, while it also includes provisions on the Target Board Profile.
Board Suitability Assessment Policy and Procedure (B.5)	Sets out the criteria to be used in the suitability assessment of the Board members (initial and ongoing), including the suitability criteria provided on the applicable regulatory framework and explains in greater detail the policies, practices and processes applied by the Bank when assessing the suitability of members of the Board.
Board of Directors Diversity Policy	Sets out the Bank's approach for accomplishing the desired diversity on its Board of Directors, in order to achieve a variety of views, experiences and perceptions which facilitate independent opinions and sound decision-making within the Board. More detailed information on this Policy is included in Section *"B.9 Diversity policy concerning Bank's management, administrative and supervisory bodies"*

Policy for the nomination and suitability assessment of Senior Management (B.6)	Sets out the principles and process for the nomination and suitability assessment of members of Senior Management with the highest professional and personal skills and moral caliber, while conforming to the applicable regulatory framework, internal bank regulations and international best practices.
Insurance Cover for members of the Board of Directors and Executives of the Group companies (B.7)	Covers the civil liability of the Directors and Executives of all the Group entities, with respect to the civil liability for claims against the Bank and its subsidiaries arising from negligence, error or oversight by Directors, Executives and employees, and damages arising from fraud, including electronic fraud, as well as cyber security breaches.
Internal Regulation of NBG S.A. (B.8)	Includes information on the Board of Directors and its Committees, the organizational structure of the Bank, the senior executives, the Internal Control System, compliance and notification procedures, transactions with related parties, and the policies of the Bank. The Regulation is supplementary to the provisions of the Articles of Association and the Corporate Governance Code.

- The Bank has also in place, among others, the following policies and practices, which are described in detail in the section "*Non-Financial Statement – Corporate Responsibility*":
  - NBG Group Code of Ethics.
  - Code of Ethics for Financial Professionals.
  - Group Anti-bribery and Anti-corruption Policy.
  - Whistleblowing Policy for the Bank and the Group.
  - Anti-Fraud Policy.
  - Policy for avoiding Conflicts of Interest for Board Members, Senior Executives and other Related Parties of NBG.
  - Policy for Connected Borrowers of the Bank and the Group in Greece.
  - Policy on Donations, Sponsorships, Charity Contributions and other Actions of the Group.
  - NBG Group Sustainability Policy.
- Furthermore, the Bank has established policies which ensure that the Board of Directors is provided with sufficient information on related parties transactions, by taking into account the abovementioned Policy in order to avoid Conflicts of Interest for Board Members, Senior Executives and other Related Parties of NBG, as well as the Policy for Connected Borrowers of the Bank and the Group in Greece.

(B.1) Group Governance Policy:

The NBG Group Governance Policy was initially adopted by the Board of Directors in January 2018 and subsequently revised in April 2020, with a view to further enhancing the unified corporate governance framework of NBG Group and further optimizing the cooperation between the NBG and its Group companies. One of the main novelties brought forward was the introduction of the Tiered Subsidiary Governance Model, in accordance with which the level of implementation of the group governance framework shall be determined based on the classification of group entities, thus establishing the appropriate governance/reporting structures and practices for each subsidiary.

Within the context of the Group Governance Policy, the Bank as the parent company aims to appropriately balance the degree of control that needs to be exercised by the parent company over the group subsidiaries and the degree of independence that needs to be provided to the subsidiaries. At the same time, it should be ensured that the Group places systems and processes which will assure the Bank's Board of Directors that the "downstream governance" of the subsidiaries reflects effectively the same values, ethics, controls and processes as at the parent level.

(B.2) Group 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 by Greek Law 4799/2021, which transposed Directive 878/2019/EU (CRD V), Greek Law 4548/2018, Greek Law 3864/2010 ("the HFSF Law"), as in force, the Bank of Greece Governor's Act 2577/2006, as amended by the Bank of Greece Executive Committee's Act 158/10.5.2019, and the Relationship Framework Agreement between the Bank and the HFSF, as each time in force.

The Group Remuneration Policy was revised during 2021. The revision included alignment of the Policy with provisions of the Directive 878/2019/EU (CRD V) and the Bank of Greece Executive Committee's Act 158/10.5.2019, as well as changes, so that relevant procedures upheld by the Bank and Group are clearly outlined. The Bank further monitors developments in the applicable framework.

Information on the Bank and Group Remuneration Policy and general remuneration practices is available on the Bank's website at www.nbg.gr (https://www.nbg.gr/en/group/esg/corporate-governance/corporate-governance-framework).

(B.3) Directors' & Senior Managers' Remuneration Policy:

In accordance with Directive (EU) 2017/828, as this has been (partly) transposed into the Greek legal framework with Greek Law 4548/2018 on Sociétés Anonymes, listed companies are required, among others, to establish a remuneration policy as regards directors and shareholders have the right to vote on the remuneration policy at the General Meeting. Additionally, in accordance with article 110 para. 1 of Greek Law 4548/2018, by statutory provision the Policy may also include in its scope the key management personnel, as defined in International Accounting Standard (IAS) 24 para. 9.

The Directors' Remuneration Policy was initially approved by the Bank's Annual General Meeting of Shareholders held on 31 July 2019 and was subsequently revised by the Annual General Meeting of Shareholders of 31 July 2020. During 2022, the Directors' & Senior Managers' Remuneration Policy was further revised by the Bank 's Annual General Meeting of Shareholders, held on 28 July 2022, 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 especially amendments to the methodology for determining remuneration of Non-Executive Directors; adjustments in alignment to provisions of the new Greek Law 4941/2022 amending Law 3864/2010 relevant to remuneration; updates in legal framework and EBA Guidelines references, as per current provisions applying; and updates in contract termination clauses in line with market practice and in accordance also with the years of service at the Bank. 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-28-07-2022).*

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 2022 by 98.81% 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).

(B.4) Board Nomination Policy:

The Board Nomination Policy complements the Bank's governance framework for nominating candidates to the Board of Directors and is read and interpreted in conjunction especially with the Board Suitability Assessment Policy and Procedure and the Board Diversity Policy, as well as the Bank's Corporate Governance Code and Internal Regulation.

The Policy applies to all NBG Board members designated by the Bank's relevant collective bodies (General Meeting or Board of Directors, in accordance with NBG' s Articles of Association), excluding the representative of the Hellenic Financial Stability Fund (HFSF), for whose appointment the relevant HFSF's provisions apply.

The Policy aims *inter alia* at establishing a transparent, effective and time-efficient nomination process, and ensuring that the NBG Board is a balanced, diverse and qualified Board and that the structure of the NBG Board meets the highest individual and collective suitability standards and requirements in terms of ethical principles standards and skills, and is fully aligned with the regulatory framework governing the Bank.

The Policy was lastly revised in November 2022 by the Board of Directors, following proposal of the Corporate Governance and Nominations Committee, so as to align among others with the Board Suitability Policy and with changes in the relevant regulatory framework (e.g. new HFSF Law, ECB guidance).

More detailed information on this Policy is included in Section *"D. Board of Directors and other management, administrative and supervisory Bodies/ Directors' Nomination & Suitability Assessment".*

(B.5) Board Suitability Assessment Policy and Procedure:

Within the context of the Bank's obligations in relation to the (initial and ongoing) assessment of the suitability of Board members and the collective suitability of the Board, the Bank as of September 2020 has in place the Board Suitability Assessment Policy and Procedure. The Policy was initially adopted by the Board of Directors, following proposal of the Corporate Governance and Nominations Committee, while on 30 July 2021, in alignment to the provisions of Greek Law 4706/2020, the Policy was approved by the General Meeting of Shareholders, as submitted by the Board of Directors following proposal of the Corporate Governance and Nominations Committee.

In 28 July 2022 the Policy was further revised by the Annual General Meeting of Shareholders, following proposal of the Board of Directors as per recommendation of the Corporate Governance and Nominations Committee, with the aim to align with changes in the applicable relevant regulatory framework (e.g. revised ECB Guide to Fit and Proper assessments, Bank of Greece Executive Committee Act 205/1/18.05.2022, Greek Law 4941/2022 amending Law 3864/2010, all of which include important provisions relating to Board members' suitability/eligibility criteria. The revised Board Suitability Assessment Policy and Procedure was approved by the Annual General Meeting of Shareholders of 28 July 2022 by 100% favourable votes. 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-28-07-2022).*

The Policy aims to strengthen the internal fit and proper process and has incorporated the relevant obligations in alignment with the applicable framework (especially the Greek Laws 4706/2020, 4261/2014 and 3864/2010 and relevant Hellenic Capital Market Commission Circulars, the ECB/SSM Guide to Fit and Proper Assessments, the joint EBA-ESMA Guidelines on the assessment of suitability of members of the management body and key function holders, the Bank of Greece Executive Committee Act 142/11.6.2018, as in force), so as to ensure prudent and effective management of the Bank.

The NBG Board Suitability Assessment Policy and Procedure is available on the Bank's website, at www.nbg.gr (https://www.nbg.gr/en/group/esg/corporate-governance/corporate-governance-framework).

More detailed information on this Policy is included in Section *"D. Board of Directors and other management, administrative and* *supervisory Bodies/ Directors' Nomination & Suitability Assessment"*.

(B.6) Policy for the nomination and suitability assessment of Senior Management:

Within the context of enhancing the overall process for the nomination of the Bank's Senior Management, considering also the Bank's obligations in relation to the suitability assessment of key function holders, in January 2021 the Board of Directors, following proposal of the Corporate Governance and Nominations Committee, approved the Policy for the nomination and suitability assessment of Senior Management. The Policy lays out the applying Principles and the Nomination processes followed in the case of Senior Managers' positions falling within its scope, in alignment with regulatory provisions and taking also into account international best practices. Among the key objectives of the Policy are to establish a transparent, effective and time-efficient nomination and suitability assessment process; ensure that the structure of the Bank's Senior Management meets the highest suitability requirements in terms of ethical standards and skills, and is fully aligned with the current regulatory framework governing the Bank; and ensure the effective and prudent management of the Bank and the effectiveness and soundness of the Bank's governance arrangements, so as to protect the interests and the reputation of the Bank and its Group.

(B.7) Insurance Cover for members of the Board of Directors and Executives of the Group companies:

In compliance with the provisions of the Corporate Governance Code, the Bank has entered into a multi-insurance contract in order to cover the civil liability of the Directors and Executives of all the Group entities, with respect to the civil liability for claims against the Bank and its subsidiaries arising from negligence, error or oversight by Directors, Executives and employees, and damages arising from fraud, including electronic fraud, as well as cyber security breaches. The Insurance Cover contracts are subject to annual review and renewal.

(B.8) Internal Regulation of NBG S.A.

The Internal Regulation has been drafted in the context of Greek Law 4706/2020 on Corporate Governance of Sociétés Anonymes, taking into consideration the relevant provisions of the legal and regulatory framework (particularly Greek Law 4548/2018, Law 3016/2002, Greek Law 4514/2018, Law 4261/2014, Law 4799/2021, Directive 2013/36/EU (CRD IV), Directive 2019/878/EU (CRD V), Law 3864/2010 (the "HFSF Law"), as in force, decisions and acts issued by the Bank of Greece, the European Central Bank and the Hellenic Capital Market Commission, as well as the Bank's obligations as defined in the Relationship Framework Agreement with the HFSF, as each time in force.

The Regulation includes information on the Board of Directors and its Committees, the organizational structure of the Bank, the senior executives, the Internal Control System, compliance and notification procedures, transactions with related parties, and the policies of the Bank.

The Regulation is supplementary to the provisions of the Articles of Association and the Corporate Governance Code.

A summary of the Regulation is duly published on the Bank's website, at www.nbg.gr (https://www.nbg.gr/en/group/esg/corporate-governance/corporate-governance-framework).

The Board of Directors reviews the Regulation whenever required, in order to ensure its adequacy regarding the principles adopted and the rules applied by the Group, as well as the applicable legal and regulatory framework and international best practices. The Bank ensures that its key subsidiaries draft an Internal Regulation.

The Internal Regulation was adopted by the NBG Board of Directors at the meeting held on 30 June 2021.

(B.9) Diversity policy concerning Bank's management, administrative and supervisory bodies

In accordance with Greek Law 4261/2014, as in force, which incorporated Directive 2013/36/EU into Greek legislation, Greek Law 4706/2020 and applicable guidelines (HCMC Circular No. 60, Joint European Banking Authority (EBA) and European Securities and Markets Authority (ESMA) Guidelines on the assessment of suitability of members of the management body and key function holders), as well as HFSF Corporate Governance Objectives and Standards and HFSF Voting Policy, the Bank should engage a broad set of qualities and competencies when recruiting members to the Board of Directors and for that purpose shall put in place a policy promoting diversity on the Board of Directors.

Within this context, the Bank follows practices and policies that promote diversity both at the level of the Board of Directors, as well as at executive level, aiming at promoting a diverse pool of members of its supervisory and management bodies. In particular, the Bank aims at engaging a broad set of qualities and competencies when recruiting members of the Board of Directors and of its executive management, with a view to achieving a variety of views and experiences and to facilitating sound decision making. Collectively, there is a set of skills and expertise in place so as to contribute to the efficient operation of the Bank's supervisory and management bodies, aiming at collective suitability of the said, while the Board of Directors shall collectively have the skills to present its views and influence the decision-making process within the executive management body.

In particular, the Bank gives great emphasis on ensuring diversity including in terms of gender representation, age, nationality and variety of educational background, experience and expertise. As regards the composition of the Board of Directors, which is in accordance with the Bank's Board of Directors Diversity Policy, the Corporate Governance and Nominations Committee during the process for the selection and appointment of Board members, as well as during the assessment (collectively and individually) of Board suitability and succession planning, takes into account the aforementioned diversity aspects, while also considering particular provisions on Board members eligibility criteria to which the Bank is subject to, including the criteria provided in Article 10 of Greek Law 3864/2010, as each time applicable.

The Corporate Governance and Nominations Committee, as the responsible body for monitoring the implementation and reviewing the Bank's Board of Directors Diversity Policy and relevant procedures, reviews and assesses, both annually and ad hoc, Board and Board Committees' composition including on the basis of the aforementioned diversity aspects and recommends to the Board any changes required in order to ensure that it reflects an appropriate range and balance of skills, experience and backgrounds.

As far as gender representation to the Board, the Bank, in line with the Board of Directors Diversity Policy, has already achieved and aims to maintain an adequate representation of at least 30% Board members of both genders and in any case of no less than 25% of total Board members (rounded to the previous integer). More specifically, currently the representation of women on the Board of Directors is at 31% (one Executive Member and three Independent Non-Executive Members of the Board of Directors are women).

Further, at General Managers and Assistant General Managers level the Bank has 8 woman in the positions of: General Manager of Retail Banking and Executive Member of the Board of Directors, General Manager – Legacy Portfolio & Specialized Asset Solutions, General Manager of Group Marketing, General Manager of Group Human Resources, Assistant General Manager - Group Chief Control Officer, Assistant General Manager of Group Real Estate, Assistant General Manager - Corporate Special Assets and Assistant General Manager - Head of Network.

Additionally, the Bank has 44 women in the position of Directors, Deputy Directors and Independent Sector Heads.

In terms of age, the age of Board members varies and is in the range of 50 to 70, except for one Director being over 70, and one Director being under 50, while the age of Senior Executives is mainly in the range of 40 to 60.

The Board of Directors of the Bank has a multinational composition, including six different nationalities, with Greek, Dutch, French, British, Belgian and Romanian Board members having international experience among others by previously being Board members or Senior Executives in a number of different countries, including the United Kingdom, U.S., France, China, the Netherlands and Romania.

The Bank's Directors and Senior Executives have a variety of educational backgrounds and work experience, including indicatively educational background in Economics, Business Administration, certifications and prior experience in Accounting, Audit and Risk, extensive Banking and Financial Services experience, corporate governance and legal background, strategy development, transformation, retail and commercial prior experience as well as in human resources, culture and in digital banking, IT and operations. In any case, the purpose is for the Bank to ensure that areas of knowledge and experience required in accordance with the Bank's business activities are covered, while at the same time also being aligned with the provisions of the applicable legal and regulatory framework that applies, like for example as aforementioned in terms of specific eligibility criteria applying to Board members in accordance with Greek Law 3864/2010 as in force.

The Bank's Board of Directors Diversity Policy is available on the Bank's website, at www.nbg.gr (https://www.nbg.gr/en/group/esg/corporate-governance/corporate-governance-framework).

C. General Meeting of Shareholders and Shareholders' rights

The Bank's Articles of Association (Articles 7-16 and 30-35) describe the modus operandi of the General Meeting of Shareholders, its key responsibilities and authorities as well as the Shareholders' rights, taking into consideration especially the provisions of Greek Law 4548/2018, Greek Law 3864/2010, as in force, and the Relationship Framework Agreement between the Bank and the HFSF, as each time in force.

The Bank's Articles of Association are available on the Bank's website www.nbg.gr (https://www.nbg.gr/en/group/esg/corporate-governance/corporate-governance-framework).

1. Responsibilities of the General Meeting

The General Meeting is the Bank's supreme, collective body. Its lawful resolutions are binding to all Shareholders, even to those absent or dissenting. All of the Bank's Shareholders are entitled to participate in the General Meeting. Shareholders may be represented at the General Meeting by other, duly authorised persons, in line with the applicable provisions of law. Each share entitles the holder to one vote as stipulated by law. Prior to the amendment of Greek Law 3864/2010 by means of Greek Law 4941/2022, restrictions used to apply on ordinary shares held by HFSF which were subject to the provisions of article 7a par. 2 of Greek Law 3864/2010. However, in accordance with Greek Law 4941/2022, which amended Greek Law 3864/2010, Article 107 par. 2, as of 16 July 2022, the HFSF, pursuant to Article 7a of Greek Law 3864/2010, as amended by Greek Law 4941/2022 and in force, fully exercises voting rights corresponding to the total shares that it holds, i.e., to 369,468,775 shares, as described in detail in Section E *("Restrictions to voting rights")* of the Supplementary Report of the Board of Directors. The Bank ensures the equal treatment of Shareholders who hold the same position.

The General Meeting is the sole corporate body vested with authority to decide on:

- amendments to the Bank's Articles of Association; such amendments shall be deemed to include share capital increases (ordinary or extraordinary) or decreases;
- election of the members of the Board of Directors and the auditors;
- determination of the type of the Audit Committee, the term of office, the number and the qualities of its members, in line with article 44 of Greek Law 4449/2017;
- approval of the overall management in line with Article 108 of Greek Law 4548/2018 and discharge of the auditors;
- approval of the Group and the Bank's Annual Financial Report, as well as the Group and the Bank's Interim Financial Report and the Group's Interim financial statements;
- appropriation of the annual profits;
- approval of remuneration or advance payment of remuneration in line with Article 109 of Greek Law 4548/2018;

- approval of the remuneration policy under Article 110, which may also apply to senior managers upon relevant resolution of the General meeting approving the policy, and of the remuneration report under Article 112 of Greek Law 4548/2018;
- approval of the board members suitability policy, under Article 3 of Greek Law 4706/2020;
- merger, split-off, transformation, revival, extension of duration or dissolution of the Bank;
- appointment of liquidators; and
- any other matter provided for by law.

The provisions of the previous paragraph do not apply to the issues provided under Article 117 par. 2 of Greek Law 4548/2018, as also to other issues provided for in the law and the current Articles of Association.

2. Operation of the General Meeting

2.1. Convening of General Meeting

a) Ordinarily

The General Meeting decides on all Board of Directors proposals included in the agenda. It is convened by the Board of Directors, or as otherwise provided for by law and held on a mandatory basis at the Bank's registered office or in the area of another municipality within the region where the Bank's registered office is located, at least once a year, at the latest until the tenth (10th) calendar day of the ninth month following the end of each financial year, in order to approve the annual financial statements and the election of auditors (ordinary general meeting). The ordinary General Meeting may decide on any other matter within its remit.

b) Extraordinarily

- Subject to Article 121, par. 2 of Greek Law 4548/2018, the Annual General Meeting may also be convened extraordinarily whenever deemed expedient, at the discretion of the Board of Directors.
- At the auditors' request, the Board of Directors is obliged to convene a General Meeting within ten days as of the date such request was submitted to the Chair of the Board of Directors, determining the agenda thereof as per the auditors' request.
- In line with para. 4 of Article 7 of Greek Law 3864/2010, as amended by Greek Law 4340/2015 and Greek Law 4346/2015, the minimum time limits for the calling of the General Assembly is seven (7) days and the deadline for the convocation of the General Meeting that will decide the share capital increase for the issuance of common shares, convertible bonds or other financial instruments, is ten (10) calendar days. The deadline for the convocation of every repeat or adjourned is reduced to the one third (1/3) of the deadlines stipulated in Greek Law 4548/2018, as in force. The previous subparagraph is applied in every General Meeting convened in the context of Greek Law 3864/2010 or related thereto.

2.2 Invitation to the General Meetings and relevant disclosures

a) Invitation

With the exception of repeated General Meetings and General Meetings deemed similar thereto, the invitation to the General Meeting shall be published at least 20 full days before the date set for it. The said 20-day period shall be exclusive of the date the invitation is published and the date the General Meeting is held.

The invitation to the General Meeting, shall include the information provided for by law from time to time, including inter alia the place where the General Meeting is to be held, i.e. the premises along with the exact address, the date and time thereof, the items on the agenda, clearly specified, and the shareholders entitled to participate therein, along with precise instructions as to the method of participation and exercise of the rights thereof in person or by legally authorized proxy or even by distance participation.

The invitation shall be published within the above 20-day deadline, and registered with the General Commercial Register ("GEMI") in line with the provisions of law, posted on the Bank's website and published within the same deadline in a manner that ensures fast and non-discriminatory access thereto, by whatever means the Board of Directors, at its discretion, considers reliable for effective communication of information to investors, such as, in particular, through printed and electronic media on a national and European basis.

In the event of repeat General Meetings, the specific provisions of the current legal and regulatory framework apply.

b) Annual Financial Report

The Annual General Meeting reviews and approves the Annual Financial Report. The Annual General Meeting elects at least one certified auditor or audit firm, as specifically provided for under par. 1 of Article 32 of the Articles of Association.

The Annual Financial Report is available to the Shareholders at least ten days prior to the Annual General Meeting, and in accordance with the applicable regulatory framework shall incorporate: a) the Certifications of the Board of Directors, b) Board of Directors' Report, c) Supplementary Report, d) the Audit Committee Report, e) Independent Auditor's Report, f) the Annual Financial Statements including the separate and consolidated financial statements and the notes thereto, g) Disclosures of Greek Law 4261/2014 Art. 81 & Art. 82 & Disclosures of Greek Law 4374/2016 Art. 6, h) the Annual Report for the distribution of capital of the financial year it concerns, provided that the distribution has not been finalized or that it was finalized during the second semester, and was drawn from a share capital increase in the form of cash or upon issuance of a bond loan, following the references made in the relevant Prospectus of the issuance, and i) reference to the website where the Annual Financial Reports at www.nbg.gr, (https://www.nbg.gr/en/group/investor-relations/financial-statements-annual-interim/financial-statements) and the Annual Financial Statements of the consolidated non-listed companies (at www.nbg.gr, https://www.nbg.gr/en/group/activities/companies) that represent an amount higher that 3% of the consolidated turnover or the consolidated assets or the consolidated results after the deduction of the corresponding part concerning minority shareholders are published.

2.3. Right to participate and vote

a) General provisions

Persons entitled to participate in and vote at the General Meeting (initial and repeat), whether in person or by legally authorized proxy, are those who have shareholder's status according to the provisions of Article 124 par. 6 of Greek Law 4548/2018 in the files of the organization holding the securities of the company.

Shareholder status is evidenced by any means provided by law and, in any case, by means of the information obtained by the Bank from the central securities depository, if providing registry services, or, in any other case, through the registered intermediaries who are members of the central securities depository.

In accordance with the provisions of Article 127 of Greek Law 4548/2018, the members of the Board, as well as the auditors are entitled to be present at the General Meeting. Additionally, the Chair of the General Meeting may, under their responsibility, allow the presence of other persons, who do not have shareholder status or are not shareholders' representatives, insofar as this is not against the company interest. These persons are not considered to participate in the Meeting just for having received the floor on behalf of a present shareholder or at the invitation of the Chair. The participation of the aforementioned persons in the General Meeting can also be done by electronic means, if the invitation of the General Meeting so provides.

In case of a General Meeting that decides the share capital increase for the issuance of common shares, convertible bonds or other financial instruments as well as every General Meeting convened in the context of Greek Law 3864/2010 or related thereto, Article 7 of Greek Law 3864/2010 shall apply.

The HFSF exercises its voting right in the General Meeting as stipulated in Article 7a of Greek Law 3864/2010, as amended and in force.

The procedure and deadline for submitting the legalization documents of proxies and representatives of the Shareholders are set out in par. 3 to 5 of Article 128 of Greek Law 4548/2018. Disclosure of the appointment and revocation of appointment or replacement of the proxies can be effected in writing or via e-mail at the address stated in the General Meetings Invitation. Shareholders that have not adhered to the above provisions, may participate in the General Meeting, unless the General Meeting refuses their participation on serious grounds.

In addition, following relevant decision of the Board of Directors, the shareholders may vote at the General Meeting by distance voting, either by exercising their voting rights by electronic means or by mail, prior to the meeting, as per the applicable provisions of law. In that case, the shareholders shall be specifically notified on the procedure via the relevant General Meeting Invitation.

Upon relevant decision of the Board of Directors, the General Meeting may not convene in a place, but may convene entirely with the participation of the shareholders remotely by electronic means, in accordance with the provisions and conditions of the applicable legislation (i.e., Greek Law 4548/2018).

b) Approval of overall management/Discharge of auditors from liability

Following approval of the Annual Financial Report, the Annual General Meeting, by virtue of a decision taken by open vote and as per the Articles of Association, may approve the overall management carried out during the relevant financial year, as well as the discharge of the auditors from any liability.

The members of the Board of Directors that are shareholders of the Bank may take part in the said voting, only on the basis of the number of shares they hold or as proxies of other shareholders provided they have obtained relevant authorization with express and specific voting instructions. The same apply to the Bank's employees.

The Bank may waive claims against members of the Board of Directors or other individuals or proceed with a settlement with them, only if the conditions of Article 102 par.7 of Greek Law 4548/2018 are met.

2.4. Chairing of the General Meeting

The Chair of the Board provisionally chairs the General Meeting. Should s/he be unable to attend the General Meeting, s/he will be replaced by her/his substitute as per par. 3 of Article 20 of the Articles of Association or by the CEO. Should such substitute be also unable to attend, the General Meeting will be provisionally chaired by the Shareholder that owns the largest number of shares, or by the proxy thereof. The Chair, or her/his substitute, shall appoint individuals to serve as provisional Secretaries of the General Meeting. Subsequently, the General Meeting promptly elects the Chair and two secretaries, the latter also acting as vote counters.

2.5. Quorum and Majority required to passing resolutions

The General Meeting forms a quorum and validly deliberates on the items on the agenda when Shareholders owning at least 1/5 of the paid-up capital are present or represented thereat.

Should there be no such quorum, the General Meeting must reconvene within twenty (20) days as of the date of the meeting that was cancelled, by at least ten (10) full days prior invitation to this effect; at such repeat meeting, the General Meeting forms a quorum and validly deliberates on the original agenda irrespective of the portion of the paid-up share capital represented.

In the event that no quorum is formed, if the place and time of the repeat meetings prescribed by law are specified in the original invitation, no further invitation is required, provided the repeat General Meeting takes place at least five days after the cancelled General Meeting.

Exceptionally, with respect to resolutions concerning:

- a change in corporate nationality;
- a change in corporate activities;
- an increase in Shareholder liability;

- an ordinary share capital increase, unless imposed by law or implemented through capitalization of reserves;
- a decrease in share capital, unless carried out in accordance with Article 21 par. 5 or Article 49 par. 6 of Greek Law 4548/2018;
- a change in the profit appropriation method;
- a corporate merger, split-off, transformation, revival, extension of duration or dissolution of the Bank;
- delegation or renewal of powers to the Board of Directors to decide for the share capital increase as per para. 1 of Article 24 of Greek Law 4548/2018;
- a Bond issue in the form of convertible bonds, as per Article 71 par. 1a of Greek Law 4548/2018;
- an issue of Warrants as per Article 56 par. 1 of Greek Law 4548/2018;
- the approval of deviations in the use of capital raised as per Article 22 of Greek Law 4706/2020, the disposal of assets as per Article 23 of Greek Law 4706/2020; and
- in any other case provided for by law.

The General Meeting forms quorum and validly deliberates on the agenda when Shareholders representing 1/2 of the paid-up share capital are present or represented thereat. Should no quorum be formed at the first meeting, as described in the preceding paragraph, a repeat meeting must convene within twenty (20) days as of the first meeting, with at least ten (10) full days prior invitation, and forms quorum and validly deliberates on the original agenda when at least 1/5 of the paid-up share capital is represented thereat. If the place and time of the repeat meetings prescribed by law in the event that no quorum is formed are specified in the original invitation, no further invitation is required, provided each repeat General Meeting takes place at least five (5) days after the cancelled General Meeting.

Resolutions are adopted by absolute majority of the votes represented at the General Meeting. Exceptionally, resolutions on items that require increased quorum are adopted by a majority of 2/3 of the votes represented at the General Meeting. The voting results shall be subject to the applicable legislation.

Specifically, for the resolutions for the share capital increase mentioned in para. 2 of Article 7 of Greek Law 3864/2010, including the resolutions for the issuance contingently convertible bonds or other convertible financial instruments, are taken by the General Meeting, representing at least 1/5 of the paid-up share capital and with absolute majority of the votes represented in the General Meeting. If this is not the case, para. 2 of Article 130 of Greek Law 4548/2018 is applied.

2.6. Rules governing amendments to the Articles of Association

The General Meeting is the sole corporate body vested with authority to decide on amendments to the Bank's Articles of Association, in accordance with Article 117 of Greek Law 4548/2018 and Article 9 of the Bank's Articles of Association. The General Meeting convened for the purpose of introducing amendments to the Articles of Association or for the adoption of resolutions requiring enhanced quorum and majority (statutory General Meeting) may be ordinary or extraordinary.

3. Minority Shareholder's Rights

The shareholders' rights of minority are in accordance with the applicable provisions of Greek Law 4548/2018, as in force, and also, with the relevant Articles of Association. In particular:

a) Rights regarding the General Meeting

- At the request of Shareholders representing 1/20 of the paid-up share capital, the Board of Directors is obliged to convene an extraordinary General Meeting setting the date thereof not later than forty-five (45) days as of the date on which the request was submitted to the Chair of the Board of Directors. The request indicates the items on the agenda.
- At the request of Shareholders representing 1/20 of the paid-up share capital, the Board of Directors shall add to the agenda of the General Meeting that has been convoked additional items, provided the respective request is submitted to the Board of Directors at least fifteen (15) days prior to the said General Meeting and meets the requirements of Article 30 par.2 of the Articles of Association.
- Shareholders representing 1/20 of the paid-up share capital may submit, pursuant to Article 123 par.3 of Greek Law 4548/2018, draft resolutions on the items included in the initial or the revised agenda, provided the respective request has been submitted to the Board of Directors at least seven (7) days prior to the date of the General Meeting and the draft resolutions be made available to the shareholders, pursuant to par. 3 Article 123 of Greek Law 4548/2018, at least six (6) days prior to the date of the General Meeting. The Board of Directors is under no obligation to take any of these steps if the content of the respective request by shareholders clearly infringes the law and decent conduct.

  Specifically, for the General Meetings convened in accordance with Article 7 of Greek Law 3864/2010, the above deadlines are reduced to three (3) and four (4) days respectively.
- At the request of Shareholder(s) representing 1/20 of the paid-up share capital, pursuant to Article 123 par.3 of Greek Law 4548/2018, the Chair of the General Meeting shall postpone, only once, decision-making by the General Meeting, whether it is annual or extraordinary, for all or certain items in the Agenda, for a new General

Meeting to be held on the continuation date indicated in the Shareholders' request, but not later than twenty (20) days as of the said postponement.

Specifically, for the General Meetings convened in accordance with Article 7 of Greek Law 3864/2010, the above deadline is reduced to three (3) days.

- The General Meeting held following such postponement, being a continuation of the previous General Meeting, is not subject to publication requirements as regards the invitation to Shareholders, and new Shareholders may also participate therein, duly complying with the formalities regarding participation.

- At the request of Shareholders representing 1/20 of the paid-up share capital, decision-taking on the General Meeting agenda shall be by open vote.

- At the request of any Shareholder filed to the Bank at least five (5) full days before the date of the General Meeting, the Board of Directors provides the General Meeting with any such specific information on the Bank's business as may be requested, insofar as they are relevant to the items in the Agenda.

Specifically, for the General Meetings convened in accordance with Article 7 of Greek Law 3864/2010, the above deadline is reduced to three (3) days.

The Board of Directors may provide a single answer to shareholders' requests that are of similar content. No such obligation to provide information applies, in the event that the said information is already available on the company's website, particularly in the form of questions and answers. Moreover, at the request of Shareholders representing 1/20 of the paid-up share capital, the Board of Directors informs the General Meeting, provided it is an annual one, of the amounts paid by the Bank to each Director or the Managers of the Bank over the last two years, and of any benefits received by such persons from the Bank for whatever reason or under any agreement with the Bank. In all of these cases, the Board of Directors is entitled to decline the provision of the information requested, for good reasons, which are recorded in the minutes. Depending on the circumstances, one such good reason may be the requesting Shareholders' representation on the Board of Directors as per Articles 79 or 80 of Greek Law 4548/2018.

- At the request of Shareholders representing 1/10 of the paid-up share capital, filed with the Bank at least five (5) full days before the General Meeting, the Board of Directors shall provide the General Meeting with information on the current status of corporate affairs and assets of the Bank.

For the General Meetings convened in accordance with Article 7 of Greek Law 3864/2010 the above deadline is reduced to three (3) days.

The Board of Directors may decline to supply the information requested for good reasons, which are recorded in the minutes. Such good reason may be, depending on the circumstances, the requesting shareholders' representation on the Board of Directors, pursuant to Articles 79 or 80 of Greek Law 4548/2018, provided that the respective directors have received the relevant information in an adequate manner.

In the cases of paragraphs 6 and 7 of Article 30 of the Bank's Articles of Association, any dispute as to the validity of the reason for declining to provide the Shareholders with the information requested shall be settled by a judgment rendered by the competent court of the place of the Bank's registered office. By virtue of the said judgment, the Bank may be required to provide the information it had declined. The said judgment shall not be challenged before Courts.

Under all circumstances, when requesting shareholders exercise their rights as above, they are required to produce proof of their shareholder capacity and number of shares, with the exception of first sub paragraph of par. 6 of Article 30 of the Bank's Articles of Association. Shareholder status is evidenced by any means provided by law and, in any case, by means of the information obtained by the Bank from the central securities depository, if providing registry services, or, in any other case, through the registered intermediaries who are members of the central securities depository.

b) Rights regarding extraordinary audit

- Shareholders representing at least 1/20 of the paid-up share capital are entitled to file with the competent court a petition for an extraordinary audit of the Bank in accordance with the procedure provided for by law. The said audit is ordered if the acts alleged by the petitioners are deemed likely to contravene provisions of the law, or of Articles of Association, or of General Meeting resolutions. Under all circumstances, audit requests as above must be filed within three (3) years of approval of the Annual Financial Statements for the year in which such acts allegedly occurred.

- Shareholders representing 1/5 of the paid-up share capital may file with the competent court a petition for an extraordinary audit of the Bank if the overall corporate performance suggests that the management of corporate affairs has not been based on sound or prudent practices.

Shareholders requesting an audit as above shall provide the court with proof of ownership of the shares entitling them to the audit request.

4. Other Shareholder Rights

Additional information on the Shareholder rights and their exercise is included in the Supplementary Report for the Annual General Meeting, as required by Article 4 of Greek Law 3556/2007, as in force, which is part of the Bank's Annual Board of Directors' Report.

D. Board of Directors and Other Management, Administrative and Supervisory Bodies

Board of Directors of the Bank

The Bank is managed by the Board of Directors, which is responsible for ensuring strategic direction, management supervision and adequate control of the Bank, with the ultimate goal of increasing the long-term value of the Bank and protecting the corporate interest at large, in compliance with the current legal and regulatory framework, including the provisions of the Relationship Framework Agreement between the Bank and the HFSF, as each time in force.

NBG's Board of Directors composition is as follows:

Gikas Hardouvelis
Chair of the Board
Non-Executive

Number of shares*
3,300

Prof. Gikas A. Hardouvelis is the Chair of the Board of Directors of the National Bank of Greece since July 2021. In the previous two years, he was already a member of the Board of NBG, serving as the Senior Independent Director. He is also Professor of Finance and Economics in the Department of Banking and Financial Management of the University of Piraeus in Greece and a Research Fellow at the Centre for Economic Policy Research in London.

Currently, he is also active in several non-profit organizations, being the First Vice Chairman of the Board of Directors and Member of the Executive Committee of the Foundation of Economic and Industrial Research (IOBE), Member of the Board of Trustees of Anatolia College, a non-profit primary, secondary and tertiary private educational institution in Thessaloniki, and President of the Cultural Foundation of the National Bank of Greece (known as MIET) for the support of the Humanities, Fine Arts, and Sciences.

Prof. Hardouvelis holds a Ph.D. in Economics from the University of California, Berkeley (1985), as well as a B.A. (Magna Cum Laude) and a M.Sc. in Applied Mathematics from Harvard University (both in 1978). He has taught at Barnard College of Columbia University and the School of Business of Rutgers University. His academic work in Finance and Macroeconomics has been published in prestigious top-ranking academic journals.

Prof. Hardouvelis served as a Research Adviser & Senior Economist at the Federal Reserve Bank of New York (1987-1993) and as an Adviser to the Bank of Greece (1994-1995), where he also acted as an Alternate to the Governor at the European Monetary Institute ("EMI") -the precursor to the ECB.

In the private financial sector, he held key managerial positions at the National Bank of Greece (1996-2004) and Eurobank (2005-2014). He was a founding member of the Board of Directors of the Athens Derivatives Exchange (1997-2000), presently merged with the Athens Stock Exchange. He has also been a member of the Academic Council of the Hellenic Bank Association ("HBA"), its President and the HBA EBF-EMAC (European Banking Federation -Economic and Monetary Affairs Committee) representative.

His long standing academic and banking career was also accompanied by intermissions for public sector service in senior government positions. He served as the Minister of Finance of the Hellenic Republic from June 2014 to January 2015. Prior to being Minister of Finance, Prof. Hardouvelis had already served twice as the Director of the Economic Office of the Greek Prime Minister from May 2000 to March 2004 and from November 2011 to May 2012.

Pavlos Mylonas
Executive Board Member
Chief Executive Officer

Number of shares*
3,341

Chair of the Senior Executive Committee, the Senior Credit Committee, the ALCO and the Provisions and Write-Offs Committee

Mr. Pavlos Mylonas was appointed Chief Executive Officer of National Bank of Greece in July 2018. He joined NBG in 2000 and served, inter alia, as Deputy CEO, CRO and Head of Strategy.

He worked as a Senior Economist on the staff of the Organisation for Economic Co-operation and Development ("OECD") from 1995 to 2000, as well as, at the International Monetary Fund from 1987 to 1995. In the years 1985-1987 he was visiting Assistant Professor at the Department of Economics in Boston University.

He holds a Bachelor of Science in Applied Mathematics-Economics (Magna cum Laude and Phi Beta Kappa) from Brown University, as well as a Master of Arts and a Ph.D. in Economics from Princeton University.

Christina Theofilidi
Executive Board Member
General Manager of Retail Banking

Number of shares*
Nil

Member of the Senior Executive Committee and the ALCO

Mrs. Christina Theofilidi was elected Executive Board Member in July 2019.

She was appointed as General Manager of Retail Banking and Member of the Executive Committee of NBG in December 2018. She also serves as a Non-Executive Member at the Board of Directors of Ethniki Hellenic General Insurance S.A., and a Non-Executive Member at the Board of Directors of National Bank of Greece Cultural Foundation ("MIET"). She is also a member of the Executive Committee of the Hellenic Banking Association.

She started her career in the banking sector in 1988 working for Societe Generale and Citibank by holding positions in Marketing and Branch Network. In 1997, she joined the Eurobank group and held various senior positions in Retail Banking, as Commercial Manager of Eurobank Cards S.A., as Assistant General Manager of International Activities of Eurobank, as General Risk Manager of Eurobank Household Lending S.A. and in 2013 as Managing Director of Eurobank Household Lending S.A. In 2014, she joined in Eurobank the newly founded Troubled Assets unit and held the position of Retail Remedial General Manager. From September 2016 up to December 2018, she served as Individual Banking and Retail Products General Manager.

She holds a Master in Business Administration ("MBA") Degree from INSEAD (European Institute of Business Management) and a Bachelor's Degree with a double major in Economics and Psychology from Swarthmore College of Pennsylvania, USA.

Avraam Gounaris
Senior Independent Director

Number of shares*
Nil

Member of the Audit Committee and the Compliance, Ethics and Culture Committee

Mr. Avraam Gounaris was appointed as Independent Non-Executive Director of the Board of Directors in July 2019. On 22 December 2021, the Board of Directors elected Mr. Avraam Gounaris as Senior Independent Director.

He has diverse managerial experience with an emphasis on restructuring and transition management and is considered an expert in multiple stakeholder management.

In the past, he held several senior positions in both the public and private sectors and has served, among others, as non-executive member of the Board of Directors of Euroconsultants, executive member of the Board of Directors of ECUSA and Chairman of the Board of Directors of Investment Bank of Greece.

He holds a Bachelor of Science in Business Administration (Finance) and an MBA from the University of Nevada, Reno.

Claude Piret
Independent
Non-Executive Member

Number of shares*
Nil

Chair of the Board Risk Committee, Vice-Chair of the Audit Committee

Member of the Strategy and Transformation Committee

Mr. Claude Piret has been member of the Board of Directors of National Bank of Greece since November 2016 and for the period of April -December 2021 he was temporarily serving as interim Senior Independent Director.

He possesses extensive experience in the international financial sector, having a career of over 35 years in international banking institutions. He has served in high-ranking positions for a number of years at Dexia Group, and has extensive experience in audit, risk management commercial banking and in the areas of management of non-performing loans. Currently he is a member of the Board of Directors of Saint Pierre Hospital in Belgium.

Mr. Piret holds a Diploma in Civil Engineering from The Université catholique de Louvain (Belgium) and a post-graduate degree in Management (Finance) from The Université Libre de Bruxelles (ULB) - Solvay Institute.

Wietze Reehoorn
Independent
Non-Executive Member

Number of shares*
Nil

Chair of the Corporate Governance and Nominations Committee and the Strategy and Transformation Committee

Vice-Chair of the Board Risk Committee

Mr. Wietze Reehoorn was appointed as Independent Non-Executive Director of the Board of Directors in July 2019.

Mr. Reehoorn is an experienced senior banking executive, having held a number of senior managerial positions in a market leading international bank. His diverse experience offers skills relating to risk, strategy and corporate governance.

He was a member of ABN Amro for over 30 years, where he held various positions some of which include being a member of the Managing Board during the last 8 years (2010- 2017) being the Chief Risk Officer, as well as the Chief of Strategy/Corporate Development/Investor Relations/Economic Affairs and he also led the integration of ABN Amro with Fortis. Moreover, he held the position of Chairman of the Supervisory Board of IFN Group.

Currently, Mr. Reehoorn serves as Chairman of the Supervisory Board of MUFG Bank (Europe) N.V. (MBE) and MUFG Securities (Europe) N.V. and as member of the Supervisory Board of Anthos Private Wealth Management B.V. Additionally, he holds the positions of Chairman of the Supervisory Council of Stichting Topsport Community, member of the Supervisory Council of Frans Hals Museum, member of the Board of Directors of ABE Bonnema Stichting and member of the Board of Directors of Koninklijke Hollandsche Maatschappij der Wetencchappen.

Mr. Reehoorn holds a Master's Degree in law from Rijksuniversiteit Groningen.

Anne Marion-Bouchacourt
Independent
Non-Executive Member

Number of shares*
Nil

Chair of the Human Resources and Remuneration Committee

Member of the Corporate Governance and Nominations Committee and of the Innovation and Sustainability Committee

Mrs. Anne Marion-Bouchacourt was appointed as Independent Non-Executive Member of the Board of Directors of the National Bank of Greece in April 2020.

During her long career, she has served in various positions, gaining extensive expertise in the fields of human resources and culture, accounting and financial auditing, and having considerable experience in strategy, organization and business transformation.

Mrs. Anne Marion-Bouchacourt possesses significant experience in the banking sector and has served in high-ranking positions in international financial organisations and firms.

She has served, among others, as senior executive at Societe Generale Group for over 15 years, in particular, as Group Chief Country Officer for China (2012 – 2018), as Senior Executive Vice President, Corporate Human Resources (2006 – 2012), and she has also worked as an auditor (1981 – 1986) and as a consultant (1986 – 1999) with PricewaterhouseCoopers (PwC), having been appointed Director in PwC's Financial Services sector, while she had additionally been a consultant in strategy and organization at Solving International (2002 – 2004) and at Gemini Consulting (1999 – 2002).

Currently, she serves as Chair of Societe Generale Private Banking Switzerland and she also acts as Societe Generale Group Country Head for Switzerland and CEO of Societe Generale Zurich, as Non-Executive Member at Credit du Nord, as well as an Independent Non-Executive Member at Ipsos. Additionally, she serves as President of 'Conseillers du Commerce extérieur de la France (Suisse)' and as Member of the Board of the 'Association des banques étrangères en Suisse'.

Mrs. Marion-Bouchacourt graduated from the École Supérieure de Commerce de Paris ("ESCP"), she holds a post-graduate diploma in Finance from the Paris Dauphine University and is a Chartered Accountant.

Matthieu Kiss
Independent
Non-Executive Member

Number of shares*
Nil

Chair of the Audit Committee

Vice-Chair of the Strategy and Transformation Committee

Member of the Corporate Governance and Nominations Committee

Mr. Matthieu Kiss was appointed as Independent Non-Executive Member of the Board of Directors of the National Bank of Greece in December 2020.

Mr. Kiss possesses extensive experience in the banking sector, having served in prominent financial organizations, and expertise in the area of audit.

He had served as Global CFO, Retail Banking & Wealth Management at HSBC Group, as well as CFO of HSBC France & Continental Europe. In addition, he has served as member of Boards and Audit Committees at various financial organisations, including at CCF-Charterhouse and Elysées-bourse (the brokerage subsidiary of CCF), Aurel-Leven and Charterhouse bank. Mr. Kiss had been a Member of the Board at HSBC Asset Management France from 2009 to 2022.

Since 2009, he has been serving as a Member of the Board and the Audit Committee at HSBC Insurance France, where he has been Chair of the Audit Committee since 2015, while he also serves as Non-Executive Director at Europe Arab Bank S.A. (EAB). Mr. Kiss chairs as a volunteer the Finance Committee of the French arm of the Salvation Army.

He holds a BA in law from the University of Paris II, an MBA Degree from Institut d'études Politique de Paris and a diploma in Public Administration from L' École Nationale d' Administration.

Elena Ana Cernat
Independent
Non-Executive Member

Number of shares*
Nil

Vice Chair of the Human Resources and Remuneration Committee and of the Innovation and Sustainability Committee

Member of the Board Risk Committee and the Compliance, Ethics and Culture Committee

Mrs. Elena Ana Cernat was appointed as Independent Non-Executive Director of the Board of Directors in July 2019.

Mrs. Cernat is a highly experienced banker, having held several senior executive and non - executive positions during her career, with emphasis in business development and innovation. She possesses substantial experience in retail banking, developing new business, digital and multichannel strategies.

In the past, among others, Mrs. Cernat held the position of an executive member of the Board of Directors of Alior Bank Warsaw– Bucharest branch and of a member of the Board of Directors of Euroline Retail Services (member of Eurobank Group).

Currently, she is a Board member at Yoga Vidya Romania.

She holds a B.A. in Philology, Applied Modern Languages from Babes - Bolyai University, Romania, an MBA, Romanian - Canadian MBA Program Certificate from Bucharest School of Management, as well as several certifications including among others Certification in Banking Marketing and she is authorized by the Central Bank of Romania (BNR) in Credit, Risk and Capital Management.

Aikaterini Beritsi
Independent Non-Executive Member

Number of shares*
Nil

Chair of the Compliance, Ethics and Culture Committee

Vice-Chair of the Corporate Governance and Nominations Committee

Member of the Strategy and Transformation Committee

Mrs. Aikaterini Beritsi was appointed as Non-Executive Director of National Bank of Greece in July 2019. In July 2021, Mrs. Beritsi was appointed Independent Non-Executive Member of the Board.

She has substantial experience in the Greek Banking sector by holding senior positions at major systemic banks. In addition, she is an expert in corporate governance, following her directorships in three other Greek banks (two of them systemic), where she had a leading role in introducing best practice and addressing significant internal control issues.

In the past, she had served as member of the Board of Directors and all statutory committees of Piraeus Bank and Eurobank, Chairperson of the Board of Directors of New Proton Bank and of Proton Bank S.A., as well as member of the Board of Directors of Credit Agricole Group/Emporiki Bank's subsidiaries in South Eastern Europe.

Currently, she serves as an independent non-executive member of the Board of Directors and as the Chair of the Audit Committee and of the Remuneration and Nomination Committee of E.Y.D.A.P. S.A.

She is a graduate of the Department of Economics of the National and Kapodistrian University of Athens and she has completed the program Modern Governance in Banking at INSEAD, while she has participated in multiple financial seminars and managerial training programs.

JP Rangaswami
Independent
Non-Executive Member

Number of shares*
Nil

Chair of the Innovation and Sustainability Committee

Member of the Audit Committee and of the Human Resources and Remuneration Committee

Mr. JP Rangaswami was appointed as Non-Executive Member of the Board of Directors of the National Bank of Greece in October 2020. In July 2021, Mr. Rangaswami was appointed Independent Non-Executive Member of the Board.

He possesses extended experience of over 35 years in the IT sector and has served in senior positions in multinational organizations, including financial institutions.

He has served, among others, as Chief Data Officer and Group Head of Innovation at Deutsche Bank, as well as Global Chief Information Officer at Dresdner Kleinwort Wasserstein.

Currently, he holds the position of an independent non-executive member of Admiral Group Plc, Allfunds Bank SA, the Daily Mail and General Trust Plc and EMIS Group Plc, he is Board Chairman of Webscience Trust, member of the Trust Board at Cumberland Lodge, while he is also an Adjunct Professor in Electronics and Computer Science at the University of Southampton.

He holds a BA in Economics from the University of Calcutta, while he has extended his education having participated in high level educational programs.

Athanasios Zarkalis
Independent
Non-Executive Member

Number of shares*
Nil

Member of the Human Resources and Remuneration Committee

Member of the Innovation and Sustainability Committee

Mr. Athanasios Zarkalis was elected as Independent Non-Executive Member of the Board of Directors of the National Bank of Greece in July 2022.

With more than thirty (30) years in diverse and highly competitive business environments, twenty (20) of which in the telecommunications sector, Mr. Zarkalis possesses extensive experience having served in positions of increasing responsibility, culminating in his most recent role as Chairman & Chief Executive Officer at WIND Hellas Telecommunications S.A. (2009-2022). Mr. Zarkalis started his career in the fast-moving consumer goods (FMCG) sector (Procter & Gamble, Tasty Goods, Fort James Corporation), where he remained until 1999, when he moved to the telecommunications industry. In his 20-year career in telecommunications, he has assumed positions of increasing responsibility, initially in the commercial sector of Vodafone Greece, and subsequently (2007) at Hellas Online (HOL) as Chief Executive Officer.

Mr. Zarkalis holds a Bachelor of Science Degree in Chemical Engineering from National Technical University of Athens (Greece), as well as a Master of Science Degree in Chemical Engineering from the University of Delaware (USA) and an MBA from Henley Business School (UK).

Periklis Drougkas
Representative of the HFSF
Non-Executive Member

Number of shares*
Nil

Member of Board of Directors and Board Committees

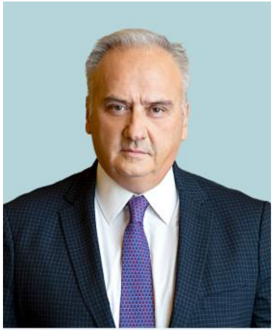
Mr. Periklis Drougkas was appointed as Representative of the HFSF at NBG Board of Directors in July 2018.

He has an extensive professional experience in senior-level executive positions in leading regional and multinational banking and financial services organizations.

He held a series of executive roles with Citibank. From 1994 to 2004 Periklis Drougkas served as Assistant General Manager, Head of Retail Banking of ING BANK NV, as General Manager, Head of Retail Banking of Egnatia Bank S.A., while he was also appointed Chairman of the Board and Managing Director of Egnatia Fin S.A. and General Manager of Egnatia Insurance Broker Co. Ltd. In 2004, he joined EFG Eurobank Group as General Manager in Open24 S.A. In 2008, he was appointed in Alpha Bank Serbia AD as Deputy President of Executive Board, Head of Retail Banking Business Unit. In 2012, he was appointed Chief Executive Officer and Chairman of Management Board of Alpha Bank Albania SHA.

Furthermore, he held a series of advisory positions and served as Chairman of the Albanian Association of Banks and President of the Hellenic Business Association in Albania. Currently, he serves as independent non-executive director of Board of Directors and Audit Committee in a regional bank (Tirana Bank).

He has graduated from the Athens University of Economics and Business while he has extended his education in advanced management programs.



Panos Dasmanoglou
Board of Directors and
Board Committees
Secretary

General Manager - Group
Compliance
and Corporate Governance

Number of shares*
80

Member of the Senior Executive Committee with no voting rights

Mr Panos Dasmanoglou has been serving as General Manager of Group Compliance and Corporate Governance at National Bank of Greece since 2016. In parallel, he has been elected as General Company Secretary of the Board of Directors and its Board Committees.

During the last 20-year period he has served as Senior Executive of the NBG Group, in various senior executive positions, in the field of International and Corporate Legal Affairs, Compliance and Anti-Money Laundering, Human Resources Management and Corporate Governance, while from July 2018 to July 2019 he served as Executive member of the Board of Directors of the National Bank of Greece. He is Chairman of the Board of Directors of National Securities Company and from 2016 to 2022 he served as Vice-Chairman of the Board of Directors of National Insurance Company, as well as Vice-Chairman of the Board of Directors of National Asset Management Company. For a number of years, he has been an active participant in the workings of the Hellenic Bank Association and the European Banking Federation in the International Affairs Committee. As of September 2022, he has been assigned Vice-Chairman of the new Management Committee on 'Banking Regulation, Compliance & Consumers' of the Hellenic Bank Association, while at the same time he participates as a member in the Board of Directors of the Hellenic Ombudsman for Banking-Investment Services.

He holds a law degree (LL.B) from the University of Athens Law School and a Master's degree in European Law from the University of Brussels. He has obtained postgraduate international certifications from INSEAD Business School in the field of modern corporate governance and banking management, as well as on matters relevant to anti-money laundering and international financial law from Oxford University.

**Number of common shares as at 31 December 2022.*

The composition of the Board of Directors reflects the knowledge, skills and experience required for the discharge of its responsibilities, in alignment to the Bank's Board Suitability Policy, its strategy and business model.

The Board of Director's tasks, key responsibilities and authorities are set out in Greek Law 4548/2018, Greek Law 4261/2014, EU Regulation 468/2014, Greek Law 4706/2020, Greek Law 3864/2010, the Relationship Framework Agreement between the Bank and the HFSF, all as each time in force, the Hellenic Corporate Governance Code of the Hellenic Corporate Governance Council and the Bank's internal Corporate Governance framework, i.e. the Bank's Articles of Association and the Corporate Governance Code, which is available on the Bank's website, at www.nbg.gr (https://www.nbg.gr/en/group/esg/corporate-governance/corporate-governance-framework).

Appointment of Directors and Operation of the Board

The members of the Board of Directors are elected by the Bank's General Meeting of the Shareholders for a term that cannot exceed three (3) years and ends at the ordinary General Meeting of the Shareholders of the year in which such provisioned term expires. Uneven terms of office may be provisioned for each Director, insofar as this is prescribed by the current legal and regulatory framework. All members can be re-elected, subject to the fulfillment of requirements set by each time applicable legal and regulatory framework. The General Meeting of Shareholders determines each time the exact number of the members of the Board of Directors (the Board of Directors may consist of a minimum of seven (7) up to a maximum of fifteen (15) members) and its independent members.

HFSF Representative

An HFSF Representative also participates in the Bank's Board of Directors, in line with Greek Law 3864/2010, and the RFA between the HFSF and the Bank, as in force. In accordance with the RFA between the HFSF and the Bank, as in force, the HFSF is also entitled to the appointment of an observer (HFSF Observer-without voting right) to the Board of Directors of the Bank. Currently, Mr. Christoforos Koufalias is the HFSF's Observer to the Bank's Board of Directors and Board Committees.

Board Members' Removal and Replacement

The Board of Directors' members can be removed at any time by the General Meeting. In the event that a member ceases to participate in the Board of Directors, due to resignation, disease or having forfeited their office for whatever reason, and in case its replacement by deputy members, that have potentially been elected by the General Meeting is impossible, the rest of the members may either provisionally elect another member to cover the unoccupied seat for the period of time that remains until the replaced member's term of office ends, or may continue to manage and represent the Bank without replacing the missing Director(s), provided that the number of the remaining Directors shall remain within the range prescribed by the Bank's Articles of Association (currently at least seven), which is in accordance with the applicable framework.

In the event that a new Director is provisionally elected, the election shall be valid for the remaining term of office of the Director replaced and is announced by the Board of Directors at the immediately following General Meeting, which may replace the Directors even if no relevant item is included on the agenda. Under all circumstances, the remaining Directors, irrespective of number, may call a General Meeting solely for electing a new Board.

Election of Chair and CEO

The Board of Directors elects, by absolute majority from its members, the Chair and the CEO who manages the affairs of the Bank and decides on the appointment of executive and non-executive members of the Board. Moreover, the Board of Directors may also elect from among its members one or more Vice Chairs. Furthermore, the Board of Directors decides on the appointment and duties of the Deputy Chief Executive Officer(s).

The Bank constantly monitors developments internationally in the field of corporate governance and aims to adopt best practices and continuously updates its corporate governance framework, in which context, as well as in accordance with the current regulatory framework, and best practices in corporate governance, the Bank distinguishes the role of the Chair from that of the Chief Executive Officer.

Operation of the Board of Directors

i) Constitution into a Body

The Board of Directors is constituted into a body at its first meeting following each election of Directors by the General Meeting, as well as under any circumstances when the Chair's or the Chief Executive Officer's post is vacated for whatever reason. Until the Board of Directors elects a new Chair or Chief Executive Officer, the relevant duties are exercised by the substitute thereof. Furthermore, the Board of Directors may be constituted into a body anytime, following relevant decision by majority, determining anew its executive and non-executive members.

ii) Convocation

The Board of Directors convenes as prescribed by Greek legislation, the Bank's Articles of Association and the Corporate Governance Code, as well as according to the provisions of the Relationship Framework Agreement between the Bank and the HFSF, as in force. The Board of Directors is convened by the Chair:

- upon invitation sent by the Board of Directors Secretary to the Board of Directors members at least three (3) business days before the meeting. The invitation must clearly specify the items on the agenda, otherwise decisions cannot be reached unless all members of the Board of Directors' are present or represented at the meeting and no member objects to decision-making or
- at the request of at least two (2) Directors, within seven (7) days from the submission of the written request, which should clearly specify the agenda of the Board of Directors meeting requested or
- upon written request of the HFSF representative within seven (7) days from the submission of the request to the Chair. The relevant request shall include the proposed items of the agenda.

In case the Board of Directors Chair does not proceed with convocation of the Board of Directors upon request of at least two (2) directors or the HFSF representative within the above deadline or does not include in the invitation all proposed items on the agenda, then said directors or the HFSF representative respectively are able to convene the Board of Directors within five (5) days from expiry of the above deadline of seven (7) days. The invitation shall be notified to all Board of Directors members and to the HFSF observer.

iii) Inclusion of Items on the Agenda

- Any member may request the Chair to include one or more items on the agenda of the next Board of Directors' meeting.

- Two (2) or more members may require the Chair to include one or more items on the agenda of the next Board of Directors meeting.

iv) Decision making

The Board of Directors forms a quorum and validly deliberates when one half plus one of the Board of Directors are present or represented, but under no circumstances may the number of Directors present be less than five (5). In case of meetings concerning the Bank's financial statements or issues for which General Meeting approval by increased quorum and majority is required in accordance with L. 4548/2018, the Board shall form a quorum as provided by article 5 para 3 of Greek Law 4706/2020. The Articles of Association describe in detail the requirements of Directors' representations for valid resolutions adoption.

v) Board Secretariat System

Since 2016 and in the context of further enhancing the efficient operation of the Board of Directors, the Bank has implemented special Board Secretariat system to further support operation of the Board of Directors, thus providing Board of Directors members with appropriate information and notifications, accessing remotely the Board of Directors and Board Committees' material and facilitating exchange of opinions and commenting on issues placed under consideration of the Board of Directors and Board Committees, signing of meeting minutes and better monitoring of issues discussed by the Board of Directors and its Committees.

Responsibilities of the Board of Directors

Among other matters, the Board of Directors is responsible for:

- reviewing and approving the strategic direction of the Bank and the Group, including the business plan, the annual budget and the key strategic decisions as well as providing guidance to the Bank's and the Group's Management;
- reviewing the Group's corporate structure, monitoring its embedded risks and ensuring the cohesiveness and effectiveness of the Group's corporate governance system;
- acquiring shareholdings in other banks in Greece or abroad, or divestment thereof;
- establishing Branches, Agencies, and Representation Offices in Greece and abroad;
- establishing associations and foundations under Article 108 and participating in companies falling under Article 784 of the Greek Civil Code;
- approving the Bank's internal labour regulations;
- nominating General Managers and other executives of the Bank, as appropriate in line with the applicable framework and accordingly following proposals by the Bank's responsible bodies;
- reviewing and approving the Group and the Bank's annual and interim financial report;
- issuing Bonds of any type, with the exception of those for which the Bank's General Meeting is exclusively responsible in accordance with the Greek law;
- approving and reviewing a Code of Ethics for the employees of the Bank and the Group and the Code of Ethics for financial professionals;
- approving the Bank's and the Group's CSR Policy; and
- approving and reviewing the Group Remuneration Policy upon decision of its non-executive members, following recommendation by the Human Resources and Remuneration Committee of the Board of Directors.

It is noted that, in accordance with the Bank's Corporate Governance Code, in setting strategy, 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 system and addressed in its public disclosures.

Moreover, pursuant to Article 10 of Greek Law 3864/2010 (the "HFSF Law"), as in force, the representative of the HFSF has the following veto rights:

i. 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 for any credit institutions whose ratio of non-performing loans to total loans, as calculated in accordance with subsection (ii), of paragraph 2 of Article 11 of Commission Implementing Regulation (EU) 2021/451, exceeds 10%. The HFSF in order to be able to assess whether the above ratio of non-performing loans to total loans exceeds or is below 10%, it will be based on publicly available information.

ii. Regarding decision to amend the Articles of Association of the Bank, including the increase or decrease of capital or the granting of relevant authority to the Board of Directors, merger, division, conversion, revival, extension or dissolution of the company, transfer of assets, including the sale of subsidiary or for any other issue for which an increased majority is required according to the provisions of Law 4548/2018 and which decision may significantly affect the participation of the HFSF in the share capital of the Bank.

Directors Nomination - Directors Suitability and Independence Assessment

According to Greek Laws 4548/2018 and 4706/2020, as well as Article 9 of the Bank's Articles of Association, the General Meeting of the Shareholders is the sole corporate body vested with the authority to elect the members of the Board of Directors, as well as to determine the independent non-executive members, while a representative of the HFSF participates in the Bank's Board, pursuant to Greek Law 3864/2010, as in force. In particular, according to the Bank's Corporate Governance Code, the Board of Directors, assisted by the Corporate Governance and Nominations Committee, proposes to the General Meeting candidate Directors on the basis of the Board Nomination Policy and in alignment with the Board Suitability Assessment Policy and Procedure and the relevant regulatory framework which requires them to meet the "fit and proper" criteria and not have any systematic conflict of interest with the Bank. Exceptionally, according to the provisions of para. 3 of Article 17 of the Bank's Articles of Association and Article 82 of Law 4548/2018, in the event that as a result of resignation, death or forfeiture for whatever reason a Director ceases to be on the Board of Directors and his replacement by substitute Directors elected by the General Meeting is not feasible, the remaining Directors may either provisionally elect another Director to fill the vacancy for the remaining term of office of the Director replaced, or continue to manage and represent the Bank without replacing the missing Director(s), provided that the number of the remaining Directors shall be within the range prescribed by the Bank's Articles of Association (currently at least seven), which is in accordance with the applicable framework. Additionally, particularly with regards to the independent non-executive members of the Board, according to the provisions of para. 4 of article 9 of Greek Law 4706/2020, in the event that as a result of resignation, death or in any other way loss of the status of an independent non-executive member, the number of the independent non-executive members becomes less than the minimum required by law, the Board of Directors appoints as independent non-executive member until the next General Meeting either an alternative member, where one exists under article 81 of Greek Law 4548/2018, or an existing non-executive member or a new member that is elected for substitution, under the condition that the independence criteria of par. 1 are fulfilled. When pursuant to a decision of the competent body of the company, it is provided for a number of independent non-executive members greater than the one provided in par. 2 of article 5, and following the replacement, the number of the independent non-executive members of the Board of Directors is less than the aforementioned provided number, a relevant announcement shall be published to the website of the bank and remains published until the next General Meeting.

In any case, the election of members of the Board of Directors is subject to constant review and approval by the SSM.

The nomination of the Bank's Board of Directors is performed in accordance with the Bank's detailed Directors' Nomination Policy, the Board Suitability Assessment Policy and Procedure and the Board Diversity Policy, the provisions of the Bank's Articles of Association, the Corporate Governance Code and the Corporate Governance and Nominations Committee Charter, the provisions of the relevant regulatory framework (especially, Greek Laws 4706/2020, 4548/2018, 4261/2014 and 3864/2010, and the Bank of Greece Executive Committee's Act No. 142/11.6.2018, all as in force), as well as relevant guidelines of the European Central Bank and the European Banking Authority, while taking into account international best practices. Each nominee fulfils such criteria that ensure the appropriate governance and guidance of the Bank's strategy in respect of economic, business and policy issues, so as to ensure the required approval of the supervisory authorities in national and European level.

Following each election of Directors by the General Meeting of the Shareholders, as well as under any circumstances when the Chair's or the Chief Executive Officer's post is vacated for whatever reason, the Board of Directors constitutes into a body at its first meeting thereof and elects its Chair and the CEO who manages the affairs of the Bank, by absolute majority from among its members. According to the Bank's Corporate Governance Code, the Bank distinguishes the role of the Chair of the Board of Directors and the role of the Chief Executive Officer. Moreover, the Board of Directors has the authority to elect Vice Chair(s) and to decide on the appointment and duties of Deputy Chief Executive Officer(s), while also the Board may elect, from among its independent non-executive members, a Senior Independent Director.

The Bank's internal framework (especially, the Corporate Governance Code, as well as the Board Suitability Assessment Policy and Procedure) describe specific suitability criteria that shall be met by candidates as regards their initial and ongoing suitability, professional competencies that are incompatible with the position of Board member at the Bank, criteria concerning independence of non-executive members, participation of candidates on other boards, as well as other cases that are incompatible with the position of Board member. The Bank aims to ensure the best composition for the Board of Directors and that, in any case and at all times, all members of its Board of Directors are individually suitable for their respective roles and that the Board collectively possesses adequate knowledge, skills and experience to be able to understand the Bank's activities, including the main risks.

In order to be considered as a suitable candidate, prospective nominees should at least: (a) fulfil the minimum requirements provided in the regulatory framework, the Hellenic Corporate Governance Code of the Hellenic Corporate Governance Council, constituting the Hellenic Corporate Governance Code for Companies with securities listed on the stock market, which the Bank has adopted, the Bank's Corporate Governance Code, which includes additional provisions in compliance with more specific corporate governance framework applying to credit institutions, as well as provisions on internal arrangements and processes that the Bank implements, and internal policies, including with regard to qualifying criteria for Board membership, directors' incompatibilities, and independence criteria (where appropriate); (b) fulfil the minimum eligibility criteria stipulated in Greek Law 3864/2010 (HFSF Law), as in force; (c) meet the minimum suitability criteria set out in Article 91 of the CRD, as in force, namely: (i) experience; (ii) reputation; (iii) conflicts of interest and independence of mind; (iv) time commitment; and (v) collective suitability (as further detailed in Annex I of the Policy); (d) have no systematic conflict of interest with the Bank as per the applicable regulatory and internal framework (including the Bank's Articles of Association, NBG Group Code of Ethics and Policy for avoiding Conflicts of Interest for Board members, Senior Executives and other Related Parties of NBG; (e) meet particular criteria as each time determined for the role and duties of the specific position.

In selecting and proposing to the General Meeting of the Shareholders potential members of the Board of Directors, or in appointing new members in replacement of members who for whatever reason cease to be on the Board of Directors, the Board of Directors shall seek to propose candidates whose nomination ensures that the Board of Directors as a collective body presents above all the following profile:

- has a thorough knowledge of the financial industry, counting among its members individuals who are serving or have served in the past in leadership positions in financial institutions. More specifically, Board membership shall have the appropriate mix and experience in financial services or commercial banking and adequate time to provide effective oversight of a Group that offers a diverse range of financial services and operates on an international scale. Some of its members have significant long-time experience in financial management, accounting, and risk and capital management and control. Board members are also aware of the legal and regulatory requirements of the banking industry;
- has substantial business and professional experience, counting among its members individuals who are serving or have served in the past as Chair, Chief Executive Officers or senior managers of large organizations that are active in the areas of banking, audit, risk management or distressed asset management and have built a reputation that demonstrates the ability to make the kind of important and sensitive business decisions that the Board of Directors is called upon to make;
- has a full understanding of the structure and dynamics of NBG's customer universe, and of the principal markets in which the Group is currently active;
- has substantial international experience and can contribute to NBG's aspirations in the specific geographical region in which NBG is active;
- ensures, as far as possible, adequate representation of both genders, in alignment to respective legal provisions and the Bank's Board Diversity Policy;
- reflects the business model and the financial condition of the Bank;
- the principle of diversity is respected in the selection of Directors for the Board, in alignment to respective legal provisions and the Bank's Board Diversity Policy. Diversity is one factor that can enhance the functioning of the Board of Directors, as it addresses the phenomenon of "group think" and facilitates independent opinions and constructive challenging in the process of decision making.

The Board's Corporate Governance and Nominations Committee monitors on an ongoing basis the suitability of the members of the Board to identify, in light of any relevant new fact, situations where a reassessment of their suitability should be performed, while in any case, the Corporate Governance and Nominations Committee performs a periodic suitability re-assessment at least annually.

Particularly in case a member takes on an additional directorship or starts to perform new relevant activities, the Corporate Governance and Nominations Committee shall provide clearance on the assumption of the new position, assessing among others that the Board member is able to commit sufficient time to perform their functions in the Bank and whether or not the limitation of directorships under Article 91(3) of Directive2013/36/EU, as each time in force, is being complied with, with the aim to ensure that the Bank operates in full compliance with the regulatory prescribed limits applying and avoid any risk of overboarding.

Furthermore, the Bank, in alignment also to the provisions of Greek Law 4706/2020, affirms on an annual basis fulfilment by independent non-executive Board members of the independence criteria set by the applicable framework and particularly Article 9 of Greek Law 4706/2020. Specifically, the Bank has carried out checks to confirm fulfilment by independent non-executive Board members of the independence requirements laid down in the applicable framework, including the independence requirements of Article 9 of Law 4706/2020, both prior to the Annual General Meeting of the Bank's Shareholders of 28 July 2022, as well as before publication of the present Annual Financial Report. Furthermore, it is noted that the Board Chairman also meets in substance the independence requirements laid down in the applicable framework, however the Bank considers that the Board Chair position qualifies as non-executive, given the fact that a service provision contract is in place for the Board Chair position.

The Bank monitors developments in the applicable framework and relevant guidelines and best practices and proceeds to the actions deemed appropriate in order to ensure that the policies followed are in alignment with each time applicable regulatory framework and relevant guidelines.

Evaluation of the Chief Executive Officer, the Board of Directors and the Board Committees

According to the Bank's Corporate Governance Code and the Policy and Procedures for the annual evaluation of the Board of Directors, the Board, assisted by the Corporate Governance and Nominations Committee, conducts an annual Board effectiveness review to evaluate its own performance as a collective body and its members' contribution in line with the Board of Directors evaluation procedure formulated by the Corporate Governance and Nominations Committee, taking also into consideration the applicable legal and regulatory framework. The evaluation is carried out every three (3) years by an external consultant whose oversight is the responsibility of the Corporate Governance and Nominations Committee.

The Corporate Governance and Nominations Committee determines the exact timing for the initiation of the annual evaluation of the Board and its Committees and the assessment of the Board members on an individual basis, as well as the evaluation timetable and the methodology that shall be applied and oversees the evaluation process. The self-evaluation is carried out through questionnaires to be completed by members of the Board, while the questionnaires related to the performance of each Board Committee are completed only by the members of such Committee. The content of the questionnaires is reviewed on an annual basis by the Corporate Governance and Nominations Committee in order to ascertain that the questionnaires continue to correspond to the conditions each time prevailing, including the Bank's priorities, the applicable regulatory framework and the best corporate governance practices. The results of the overall evaluation of the Board of Directors and its Committees, as well as anonymous statistical data regarding members' self-evaluation on an individual basis are presented and discussed at Board level, while the individual outcome reports are discussed in individual feedback sessions, as appropriate.

Taking into account that the last evaluation had taken place fairly recently and taking also into account the changes made during 2022 on the Board/Board Committees, and the new Board Working Model which needs to have been applied for some time before being able to carry out the evaluation effectively, the Board endorsed the opinion of the Corporate Governance and Nominations Committee to initiate the next Board evaluation in 2023, so as to allow sufficient time for the changes that have taken place during 2022 in the structure and functioning of the Board/Board Committees to be implemented before proceeding to such evaluation.

Furthermore, during 2022 the Board conducted the CEO Evaluation for the year 2021, while also reviewed the framework for the evaluation of the CEO for the year 2022.

Directors Remuneration

Board Directors' remuneration is determined by the Bank's Annual General Meeting of Shareholders, upon recommendation of the Board of Directors (non-executive members), following proposal by the Corporate Governance and Nominations Committee. The Executive members do not attend or take part in the Committee meetings at which their remuneration is discussed and decided. Prior to its submission to the Annual General Meeting, the remuneration proposal is subject to consultation with the competent bodies according to the applicable governance legal and regulatory framework, as in force. The proposal is formulated in line with the legal and regulatory framework to which the Bank is subject, as well as the Bank's internal framework (esp. the Directors' & Senior Managers' Remuneration Policy and the Charter of the Corporate Governance and Nominations Committee of the Board), and takes into consideration, among others, the general employment and payment conditions applying to the total of NBG staff, looking to ensure consistency, the differences in responsibilities and impact ability of each directorship position and industry best practices, in a way that adequately reflects the time and effort the members are expected to contribute to the work of the Board of Directors, while at the same time promoting effectiveness of the Board of Directors' operations.

According to Article 10 of Greek Law 3864/2010, as in force, the representative of the HFSF can, inter alia, exercise his/her veto right in the Board decision making process with regards to the distribution of dividends and the benefits and bonus policy for Board members for any credit institutions whose ratio of non-performing loans to total loans, as calculated in accordance with subsection f(ii), of paragraph 2 of Article 11 of Commission Implementing Regulation (EU) 2021/451, exceeds 10%. As long as the credit institution is subject to the provisions of Greek Law 3864/2010 (Article 10 para 3, as currently and as long as it is in force), as long as the ratio of non-performing loans to total loans exceeds ten percent (10%), or for the financial years referring up to 2022, Directors' fixed remuneration shall in no case exceed compensation of the Governor of the Bank of Greece. Any additional variable remunerations (bonuses) of Directors shall be abolished throughout the duration of the restructuring plan of the credit institution submitted to the European Commission in the context of the approval procedure for the capital assistance program and until its completion[31] or as long as the ratio of non-performing loans to total loans exceeds ten percent (10%), or for the financial years referring up to 2022. Similarly, for the period of participation of the credit institution in the capital enhancement program of Article 7 of Greek Law 3864/2010, variable remuneration may only take the form of shares or stock options or other instruments within the meaning of Articles 52 or 63 of Regulation 575/2013, in accordance with Article 86 of Law 4261/2014 (A' 107). In this context during 2022 no variable remuneration was granted to Board members. With regards to executive members of the Board of Directors, their remuneration is determined in accordance with best market practices and aiming to provide a competitive level of remuneration that reflects skills, experience and time commitment, while it is noted that Executive Directors do not receive any additional remuneration for their participation as Board members.

On 28 July 2022, following the proposal by the Board of Directors after relevant recommendation of the Board's Corporate Governance and Nominations Committee, the Annual General Meeting of the Shareholders approved the remuneration of the members of the Board of Directors of the Bank for the financial year 2021, and determined their remuneration through to the Annual General Meeting of 2023 in accordance with Article 109 of Greek Law 4548/2018.

Moreover, in accordance with Article 9b of Directive (EU) 2017/828 of the European Parliament and of the Council of 17 May 2017 amending Directive 2007/36/EC as regards the encouragement of long-term shareholder engagement, as this has been transposed into the Greek legal framework by means of Article 112 of Greek Law 4548/2018 on Sociétés Anonymes, listed companies are required, among others, to draw up a Remuneration Report, providing a comprehensive overview of the remuneration of individual directors, including to newly recruited and to former directors, during the most recent financial year, in accordance with the remuneration policy as per Article 110 of Greek Law 4548/2018. Within this context, the Bank's Annual General Meeting of Shareholders, held on 28July 2022, following proposal by the Board of Directors, as assisted by the Corporate Governance and Nominations Committee, casted a positive vote on the fiscal year 2021 NBG Board of Directors' Remuneration Report, in alignment with the relevant applicable provisions.

Further information and the NBG Board of Directors' Remuneration Report are available on the Bank's website, at www.nbg.gr (https://www.nbg.gr/en/group/investor-relations/general-meetings-all-data).

Induction, Continuous Education and Training of Directors

The Bank offers new Board members an introductory informative program, which includes an induction program, covering among others, issues concerning the Bank's corporate governance and

[31] The Bank has exited the 2019 Revised Restructuring Plan, which was agreed between the Hellenic Republic and the Directorate General for the Competition of the European Commission, because of the State Aid received by the Bank during the recapitalizations which took place in 2013 and 2015.

organizational arrangements and including meetings with key executives of Bank. As part of the induction program, new Directors are informed about governance, compliance, key developments at Group level, matters concerning internal audit, finance and accounting. Upon their appointment, new Board members are also provided with detailed material that includes a manual prescribing basic rights and obligations of Board members in accordance with applicable legislation, the Bank's key policies, as well as all other relevant regulatory provisions or documents concerning for example obligations of the Bank deriving from the Relationship Framework Agreement with the HFSF. Additionally, induction and thematic sessions per Board Committee take place, focused on the particular issues falling within the competence of each Board Committee. In this context, following the election of the new Board member in July 2022 and the decision that he shall attend training to cover banking knowledge, the member attended a two-day training hosted by the Academy of European Law, covering banking topics, while it has also been arranged for him to attend the "Strategic Management in Banking" executive education program of INSEAD. Finally, an Induction training has also been provided by the Bank to the new Board member.

Further, the Board of Directors has adopted a Policy for the Annual Training of members of the Board of Directors and its Committees, with the objective of assisting the Board of Directors in enhancing its performance by expanding its existing Directors' relevant skill base and competencies. The Policy establishes the procedures for the formulation of the Annual Training Plan for members of the Bank's Board of Directors and Board Committees which is developed taking into consideration the Board of Directors and its Committees' educational needs, the Bank's priorities and requirements and any existing learning and development programs, in accordance with current developments in the legal and regulatory framework as well as best practices in corporate governance. In this context, briefings and thematic sessions of the Board by Bank's competent executives may be arranged on matters with which Directors should familiarise themselves while also external trainings can take place as may be deemed appropriate. During 2022, focused trainings of the Board of Directors members were conducted, among others, on ESG and Sustainability, Implications of sanctions on the Russian economy and financial system, the Bank's Strategy, Insights on Greek economy - National Recovery and Resilience Plan "Greece 2.0", Digital Banking, Cybersecurity and Cyber risks. At Committee level, trainings conducted included accounting and reporting update (including information on ESG/climate risk/sustainable finance, IFRS update), 2022 ECB Climate Risk Stress Test, and NBG Risk Culture Program/Risk Awareness, while briefings were provided on Regulatory Compliance and AML issues (e.g. on Compliance Risk Assessment Methodology), as well as on developments and trends in Corporate Governance.

Board of Directors – Structure

HFSF Representative

Pursuant to Greek Law 3864/2010, and the Relationship Framework Agreement between the Bank and the HFSF, as in force, the HFSF participates in the Board of Directors through the appointment of a representative. As notified to the Bank by HFSF's Letter dated 23 July 2018, the duties of the HFSF's Representative, in the context of Greek Law 3864/2010, as in force, are exercised by Mr. Periklis Drougkas. The HFSF representative is entitled to participate in the Board Committees and has the rights and authorities prescribed by Greek Law 3864/2010 and the Relationship Framework Agreement between the NBG and the HFSF, as each time in force. The HFSF Representative may request an adjournment of any meeting of the Bank's Board of Directors for three (3) business days, until instructions are given by the Fund's Chief Executive Officer. Moreover, the Relationship Framework Agreement, as in force, provides for the appointment of an HFSF Observer (with no voting rights) at the Board of Directors and all Board Committees.

Senior Independent Director

Furthermore, as of July 2019, the Bank's Board of Directors established the role of the Senior Independent Director, who is selected among its independent non-executive members. The duties of the Senior Independent Director, as set out in the Bank's Corporate Governance Code indicatively include: acting as a sounding board for the Chair and serving as an intermediary for the other Directors; being a key point of contact for shareholders, regulators and other stakeholders along with the Chair of the Board; coordinating the non-executive Board members, and discussing with other Directors issues on which the Chair might have a conflict of interest and acting as intermediary between Directors and the Chair, as necessary; acting as a facilitator, to facilitate and improve relations with shareholders and to assist in the resolution of conflict in case of crisis or in case of dispute, as for instance: i) there is a dispute between the Chair and CEO; ii) shareholders or non-executive directors have expressed concerns that are not being addressed by the Chair or the Chief Executive Officer; iii) the relationship between the Chair and CEO is particularly close; and leading the annual evaluation of the Chair according to the Bank's Board Evaluation Policy.

In 2021, the Corporate Governance and Nominations Committee formulated a detailed profile for the role of Senior Independent Director ("SID"), based on regulatory provisions, international best practices and relevant HFSF guidelines (role specification), while in July 2022, the Corporate Governance and Nominations Committee updated the detailed SID profile, in alignment to the revised structure of Board Committees. The SID Profile specifies the role of the SID and the desired skills and qualities given the key responsibilities of the position, as well as eligibility in accordance with the current regulatory and legal framework and international best practice, while also foresees provisions relating to time commitment and participation in Board Committees. The profile includes, inter alia, elaborated provisions in the areas of acting as liaison between Board members and the Board Chair and fulfilling the role of acting as a sounding Board to the Board Chair, as suggested by international best practices; in fostering an environment of open dialogue and constructive feedback; and in the area of promoting solid and continuous interaction with shareholders and stakeholders (e.g. regulators, employees, clients, etc.) and the investor community (existing and potential shareholders). The selection of the Senior Independent Director is conducted in accordance with a process which has been determined by the Corporate Governance and Nominations Committee, having previously considered relevant international best practices.

The following table sets forth the current composition of National Bank of Greece Board of Directors:

Position in Board | Name	Start of Term*	End of Term	Profession | Main Expertise, Experience
The Non-Executive Chairman of the Board of Directors			
Gikas Hardouvelis Chair (Non-Executive)	30 July 2021	2024	Chair of the Board/Professor/Economist/Risk, Strategy and Corporate Governance Experience
Executive members			
Pavlos Mylonas (CEO)	30 July 2021	2024	Chief Executive Officer
Christina Theofilidi	30 July 2021	2024	Executive Board Member, General Manager of Retail Banking
Independent non-executive members			
Avraam Gounaris (Senior Independent Director as of December 2021)	30 July 2021	2024	Economist / Financial Services
Anne Marion-Bouchacourt	30 July 2021	2024	Human Resources and Culture Experience
Claude Piret	30 July 2021	2024	Risk experience/ Financial Services
Wietze Reehoorn	30 July 2021	2024	Risk, Strategy and Corporate Governance Experience
Matthieu Kiss	30 July 2021	2024	Audit experience
Elena Ana Cernat	30 July 2021	2024	Banking/Digital Banking Experience
Aikaterini Beritsi	30 July 2021	2024	Corporate Governance Experience
JP Rangaswami	30 July 2021	2024	IT/Digital Transformation Experience
Athanasios Zarkalis	28 July 2022	2024	Commercial, Retail and Strategy Experience
Non-Executive Representative of the HFSF (Greek Law 3864/2010)			
Periklis Drougkas	30 July 2021	2024	Economist
Board and Board Committees' Secretary			
Panos Dasmanoglou	30 July 2021	2024	General Manager of Group Compliance and Corporate Governance

* Date of election of the Members of the Board of Directors by the Annual General Meeting of Shareholders of 2021 and 2022.

- During 2022 the Board of Directors convened 19 times in total.
- During 2022 the Bank's Board Committees convened 76 times in total.
- The 31% (4 out of 13) of the Board of Directors Members are women.
- A budget exists for the Board of Directors.
- During 2022, the Board was assisted by an international advisory firm on corporate governance projects.

Board activities during 2022

During 2022, 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;
- applied a new Working Model of the Board, with an emphasis on thorough discussion at Board level of issues such as strategic direction, macroeconomic trends, supervisory issues, etc;
- revisited Board Committee compositions and reviewed Committee Charters, considering the new Board Working Model and principles considered for the formulation of Board Committee compositions in line with the Bank's respective Methodology for reviewing Board Committee compositions;
- 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, while also updated the Board Suitability Policy and the Nomination Policy, in alignment to the new ECB Guide to Fit and Proper and considering regulatory developments (i.e. changes in HFSF Law);
- hosted a 3-Day Strategy Days Off Site event, including important discussions on Board strategic view and initiatives, such as Organic Business Growth, ESG-Sustainability, Board Working Model Assessment, 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;

- received on a monthly basis, the Monthly business performance reviews on the Bank's preliminary results with benchmarks to the 2022 Budget targets and 2021 Actual results and regular update on the evolution of the Group Regulatory Capital Ratios;
- reviewed and approved the 2022-2024 Business Plan (incl. stress scenarios and highlights of: NPE plan and Capital plan), as well as the 2023 Annual Budget, the Capital Planning Framework and 2022-2024 Capital Planning;
- 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;
- monitored the effective implementation of important projects and transactions of the Bank;
- 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;
- was briefed on Employee Engagement Survey results.

Moreover, during 2022, 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 on 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:

- reviewed and discussed on the Bank's Climate and Environment Strategy, with special focus in the area of sustainable energy financing, transition to a sustainable economy/financed emissions and role-modelling environmentally responsible practices. The Bank's Climate and Environment Strategy was also incorporated in the Annual Budget 2023 & Business Plan 2023 - 2025, reviewed and approved by the Board of Directors in 2022.
- was informed on the 2022 ECB Climate Risk Stress Test Results.

Additionally, the Board of Directors was presented with the Diagnostic review of the Bank's initiatives for the efficient management of Environmental, Social and Governance risks, and was updated on the key developments on the ESG ecosystem, and in particular on Climate risks, ESG disclosures and sustainable finance.

Finally, the Board of Directors, through the Innovation and Sustainability Committee, was informed on ESG governance at management level, i.e., on the operationalization of the ESG Management Committee chaired by the CEO, on the new Climate and Environment Strategy Sector that was introduced at the Bank to lead and coordinate efforts of the First Line of Defence, as well as on the Strategic Risk Management Division that leads efforts within Risk and the Sustainability & CSR Division that leads efforts within Compliance.

Board of Director's Committees

Seven Committees operate at Board level:

- **Audit Committee**
- **Board Risk Committee**
- **Corporate Governance and Nominations Committee**
- **Human Resources and Remuneration Committee**
- **Strategy and Transformation Committee**
- **Compliance, Ethics and Culture Committee.**
- **Innovation and Sustainability Committee**

In February 2022, a new Board Committee, the Innovation and Sustainability Committee ("ISC"), was established by Board decision (meeting no. 1718/24.2.2022), following the elevation of the IT & Innovation Advisory Council (established by the Board in January 2021) to a Board Committee and the enhancement of its duties. The Charter of the ISC was approved at the same Board meeting.

In March 2022, in the context of the annual review of Board Committee Charters, all Board Committee Charters were revised for the purpose of further alignment among them and adjustment in parts impacted by the establishment of the ISC, as well as of incorporating certain developments in internal Policies / arrangements and being aligned with regulatory developments.

The Charters of the Committees are posted on the Bank's website, at www.nbg.gr (https://www.nbg.gr/en/group/esg/corporate-governance/boards-of-directors).

Audit Committee

The Audit Committee was established in 1999 and operates in accordance with the provisions of the Bank of Greece Governor's Act No. 2577/2006 and Greek Law 4449/2017 (Article 44), as in force.

During 2022 the Audit Committee convened sixteen times.

The members of the Committee are appointed by the Board or by the General Meeting of Shareholders upon recommendation of the Corporate Governance and Nominations Committee. In any case, in accordance with Greek Law 4449/2017, as in force, the structure of the Audit Committee, and the number and capacity of the Committee members shall be decided by the General Meeting of Shareholders. The Chair and the Vice Chair of the Committee should be appointed by its members. In accordance with its existing Charter, the Committee shall be composed of at least three (3) Board members. One member shall be the HFSF representative at the Board of Directors. Furthermore, the members of the Committee shall not exceed 40% (rounded to the nearest whole number) of total Board members (excluding the HFSF Representative on the Board). All members of the Committee shall be non-executive members of the Board, while 75% (rounded to the nearest whole number) of the members (excluding the HFSF Representative on the Board), including the Chair, shall be independent non-executive members of the Board, as per 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. At least one member of the Committee, which is an independent non-executive member, should have adequate knowledge and experience in auditing or accounting.

The Committee is currently composed of five non-executive Members, of which four are independent and one is the HFSF Representative at the Board of Directors. The mandates of the Committee members shall automatically expire if they cease to be members of the NBG Board, while in accordance with Greek Law 4449/2017, as in force, the term of appointment shall be decided by the General Meeting of Shareholders. In that context, pursuant to the resolution of the Annual General Meeting of Shareholders of 28 July 2022, the term of office of the Committee members appointed by the Board of Directors in accordance with Article 44 par. 1 case c) of Greek Law 4449/2017 shall be as determined by the Annual General Meeting of Shareholders of 30 July 2021, i.e. until the Annual General Meeting of year 2024 and shall, in any case, automatically expire if they cease to be members of the NBG Board. The Committee employs a specialized consultant who reports directly to the Chair of the Committee. The Committee convenes regularly at least six times per annum or extraordinarily, whenever deemed necessary, keeps minutes of its meetings and reports to the Board of Directors every three months or more frequently if deemed necessary.

The Committee is comprised of the following members:

Audit Committee	
Chair	**Matthieu Kiss**
Vice-Chair	**Claude Piret**
Members	**Avraam Gounaris**
	JP Rangaswami
	Periklis Drougkas (HFSF representative)

Detailed information on the responsibilities, composition and modus operandi of the Committee are included in the Committee's charter (which was last revised by the Board on 24 March 2022) posted on the Bank's website, at www.nbg.gr (https://www.nbg.gr/en/group/esg/corporate-governance/boards-of-directors).

Main responsibilities

- Review and approval of annual and interim Financial Statements and disclosures.
- Recommendations for appointment & remuneration of audit firm that conducts the statutory audit.
- Monitoring & assessment of internal control and regulatory and compliance environment.
- Review of Internal Audit Function effectiveness.

- Review of developments in legal and regulatory framework.
- Preparation of the annual Audit Committee Report, to be submitted to the Annual General Meeting of Shareholders pursuant to Article 44 par. 1 case i) of Greek Law 4449/2017.
- Review and approval of policies.

2022 Key workings of the Committee include among others

- Approval of the annual and interim Financial Statements & review of procedure for their preparation, as well as of the relevant Financial Results Press Release.
- Review of the Critical Accounting Judgments and Estimates made in the preparation of the Annual and Interim Financial Statements (e.g., going concern, income taxes and expected losses on loans and advances to customers).
- Monthly business performance reviews on the Bank's preliminary results with benchmarks to the 2022 Budget targets and 2021 Actual results.
- Update on 2022 Budget (jointly with the Group Strategy & Transformation Committee).
- Regular update on the evolution of the Group Regulatory Capital Ratios.
- Regular updates on the activity of Group Internal Audit Function, approval of its Annual Work Plan for 2023 and the mid-year revision of the 2022 Group Internal Audit Annual Plan, revision of Group Internal Audit Charters and assurance that the Group Internal Audit Function was appropriately staffed and had the necessary resources.
- Continued to closely monitor the successful remediation of overdue audit issues, and audit issues' evolution, including audit issues that have been closed due to risk acceptance or downgraded. Review of the External Quality Assessment of NBG Group Internal Audit Function as per Institute of Internal Auditors' requirements.
- Update on SSM's follow-up requests regarding on-site inspection of the Residential Real Estate and Corporate portfolios and follow up on SSM audit findings.
- Recommendation to the Board for the reappointment of PwC as the Group Statutory Auditors of FY.22 following alignment of Greek legislation with EU framework allowing extension of statutory audit services for a period of up to 10 years and provided assurance that the audit fees for the FY.22 were in accordance with the fee levels agreed in the tender process.
- Approval of any additional services, other than the statutory audit, offered by the Statutory Auditors to the Bank & its subsidiaries to ensure that these services & their related fees were permitted by existing EU and Greek legislation & did not impinge on the independence of the Statutory Auditors. Briefing on Non-Audit Fees Thresholds Monitoring Process to provide assurance of the Group's compliance with relevant regulatory framework.
- Regular meetings with the Statutory Auditors throughout the year, in compliance with the new EU and Greek legislation.
- Review of status and accounting implications of the new Banking Accounting Engine ("BAE").
- Review and approval of the Group Internal Control Function's Annual Activity Plan for 2022 and informed quarterly on its progress and results, informed on amendments to the Group Internal Control Methodology.
- Updated on the NBG Process Framework Overview and Facilitation of Control Documentation Journey.
- Review and approval of the Group Internal Control Function's Activity Plan 2023-2024.
- Review and approval, jointly with the Board Compliance, Ethics and Culture Committee, of the 2021 Money Laundering Reporting Officer ("MLRO") Annual Report and 2022 Plan and the Compliance Function's 2021 Annual Report and 2022 Plan, as well as the Report over the suitability of measures taken by the Bank on 31 December 2021, according to Greek Law 4514/2018 as specified in executive committee act 147/27.7.2018 (safeguarding of financial instruments and client funds – MiFID II).
- Approval of updated Policy of Impairment of Financial Instruments under IFRS 9 and of the Legal Risk Management Policy of NBG Group (jointly with the Board Risk Committee).
- Briefings on specific items, including Group Finance Division 2021 Annual Report; and compliance with hiring former Auditors' policy.
- Regular briefings on legal cases of the Bank and the Group.
- Regular updates on key regulatory developments.
- Technical update by PwC on accounting and reporting matters (including information on ESG/climate risk/sustainable finance).
- Preparation of the annual Audit Committee Report for the year 2021, which was submitted to the Annual General Meeting of the Bank's shareholders of 28 July 2022 pursuant to Article 44 par. 1 case i) of Greek Law 4449/2017.
- Review of Policies (e.g. Policy for Impairment of Financial Instruments under IFRS 9).

The Audit Committee has received and reviewed (a) the Annual Assessment Report on the System of Internal Controls of NBG and its Group for 2021 by the Group Internal Audit Function and (b) the external (triennial) review of the adequacy of the Internal Control System of NBG Group, in accordance with the provisions of the Bank of Greece Governor's Act 2577/2006 which are also submitted to the Bank of Greece through the Audit Committee.

For the Audit Committee Report to the Shareholders on its activities during 2022, see separate section "*Audit Committee Report*".

Board Risk Committee

The Board Risk Committee ("BRC") was established by Board decision (meeting no. 1308/20.07.2006) in accordance with the requirements of Bank of Greece Governor's Act No. 2577/9.3.2006.

During 2022, the Board Risk Committee convened eleven times.

In accordance with its existing Charter, 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 independence specified, as per 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 BRC convenes regularly at least on a monthly basis, as well as extraordinarily, whenever deemed necessary by its Chair. Committee keeps minutes of its proceedings and reports regularly to the Board of Directors.

The Committee is comprised of the following members:

Board Risk Committee	
Chair	**Claude Piret**
Vice-Chair	**Wietze Reehoorn**
Members	**Elena Ana Cernat**
	Periklis Drougkas (HFSF representative)

Detailed information on the responsibilities, composition and modus operandi of the BRC are included in the Committee's charter of the BRC (which was last approved by the Board on 24 March 2022) posted on the Bank's website at www.nbg.gr (https://www.nbg.gr/en/group/esg/corporate-governance/boards-of-directors).

Main responsibilities

- Ensuring that the Bank has clearly and adequately defined the Group's risk appetite & strategy and ensuring that the Board is adequately apprised of all matters relating to NBG's risk strategy, risk appetite and the Bank and the Group's actual risk profile.
- Ensuring the establishment of risk culture as a core component of effective risk management.
- Oversight of the overall effectiveness of risk governance and risk management, as well as Non-Performing Loans/Exposures (NPLs/NPEs) issues.
- Approval of risk strategies, frameworks and policies.
- Oversight of capital and liquidity management.
- Oversight of risk management function.
- Review and approval of policies.

2022 Key workings of the Committee include among others

- 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 ESG/Climate & Environmental Risk, New Obligors Leveraged Transactions, Concentration Risk and refinements/reclassifications aimed at enhancing oversight and monitoring processes & Risk and Capital Strategy and ongoing monitoring of compliance.
- Enhancements in risk reporting.
- Review of Operational Risk Management Framework & Policy documents, incorporating BCBS Principles (Sound Management of Operational Risk & Operational Resilience) and aligned to the new NBG Risk Taxonomy Framework and the role of SRCOs/URCOs.
- Ongoing-monthly updates on Risk Management issues and ad hoc briefings on developments.
- Review of NBG's Operational Risk KRI Dashboard, as well as KRI Dashboards for major domestic and foreign subsidiaries.
- Submission of ICAAP, ILAAP, NPE Plan & NPE Strategy Implementation report.
- Oversight of matters/risks relevant to Geopolitical Crisis.
- Review of regulatory reports and disclosures (Pillar III Disclosures, Bank of Greece Report of Loans in Arrears, Annual Report to the Bank of Greece on Risk Management Function activity).
- Oversight of the Bank's Risk related ESG project (e.g. qualitative scorecard development & calibration,

internal Stress testing framework, to incorporate ESG components and other updates).

- Review of Policies (e.g., Group Property Valuation Policy Business Continuity and Disaster Recovery Policy), review of the Recovery Plan.
- Review of top corporate exposures, NBG Loan portfolio Quality Benchmarking, NBG cybersecurity posture.
- Review of Credit Risk Models used (IFRS 9 SME Retail PD, IFRS 9 SME Retail LGD, IFRS 9 Consumer Term Loans LGD).
- Briefings and monitoring of results of 2022 ECB Climate Stress Test.
- Review of Stress scenarios & sensitivity analyses contributing to the Strategy setting and evaluation process, including Budget approval for 2023.
- Review of NPE Strategy & Targets 2022-24.
- Implementation of Risk Awareness Enhancement Initiatives.
- Oversight of NBG Risk Culture Program.
- Review and monitor the Top Operational Risks of the Group.

Corporate Governance and Nominations Committee

The Corporate Governance and Nominations Committee was established by Board decision (meeting no. 1259 on 5 May 2005).

During 2022 the Corporate Governance and Nominations Committee convened fifteen times.

In accordance with its existing Charter, the Committee shall be composed of at least three Board members. One member shall be the HFSF representative at the Board of Directors. The members of the Committee (including the Chair and Vice-Chair) are appointed by the Board of the Bank, pursuant to proposal of the Chair of the Board in consultation with the Chair of the Corporate Governance & Nominations Committee. All members of the Committee shall be non-executive Board members, in their majority (including the Chair, excluding the HFSF representative) independent non-executive members of the Board, as per 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 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. Committee members are appointed for a one-year term of office, which shall be automatically renewed for successive one-year renewal terms, unless otherwise decided. In any case, the mandates of the Committee members shall automatically expire if they cease to be members of the NBG Board. Committee members' term shall not exceed nine years in total. The Committee convenes at least three times per annum and keeps minutes of its proceedings and reports regularly to the Board of Directors.

The Committee is comprised of the following members:

Corporate Governance and Nominations Committee	
Chair	**Wietze Reehoorn**
Vice-Chair	**Aikaterini Beritsi**
Members	**Matthieu Kiss**
	Anne Marion-Bouchacourt
	Periklis Drougkas (HFSF representative)

Detailed information on the responsibilities, composition and modus operandi of the Corporate Governance and Nominations Committee are included in the Committee's Charter (which was last approved by the Board on 24 March 2022) posted on the Bank's website, at www.nbg.gr (https://www.nbg.gr/en/group/esg/corporate-governance/bod-committees/corporate-governance-and-nomination-committee).

Main responsibilities

- Review of Board of Directors composition and organization.
- Oversight of development and implementation of a sound group corporate governance framework.
- Development and review of NBG's Corporate Governance Code, policies in relation to the nomination and suitability assessment of the Board and Senior Management, Board evaluation, succession planning and remuneration, and other corporate governance policies.
- Review of Bank's organizational chart and delegation of authorities.
- Proposals on Board's induction and ongoing training.
- Suitability Assessment of individual Board members' knowledge, skills, experience and independence and the Board collectively, as well as of Senior Management.
- Board of Director's Members and Senior Executives nominations, as well as suitability assessment of candidates in subsidiary Boards.
- Review and monitoring of relevant policies and practices.

2022 Key workings of the Committee include among others

- *Board Governance Working Model:* Implementation of the revised principles on Board Working Model, as determined by the Board in December 2021 in alignment to supervisory expectations and with a focus on enhancement of Board focus on strategic discussion and in-depth analysis of all key topics concerning the Bank (matters addressed including attendance in Committee meetings, access to material, summaries of minutes).
- *Recruitment process of an additional Board member (INED):* Extensive recruitment and selection process

carried out in collaboration with an independent headhunter (determination of candidate profile including skills sought, interviews with shortlisted candidates etc), following discussions that had taken place at the end of 2021 on ideal size of the Board and after considering Board skills.

- *Annual Suitability and Independence Assessment of the Board:* Completion of the process for the assessment of Individual and Collective Suitability and the fulfilment of independence criteria, conducted prior to the Annual General Meeting of Shareholders 2022.
- *Review of Board Committees architecture and composition:* During 2022, particular focus was given to exploring the ideal architecture of Board Committees, including the ideal size and composition of Board Committees, so as to satisfy also rotation ambitions and cross participation restrictions. Following extensive discussions, changes in Board Committees composition have taken place in February and July 2022 (the latter following the election of a new Board member and the reconstitution of the Board), in alignment to the new Methodology adopted on Board Committee Compositions Review and supervisory expectations.
- Establishment of the new Innovation and Sustainability Committee and adoption of its Charter: Within the context of the aforementioned review of Board Committees architecture, in February 2022, following proposal of the CGNC, the Board established the Innovation and Sustainability Committee, supporting the Board of Directors and focusing on continuous monitoring of developments in terms of long term trends and best practices particularly in the areas of sustainability and innovation.
- Corporate Governance Framework – Policies: Revision of NBG Internal Governance Framework, in alignment to regulatory developments and global trends in corporate governance, including:
    - ✓ adjustment of Board Committee Compositions Review Methodology in alignment with revised Board of Directors Committees architecture;
    - ✓ review of Board Suitability Policy and Procedures, in alignment with changes in the relevant regulatory framework (especially ECB Guide, EBA Guidelines) - approved by the Annual General Meeting 2022 by 100% favourable votes;
    - ✓ review of Directors' and Senior Managers' Remuneration Policy, in alignment with changes in the relevant regulatory framework (i.e., new HFSF Law) and the revised methodology for determining remuneration of Non-Executive Directors approved by the Annual General Meeting of Shareholders 2022 by 98.81% favourable votes;
    - ✓ update of Board Nomination Policy, in alignment with changes in the relevant regulatory framework (e.g., new HFSF Law, ECB guidance) and the Board Suitability Policy;
    - ✓ adjustments to Corporate Governance Code following the establishment of new Board Committee and the update of Board Committee Charters.
- *Governance projects*: Update of the CEO Evaluation Framework for the year 2022, execution of the CEO Evaluation for the year 2021, Annual Board Suitability Assessment, Update of Target Board Profile, Conclusion of CEO/Executive Management Team Succession Planning project.
- *Annual General Meeting*: Revision and approval (where appropriate) of Annual General Meeting Material, including the Annual General Meeting Invitation Agenda, the proposal for the increase of the number of Board members from twelve (12) to thirteen (13) and the Election of a new independent non-executive member, the proposal for the redetermination of the Audit Committee members, and the Directors' Remuneration Report.
- *Ongoing monitoring of*: regulatory developments and best practices, respective briefings on all important regulatory developments in corporate governance (e.g. new HFSF Law, Governance Trends/ Board of Directors Key Focus areas).
- *Group governance and Oversight*: Nominations to NBG subsidiaries Boards, eligibility assessment of subsidiary Board members, presentation on group entities governance arrangements.
- *Ongoing training and development*: Annual Board Training Plan for the year 2022, Induction program for new Board member

Human Resources and Remuneration Committee

The Human Resources and Remuneration Committee ("HRRC") was established by Board decision (meeting no. 1259/ 5.5.2005).

During 2022, the Human Resources and Remuneration Committee convened ten times.

In accordance with its existing Charter, 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, as per 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 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 a year and keeps minutes of its proceedings and reports regularly to the Board of Directors.

The Committee is comprised of the following members:

Human Resources and Remuneration Committee	
Chair	**Anne Marion-Bouchacourt**
Vice-Chair	**Elena Ana Cernat**
Members	**JP Rangaswami**
	Athanasios Zarkalis
	Periklis Drougkas (HFSF representative)

Detailed information on the responsibilities, composition and modus operandi of the HRRC are included in the Committee's charter of the HRRC (which was last approved by the Board on 24 March 2022) posted on the Bank's website, at www.nbg.gr (https://www.nbg.gr/en/group/esg/corporate-governance/boards-of-directors).

Main responsibilities

- Review and monitoring of Group Human Resources policies and practices.
- Oversight of Group's Remuneration Policy and relevant procedures.
- Formulation of a framework for fairly evaluating effort and rewarding performance. Developing and maintaining a coherent system of values and incentives for Human Resources throughout the NBG Group.
- Proposals on executive contract terms and remuneration.

2022 Key workings of the Committee include among others

- Monitoring of Performance Management System ("PMS") implementation (conclusion of PMS cycle (2021 review, 2022 goal setting).
- Review of NBG Directors' and Senior Managers' Remuneration Policy according to Greek Law 4548/2018.
- Continuous oversight/monitoring of a number of important Transformation Initiatives related to Human Resources issues and Human Resources master plan (Human Resources Function redesign, redesign of back-office onboarding processes, upgrade of the Human Resources Data Structure / reporting enhancement and standardization, Talent Management/Succession Planning, Career Framework etc.).
- Review of variable remuneration cycle (Branch Network, Head Office Schemes payout, Top Management long term incentive scheme design).
- Launch of 2022 Voluntary Exit Scheme ("VES") – Update on 2022 VES results.
- Review of Proposals on adjustments of Executive remuneration terms.
- Review of Key findings and focus areas of the 2nd Bank –wide NBG Employee Engagement Survey.

Strategy and Transformation Committee

The Strategy Committee was established by Board decision (meeting no. 1387/ 29.9.2009), while it was renamed to Strategy and Transformation Committee by Board Decision (meeting no. 1622/26.07.2018).

During 2022 the Strategy and Transformation Committee convened eleven times.

In accordance with its existing Charter, the Committee shall solely consist of non-executive members of the Board, with a total number of members as each time determined in accordance with Board resolution. One member shall be the HFSF Representative at the Board of Directors. The Committee shall be composed of at least three independent non-executive Board members (excluding the HFSF Representative), including the Chair, as per 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 Committee members (including its Chair and Vice-Chair) are appointed by the Board of Directors upon recommendation of the Corporate Governance and Nominations Committee. The Committee members shall be selected on the basis of their competence and experience and appointed for a one-year term of office, which can be automatically renewed for successive one-year renewal terms, unless otherwise decided. In any case, the mandates of the Committee members shall automatically expire if they cease to be members of the NBG Board of Directors. The Committee 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 shall meet at least three times per year, keeps minutes of its proceedings and reports regularly to the Board of Directors.

The Committee is comprised of the following members:

Strategy and Transformation Committee	
Chair	**Wietze Reehoorn**
Vice-Chair	**Matthieu Kiss**
Members	**Claude Piret**
	Aikaterini Beritsi
	Periklis Drougkas (HFSF representative)

Detailed information on the responsibilities, composition and modus operandi of the Committee are included in the Committee's charter (which was last approved by the Board on 24 March 2022) posted on the Bank's website, at www.nbg.gr (https://www.nbg.gr/en/group/esg/corporate-governance/boards-of-directors).

Main responsibilities

- Approval and review of Bank's and Group's strategic direction.
- Review of all significant actions concerning corporate and Group structure.
- Oversight of Strategic and Corporate Transformation Projects implementation.
- Proposals on Bank and Group Business Plan and review of its implementation.
- Review and monitoring of the Bank and the Group Annual Budget.
- Review and monitoring of relevant policies and practices.

2022 Key workings of the Committee include among others

- Extensive discussions on important strategic matters at Board level as part of Annual Strategy Days, covering, among others, organic Business Strategy, best practices on ESG, practical aspects on data breach/cyber attack crisis.
- Oversight/monitoring of the implementation of the Bank's Transformation Program Initiatives, review of the 2022-2024 Transformation Masterplan.
- Review of the 2022-2024 Business Plan (incl. stress scenarios and highlights of: NPE plan and Capital plan) and monitoring of its implementation.
- Monitoring of the implementation of the 2022 Annual Budget/Review of 2023 Annual Budget.
- Review of Capital Planning Framework and 2022-2024 Capital Planning
- Briefing/oversight of Real Estate Masterplan
- Oversight of Bank's Strategic Transactions.

Compliance, Ethics and Culture Committee

The Ethics and Culture Committee was established by Board decision (meeting no. 1622/26.07.2018). In November 2020, the Committee was renamed to Compliance, Ethics and Culture Committee and its Charter was revised, aiming to strengthen the holistic compliance supervision at Board level.

During 2022, the Compliance, Ethics and Culture Committee convened eleven times.

In accordance with its existing Charter, the Committee shall be composed of at least three Board members. One member shall be the HFSF representative at the Board of Directors. All members of the Committee shall be non-executive Board members, in their majority (including the Chair, excluding the HFSF representative) independent non-executive members of the Board, as per 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 Compliance, Ethics and Culture Committee Chair shall be an Independent Non-Executive Director with deep knowledge in Ethics and Compliance and good understanding of Social and Environmental issues. The members of the Committee (including the Chair and Vice – Chair) shall be appointed by the Board of Directors on the recommendation of the Corporate Governance & Nominations Committee. The Committee 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. The Committee convenes regularly, keeps minutes of its proceedings and reports regularly to the Board of Directors.

The Committee is comprised of the following members:

Compliance, Ethics and Culture Committee	
Chair	**Aikaterini Beritsi**
	Elena Ana Cernat
Members	**Avraam Gounaris**
	Periklis Drougkas (HFSF representative)

Detailed information on the responsibilities, composition and modus operandi of the Committee are included in the Committee's charter (which was last revised by the Board on 24 March 2022) posted on the Bank's website, at www.nbg.gr (https://www.nbg.gr/en/group/esg/corporate-governance/boards-of-directors).

Main responsibilities

- Monitor and assess the regulatory and compliance environment.
- Oversee compliance issues and the compliance function.
- Promote the highest standards of ethics and integrity in accordance with international best practices.
- Oversee senior management's initiatives on ethics and culture.
- Review the NBG Group Codes of Ethics.
- Review the Code of Ethics for Financial Professionals.
- Review the Policy on Politically Exposed Persons.
- Have authority over cases of misconduct and any other ethical issue.
- Review the Bank's Corporate Social Responsibility policies.

2022 Key workings of the Committee include among others

- Monthly briefings and in-depth discussion on compliance and regulatory framework developments.
- Review of compliance reports (such as the Annual Compliance Report and Plan), report and statistical data on Complaints, and briefings on related parties' transactions and Connected Borrowers.

- Briefings on Supervisory Priorities and Key Issues.
- Review of new Compliance Risk Assessment Methodology.
- Oversight of Compliance / AML Strategic Projects (European Supervisory Authorities ("ESAs") Project implementation, New Financial Services Crime & Compliance Management ("FCCM") Roll – out implementation and phase B).
- Oversight of Ethical Conduct Framework and Bank initiatives on raising awareness on misconduct behaviours (e.g. Whistleblowing training program, Code of Ethics Monitoring Program).
- Monitoring of developments in the regulatory framework and trends concerning ESG and Bank's related initiatives.
- Review and update of Compliance, Conduct, Data/Archive and ESG Policies (e.g. Market Abuse/Personal Transactions Policy, Physical Archive Management Policy, Personal Data Management Policy, Data Governance Policy, Group Outsourcing Policy, Suitability Policy on Insurance-based Investment Products, Cost and Charges Policy, Financial Instruments & Insurance Products Governance Policy).
- Oversight of Dashboard for the ongoing review of Key Compliance and Conduct Risk Indicators.
- Oversight of Compliance Monitoring Program (e.g. review of Compliance Testing Yearly Results), Compliance Technology Evolution Initiatives, RegMiner Tool Implementation Project.
- Update on the Group's outsourcing arrangements and their compliance status.
- Updates on Group Entities Key Compliance issues.

Innovation and Sustainability Committee

The Innovation and Sustainability Committee ("ISC") was established by Board decision (meeting no. 1718/24.2.2022), following the elevation of the IT & Innovation Advisory Council (established by the Board in January 2021) to a Board Committee and the enhancement of its duties.

During 2022, the Innovation and Sustainability Committee convened two times.

In accordance with its existing Charter, the Committee composition is as each time determined by the Board of Directors upon proposal of the Corporate Governance and Nominations Committee. One member shall be the HFSF Representative at the Board of Directors. The members of the Committee (including its Chair and Vice-Chair) are appointed by the Board of the Bank, on the recommendation of the Corporate Governance & Nominations Committee. The Committee Chair shall be independent non-executive Board member, as per 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 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. The Committee may convene with an estimated quarterly frequency and keeps minutes of its proceedings.

The Committee is comprised of the following members:

Innovation and Sustainability Committee	
Chair	**JP Rangaswami**
Vice-Chair	**Elena Ana Cernat**
Members	**Anne Marion-Bouchacourt**
	Athanasios Zarkalis
	Periklis Drougkas (HFSF representative)

Detailed information on the responsibilities, composition and modus operandi of the Committee are included in the Committee's charter (which was approved by the Board on February 2022) posted on the Bank's website, at www.nbg.gr (https://www.nbg.gr/en/group/esg/corporate-governance/boards-of-directors).

Main responsibilities

- Support the Board of Directors in ensuring there is continuous monitoring and tracking of important developments and long-term trends related to Innovation, Sustainability, Information Technology, ESG and Banking.
- Act as an out-of-the-box thinker, explorer and incubator of innovative ideas and practices and advise the Board/its Committees as may be deemed appropriate.

2022 Key workings of the Committee include among others

- Review of the Bank's Digital Strategy and ESG Strategy, with special focus in the area of sustainable energy financing, transition to a sustainable economy/financed emissions and role-modelling environmentally responsible practices.
- Discussion/review of ESG issues such as rating agencies' assessments on ESG, criteria based on which the Bank's targets are set for the businesses, communication of the Bank's ESG strategy to investors, etc.
- Review of data/developments regarding the Bank's ranking on digital maturity.
- Formulation of Proposals/arrangements for Board trainings, including in the areas of ESG, Digital, Embedded finance.

Attendance of each member of the Board of Directors and the Board Committees' meetings (times) in 2022 and their compensation

The table below sets out the attendance of each member of the Board of Directors and the Board Committees' meetings in 2022, as follows:

Name	Board	Audit Committee	Board Risk Committee	Human Resources and Remuneration Committee	Corporate Governance and Nomination Committee	Strategy & Transformation Committee	Compliance, Ethics & Culture Committee	Innovation and Sustainability Committee[1]
Chair (Non-Executive member)								
Gikas Hardouvelis	19	-	-	-	-	-	-	-
Executive members								
Paul Mylonas	19	-	-	-	-	-	-	-
Christina Theofilidi	19	-	-	-	-	-	-	-
Independent Non-Executive members								
Aikaterini Beritsi[2]	19	-	-	2	15	11	11	-
JP Rangaswami[3]	17	16	-	9	-	2	3	2
Claude Piret[4]	19	16	11	-	5	11	-	-
Avraam Gounaris [5]	19	16	-	-	-	2	11	-
Wietze Reehoorn[6]	16	2	10	-	15	10	-	-
Elena Ana Cernat[7]	19	-	11	10	-	2	8	2
Anne Marion Bouchacourt[8]	18	8	-	10	15	2	3	2
Matthieu Kiss[9]	19	16	2	-	10	11	3	-
Athanasios Zarkalis[10]	10	-	-	3	-	-	-	1
Non-Executive member/HFSF Representative								
Periklis Drougkas	19	16	11	10	15	11	11	2

Notes:

[1] New Committee established by Board decision (meeting no. 1718/24.2.2022), following the elevation of the IT & Innovation Advisory Council (established by the Board in January 2021) to a Board Committee and the enhancement of its duties.

[2] Vice Chair of the Strategy and Transformation Committee until 24 February 2022 and Member of the Committee from then on. Member of the Human Resources and Remuneration Committee until 24 February 2022. Chair of the Compliance, Ethics and Culture Committee from 24 February 2022 (previously a Member of the Committee).

[3] Vice Chair of the Compliance, Ethics and Culture Committee and Member of the Strategy and Transformation Committee until 24 February 2022. Chair of the Innovation and Sustainability Committee since Committee's establishment.

[4] Member of the Corporate Governance and Nominations Committee until 24 February 2022.

[5] Member of the Strategy and Transformation Committee until 24 February 2022. Chair of the Compliance, Ethics and Culture Committee until 24 February 2022 and Member of the Committee from then on.

[6] Vice Chair of the Board Risk Committee since 24 February 2022 (previously a Member of the Committee). Member of the Audit Committee until 24 February 2022.

[7] Vice Chair of the Innovation and Sustainability Committee since Committee's establishment. Member of the Strategy and Transformation Committee until 24 February 2022 Member of the Compliance, Ethics and Culture Committee since 24 February 2022.

[8] Member of the Audit Committee from 24 February until 28 July 2022. Member of the Strategy and Transformation Committee and of the Compliance, Ethics and Culture Committee until 24 February 2022.

[9] Vice Chair of the Strategy and Transformation Committee since 24 February 2022 (previously Member of the Committee). Member of the Corporate Governance and Nominations Committee since 24 February 2022. Member of the Board Risk Committee and of the Compliance, Ethics and Culture Committee until 24 February 2022.

[10] Member of the Human Resources and Remuneration Committee and of the Innovation and Sustainability Committee since 28 July 2022.

As a result of the relationship with the Bank, in 2022, the Chair, the Executive members and the Non-executive members of the Board of Directors, received compensation (gross amounts), as follows:

Name	Board member Remuneration (in €)	Senior Independent Non-Executive Director Remuneration (in €)	HFSF Representative Remuneration (in €)	Committee Chair Remuneration (Regulated Committees) (in €)	Committee Chair Remuneration (Non -Regulated Committees) (in €)	Gross Annual Remuneration for Dependent Employment for year (in €)
Chair (Non-Executive member)						
Gikas Hardouvelis	-	-	-	-	-	257,142.75
Executive members						
Pavlos Mylonas	-	-	-	-	-	361,607.09
Christina Theofilidi	-	-	-	-	-	281,249.80
Independent Non-Executive members						
Aikaterini Beritsi	-	-	-	-	135,000.00	-
JP Rangaswami	-	-	-	-	133,102.23	-
Claude Piret	-	-	-	143,972.18	-	-
Avraam Gounaris	-	135,555.56	-	-	-	-
Wietze Reehoorn	-	-	-	150,750.00	-	-
Elena Ana Cernat	123,504.97	-	-	-	-	-
Anne Marion Bouchacourt	-	-	-	143,850.00	-	-
Matthieu Kiss	-	-	-	144,195.00	-	-
Athanasios Zarkalis[1]	53,472.19	-	-	-	-	-
Non- Executive member/HFSF Represent						
Periklis Drougkas	-	-	148,049.95	-	-	-

Notes:

[1] *Mr. Athanasios Zarkalis was elected as new Independent Non-Executive Member of the Board by the Annual General Meeting of Shareholders of the Bank of 28 July 2022.*

In 2022, the above individuals did not receive any additional compensation (bonus).

It is further noted that, more detailed information on the remuneration granted to the members of the Board of Directors during 2022 will be included in the fiscal year 2022 Directors' Remuneration Report. The fiscal year 2021 Directors' Remuneration Report had been published, along with the other documents on the items of the agenda of the Annual General Meeting of 28 July 2022, within the deadline set by Greek Law 4548/2018. The fiscal year 2022 Directors' Remuneration Report will be published accordingly, along with the other documents on the items of the agenda of the Annual General Meeting of 2023.

Management team

The table below presents the profiles of the Bank's executive management (other than the Executive Members of the Board of Directors and the Board of Directors and Board Committees Secretary - General Manager of Group Compliance and Corporate Governance, described in Section D. Board of Directors and other management, administrative and supervisory Bodies above) that participate in the Bank's Senior Executive Committee and the Bank's key Executive Committees as described below under section "Management, administrative and supervisory bodies of the Bank-Executive Committees":

Christos Christodoulou
General Manager
Group Chief Financial Officer
Number of shares: NIL*

Member of the Senior Executive Committee, the ALCO, the Senior Credit Committee, the Provisions and Write-Offs Committee and the ESG Management Committee

Christos Christodoulou was appointed Group Chief Financial Officer and a Member of the Executive Committee of National Bank of Greece in July 2019.

Before rejoining NBG he was Chief Executive Officer and Executive member of the Board of Directors of National Bank of Greece (Cyprus) Ltd, while before that he served as CFO of United Bulgaria Bank A.D. (UBB, a former NBG Group subsidiary).

He also serves as a Non-Executive member at the Board of Directors of Stopanska Banka A.D., National Bank of (Cyprus) Ltd (acting chairman) and Ethniki Insurance (Cyprus) Ltd.

Mr. Christodoulou holds a BSc Honors degree in Economics from the University College London and is a Fellow Chartered Accountant (FCA) with the Institute of Chartered Accountants of England and Wales (ICAEW).

Ioannis Vagionitis
General Manager
Group Risk Management
(Chief Risk Officer)
Number of shares: NIL*

Member of the Senior Executive Committee, the Senior Credit Committee, the ALCO, the Provisions and Write-Offs Committee and the ESG Management Committee

Ioannis Vagionitis was appointed General Manager of Group Risk Management (Chief Risk Officer) in September 2017. Since April 2017 he was General Manager - Chief Credit Officer, and previously, in July 2015, he was appointed Assistant General Manager - Chief Credit Officer.

He has served as a Board Member of Finansbank from January 2014 up to June 2016 and he was member of the Risk Management Committee, the Audit Committee and the Credit Committee of Finansbank.

From October 2010 up to November 2013 he was Head of Corporate Banking - Large Corporate Division of NBG.

From May 2008 up to October 2010 he was Head of Credit Division and International Credit Division of NBG Group, while from October 2006 up to May 2008 he was Head of Credit Division of National Bank of Greece. Mr. Vagionitis joined NBG in 2004 under the Group Risk Management Division. He worked for HSBC for over ten years (1992-2003). He also held executive level positions in the field of corporate banking at the Bank of Cyprus (2003-2004).

Mr. Vagionitis holds a BSc and an MSc in Mechanical Engineering from the University of Manchester Institute of Science & Technology (UMIST) and an MBA from Manchester Business School.

Vassilis Karamouzis
General Manager
Corporate and Investment Banking
Number of shares: NIL*

Member of the Senior Executive Committee, the Senior Credit Committee, the ALCO and the ESG Management Committee

Vassilis Karamouzis was appointed General Manager of Corporate and Investment Banking in February 2020. He joined NBG in September 2017, as Assistant General Manager of Corporate and Investment Banking.

He worked for eight years (2009-2017) at HSBC in various managerial positions: he started at HSBC in Greece as Head of Global Market Sales and Debt Capital Markets for Greece and Cyprus. Later on he moved to HSBC in London, where he worked as Head of Structured Finance Origination for Southern Europe and Capital Financing for Greece and Cyprus, and, finally, as Managing Director, Member of EMEA Financing Management and Head of Investment Banking Greece and Cyprus.

He started his professional career in 2001 at Deutsche Bank in London, where he stayed until mid-2009. Initially he worked in Hedge Fund Sales, while in the period 2006-2009 he held the position of Head of FX and Commodities Sales for Greece and Middle East.

Vassilis Karamouzis holds an MSc in Finance from Birkbeck College, University of London and a bachelor degree of Economics from the University of Piraeus.

Ernestos Panayiotou
General Manager Transformation, Strategy & International Activities
Number of shares: 13*

Member of the Senior Executive Committee, the ALCO and the ESG Management Committee

Ernestos Panayiotou was appointed General Manager of Transformation, Strategy and International Activities in September 2020. He joined NBG in May 2019, as General Manager of Transformation and Business Strategy.

Before rejoining NBG in 2019, he was Partner at McKinsey & Company, where he worked during the periods 2001-2005 and 2012-2018. At McKinsey, he focused on serving financial institutions in Greece, Cyprus, the USA and the Middle East on strategy, transformation and risk management topics. During the period of 2006-2011, he worked for the NBG Group as strategy advisor.

He holds a Bachelor of Arts in Philosophy, Politics & Economics (First Class Honours) from the University of Oxford and a Master in Public Administration & International Development from the Kennedy School of Government, Harvard University.

Fotini Ioannou
General Manager Legacy Portfolio & Specialized Asset Solutions
Number of shares: NIL*

Member of the Senior Executive Committee, the ALCO and participant in the Senior Credit Committee in discussions on corporate special assets

Fotini Ioannou joined NBG as General Manager of the Legacy Portfolio & Specialized Asset Solutions, in May 2019, having already served NBG in various positions within Strategy and Corporate Banking during the period 2006-2017. She is the Chair of the NPL Committee of the Hellenic Bank Association.

Before rejoining NBG, she was Executive General Manager of Corporate & Investment Banking of Piraeus Bank and member of the Executive Committee, Chairman of the Board of Director of Piraeus Factoring and Vice Chairman of the Board of Director of Piraeus Leasing.

She holds a BA in Economics from the University of Cambridge and an MSc in Management Science & Operational Research from the University of Warwick. Ms. Ioannou is a chartered accountant and a member of the Institute of Chartered Accountants of England and Wales.

Vasileios Kavalos
General Manager Group Treasury and Financial Markets
Number of shares: 1*

Member of the Senior Executive Committee and the ALCO

Vasileios Kavalos was appointed General Manager - Group Treasury and Financial Markets in July 2019. In June 2015 he was appointed Assistant General Manager - Group Treasurer and Financial Markets.

He joined NBG in 1981 and from 2011 up to 2015, he served as Corporate Treasurer with the main task of securing liquidity and allocating it within the Group.

He holds a BSc in Business Administration from Deree College of American College of Greece and is a certified Portfolio Manager by the Bank of Greece.

Stratos Molyviatis
General Manager
Group Chief Operating Officer
Number of shares: NIL*

Member of the Senior Executive Committee and the ESG Management Committee

Stratos Molyviatis was appointed General Manager of Group Chief Operating Officer (Group COO), managing both IT and Operations, in October 2020. He joined NBG in August 2018, as Assistant General Manager Group Chief Information Officer.

He started his professional career working for Andersen Consulting in 1998, and continued in its successor Accenture, where he worked for 15 years. During this period, he was engaged in large core banking implementations, strategic initiatives, system integration projects and M&As, in Greece, Europe and Middle East. In 2011 he became the Financial Services lead for Accenture's Greek Office.

In late 2012, he joined the global payments leader First Data as the CIO for its local office, in 2013 he undertook Poland and the Baltic countries, whereas in 2015 he was promoted to VP Technology for First Data Europe. In 2017, he became First Data CIO for Central, Eastern and South Eastern Europe.

He holds a BSc in Mathematics from the National University of Athens and an MSc in Informatics and Cybernetics from the University of Reading in U.K.

Georgios Triantafillakis
Group General Manager
Group Legal Services
Number of shares: 1,743*

Member of the Senior Executive Committee with no voting rights

Georgios Triantafillakis was appointed General Manager of Legal Services in April 2017.

He joined NBG in 1998 and in June 2015 was appointed as Assistant General Manager of Group Legal Services, responsible for the supervision and coordination of the activities of the Legal Services Division and external lawyers providing services to the Bank.

Since 2017, he is President of the Legal Council of the Hellenic Bank Association ("HBA") and since 2022 member of the HBA's Executive Committee and President of the HBA's Legal Steering Committee. Since 1992 he is Attorney-at-law authorised to practice before the Supreme Court.

Georgios Triantafillakis is Professor of law at the Democritus University of Thrace ("DUTH") and was Professor at the National School of Judges. He was member of the Competition Commission for 10 years and member of legislative committees and legal science societies. He is the vice-president of the scientific association of Greek Commercialists. He was President of the Greek Delegation to the Working Group established by the European Council in Brussels to assess the Commission's Amendment Proposal of the European Insolvency Regulation.

He is a graduate of the University of Athens Law School (with honors) and holds a doctoral degree in commercial law from the German University of Tübingen Law School.

Ioannis Kyriakopoulos
General Manager
Group Real Estate
Number of shares: NIL*

Member of the Extended Senior Executive Committee and the ESG Management Committee

Ioannis Kyriakopoulos was appointed General Manager of Group Real Estate in July 2019, while during the period, September 2015 to July 2019, he held the position as Group Chief Financial Officer.

He joined NBG in 1977 and through the course of his career he served as Deputy General Manager of International Activities from April 2011 to January 2012 and as Deputy Chief Financial Officer from April 2009 until April 2011 while from August 2002 to April 2009, he was the Director of the Financial and Management Accounting Division. During the period February 2012 to June 2015 he was the Chief Financial and Operating Officer of the Hellenic Financial Stability Fund.

He holds a BSc in Mathematics and a BSc in Economics from the University of Athens and an MSc in Statistics and Operational Research from Loughborough University in the United Kingdom.

Evi Hatzioannou
General Manager Group Human Resources
Number of shares: NIL*

Member of the Extended Senior Executive Committee and the ESG Management Committee

Evi Hatzioannou was appointed General Manager of Group Human Resources Officer at National Bank of Greece in March 2020. She joined NBG in February 2019 as General Manager - Group Human Resources Strategy & Development.

Before joining NBG, she worked from 2008 to 2019 for the Barilla Group holding various senior positions in Human Resources Department: Human Resources Manager Greece, Human Resources Senior Manager Eastern Europe, Human Resources Director Europe and Group Organization Director. During the period 2003 to 2008 she worked at Elais Unilever Hellas S.A., where from 2005 she assumed the position of Human Resources Manager.

She is a graduate in Mechanical Engineering from the Aristotle University of Thessaloniki and holds a MSc in Human Resources Management & Industrial Relations from the University of Manchester.

Chara Dalekou
General Manager Group Marketing
Number of shares: NIL*

Member of the Extended Senior Executive Committee and the ESG Management Committee

Chara Dalekou was appointed General Manager of Group Marketing in March 2019.

Ms Dalekou has 27 years of experience in commercial roles in Multinational and Greek companies. Her career started when she joined the Fast-Moving Consumer Goods (FMCG) industry at Unilever in 1996 where she worked initially in sales and then in managerial positions in marketing. In 2004 she was appointed Commercial Manager of Hellenic Entertainment Parks and in 2008 she joined Sony Ericsson, where she was a head of Marketing initially for Greece and the Balkans and then for the wider Southeast Mediterranean region. Her career continued at AEGEAN where she was heading Company's Marketing department for 8 years. During these years she also worked systematically for the development of the Tourism as a member of the Board of Director's of Marketing Greece and This is Athens and Partners.

She is a member of the Women's Business Committee of the Hellenic American Chamber of Commerce.

She holds a Bachelor's degree in Business Administration from the Athens University of Economics and Business and a Master's degree in Marketing from the University of Stirling, Scotland. She also holds a Certificate in French Business and Economic Studies from the Commercial and Industrial Chamber of Paris.

Beate Randulf
Assistant General Manager Group Chief Control Officer
Number of shares: NIL*

Member of the Extended Senior Executive Committee

Beate Randulf was appointed Assistant General Manager of Group Chief Control Officer in April 2019, having already served the NBG Group as the NBG Group external auditor, during the period from 2007-2014.

Before joining the NBG Group, she was the Senior Director of the CFO Office of Piraeus Bank (November 2017 to March 2019). She has 26 years of public audit practice with Deloitte Greece during the period 1991-2017 and was an Equity Partner since 2006. During the period 2007 to 2014 she served as the external audit partner of the NBG Group.

She is a Fellow Certified Charted Accountant (FCCA), a member of the Association of Chartered Certified Accountants (ACCA) as well as a Greek CPA, she is also a Certified Internal Control Auditor (CICA) and a member of the Institute of Internal Controls. Beate is Norwegian and holds a Bachelor's Degree in Business Administration with a major in Accounting and Finance from Deree College of the American College of Greece.

Kostas Adamopoulos
Assistant General Manager
Strategic Transactions
Number of shares: NIL*

Member of the Extended Senior Executive Committee

Kostas Adamopoulos was appointed Assistant General Manager of Strategic Transactions in April 2019.

He joined NBG in 2000 and held various positions in Finance and Strategy until 2013. During the period 2013 – 2016, he was appointed as Assistant General Manager of Corporate Strategy & Business Planning at Piraeus Bank and in 2017 CFO of Credicom Consumer Finance. Up to 2019, he was active in the Greek NPL space advising NPL servicers and capital providers on NPE transactions.

He holds an MSc in Finance from Queen Mary & Westfield (University of London), a BSc in Economics from University of Athens and he is a Chartered Financial Analyst (CFA) charterholder since 2004.

Constantinos Vossikas
General Manager
Group Chief Credit Officer
Number of shares: 13*

Member of the Senior Credit Committee

Constantinos Vossikas was appointed General Manager – Group Chief Credit Officer in May 2019.

He joined NBG in 2005 as a Credit Risk Manager for Group Risk Management and subsequently as a Senior Credit Officer for Credit Division. Since 2010, he served as Director of NBG Group International Credit and in 2013 he was appointed Assistant General Manager and Chief Credit Risk Officer. In July 2015 he was appointed Assistant General Manager of Corporate Special Assets and in April 2017, he was appointed General Manager of Corporate Special Assets.

Before joining NBG, during the period from 1994 to 2005, he worked in the Corporate Banking Departments of Midland Bank as a Credit Officer and Egnatia Bank, where he held the position of Head of Corporate and Investment Banking. During the period from 1990 to 1994 he worked in the audit departments of Moore Stephens and Arthur Andersen, participating in external and internal audits for companies operating in various sectors of the Greek economy, valuations, feasibility studies, etc.

Mr. Vossikas is a Certified Public Accountant, member of the Institute of Certified Public Accountants in Ireland and holds a degree (B.Sc.) in Accounting and Finance from Deree College.

**Number of shares as at 31 December 2022.*

Management, administrative and supervisory bodies of the Bank-Executive Committees

The following executive committees are included in the supervisory, management and administrative bodies of the Bank, being the key executive committees which have, apart from strategic and executive duties, approval authority as well: 1) the Senior Executive Committee and Extended Senior Executive Committee, 2) the Asset and Liability Committee ("ALCO"), 3) the Senior Credit Committee, 4) the Provisions and Write-Offs Committee, 5) ESG Management Committee. The committees are composed of executive Board members, General Managers and Assistant General Managers of the Bank.

Senior Executive Committee

The Senior Executive Committee was established in 2004 and operates via a specific Charter. It is the supreme executive body that supports the Chief Executive Officer of the Bank in his duties. The Senior Executive Committee has strategic and executive powers in regard to the more efficient operation of the Group and the monitoring of the execution of the Bank's business plan, as well as approval authority that cannot be delegated to other members of the Bank's management or to other collective bodies of the Bank, while it exercises supervisory powers on risk management in accordance with the decisions taken by the Board of Directors and the Board Risk Committee.

The Senior Executive Committee has the authority to decide on matters falling within the authority of the Compliance and Reputational Risk Committee, whenever deemed necessary by the Chair or Deputy Chair of the Compliance and Reputational Risk Committee.

The Senior Executive Committee is comprised of the following members:

Chair	Pavlos Mylonas	CEO
Members	Christina Theofilidi	Executive Board Member & General Manager – Retail Banking
	Vassilis Karamouzis	General Manager – Corporate and Investment Banking
	Vasileios Kavalos	General Manager – Group Treasury and Financial Markets
	Fotini Ioannou	General Manager – Legacy Portfolio & Specialized Asset Solutions
	Ioannis Vagionitis	General Manager – Group Risk Management, Chief Risk Officer ("CRO")
	Christos Christodoulou	General Manager – Group Chief Financial Officer ("CFO")
	Stratos Molyviatis	General Manager – Chief Operations Officer ("COO")
	Ernestos Panayiotou	General Manager – Transformation, Strategy & International Activities
Members without voting rights	Panos Dasmanoglou	General Manager – Group Compliance and Corporate Governance
	Georgios Triantafillakis	General Manager – Group Legal Services

The Committee is convened by its Chair and meets regularly at least twice every calendar month and extraordinarily, whenever deemed necessary by its Chair.

At the invitation of its Chair, it is possible for (Assistant) General Managers as well as other Bank executives to attend the meetings of the Senior Executive Committee, the presence of which is deemed necessary.

An Extended Senior Executive Committee also operates which, additionally to the above members, is comprised of the following members:

Members	Ioannis Kyriakopoulos	General Manager – Group Real Estate
	Evi Hatzioannou	General Manager – Group Human Resources
	Chara Dalekou	General Manager – Group Marketing
	Beate Randulf	Assistant General Manager – Group Chief Control Officer
	Kostas Adamopoulos	Assistant General Manager – Strategic Transactions

The Committee is convened by its Chair and meets regularly at least once every calendar month and extraordinarily, whenever deemed necessary by its Chair.

The Committee members do not receive any remuneration for their participation in the Committee.

Asset and Liability Committee

ALCO was established in 1993 and operates via a specific Charter. The Committee's key purpose is to establish the Bank's and its Group financial sector entities' strategy and policy as to matters relating to the structuring and management of assets and liabilities taking into account the current regulatory framework and market conditions, as well as the risk limits set by the Bank.

The ALCO Committee is comprised of the following members:

Chair	Pavlos Mylonas	CEO
Deputy Chair and Member	Ioannis Vagionitis	General Manager – Group Risk Management, Chief Risk Officer ("CRO")
Members	Christina Theofilidi	Executive Board Member & General Manager – Retail Banking
	Christos Christodoulou	General Manager – Group Chief Financial Officer ("CFO")
	Vassilis Karamouzis	General Manager – Corporate and Investment Banking
	Vasileios Kavalos	General Manager – Group Treasury and Financial Markets
	Fotini Ioannou	General Manager – Legacy Portfolio & Specialized Asset Solutions
	Ernestos Panayiotou	General Manager – Transformation, Strategy & International Activities

The Committee convenes regularly once a month or extraordinarily, at the invitation of its Chair.

At the invitation of its Chair, it is possible for other executives of the Bank and the Group to attend its meetings.

The Committee members do not receive any remuneration for their participation in the Committee.

Senior Credit Committee

The Senior Credit Committee was established in 2008, operates via a specific Charter and its purpose is the optimization and the sound operation of the risk taking limits.

The Senior Credit Committee is comprised of the following members:

Chair	Pavlos Mylonas	CEO
Members	Vassilis Karamouzis	General Manager – Corporate and Investment Banking
	Ioannis Vagionitis	General Manager – Group Risk Management, Chief Risk Officer ("CRO")
	Constantinos Vossikas	General Manager – Chief Credit Officer

* In the case of meetings where issues regarding corporate special assets are discussed, Mrs Fotini Ioannou, General Manager - Legacy Portfolio & Specialized Asset Solutions, participates in the Committee.

** In case of impediment or absence of the General Manager – Corporate and Investment Banking, the General Manager of Corporate SMEs and Shipping, Mr. Georgios Koutsoudakis, shall participate in the Committee, while in case of impediment or absence of the General Manager - Legacy Portfolio & Specialized Asset Solutions, the Assistant General Manager - Corporate Special Assets, Mr. Dimitris Papadopoulos shall participate in the Committee.

The Committee convenes regularly at least twice every calendar month and extraordinarily, whenever deemed necessary by its Chair.

The General Manager of Group Legal Services is invited and attends the meetings of the Committee.

The Chair can invite other executives of the Bank and Group to attend, if necessary.

The Committee members do not receive any remuneration for their participation in the Committee.

Provisions and Write Offs Committee

The Committee was established in 2010 and operates via a specific Charter. Its purpose is the decision making process on the provisions and write offs of NBG Group claims of any nature, which are considered by the Committee to be liable of a loss in value in accordance with the relevant "Provisions and Write Offs Policy" of the Group.

The Provisions and Write Offs Committee is comprised of the following members:

Chair	Pavlos Mylonas	CEO
Members	Christos Christodoulou	General Manager - Group Chief Financial Officer ("CFO")
	Ioannis Vagionitis	General Manager - Group Risk Management, Chief Risk Officer ("CRO")

The Committee is convened at the invitation of its Chair.

The Chair can invite other executives of the Bank and Group to attend, if necessary.

The Committee members do not receive any remuneration for their participation in the Committee**.**

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, and aiming at effective management of ESG, sustainability and sustainable financing issues, in line with regulatory requirements and taking into account best practices included in international treaties and initiatives, the Bank established the ESG Management Committee to contribute to the governance of multiple aspects of NBG's ESG strategy and implementation.

The ESG Management Committee is comprised of the following members:

Chair	Pavlos Mylonas	CEO
Members	Christina Theofilidi	Executive Board Member & General Manager – Retail Banking
	Panos Dasmanoglou	General Manager – Group Compliance and Corporate Governance
	Ioannis Vagionitis	General Manager – Group Risk Management, Chief Risk Officer ("CRO")
	Vassilis Karamouzis	General Manager – Corporate and Investment Banking
	Ernestos Panayiotou	General Manager – Transformation, Strategy & International Activities
	Christos Christodoulou	General Manager – Group Chief Financial Officer ("CFO")
	Stratos Molyviatis	General Manager – Chief Operations Officer ("COO")
	Evi Hatzioannou	General Manager – Group Human Resources
	Chara Dalekou	General Manager – Group Marketing
	Ioannis Kyriakopoulos	General Manager – Group Real Estate

The Committee is convened by its Chair and meets regularly once every calendar month and extraordinarily, whenever deemed necessary by its members.

At the invitation of its Chair, it is possible for (Assistant) General Managers as well as other Bank executives to attend the meetings of the ESG Management Committee, the presence of which is deemed necessary.

E. Internal Control System and Risk Management

Objectives of the Internal Control System

Aiming to safeguard the reputation and credibility of the Bank and the Group towards its shareholders, customers, investors and the supervisory and other independent authorities, the Board of Directors provides for the continuous enhancement, at Group level, of its **Internal Control System ("ICS")**.

The ICS is designed to ensure effective and efficient operations, adequate identification, measurement and mitigation of risks through adequately and efficiently designed and implemented controls, prudent conduct of business, sound administrative and accounting procedures, reliability of financial and non – financial information reported or disclosed (both internally and externally) and compliance with laws, regulations, supervisory requirements and the NBG Group Internal Policies, Procedures and Regulations.

"Internal control" is a process effected by the Board of Directors, Senior Management, Risk Management and other Control Functions, as well as by the staff within the Organisation to provide reasonable assurance regarding the achievement of objectives relating to operations, reporting and compliance. The Bank uses as a reference the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") 2013 Internal Control Integrated Framework and the ICS is based on the five integrated, components of Internal Control under COSO: **Control Environment, Risk Assessment, Control Activities, Information and Communication as well as Monitoring Activities**. The Internal Control process aims to create the necessary fundamentals for the entire Group to contribute to the effectiveness and high quality of internal controls through, for instance, clear definitions, assignments of roles and responsibilities and methodologies, tools and procedures.

The ICS aims to achieve, among others, the following key objectives:

- Consistent implementation of the Group's business strategy through the efficient use of available resources;
- Pursuit of a risk- based decision making;
- Identification of the Group's process universe;
- Identification and management of all undertaken risks, including operational risks;
- Compliance with the local, European and international legal and regulatory frameworks that governs the operations of the Bank and the Group, including internal regulations, IT systems and Code of Ethics;
- Adequate and efficient design of controls as well as their operating effectiveness;
- Completeness, accuracy and reliability of data and information that are necessary for the accurate, timely preparation and true and fair view of the Bank and the Group's published financial information and financial performance;
- Adoption of international Corporate Governance best practices; and
- Prevention and detection and correction of any errors and irregularities that may put at risk the reputation and the credibility of the Bank and the Group towards its, shareholders, customers, investors and the supervisory and other independent authorities.

In the context of developing the business strategy and identifying the main business risks, the **Board of Directors**, with the support of its Committees, adopts appropriate policies, procedures and regulations aiming to ensure an adequate and an effective ICS for the Bank and the Group.

Management is responsible for:

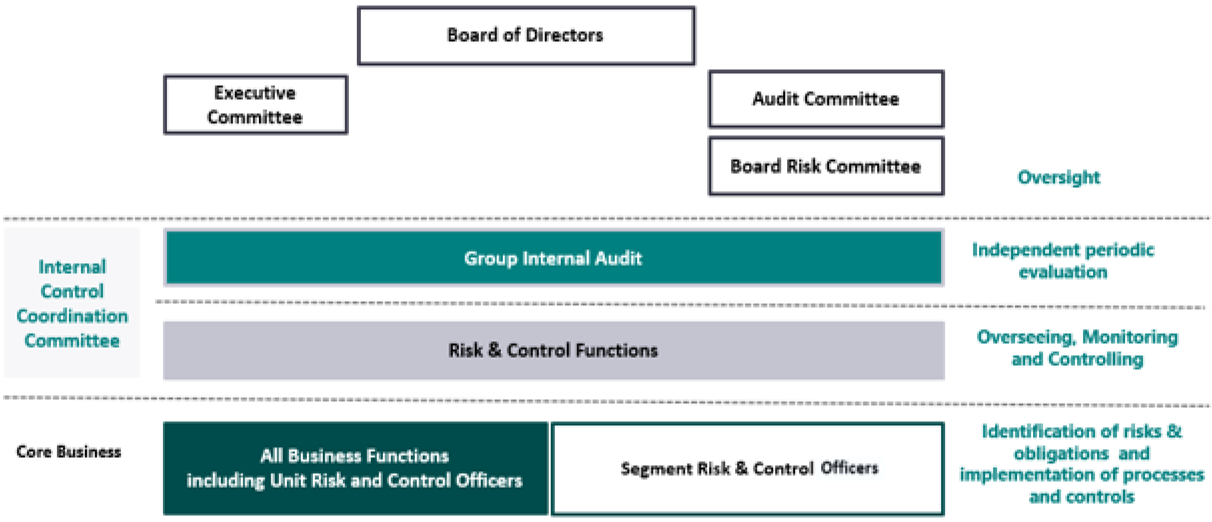
- the effective design and implementation of adequate and efficient controls, as well as their operating effectiveness, arising from adequate and efficient procedures, relevant to the range, risks and nature of the activities undertaken by the Bank and the Group,
- identifying and assessing any ICS's deficiencies and
- undertaking the necessary corrective actions through the establishment of the appropriate and timely action plans.

Specifically, the ICS and Risk Management related activities are performed by the First and Second Line of Defence. The roles and responsibilities with respect to Risk Management are divided into Three Line of Defence, as follows:

- **First Line of Defence ("1loD"),** includes the Business and Support Functions which are responsible for identifying, assessing and managing the risks and compliance obligations they undertake by designing and implementing adequate and efficient controls as well as by monitoring their operating effectiveness on a continuous basis.
- **Second Line of Defence ("2loD")**, includes the various Risk and Control Functions that monitor the effectiveness of risk management, the fulfilment of compliance obligations and the adequate and efficient design of controls as well as their operating effectiveness.

- **Third Line of Defence ("3loD"),** includes the Group Internal Audit ("GIA") which performs periodic assessment, in order to evaluate the adequacy and effectiveness of the Bank's and the Group's governance, risk management and internal control processes, as these are designed by the Board of Directors and Management. The Group Chief Audit Executive reports GIA's activities to the Bank's Board of Directors, through the Audit Committee, regularly and on an ad-hoc basis.

Roles and responsibilities for the ICS



The Board of Directors and the Senior Management aims at the continuous enhancement of the ICS in order to mitigate risks through the establishment of adequate and efficient controls and ensure their operating effectiveness. The Group Internal Control Coordination Committee ("ICCC") which comprises of the Group Internal Audit and the various Risk and Control Functions assists in the continuous enhancement of the ICS.

Internal Control Coordination Committee

The ICCC whose aim is to foster collaboration among the various Risk and Control Functions has as key objectives:

– the enhancement of synergies among the Group Internal Audit and the Risk & Control Functions across the Three Lines of Defence;

– the adoption of a common methodology framework;

– the monitoring and reporting of emerging risks;

– the monitoring and reporting of the effectiveness of the Internal Control System.

The ICCC is coordinated by the General Manager of Group Internal Audit and its members are the General Manager of Group Risk Management (Group Chief Risk Officer), the General Manager of Group Compliance and Corporate Governance, the General Manager of Group Legal Services, the General Manager - Group Chief Operating Officer, the Assistant General Manager - Group Chief Control Officer, the Assistant General Manager of Operations, the Assistant General Manager - Group Chief Information Officer, the Group Chief Information Security Officer, the Head of Group Operational Risk Division and the Head of Regulatory Affairs & HFSF Relations Division.

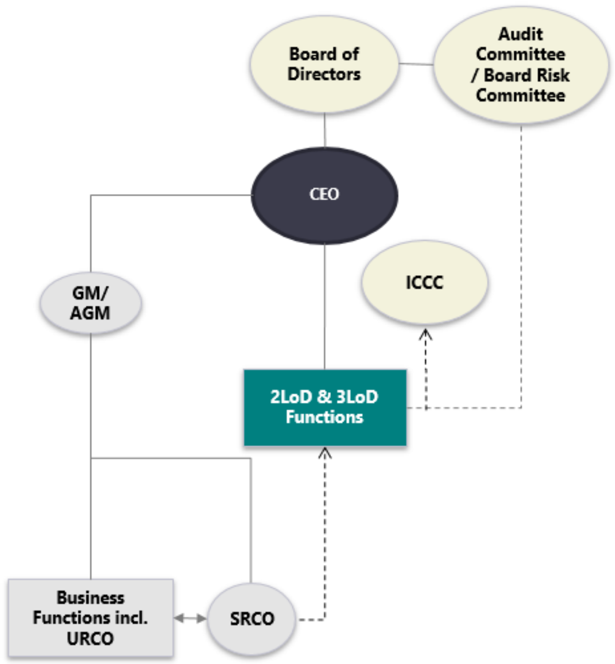
The ICCC convened three times during 2022 and multiple working groups supported its key initiatives to deal with the following matters:

- Enhancements and support to the roles of the SRCO and URCO.
- Update of the Operational Risk, Internal Control and Compliance Glossary.
- Design and implementation of the common GRC Platform for the Bank and the Group.
- Finalization of a charter for the cross-functional team with members from all relevant functions responsible to coordinate the activities regarding the maintenance and use of the common GRC Platform.
- Review of new or updated policies, methodologies and frameworks of the Risk & Control Functions.

Segment Risk and Control Officers ("SRCO") and Unit Risk and Control Officers ("URCO")

The Senior Management in its effort to further strengthen the ICS established the roles of the SRCO and the URCO in January 2020.

- The SRCO reports to the respective business line General Manager ("GM")/Assistant General Manager ("AGM"), is independent from the respective Business Units and liaises with second and third line of Defence Units with main responsibility to coordinate efforts in order to ensure that operational risks are appropriately identified and assessed, the internal controls are appropriately designed and operate effectively, as well as to assist in further enhancing the risk, compliance and control awareness and culture.
- The URCOs report to the Head of the Division or Independent Sector to which they belong and cooperate on the responsibilities set out above with the respective SRCO of the respective business line.



Common Governance, Risk and Compliance ("GRC") Platform

As part of the Board of Directors and Senior Management's efforts to further enhance the efficiency and the effectiveness in operational risk management, compliance, internal control and internal audit activities, the Bank has selected an integrated GRC Platform to be used by the various Risk and Control Functions (Operational Risk Management, Internal Control Function, Compliance, Information Security, Model Validation, Regulatory Affairs and HFSF Relations and Internal Audit). Following the common GRC Platform implementation, the Bank will be able to further enhance the management of its operational risks, increase Board's and Management's oversight and use a homogenized integrated reporting tool contributing to the holistic view of the ICS of the Bank and the Group. The GRC Platform's implementation is planned to be performed in phases due to its complexity and the number of the involved functions. Each phase is supported and closely monitored by a Steering Committee combining experts from all the above functions. The Steering Committee has established a Project Management Office to ensure the successful implementation. Phase 1, Model Validation Module, was successfully implemented in December 2020. Phase 2, Group Operational Risk Management Module and Phase 3, Group Internal Audit Module, were successfully implemented in March 2022 and August 2022, respectively. Phase 4 that includes the design and implementation of the module that will be commonly used by the Group Compliance, the Group Internal Control Function and the Group Information Security is expected to be implemented by 4Q.23.

Group Internal Control Function

The Group ICF is mainly responsible for:

a) Contributing to the establishment and enhancement of a robust control culture and promoting control awareness within the Bank and the Group.

b) Developing and regularly reviewing and updating, if required, the NBG Group Methodology for the Control Identification & Assessment by the Group Internal Control Function (NBG Group IC Methodology) based on the mutually agreed by the members of the Internal Control Coordination Committee ("ICCC"), "Common Principles of Operational Risk and Control Assessment" for the Bank and the Group regarding roles, responsibilities, policies, procedures, flows of information and systems required for the appropriate design and the operating effectiveness of controls.

c) Ongoing monitoring of the adequate and efficient design of controls, their operating effectiveness, as well as the monitoring of the progress of the pending action plans for the remediation of control deficiencies identified to ensure their timely and appropriate execution.

d) Providing training and support to the Bank's Units and the Segment Risk and Control Officers & Teams/Unit Risk and Control Officers & Teams in the application of the approved NBG Group IC Methodology as well as providing specialized knowledge with respect to the controls.

e) Collaborating with the Group Companies and supporting their work, in the application of the NBG Group IC Methodology.

The Group Internal Control Function consists of:

- Group Internal Control Retail Banking, Branch Network and Back Office Operations Sector;
- Group Internal Control Corporate Banking, Finance and Back Office Operations Sector;
- Group Internal Control IT Sector; and

- Group Internal Control Quality Assurance & Project Management Sector.

During 2022, the Group Internal Control Function achieved the following:

- **Successful execution of the Group ICF Annual Activity Plan 2022 in the context of which it:**
  - facilitated the **documentation** and design of **adequate and efficient controls for very high and high priority processes as identified by the General Managers / Assistant General Managers** as well as the assessment of the **design effectiveness** in close collaboration with the SRCOs;
  - monitored the **progress** of open **Remediation Action Plans** relating to **control deficiencies** identified;
  - **reviewed and provided comments** on matters relating to internal controls on **more than 70 Bank's institutional documents** (Policies, Procedures, Circulars, etc.);
  - **participated in workshops of critical projects** in order to provide consultation on matters relating to internal controls.
- **Roll out various training and forum initiatives to enhance the control awareness and collaboration with SRCOs**.
- **Approval of the revised NBG Group IC Methodology.**

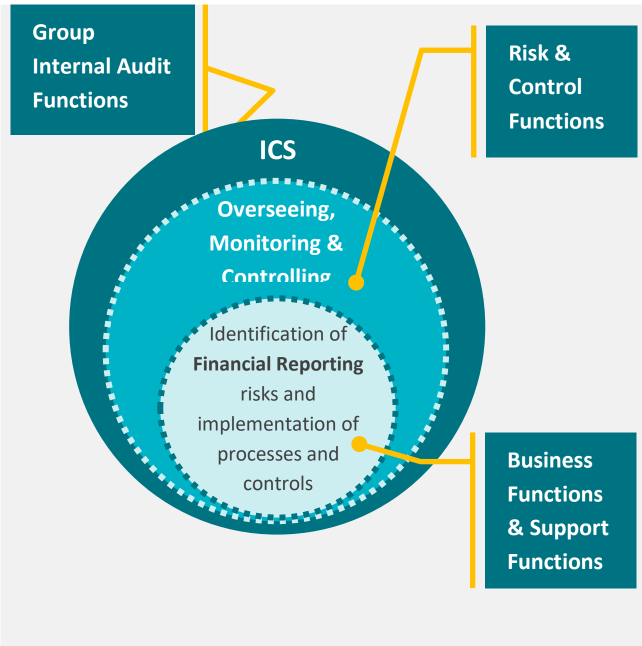
For 2023-2024 the NBG Group Internal Control Function's Activity Plan will focus on the following:

- **Facilitation of the documentation of adequate and efficient controls** and **assessment of design effectiveness** based on the NBG Group IC Methodology in close collaboration with the SRCOs.
- **Implementation of the shared module in the GRC Platform** to be commonly utilised by the Group Compliance, the Group Internal Control Function and the Group Information Security.
- Continue to **provide consulting and advisory services** on matters relating to **internal controls.**
- Roll out of various **training initiatives** to further enhance the control awareness.

Management of risks relating to the Internal Controls over Financial Reporting process

The **Audit Committee**, in accordance with the Greek Law 4449/2017, Article 44 para. 3b, is responsible for the oversight of the **Internal Controls over Financial Reporting ("ICFR")** and reports any improvements to ensure its integrity to the Board of Directors. Furthermore, the Audit Committee monitors the progress of the corrective actions undertaken in the context of ICS including ICFR.

Management is responsible for the preparation and fair presentation of the Bank and Group financial statements in accordance with the International Financial Reporting Standards ("IFRS") and for **such Internal Controls over Financial Reporting** as Management determines are necessary to enable the preparation of these financial statements to be free from material misstatement, whether due to fraud or error.



Roles and responsibilities are clearly defined in the NBG Operating Model, where the identification of Financial Reporting risks along with the implementation of processes and controls to mitigate these risks lie with the **Business Functions and Support Functions** while the **Risk & Control Functions** oversee, monitor and control the Financial Reporting risks and the Internal Controls over Financial Reporting process.

Group Internal Audit

The Internal Audit Function is an independent NBG Group wide function, which assists the Group to achieve its strategic objectives as well as enhance and protect the organization's value, by providing risk-based and objective assurance, advice and insight. In fulfilling its third line role, Group Internal Audit provides the Board of Directors and the Audit Committee with independent assurance regarding the quality, adequacy and effectiveness of corporate governance, risk management and internal control frameworks and processes. The Group Chief Audit Executive ("CAE") reports, functionally, to the Audit Committee and, administratively, to the CEO and has unrestricted access to:

a) all systems, files, data, physical assets, organizational units of the Bank and companies of the Group, officers and personnel of the Bank and the Group and b) all policies, procedures, systems, files, data and personnel of third parties (outsourcers), in the context of an outsourcing contract with the Bank or a company of the Group.

In addition, the CAE has direct and unrestricted access to the Bank's Audit Committee and may attend the meetings of the Audit Committees of the Group companies.

The CAE or senior executives of Group Internal Audit, authorized by him, may attend as observers the meetings of the Committees of the Board of Directors, the Executive Committee and other

Bodies of the Bank or its subsidiaries, either upon a relevant invitation from the Chairman of the Body or upon a CAE's request submission to the Chairman of the Body, when deemed necessary, in the context of the function of the Internal Audit.

Group Internal Audit, through a risk-based approach, covers all entities and activities of NBG Group. It evaluates the risk exposures relating to, among others, the:

- achievement of the Group's strategic objectives,
- compliance with applicable regulatory framework and supervisory requirements,
- adherence to policies, procedures and contracts,
- reliability of financial and operating information,
- implementation of information systems and projects,
- conduct of operational activities, and
- safeguarding of assets.

Executive management is responsible for ensuring that issues identified by Group Internal Audit are addressed within an appropriate and agreed timeframe.

Group Internal Audit uses:

- an audit methodology, which is in compliance with the Committee of Sponsoring Organizations of the Treadway Commission ("COSO 2013") principles and the International Internal Auditing Standards of the Institute of Internal Auditors ("IIA");
- an information systems audit methodology that is based on the Control Objectives for Information and Related Technologies ("COBIT") framework of the Information Systems Audit and Control Association ("ISACA");
- a web-based software platform, which allows for the effective management and documentation of the audit activities and provides: (i) real time monitoring of the audit function activities across all subsidiaries, (ii) information and knowledge sharing among the Group's internal auditors and (iii) standardisation of the audit methodology. Moreover, audit efficiency and effectiveness are ensured through established key performance indicators and internal quality assessments;
- an artificial intelligence-based software that provides near real time risk assessment in selected areas and automated testing of selected automated controls. The same software is used for the detection and prevention of internal fraud.

As of 31 December 2022, Group Internal Audit of the Bank employed 74 internal auditors with in-depth knowledge and experience in banking and audit, independent to the audited activities and with no involvement in the design, selection, implementation or operation of the Group's internal controls. Internal auditors continuously adapt to the use of new technology and advance their skills and knowledge through training and international professional certifications.

Each year, Group Internal Audit, based on a multi-factor risk assessment process, prepares an annual audit plan, at Group level, ensuring synergies and adequate audit coverage of the business areas. Group Internal Audit, as part of its 2022 Audit Plan, covered risks related to, among others, NPE management strategy implementation, ICAAP & ILAAP processes and internal risk models, impairment of financial assets, Early Warning System, Retail and Corporate Lending, Resolution Plan, Debit-Credit Cards, AML/CFT system ("FCCM"), outsourcing / third parties, Recovery Plan, Global Transaction Services, Treasury and Investment operations, IT System Development Life Cycle ("SDLC") and change management, cloud implementations, climate risk stress test, compliance with PSD II and other regulations / internal policies. Group Internal Audit also performed branch network and subsidiaries' audits, follow up of open audit issues, anti-fraud and continuous auditing as well as several consulting engagements. For 2023, the Audit Plan will focus, among others, on the following areas:

- **NPE Management Strategy Implementation & Early Warning System**
- **Risk Appetite Framework**
- **Capital and Liquidity Adequacy**
- **Retail and Corporate Banking**
- **Trade Finance Services**
- **Compliance & AML / CFT**
- **Outsourcing / Third Party Management (including ESG aspects)**
- **Taxation**
- **Treasury**
- **Legal Services**
- **Network and Telecommunications**
- **Digital Business and e-Banking**
- **Enterprise Data Warehouse (EDW)**
- **IT Governance**
- **Cybersecurity**
- **Anti-fraud and continuous auditing**
- **Follow up of the open audit issues including issues identified by the Joint Supervisory Team ("JST").**

The use of data analysis technology is an on-going strategic objective for Group Internal Audit. During 2022, Group Internal Audit further enhanced its Continuous Auditing and Fraud Detection software capabilities, by developing additional scenarios, for both fraud and continuous auditing purposes, across various product and business areas.

In August 2022, Group Internal Audit migrated its audit work to a new more advanced Governance, Risk and Compliance ("GRC") platform.

In 2022, Group Internal Control Coordination Committee continued its mandate to improve the alignment and cooperation between Internal Audit, Risk Management, Compliance and 1st line control functions.

As required by the IIA standards, an external quality assessment was performed, within 2022, on the operation and activities of the Group Internal Audit Function. The conclusion of the quality assessment was that Group Internal Audit "Generally Conforms" (highest possible IIA rating) to the International Standards for the Professional Practice of Internal Auditing and was benchmarked, among peer Banking Internal Audit Functions in Europe, as exceeding the advanced level, with a score of 4.48/5, where 5 indicates the leading level.

This is the second consecutive assessment with high IIA Standards and Benchmarking scores for the Group Internal Audit Function since the previous assessment (2018) concluded with similar results.

Risk Management Governance Framework

See section "*Risk Management*".

Regulatory Compliance and Corporate Governance

Within the context of appropriately incorporating the applicable Greek and EU legal and regulatory framework and best practices into the Group's operation, Group Compliance and Corporate Governance Functions, oversee all compliance matters, in line with the applicable Greek and EU regulatory framework and supervisory authorities' decisions, as well as all Corporate Governance and Shareholder activities. In particular, the Group Compliance and Corporate Governance Functions include distinct Divisions, having competence over Corporate Governance, Corporate Social Responsibility, Regulatory Compliance, AML/CFT. It is noted that, the Group Compliance and Governance Functions have been re-organized, focusing on enhanced compliance monitoring initiatives and ESGs.

The Group Compliance and Corporate Governance Functions continuously monitor developments in the applicable framework and best practices, each in their field of responsibility, and provide guidelines and support to the Bank Units and the Group Entities, while they monitor implementation of the applicable provisions.

In that context, Group Compliance and Corporate Governance Functions in 2022, continued to focus on the establishment of an adequate and effective compliance environment, in order to safeguard the reputation and credibility of the Bank and the Group against all stakeholders, including shareholders, customers, Supervisory and other Authorities.

Moreover, the Group Compliance and Governance Functions, throughout 2022, in the context of their traditional role as key advisors and partners to the business continued to play a vital role providing ongoing support and guidance, to the Bank's governance bodies, the management and the Bank's Units. In order to comply with the regulatory framework in force, the Bank has set up policies and procedures. The monitored areas include among others Corporate Governance, AML/CFT, Tax and other Public Authorities requests, Consumer Protection, Banking secrecy, Personal Data Protection etc.

Given the particular emphasis which the Group places in ensuring constant enhancement of corporate governance arrangements and practices applied, during 2022, the Group Corporate Governance Division has continued to monitor, on an ongoing basis, all regulatory developments and best practices, and proceeded with incorporating these in the corporate governance policies, arrangements and practices (for further details see section "*A. Corporate Governance Code*" and section "*B. NBG's Corporate Governance Key Policies and Practices*" above), providing continuous support to the Board of Directors and Board Committees in a number of initiatives such as in the reform of the Board Working Model, the review of Board Committee compositions, while it has also catered for the effective adjustment of the Bank's Internal Governance Framework to the new legal and regulatory framework provisions (e.g., revised ECB Guide to Fit and Proper assessments, Bank of Greece Executive Committee Act 205/1/18.05.2022, Greek Law 4941/2022 amending Greek Law 3864/2010). Moreover, in the context of further enhancement of the Directors' Induction and ongoing training and development, Group Corporate Governance Function, updated the introductory informative program for the new Board member, covering, among others, issues concerning the Bank's Corporate Governance and organizational arrangements.

The Group Corporate Governance Division also proceeded with informing the Board Corporate Governance and Nominations Committee on developments in the legal and regulatory framework and latest trends and practices in corporate governance, while it also briefed the competent Board Committee on related parties' transactions.

Additionally, the Compliance and Corporate Governance Functions also provided support, advice and guidance to the Bank's Units in the context of ensuring the alignment and compliance of the Bank to the new regulatory framework and proceeded to actions regarding changes in policies and procedures, as well as, compliance with EU and national legislation. Furthermore, the Compliance and the Corporate Governance Functions continued to support the Bank's transition to a new era and its further development in line with evolution of the banking sector, new trends and customer habits, in ensuring that the appropriate compliance control mechanisms are in place to protect the Bank and safeguard its operation in adherence to high standards of conduct and compliance, whilst at the same time protecting at all times the interests of stakeholders and contributing to the Bank's effective correspondence to stakeholder needs and priority areas. Within this context, the Compliance and the Corporate Governance Functions continued to help all business lines embed compliance vision, strategy, and principles into the Bank's culture and day-to-day operation and activities by strengthening their accountability as risk owners and grasping good compliance as a business enabler. Finally, the Compliance and Corporate Governance Functions continued to systematically follow and monitor developments and compliance in accordance with the applicable framework, handled, participated and contributed to the successful implementation in a number of major projects of the Bank, such as projects regarding the digitalization/automation of Bank's operations and the provision of products and services, provided continuous support and advice to the competent Units regarding customers' service, and personnel remote working to ensure and maintain Business Continuity, while in parallel also being involved in the submission of a series of regular and ad hoc reports to supervisory Authorities and constituting the point of contact and liaison between the Authorities and the Bank.

Non-audit related fees in 2022

The fees of the independent auditor PwC for non-audit related fees in 2022 amounted to €0.4 million for the Group and €0.3 million for the Bank, with no impact on the auditor's objectivity and independence. For the monitoring of the auditors fees, see "*Board of Director's Committees – Audit Committee – Main responsibilities*".

Information provided pursuant to Directive 2004/25/EU of the European Parliament and Council

The information of Directive 2004/25/EU of the European Parliament and Council, required pursuant Article 152 of Greek Law 4548/2018 on Sociétés Anonymes are included to the Supplementary Report to the Annual General Meeting of Shareholders, which is a separate section of this Annual Financial Report.

Athens, 13 March 2023

THE CHAIRMAN OF THE BOARD OF DIRECTORS	THE CHIEF EXECUTIVE OFFICER
GIKAS A. HARDOUVELIS	PAVLOS K. MYLONAS

Important Information

ESMA Alternative Performance Measures ("APMs"), definition of financial data and ratios used

The Board of Directors' report contains financial information and measures as derived from the Group and the Bank's financial statements for the year ended 31 December 2022 and 2021, which have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as endorsed by the EU. Additionally, it contains financial data which is compiled as a normal part of our financial reporting and management information systems. For instance, financial items are categorized as foreign or domestic on the basis of the jurisdiction of organization of the individual Group entity whose separate financial statements record such items.

Moreover, it contains references to certain measures which are not defined under IFRS, including "pre-provision income" ("PPI"), "net interest margin" and others, as defined below. These measures are non-IFRS financial measures. A non-IFRS financial measure is a measure that measures historical or future financial performance, financial position or cash flows but which excludes or includes amounts that would not be so adjusted in the most comparable IFRS measure. The Group believes that the non-IFRS financial measures it presents allow a more meaningful analysis of the Group's financial condition and results of operations. However, the non-IFRS financial measures presented are not a substitute for IFRS measures.

Name	Abbreviation	Definition
Adjusted Profit before Tax	PBT	Profit before tax, excluding the gain from the sale of 51.00% of NBG Pay S.M.S.A., the additional social security contribution for LEPETE to e-EFKA, restructuring cost and other one-off costs. More specifically, for the year ended 31 December 2022, net other income excludes the gain from the sale of 51.00% of NBG PAY S.M.S.A. of €297 million. Furthermore, operating expenses exclude personnel expenses of €35 million related to defined contributions to LEPETE, VES cost of €59 million, restructuring cost of €8 million and other one-off costs of €78 million. For the year ended 31 December 2021, operating expenses exclude personnel expenses of €35 million related to defined contributions for LEPETE to e-EFKA, VES cost of €83 million, restructuring cost of €28 million, one-off ECL release of €0.2 billion relating to Project "Frontier" closing and other one-off costs of €103 million.
Adjusted profit for the period (PAT) from continuing operations	Adjusted PAT	Profit for the period from continuing operations, excluding the gain from the sale of 51.00% of NBG Pay S.M.S.A., the additional social security contribution for LEPETE to e-EFKA, restructuring cost and other one-off costs. More specifically, for the year ended 31 December 2022, net other income excludes the gain from the sale of 51.00% of NBG PAY S.M.S.A. of €297 million. Furthermore, operating expenses exclude personnel expenses of €35 million related to defined contributions to LEPETE, VES cost of €59 million, restructuring cost of €8 million and other one-off costs of €184 million. For the year ended 31 December 2021, operating expenses exclude personnel expenses of €35 million related to defined contributions for LEPETE to e-EFKA, VES cost of €83 million, restructuring cost of €28 million, one-off ECL release of €0.2 billion relating to Project "Frontier" closing and other one-off costs of €103 million.
Balance Sheet		Statement of Financial Position
Common Equity Tier 1 ratio	CET1	CET1 capital including the period PAT, as defined by Regulation No 575/2013, with the application of the regulatory transitional arrangements for IFRS 9 impact over RWAs.
CET1 ratio fully loaded	CET1FL	CET1 capital including the period PAT, as defined by Regulation No 575/2013, without the application of the regulatory transitional arrangements for IFRS 9 impact over RWAs.
Core Income		Net Interest Income ("NII") + Net fee and commission income.
Core Operating Profit / (Loss)		Core income less operating expenses and loan impairments.
Core Pre-Provision Income	Core PPI	Core Income less operating expenses.
Core return on Tangible Equity	Core RoTE	Core Operating Profit / (Loss) for the period/ year + Taxes, over average tangible equity
Cost of Risk	CoR	Loan impairments of the period/year over average loans and advances to customers, excluding the short term reverse repo facility of €3.2 billion as at 31 December 2022.
Cost-to-Core Income ratio	C:CI	Operating expenses over core income.
Cost-to-Income ratio		Operating expenses over total income.
Deposits		Due to customers.
Depreciation		Depreciation and amortisation on investment property, property & equipment and software & other intangible assets

Name	Abbreviation	Definition
Disbursements of loans		Loan disbursements for the period/year, not considering rollover of working capital repaid and increase of unused credit limits.
Domestic banking activities		Refers to banking business in Greece and includes retail, corporate and investment banking. Group's domestic operations includes operations of the Bank in Greece, Ethniki Leasing S.A (Ethniki Leasing) and Ethniki Factors S.A. (Ethniki Factors).
Funding cost		The weighted average cost of deposits, ECB refinancing, repo transactions, covered bonds and securitization transactions.
Gross loans		Loans and advances to customers at amortised cost before Expected Credit Loss ("ECL") allowance and loans and advances to customers mandatorily measured at FVTPL.
Interest earning assets		Interest earning assets include all assets with interest earning potentials and includes cash and balances with central banks, due from banks, financial assets at fair value through profit or loss (excluding Equity securities and mutual funds units), loans and advances to customers and investment securities (excluding equity securities and mutual funds units).
Liquidity Coverage Ratio	LCR	The LCR refers to the liquidity buffer of High Quality Liquid Assets ("HQLAs") that a Financial Institution holds, in order to withstand net liquidity outflows over a 30 calendar-day stressed period as per Regulation (EU) 2015/61.
Loan Impairments		Impairment charge for ECL, excluding for 2021 the positive impact of €0.2 billion from Project "Frontier".
Loans-to-Deposits Ratio		Loans and advances to customers over due to customers, at period/year end, excluding the short term reverse repo facility of €3.2 billion as at 31 December 2022.
Net Fees & Commissions / Fees / Net Fees		Net fee and commission income.
Net Interest Margin	NIM	Net interest income over average interest earning assets. Net Interest Margin equals net interest income divided by the average of interest earning assets (the average of interest earning assets at the end of the current period/year and the end of the previous period/year and all quarter ends in between (5 periods) for the period/year end).
Net Stable Funding Ratio	NSFR	The NSFR refers to the portion of liabilities and capital expected to be sustainable over the time horizon considered by the NSFR over the amount of stable funding that must be allocated to the various assets, based on their liquidity characteristics and residual maturities.
Net trading income/ (loss), Net other income/ (loss) and Share of profit / (loss) of equity method investments		Net trading income / (loss) and results from investment securities ("trading income/(loss)") + Gains / (losses) arising from the derecognition of financial assets measured at amortised cost + Net other income / (expense) ("other income / (expense)") + Share of profit / (loss) of equity method investments, excluding the gain from the sale of 51.00% of NBG Pay S.M.S.A. More specifically, for the year ended 31 December 2022, net other income excludes the gain from the sale of 51.00% of NBG PAY S.M.S.A. of €297 million.
Non-Performing Exposures	NPEs	Non-performing exposures are defined according to EBA ITS technical standards on Forbearance and Non-Performing Exposures as exposures that satisfy either or both of the following criteria: a. Material exposures which are more than 90 days past due. b. The debtor is assessed as unlikely to pay its credit obligations in full without realization of collateral, regardless of the existence of any past due amount or of the number of days past due.
Non-Performing Loans NPLs	NPLs	Loans and advances to customers at amortised cost that are in arrears for 90 days or more.
NPE Coverage Ratio		ECL allowance for loans and advances to customers at amortised cost divided by NPEs, excluding loans and advances to customers mandatorily measured at FVTPL, at period/year end.
NPE formation		Net increase / (decrease) of NPEs, before write-offs.
NPE Organic Formation		NPE balance change, excluding sales and write-offs
NPE ratio		NPEs divided by loans and advances to customers at amortised cost before ECL allowance and loans and advances to customers at FVTPL at the end of the period/year, excluding the short term reverse repo facility of €3.2 billion as at 31 December 2022.
Operating Expenses		Personnel expenses + General, administrative and other operating expenses ("G&As") + Depreciation and amortisation on investment property, property & equipment and software and other intangible assets, excluding the additional social security contribution for LEPETE to e-EFKA and other one-off costs. More specifically, for the year ended 31 December 2022, operating expenses exclude personnel expenses of

Name	Abbreviation	Definition
		€35 million related to defined contributions to LEPETE and other one-off costs of €15 million. For the year ended 31 December 2021, operating expenses exclude personnel expenses of €35 million related to defined contributions for LEPETE to e-EFKA and other one off-costs of €97 million.
Operating Profit / (Loss)		Total income less operating expenses and loan impairments.
Other impairments		Impairment charge for securities and Other provisions and impairment charges
Pre-Provision Income	**PPI**	Total income less operating expenses, before loan impairments.
Risk Adjusted NIM		NIM minus CoR
Risk Weighted Assets	**RWAs**	Assets and off-balance-sheet exposures, weighted according to risk factors based on Regulation (EU) No 575/2013.
Staff Costs/ Personnel expenses		Personnel expenses excluding the additional social security contribution for LEPETE to e-EFKA and one-off costs. More specifically, for the year ended 31 December 2022, personnel expenses exclude defined contributions to LEPETE of €35 million and other one-off costs of €7 million. More specifically, for the year ended 31 December 2021, operating expenses exclude personnel expenses of €35 million related to defined contributions to LEPETE and other one-off costs of €76 million.
Tangible Equity / Book Value		Equity attributable to NBG shareholders less goodwill, software and other intangible assets.
Taxes		Refers to tax benefit / (expense) excluding one-off taxes of amount €106 million.
Total Capital Ratio		Total capital as defined by Regulation No 575/2013, with the application of the regulatory transitional arrangements for IFRS 9 impact over RWAs.
Total Income		Refers to Net interest income, Net fee and commission income, Net trading income / (loss) and results from investment securities, Gains / (losses) arising from the derecognition of financial assets measured at amortised cost, Net other income / (expense) and Share of profit / (loss) of equity method investments, excluding the gain from the sale of 51.00% of NBG Pay S.M.S.A. More specifically, for the year ended 31 December 2022, net other income excludes the gain from the sale of 51.00% of NBG PAY S.M.S.A. of €297 million.

Disclaimer

The information, statements and opinions set out in the Board of Director's Report (the "Board of Director's Report") have been provided by National Bank of Greece S.A. (the "Bank") (together with its consolidated subsidiaries (the "Group")). They serve informational only purposes and should not be considered as advice or a recommendation to investors or potential investors in relation to holding, purchasing or selling securities or other financial products or instruments and do not take into account particular investment objectives, financial situation or needs. It is not a research report, a trade confirmation or an offer or solicitation of an offer to buy/sell any financial instruments.

Accuracy of Information and Limitation of Liability

Whilst reasonable care has been taken to ensure that its contents are true and accurate, no representations or warranties, express or implied are given in, or in respect of the accuracy or completeness of any information included in the Board of Director's Report. To the fullest extent permitted by law in no circumstances will the Bank, or any of its respective subsidiaries, shareholders, affiliates, representatives, directors, officers, employees, advisers or agents be responsible or liable for any direct, indirect or consequential loss or loss of profit arising from the use of the Board of Director's Report, its contents (including the internal economic models), its omissions, reliance on the information contained within it, or on opinions communicated in relation thereto or otherwise arising in connection therewith.

Recipients of the Board of Director's Report are not to construe its contents, or any prior or subsequent communications from or with the Bank or its representatives as financial, investment, legal, tax, business or other professional advice. In addition, the Board of Director's Report does not purport to be all-inclusive or to contain all of the information that may be required to make a full analysis of the Bank. Recipients of the Board of Director's Report should consult with their own advisers and should each make their own evaluation of the Bank and of the relevance and adequacy of the information.

The Board of Director's Report includes certain non-IFRS financial measures. These measures are presented in this section under "*ESMA Alternative Performance Measures (APMs), definition of financial data and ratios used*". Section herein may not be comparable to those of other credit institutions. Reference to these non-IFRS financial measures should be considered in addition to IFRS financial measures but should not be considered a substitute for results that are presented in accordance with IFRS.

Due to rounding, numbers presented throughout the Board of Director's Report may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

Forward-Looking Statements

The Board of Director's Report contains forward-looking statements relating to management's intent, belief or current expectations with respect to, inter alia, the Bank's businesses and operations, market conditions, results of operation and financial condition, capital adequacy, risk management practices, liquidity, prospects, growth and strategies ("Forward Looking Statements"). Forward Looking Statements concern future circumstances and results and other statements that are not historical facts, sometimes identified by the words "may", "will", "believes", "expects", "predicts", "intends", "projects", "plans", "estimates", "aims", "foresees", "anticipates", "targets", "would", "could" or similar expressions or the negative thereof. Forward Looking Statements reflect knowledge and information available at the date of the Board of Director's Report and are subject to inherent uncertainties and qualifications and are based on numerous assumptions, in each case whether or not identified in the Board of Director's Report. Although Forward Looking statements contained in the Board of Director's Report are based upon what management of the Bank believes are reasonable assumptions, because these assumptions are inherently subject to significant uncertainties and contingencies, including risks related to increased geopolitical tensions, that are difficult or impossible to predict and are beyond the Bank's control, no assurance can be provided that the Bank will achieve or accomplish these expectations, beliefs or projections. COVID-19 developments, along with the current geopolitical situation and its economic impact remains highly uncertain. Therefore, this outbreak constitutes another factor that could cause actual results to differ materially from the ones included in the Forward-Looking Statements. Forward-Looking Statements are provided for illustrative purposes only and are not intended to serve as, and must not be relied on as, a guarantee, an assurance, a prediction or a definitive statement of fact or probability. The Bank's actual results may differ materially from those discussed in the Forward-Looking Statements. Some important factors that could cause actual results to differ materially from those in any Forward Looking Statements could include, inter alia, changes in domestic and foreign business, market, financial, political and legal conditions including changing industry regulation, adverse decisions by domestic or international regulatory and supervisory authorities, the impact of market size reduction, the ability to maintain credit ratings, capital resources and capital expenditures, adverse litigation and dispute outcomes, impact of COVID-19 and the effect of such outcomes on the Group's financial condition. There can be no assurance that any particular Forward-Looking Statement will be realized, and the Bank expressly disclaims any obligation or undertaking to release any updates or revisions to any Forward-Looking Statement to reflect any change in the Bank's expectations with regard thereto or any changes in events, conditions or circumstances on which any Forward-Looking Statement is based. Accordingly, the reader is cautioned not to place undue reliance on Forward-Looking Statements.

No Updates

Unless otherwise specified all information in the Board of Director's Report is as of the date of the Board of Director's Report. Neither the delivery of the Board of Director's Report nor any other communication with its recipients shall, under any circumstances, create any implication that there has been no change in the Bank's affairs since such date. Except as otherwise noted herein, the Bank does not intend to, nor will it assume any obligation to, update the Board of Director's Report or any of the information included herein. The Board of Director's Report is subject to Greek law, and any dispute arising in respect of the Board of Director's Report is subject to the exclusive jurisdiction of the Courts of Athens.

Supplementary Report

for the year ended 31 December 2022

Supplementary Report of the Board of Directors

To the Annual General Meeting of Shareholders of National Bank of Greece pursuant to article 4 of Greek Law 3556/2007

Pursuant to article 4 of Greek Law 3556/2007, listed companies must submit a Supplementary Report to the Annual General Meeting of Shareholders providing detailed information on specific issues. This Board of Directors' supplementary report to the Annual General Meeting of Shareholders contains all the required additional information.

Greek Law 4941/2022 on the reform of the institutional framework of the HFSF

On 16 June 2022, Greek Law 4941/2022 on the reform of the institutional framework of the HFSF was published, significantly amending the provisions of Greek Law 3864/2010.

Among others, the following significant amendments were introduced:

- *Extension of the duration of the HFSF*: The duration of the HFSF is prolonged to 2025 extended from 2022, in order for the HFSF to serve its revised purpose as per the new framework, while the possibility of extending the duration of the HFSF is no longer foreseen.

- *Amendments to special rights of the HFSF, i.e.:*

i) Certain HFSF powers relating to governance aspects of credit institutions have been removed, including the power to evaluate the corporate governance arrangements, which also extends to the evaluation of individual members of the Board of Directors and the Board Committees, and the power to develop criteria for the evaluation of the above elements, including the power to make specific recommendations for changes in the corporate governance of a credit institution. In that context, most of the "eligibility criteria" foreseen for Board members have been eliminated, while the Law further specifies that the criteria set out by the HFSF shall be complementary to the criteria for the Board of Directors provided by Greek Laws 4548/2018, 4261/2014, and, where applicable, Greek Law 4706/2020 (A' 136), and shall not contradict them.

ii) The following special rights of the HFSF are no longer foreseen:

- to call the General Assembly;
- to approve the Chief Financial Officer; and
- to veto any decision of the Board where the decision in question could seriously compromise the interests of depositors, or impair the credit institution's liquidity or solvency or its overall sound and smooth operation (e.g., business strategy, asset/liability management, etc.).

iii) Significant amendments to veto rights and remuneration restrictions are foreseen:

- the veto right on the distribution of dividends and the benefits and bonus policy concerning Board members and Senior Management shall apply only to specific credit institutions that fall within the scope of the provision (i.e., to those whose ratio of NPLs to total loans exceeds 10%);
- the remuneration cap for Board members and Senior Management (i.e., to the remuneration of the Governor of the Bank of Greece) shall apply for as long as the ratio of NPLs to total loans exceeds 10% or for the financial years referring up to 2022, while it is also clarified that it concerns fixed remuneration, while variable remuneration of such persons is abolished until the completion of the institution's restructuring plan[32] or for as long as the ratio of NPLs to total loans exceeds 10% or for the financial years referring up to 2022. Similarly, for the period of participation of the credit institution in the capital increase program, variable remuneration may be granted only in the form of shares or stock options or other instruments within the meaning of Articles 52 or 63 of the Regulation (EU) 575/2013, according to Article 86 of Greek Law 4261/2014.

iv) HFSF's free access to credit institutions books and records is restricted only to information needed for the purpose of subsection (b) of para.1 of Article 2 of Greek Law 3864/2010, i.e., for the purpose of the divestment of the HFSF's holding in the credit institution.

It is also clarified that special rights of Greek Law 3864/2010 are in addition to the rights granted to the HFSF under the provisions of general company law (Law 4548/2018, A' 104 and any other relevant provision).

- *Voting rights of shares held by the HFSF:* The scope of the HFSF's voting rights is extended so as to refer to the shares held by the HFSF in any way (i.e., not only those subscribed to in the context of a capital support). Consequently, the limitations to the exercise of voting rights in particular cases of shares are no longer applicable. Therefore, such shares shall be taken into account for the purposes of calculating the quorum and majority in the General Assembly and shall have full voting rights on all items on the agenda (i.e., not just in the case of the particular matters).

- *Divestment process:* The divestment of the HFSF's own participation in credit institutions is elevated to a second main objective of the HFSF. A specific process is foreseen for said disposal, which shall take place in accordance with a reasoned divestiture strategy meeting at least the principles set out in the Law, and which is closely monitored (e.g., through regular status reports).

Other information

A) Share capital structure

Following the resolution of the Bank's Annual General Meeting of 26 July 2018, the Bank's share capital amounted to €2,744,145,459, divided into 914,715,153 common shares of a nominal value of €3.00 each.

By resolution of the Bank's Annual General Meeting of 30 July 2021, it was decided to reduce the Bank's share capital by €1,829,430,306 through reduction of the nominal value of each common registered share from €3.00 to €1.00, for the purpose of setting off equal cumulative accounting losses of previous years in the context of launching a Stock Options Program in accordance with Article 113(4) of Greek Law 4548/2018, described in detail in

[32] The Bank has exited the 2019 Revised Restructuring Plan, which was agreed between the Hellenic Republic and the Directorate General for the Competition of the European Commission, because of the State Aid received by the Bank during the recapitalizations which took place in 2013 and 2015.

Section H below *("H. Board of Directors' authority for the issue of new shares or the purchase of own shares" – "Stock options*"). As a result, the Bank's share capital stand at €914,715,153.00 divided into 914,715,153 common shares of a nominal value of €1.00 each.

Following the above resolution and the receipt of the required approvals by competent authorities, on 18 November 2021, the Bank announced the aforementioned share capital decrease by reduction of the nominal value of its share, determining 22 November 2021, as the date of change of the nominal value of the Bank's share to €1.00.

Further to the above, the Bank's share capital on 31 December 2022 amounted to €914,715,153.00 and is divided into 914,715,153 common shares of a nominal value of €1.00 each.

The Bank's shares are listed for trading on the Athens Exchange ("ATHEX").

The rights of the shareholders of the Bank, arising from each share, are proportional to the percentage of the share capital to which they correspond. Each share carries the rights stipulated by law and the Articles of Association. In particular, the following rights arise out of the 914,715,153 ordinary shares (corresponding to an amount of €914,715,153 or 100% of the Bank's total share capital) of which 369,468,775 owned by HFSF (corresponding to an amount of €369,468,775 or 40.39% of the Bank's total share capital):

- The right to participate in and vote at the General Meeting of Shareholders.
- The right to a statutory minimum dividend from the Bank's profit for the year ended, which amounts to 35% of the distributable profits, following deduction of the amounts specified in the applicable legal framework. The distribution of a supplementary dividend is subject to General Meeting resolution. Shareholders entitled to a dividend are those whose names appear in the Register of the Bank's Shareholders on the date the dividend beneficiaries are determined, and a dividend on each share owned by them is paid within two (2) months of the date of the General Meeting of Shareholders that approved the Annual Financial Statements of the Group and the Bank, as incorporated in the Annual Financial Report. The dividend payment method and place are announced as prescribed by the applicable framework. After the lapse of five years from the end of the year in which the General Meeting approved the dividend, the right to collect the dividend expires and the corresponding amount is forfeited in favour of the Greek state. It is noted that, in accordance with Article 149A par. 1 of Greek Law 4261/2014, as well as in accordance with Article 35 of the Bank's Articles of Association, by way of derogation from case c of par. 2 of Article 160, as well as from par. 2 of Article 161 of Greek Law 4548/2018, the Bank is not subject to obligation for minimum dividend distribution. Further, in accordance with par. 2 of Article 149A of Greek Law 4261/2014, and Article 35 of the Bank's Articles of Association, in case of dividend distribution in kind, in implementation of par. 4 and 5 of Article 161 of Greek Law 4548/2018 and/or for distribution in kind for additional Tier 1 capital instruments and Tier 2 capital instruments, prior approval by the Bank of Greece is required.
- The pre-emptive right to each share capital increase in cash and issue of new shares.
- The right to access the Bank's Annual Financial Report which incorporates: a) the Certifications of the Board of Directors, b) Board of Directors' Report, c) Supplementary Report, d) Annual Report of the Audit Committee, e) Independent Auditor's Report, f) the Annual Financial Statements, including the separate and consolidated financial statements, and the notes thereto, g) the Annual Report for the distribution of capital of the financial year it concerns, via the Bank's website ten (10) days before the Annual General Meeting.
- The General Meeting of Shareholders maintains all of its rights during liquidation proceedings (pursuant to Article 37 of the Bank's Articles of Association).

It is noted that, the 13,481,859 common shares held by HFSF (corresponding to an amount of €13,481,859 or 1.47% of the Bank's total share capital) according to the Article 7a par. 2 of the Greek Law 3864/2010, as in force prior to its amendment in 2022, used to give the right to HFSF to exercise its voting rights in the General Meeting of Shareholders with restrictions. However, as described in detail in Section E below (*"Restrictions to voting rights"*), following the amendment of Greek Law 3864/2010 by means of Greek Law 4941/2022, said restrictions no longer apply.

Furthermore, in addition to the rights granted to the HFSF under the provisions of general company law (Law 4548/2018, A' 104 and any other relevant provision), all common shares held by the HFSF provide the HFSF representative to the Bank's Board of Directors, the following rights under the Greek Law 3864/2010, as in force:

- Veto power over any decision taken by the Board of Directors:
  i. Regarding the distribution of dividends and the benefits and bonus policy concerning the Chair, the CEO as well as other members of the Board of Directors, the General Managers and their deputies, for any credit institutions whose ratio of non-performing loans to total loans, as calculated in accordance with subsection f(ii), of paragraph 2 of Article 11 of Commission Implementing Regulation (EU) 2021/451, exceeds 10%; or
  ii. Related to decision to amend the Articles of Association, including capital increase or reduction or providing authorisation to the Board of Directors to that effect, merger, division, conversion, revival, extension of duration or dissolution of the company, asset transfers, including sale of subsidiaries, or any other matter that requires an increased majority as provided in Greek Law 4548/2018 and which decision might substantially influence the Fund's participation at the share capital of the credit institution.
- The right to request an adjournment of any meeting of the Bank's Board of Directors for three (3) business days, in order to receive instructions from the HFSF's Chief Executive Officer. This right may be exercised until the end of the Board of Directors' meeting.
- The right to request convocation of the Board of Directors.

While exercising the aforementioned rights to the Bank's Board of Directors, the HFSF Representative shall respect the Bank's business autonomy. Furthermore, for the purpose of subsection (b) of para.1 of Article 2 of Greek Law 3864/2010, as in force, the HFSF has free access to the Bank's books and records with employees or with consultants of its choice.

B) Restrictions on transfers of the Bank's shares

The Bank's Articles of Association do not impose restrictions on the transfer of the common shares of the Bank. The disposal of shares of the Bank held by the HFSF is made pursuant to the provisions of the Greek Law 3864/2010 ("HFSF Law"), article 8, as amended and in force, i.e., based on a divestment strategy with a specific time horizon of definite and full implementation, which is determined in accordance with Article 8, and in principle does not extend beyond the HFSF's termination, i.e., 31 December 2025.

C) Significant direct and indirect holdings as per Greek Law 3556/2007

As at 31 December 2022, there were no significant direct or indirect holdings as per Greek Law 3556/2007, i.e. of a direct or indirect participation percentage equal to or higher than 5% of the aggregate number of the Bank's ordinary shares, except for the 369,468,775 ordinary dematerialised registered shares with voting rights held by HFSF following the Bank's recapitalization in 2013 and 2015.

D) Shares with special control rights

There are no shares with special control rights with the following exceptions.

According to the stipulations of article 10 par. 2 of Greek Law 3864/2010, as amended and in force, HFSF has since 11 June 2012 a representative to the Bank's Board of Directors, with the abovementioned rights of Greek Law 3864/2010, as in force.

In particular, the objective of the HFSF according to Greek Law 3864/2010, as amended and in force, is (a) to contribute to the maintenance of the stability of the Greek banking system, for the sake of public interest and (b) the effective disposal of shares or other financial instruments held by the HFSF in credit institutions, which is based on a divestment strategy with a specific time horizon of definite and full implementation, which is determined in accordance with Article 8 of the HFSF Law, and in principle does not extend beyond the HFSF's termination, i.e., 31 December 2025.

In pursuing its objective, the HFSF should, among others, (i) exercise its shareholding rights in compliance with the rules of prudent management of its assets and in compliance with the relevant framework, (ii) ensure that the Bank operates on market terms, and (iii) that in due time the Bank returns to private ownership in an open and transparent manner.

For the purpose of accomplishing its objectives set out in Greek Law 3864/2010 as in force at the time, the Bank and HFSF entered into a Relationship Framework Agreement dated 10 July 2013 (the initial Relationship Framework Agreement). Furthermore, in view of the capital injected to the Bank, as a result of the recapitalization, which was completed in December 2015, and in order for the HFSF to fulfill its objectives under Greek Law 3864/2010, as in force at the time, exercise its rights and obligations and comply with the commitments undertaken through the Financial Assistance Facility Agreement[33] ("FFA") and the Memorandum of Understanding[34] ("MoU"), the HFSF and the Bank entered into the revised Relationship Framework Agreement dated 3 December 2015, which amended the initial Relationship Framework Agreement ("the RFA").

The RFA, as each time in force, determines the relationship between the Bank and the HFSF, while subject to its provisions, the applicable Law and the Charter Documents, the Bank's decision-making bodies will determine independently, the Bank's commercial strategy and policy and the decisions on their day to-day operation will continue to rest with the Bank's competent bodies and officers, as the case may be, in accordance with their statutory, legal and fiduciary responsibilities.

In the context of efficient implementation of the RFA, as each time in force, the Bank and the HFSF shall cooperate effectively.

In addition to the above, the HFSF Representative to the Bank's Board of Directors participates as a member in all Board Committees, while an HFSF Observer participates (with no voting rights) at the Board of Directors and all Board Committees.

According to the provisions of the RFA, in conjunction with the provisions of Greek Law 3864/2010 as amended and in force, the HFSF Representative in the Board of Directors has the following rights (additionally to rights referred to in Section *"A) Share capital structure"* above):

- To request that the Board of Directors is convened within the next seven (7) calendar days from the HFSF's Representative written request to the Chair of the Board of Directors. The relevant request shall be addressed to the Chair of the Board of Directors in writing and include the proposed items on the agenda. If the Chair of the Board of Directors does not proceed to the convocation of the Board of Directors within the above deadline or does not include all the proposed items in the invitation, then the HFSF Representative shall be entitled to convoke the Board of Directors within five (5) days as of the expiry of the above seven (7) days period. Such invitation shall be notified to all the members of the Board of Directors.
- To request that the Board Committee is convened within the next seven (7) calendar days from the HFSF Representative' written request to the Chairman of the Committee. The relevant request shall include the proposed items of the agenda. If the Chairman of the Committee does not proceed

[33] The agreement signed on 19 August 2015 by and between the European Stability Mechanism ("ESM"), the Hellenic Republic, the Bank of Greece and the HFSF.

[34] Means the memorandum signed on 19 August 2015 between the ESM, on behalf of the European Commission, the Hellenic Republic and the Bank of Greece.

to the convocation of the Committee within the above deadline or does not include all the proposed items in the invitation, then the HFSF Representative shall be entitled to convoke the Committee within five (5) days as of the expiry of the above seven (7) days period. Such invitation shall be notified to all the members of the Committee and to the HFSF Observer.

E) Restrictions to voting rights

There are no restrictions to voting rights attached to the Bank's ordinary shares.

Prior to the amendment of Greek Law 3864/2010 by means of Greek Law 4941/2022, restrictions used to apply on ordinary shares held by HFSF which were subject to the provisions of Article 7a par. 2 of Greek Law 3864/2010, as abovementioned.

More specifically, said shares used to give the right to HFSF to exercise its voting rights in the General Meeting of Shareholders only for decisions regarding amendments to the Articles of Association, including increase or reduction of capital or provision of authorisation to the Board of Directors to that effect, merger, division, conversion, revival, extension of duration or dissolution of the company, transfer of assets, including the sale of subsidiaries or any other issue requiring an increased majority as provided by Greek Law 4548/2018. Specifically, in order to calculate quorum and majority at the General Meeting, these shares of HFSF were not taken into account regarding decisions on matters other than those mentioned above. According to Article 7a of Greek Law 3864/2010, as in force prior to its amendment by means of Greek Law 4941/2022, HFSF would exercise its full voting rights without the aforementioned limitations in case it was concluded, by decision of the HFSF General Council, that there was a breach of material obligations which were included in the restructuring plan or which promoted its implementation or which were described in the RFA between the Bank and the HFSF.

However, in accordance with Greek Law 4941/2022, which amended Greek Law 3864/2010, Article 107 par. 2, as of 16 July 2022, the HFSF, pursuant to Article 7a of Greek Law 3864/2010, as amended by Greek Law 4941/2022 and in force, fully exercises voting rights corresponding to the total shares that it holds, i.e., to 369,468,775 shares.

F) NBG Shareholders' agreements

The Bank is not aware of any agreements between its shareholders resulting to restrictions in share transfers or in the exercise of voting rights. The only restrictions in share transfers concern shares held by the HFSF, as outlined in Section B above ("*Restrictions on transfers of the Bank's shares*").

G) Rules regarding the appointment and replacement of Board of Directors members and amendments to Articles of Association

The provisions of the Bank's Articles of Association regarding the appointment and replacement of members of the Board of Directors, as well as for amendments to the Articles of Association are in alignment with the corresponding provisions of Greek Law 4548/2018, as in force. Relevant provisions regarding the appointment and replacement of Board of Directors members are included in the Corporate Governance Code and the Charter of the Corporate Governance and Nominations Committee, to which more detailed reference is made in Sections "*A. Corporate Governance Code*" and "*B. Corporate Governance Key Policies and Practices*" of the Corporate Governance Statement.

In the context of the recapitalization of the Greek banks and specifically pursuant to the provisions of Greek Law 3864/2010, as currently in force, and Cabinet Acts 15/2012 and 38/2012, and following the contribution on 28 May 2012 to the Bank by HFSF of EFSF bonds as an advance for the participation in the Bank's future share capital increase, HFSF, pursuant to the Presubscription Agreement dated 28 May 2012 and executed by the Bank, HFSF and EFSF, as amended and restated on 21 December 2012, has a Representative to the Bank's Board of Directors, who has the rights provided by Greek Law 3864/2010 as amended and in force, and the terms of the new RFA, as each time in force.

H) Board of Directors' authority for the issue of new shares or the purchase of own shares

Issue of new shares

Pursuant to the provisions of Greek Law 4548/2018 Article 24 par. 1, by General Meeting resolution, subject to the publication requirements provided for under Greek Law 4548/2018 Articles 12 and 13, the Board of Directors can increase the Bank's share capital through the issue of new shares by resolution adopted on a two-third-majority basis. In that case, pursuant to Article 5 of the Bank's Articles of Association, the Bank's share capital may increase up to three times the level of the capital in existence as at the date the said powers are delegated to the Board of Directors (extraordinary increase). The said authorization may be renewed from the General Meeting, each time for a period of up to 5 years.

Stock options

In accordance with Greek Law 4548/2018 Article 113, pursuant to a General Meeting resolution a Stock Options Program may be launched for the Board members and staff of the Bank and its affiliated companies in the form of options to acquire shares of the Bank as per the terms of the resolution. The General Meeting resolution determines the maximum number of shares to be issued if the beneficiaries' stock options are exercised, whose total nominal value by law cannot exceed 1/10 of the Bank's existing share capital, as well as the purchase price and the terms of allocation of the shares to the beneficiaries.

The Annual General Meeting of the Bank's shareholders held on 30 July 2021 approved the Bank's share capital decrease by reducing the nominal value of each common registered share of the Bank from €3.00 to €1.00 (without any change in the total number of common registered shares) in order to set off equal cumulative accounting losses of previous years, in the context of launching a Stock Options Program in accordance with Article 113(4) of Greek Law 4548/2018 (See also Section A "*Share capital structure*" above). Furthermore, it decided to amend accordingly Article 4 of the Bank's Articles of Association and to grant relevant authorizations. Further, the Annual General Meeting granted authorization to the Bank's Board of Directors to launch a five-year Stock Options Program in the form of options to acquire shares of the Bank pursuant to Article 113(4) of Greek Law 4548/2018, addressed to Board members, Senior Management executives and staff of the Bank and its affiliated companies, in the context of Article 32 of Greek Law 4308/2014, subject to the restrictions imposed by Article 10(3) of Greek Law 3864/2010 (for as long as these restrictions remain in force) with respect to the provision of any kind of additional benefit (bonus) to Board members and Senior Management.

On 25 November 2021, the Bank's Board of Directors approved the Proposal on the Stock Options Scheme, to complement and operationalize the existing provisions of the Group's Variable Remuneration Policy through the extension (issuance and award) of stock options as long-term incentives, and the authorization of the Group CEO to sign any and all respective documents required, to amend the schemes' operational terms.

However, the said Stock Options Scheme has not yet been activated.

Purchase of own shares

Articles 49 and 50 of Greek Law 4548/2018 prescribe provisions for the acquisition of own shares, pursuant to a General Meeting resolution. However, pursuant to the restrictions imposed by article 16C of Greek Law 3864/2010 as in force, during the period of HFSF participation in the capital of the Bank, it is prohibited for the Bank to purchase own shares without HFSF approval.

During 2022, National Securities S.A. (the Bank's subsidiary which conducts treasury shares transactions for its brokerage business) acquired 4,402,533 and disposed 4,440,046 of the Bank's shares at the amount of €14 million and €14 million, respectively. On 31 December 2022, the Bank and NBG Securities S.A. did not hold any own shares.

I) Significant agreements that come into effect, are modified or terminated in the event of a change in control following a public offering

There are no significant agreements that shall come into effect, be modified or terminated in the event of a change in control of the Bank following a public offering.

J) Agreements with Board of Directors members or officers of the Bank

In the case of the Chair and executive members of the Board of Directors and Senior Managers (General Managers and Assistant General Managers) the Bank reserves the right for groundless termination of their employment contracts by paying specific levels of compensation, as specified in the contract. Especially as to Executive directors and Senior Managers, (General Managers and Assistant General Managers), the compensation is determined in accordance with the NBG Directors' and Senior Managers' Remuneration Policy, as approved by the Annual General Meeting of Shareholders in 2022.

Athens, 13 March 2023

THE CHAIRMAN OF THE BOARD OF DIRECTORS	THE CHIEF EXECUTIVE OFFICER
GIKAS A. HARDOUVELIS	PAVLOS K. MYLONAS

Audit Committee Report to the Shareholders on its activities

Chair of the Audit Committee

"Dear Shareholders,
In my capacity as the Audit Committee Chair of NBG, I am pleased to submit to you the 2022 Audit Committee Report on behalf of the Audit Committee (the "Committee") in compliance with the current legislation.
During 2022, the Audit Committee worked systematically to achieve its purpose of assisting the Board of Directors in fulfilling its oversight responsibility relating to safeguarding the Integrity of the Financial Reporting Process, the Effectiveness of the Internal Control System, the Performance of the Internal Audit Function and the Independence, Objectivity and Effectiveness of the External Audit Process in challenging times, by taking into consideration the economic recovery from the crisis caused by the COVID-19 pandemic, and in parallel the geopolitical and economic consequences of the war in Ukraine.
A significant part of the Committee's time was devoted in receiving updates from the Group Chief Financial Officer, the Group Chief Audit Executive, the Group Chief Control Officer, the Group Chief Compliance Officer and the Independent Auditors on the progress and results of the matters relating to their area of responsibility.
The Committee also assessed the effectiveness, objectivity and independence of the Independent Auditors and met with them to discuss any matters arising from their audit.
The collaboration of the Committee with the Board of Directors is very efficient and constructive and the communication with the Audit Committees of the subsidiaries is considered to be satisfactory. During 2022, a new Audit Committee Communication Framework was established, further formalizing and enhancing the communication with subsidiaries Audit Committees.
The Committee also performed its self-evaluation for 2022, concluding that the Committee operates in an effective manner and that it discharges its duties fully.
Finally, I would like to thank all the Committee members for their valuable contribution and significant commitment to the Committee in achieving its goals and in facing the emerging challenges of the macroeconomic and regulatory environment.
I extend my thanks to the executives of the Bank and the Independent Auditors who have provided the Committee very high quality information allowing the Audit Committee to have a clear view of the financial position of the Bank, its control infrastructure and all matters under its supervision".

Athens, 13 March 2023
Matthieu Kiss
Audit Committee Chair
The Committee is currently comprised of the following members:

Chair	**Matthieu Kiss**
Vice-Chair	**Claude Piret**
Members	**Avraam Gounaris**
	JP Rangaswami
	Periklis Drougkas (HFSF representative)

Note: During 2022, Mrs Anne Marion Bouchacourt was a member from 24 February 2022 until 28 July 2022.

The Committee was assisted in its work by its Secretary and its external advisor.

The Committee met 16 times during 2022. In some instances, joint meetings were held with other Board Committees. Most meetings were held by videoconference. For the frequency of the convention and the main responsibilities of the Audit Committee, please refer to the "*Corporate Governance Statement - Board of Directors' Committees - Audit Committee*" of the Board of Directors' Report.

Committee Governance

The Committee reported its activities to the Board of Directors through quarterly reports which included its comments and suggestions for the settlement of outstanding matters, covering activities included in the Annual Work Plan. At the end of the year the Committee reported to the Board of Directors an in-depth self-appraisal of its activities and its compliance with its Annual Work Plan.

The meetings were also attended by the Chair of the Board of Directors, the Group Chief Audit Executive and the Group Chief Financial Officer, as well as the Independent Auditors. The CEO and other members of Management, were also invited to attend meetings according to the items on the agenda in order for the Committee to be updated on matters under its jurisdiction, giving priority to the areas of Finance, Internal Audit, Internal Control, Compliance and Risk Management.

The meetings of the Committee were conducted in a way which ensured the regular and detailed updating of the Committee members. The attendance and participation by its members in the meetings is considered very satisfactory, as all members attended all meetings. Their participation was active and contributed to a free expression of speech in a spirit of constructive dialogue, while the discussion included constructive challenges. The Committee followed with the terms of its Charter approved by the Board of Directors and satisfactorily completed its Annual Work Plan for 2022.

The Chair had regular communication with Senior Management, the Group Chief Audit Executive, the Group Chief Financial Officer, the Group Chief Compliance Officer, the Group Chief Control Officer and the Independent Auditors to discuss agenda planning and specific issues as they arose during the year outside the formal Committee process. This helped to ensure that matters which needed to be discussed at the Committee were highlighted in time.

Throughout the year, the Committee, through its Chair, communicated with the Chairs of the Audit Committees of the Bank's subsidiaries so as to promote a common group approach in the tackling of the various matters under discussion. During 2022 a formal Audit Committee Communication Framework for the Committee's communication/exchange of information with the Audit Committees of the subsidiaries was approved.

The collaboration of the Committee with the Board of Directors, the Management, the senior officials of the Bank and the Group and the Internal and Independent Auditors is considered very satisfactory and did not present any hindrance to the operation of the Committee. The Committee was provided with all the details and information it requested, as well as the means necessary to carry out its work.

The Committee Secretary as well as its external advisor met regularly with the Chair to ensure that the Committee fulfilled its governance responsibilities, and to consider input from stakeholders when finalizing meeting agendas, tracking progress on actions and Committee priorities.

Compliance with legal and regulatory requirements

The Board of Directors has confirmed that each member of the Committee is independent, in accordance with the definition of independence specified in the relevant framework, and the Committee continues to have competence relevant to sector in which the Group operates. The Board has determined that the Chair of the Committee meets the requirements of a "financial expert" for the purpose of Greek Law 4449/2017.

The Chair met with the regulators supervising the Bank, i.e., ECB/SSM.

The Committee also monitored the legal and regulatory environment relevant to its responsibilities.

How the Committee discharged its responsibilities

Internal Control System

The Committee monitored the effectiveness of the Internal Control System of the Group without impairing its independence.

In 2022, the Committee continued to devote significant time in overseeing Management's approach to enhancing the Internal Control System with particular focus on the control environment that supports financial disclosures, as well as regulatory reporting, to meet evolving expectations of regulators and other stakeholders.

The Committee received regular updates and confirmations that Management had taken, or was taking, the necessary actions to remediate timely and appropriately any control deficiencies identified by the various Risk and Control Functions, Group Internal Audit, as well as the Independent Auditors and both Greek and European regulators. For further details on how the Board of Directors reviewed the effectiveness of the key aspects of the Internal Control System, please refer to "*Corporate Governance Statement - E. Internal Control System and Risk Management*" of the Board of Directors' Report.

Following the Committee's assessment and proposal to the Board of Directors for the appointment of PwC for the three year assessment of the adequacy of the Internal Control System in accordance with the Bank of Greece Governor's Act 2577/2006, the report was discussed by the Committee and submitted to the Bank of Greece in June 2022.

Financial Reporting

The Committee is responsible for reviewing the Group's financial reporting, during the year, including the annual and interim Financial Statements and the quarterly press releases. As part of discharging its responsibilities, the Committee:

- reviewed and approved the 2022 Group and Bank Annual Financial Statements, as well as the Group and Bank Interim Financial Statements for the six-month period ended 30 June 2022 and the Group Interim Financial Statements for the period ended 31 March 2022 and 30 September 2022, and made positive recommendations to the Board of Directors for their approval;
- held meetings with the Group Finance Division regarding the adequacy and the effectiveness of the procedures for the preparation of the annual and interim financial statements of the Bank and the Group;
- received monthly reviews from the Group Financial Planning and Performance Monitoring Division on the Group's and the Bank's performance;
- was updated regarding the implementation of new or amended International Financial Reporting Standards ("IFRSs");
- was updated on the implementation of the Bank's new Banking Accounting Engine ("BAE");
- was informed on the work performed by the Group Finance Division;
- assessed the adequacy of resources of the Group Finance Division.

True & Fair, balanced and understandable

Following its review and challenge of the Annual and Interim Financial Statements including the relevant disclosures, the Committee reported to the Board of Directors that the Annual and Interim Financial Reports, taken as a whole, were reasonably true & fair, balanced and understandable. The Annual & Interim Financial Reports provided the shareholders with the necessary information to assess the Group's and the Bank's financial position and performance, business model, strategy and risks facing the business, including the necessary disclosures regarding increasingly important ESG considerations.

Specifically, the Committee reviewed the 2022 Group and Bank Annual Financial Report and Group and Bank Interim Financial Report for the six-month period ended 30 June 2022. This enabled the Committee to give reasonable positive assurance to the Board of Directors to assist them in making the statement required in compliance with Greek Law 3556/2007.

Financial Statements

The accounting policies which were followed in the preparation of the Annual and the Interim Financial Statements for 2022 were materially unchanged from those followed in the previous year. In their entirety, the accounting policies are in conformity with the IFRSs as these have been adopted by the European Union.

The preparation of financial statements in accordance with IFRSs requires the use of estimates and assumptions by Management which affect not only the account balances of the assets and liabilities, but also the income and expenses recognized in the financial statements of the Bank and the Group. The Group Finance Division regularly updated the Committee on the critical accounting judgments and estimates made by Management. Management believes that the estimations made and the assumptions adopted for the preparation of the Group and Bank financial statements reflect adequately the events and conditions which existed during 2022 and as at 31 December 2022.

During 2022, the Committee continued to pay particular attention to certain critical matters such as the calculation and accounting for deferred tax, the procedure for the measurement of the ECL allowance, the collectability of receivables other than loans to customers, staff related matters, the upgrade of the Bank's IT applications, etc. The Committee also reviewed the significant and unusual transactions that had a material effect on the annual and interim financial statements and the relevant disclosures.

The Committee had a series of meetings with the Bank's Independent Auditors and the Committee was regularly updated regarding the preparation and carrying out of their work program for the audit of the 2022 Annual Financial Statements and the review of the Interim Financial Statements for the six-month period ended 30 June 2022, the progress of the audit and any significant audit and accounting issues which they encountered.

The Bank's Group Finance Division, the Independent Auditors and the Group Internal Audit, based on the work that they have carried out, have confirmed to the Committee that they have not encountered any outstanding matters which, up to the date of their approval by the Board of Directors, would have had a material effect on the 2022 Annual Financial Statements of the Group and the Bank.

Going Concern

The Committee considered the current position of the Group and the Bank, along with the emerging risks and carried out a robust assessment of the Group's and the Bank's prospects, before making a recommendation to the Board of Directors on the Group's Going Concern Assessment, that the Group continues to adopt the going concern basis in preparing the 2022 Annual Financial Statements. See also, "*Economic and financial review - Financial Results of 2022 - Going concern*" of the Board of Directors' Report.

Group Internal Audit

Group Internal Audit is an independent and objective, assurance and consulting activity, designed to add value and improve the Group's operational effectiveness, and to protect its assets and its reputation. Group Internal Audit assists the Group in accomplishing its objectives, by contributing to the regular, systematic evaluation and improvement of the effectiveness of the Group's corporate governance, risk management and internal control environment.

Group Internal Audit is independent of the audited activities, and it is not involved in the design, selection, implementation or operation of specific internal control measures. It performs its assignments on its own initiative, in an unbiased manner, in all areas and activities of the Group.

Group Internal Audit adheres to the Institute of Internal Auditors' mandatory guidance. The Group Chief Audit Executive reports to the Board of Directors through the Committee and regular meetings are held between them.

The annual assessment of the Internal Control System in accordance with Bank of Greece Governor's Act 2577/2006 was reported to the Committee which also issued its own evaluation of the report. Regular reports provided by Group Internal Audit to the Committee include highlights of the internal audit activity and the key deficiencies identified as well as the progress of the related remediation action plans. The risk-based Group Internal Audit Annual Work Plan for 2022 and its revisions, on the basis of emerging risks, were approved by the Committee.

Pursuant to its responsibilities, during 2022, the Committee supervised the operation of the Group Internal Audit, monitored the completion of its approved Work Plan, including the follow up performed for the open control deficiencies, and evaluated its performance. It also received information on the implementation of key new technologies by Group Internal Audit.

Additionally, the Committee approved the Group Internal Audit Annual Work Plan for 2023 which included the Group Internal Audit's budget for the year and its staff capacity plan.

The Committee reviewed the revisions of the Internal Audit Units Charter and the Group Internal Audit organizational structure.

The Committee also presented reports to the Board, summarizing Group Internal Audit's quarterly activity reports and followed up the developments relating to reported deficiencies. The Committee reports that the procedure for the mitigation and remediation of deficiencies continues to improve.

During the year, the Committee met with the Group Chief Audit Executive, without the presence of management, to discuss matters relating to the operations of Group Internal Audit. The Committee also carried out its annual evaluation of the performance of the Group Chief Audit Executive.

During 2022, the five year external quality assessment of the activity of Group Internal Audit was completed from an Independent External Audit Firm and the results were presented to the Committee. More specifically, the Group Internal Audit function of NBG "Generally Conforms" to the Institute of Internal Auditors ("IIA") International Standards for the Professional Practice of Internal Auditing. Overall, the results of the assessment indicate that the Group Internal Audit has a well-defined role within NBG and provides independent and objective assurance that focuses on the key risks that affect the Bank.

Group Internal Control Function

The Committee is responsible for monitoring the work of the Group Internal Control Function ("ICF") through regular meetings as provided by the ICF's Charter. As part of discharging its responsibility, the Committee:

- approved the ICF Annual Activity Plan for 2022 and ICF Activity Plan 2023 - 2024;
- received regular reports on the Progress and Results of the approved Group Internal Control Function Annual Activity Plan for 2022 which included:
  - the progress of the Control Documentation for Very High priority processes as included in the ICF Annual Activity Plan 2022, in accordance with the NBG Group Internal Control Methodology for Control Identification and Assessment;
  - the progress of remediation of any control deficiencies identified in design, as well as the progress and results of the additional activities included in the Group ICF Annual Activity Plan for 2022.

Independent Auditors

The Committee has the prime responsibility for overseeing the relationship with PwC, the Group's Independent Auditor.

The Committee, following its review and assessment, recommended to the Board of Directors the appointment of the Independent Auditors for 2022, in order for the Board to propose them to the Annual General Meeting of Shareholders.

For the 2022 Annual Financial Statements of the Group and the Bank, PwC completed their audit, providing a robust challenge to management and sound independent advice to the Committee on specific financial reporting judgements and the control environment. The signing partner is Ms. Despina Marinou who is in her first year in the role, following the compulsory rotation of the signing partner. The Committee reviewed the Independent Auditor's approach and strategy for the annual audit and received regular updates on the audit, including observations on the control environment. The Key Audit Matters discussed with PwC are set out in the Independent Auditor's Report.

The Committee held meetings with the Independent Auditors during the planning, execution and completion of the audit to discuss accounting policies and practices, significant matters and communication with the Bank management and also met the Independent Auditors without the presence of the Management in order to discuss all issues occurred during the audit.

External audit plan

The Committee reviewed the audit approach, including the materiality, risk assessment and scope of the audit.

Effectiveness of the external audit process

The Committee assessed the effectiveness regarding the quality and output of PwC as the Group's Independent Auditor. PwC highlighted the actions taken in response to this assessment, including the development of audit quality indicators, which would provide a balanced scorecard and transparent reporting to the Audit Committee. The assessment focused on the following areas:

- **Quality of services and responsiveness**: The quality of the audit services provided by the audit firm throughout 2022 was in line with the agreed performance standards in terms of efficiency and auditor's responsiveness required for the preparation of the Group's financial statements within the set strict deadlines. Furthermore, the audit work performed and the hours spent was sufficient for the size, complexity, and risks of the Group.
- **Audit team skills, expertise and resource**: The audit firm has the relevant industry expertise, geographical reach, sufficient network resources, and appropriate specialists necessary to continue to serve the Group. PwC has demonstrated the availability of the necessary mix of expertise, skills and knowledge of the specific business risks, processes, systems, and operations of the Bank and the Group in order to address the risks of any material misstatements. In this respect, any complex accounting and auditing matters are addressed by experts of the audit firm timely and efficiently.
- **Communication and interaction with Management**: The lead audit partners as well as the audit engagement team maintained a professional and open dialogue with Management, explaining accounting and auditing issues or concerns in an understandable manner, and providing any additional feedback that was requested by the Group. There were no significant differences in views between Management and the Independent Auditor.

The Committee received regular updates from PwC and Management on the progress of the external audit plan and PwC performance across the audit quality indicators.

The Committee monitored the policy on hiring employees or former employees of the Independent Auditor, and there were no breaches of the relevant Bank's Policy during the year.

The Committee communicated to the Board of Directors the external audit results and elaborated on the role of the external audit and the Committee in relation to the integrity of the financial reporting.

The Independent Auditors provided the Committee with their special report on their audit of the 2022 Financial Statements as required by EU and Greek legislation.

Independence and objectivity

The Committee assessed any potential threats to independence that were self-identified or reported by PwC. The Committee considered PwC to be independent and PwC, in accordance with professional ethical standards and applicable rules and regulations, provided the Committee with written confirmation of its independence for the duration of the audit of the financial year 2022.

The appointment of PwC was approved by the 2017 Annual General Meeting of the NBG Shareholders held on 30 June 2017 who elected PwC for the first time to undertake the audit of the 2017 Group and

Bank Annual Financial Statements and the review of the Group and Bank Interim Financial Statements for the six-month period ended 30 June 2017. The Annual General Meeting of the NBG Shareholders held on 28 July 2022 re-elected PwC to undertake the audit of the 2022 Annual Financial Statements and the review of the Interim Financial Statements for the six-month period ended 30 June 2022 of the Bank and the Group.

According to the Relationship Framework Agreement, as in force in 2022, a requirement to replace the audit firm every five consecutive years was applicable. However, in accordance with article 28 of Greek Law 4701/2020 allowing extension of statutory audit services beyond the five-year period for a period of up to 10 years, according to article 17 of Regulation (EU) 537/2014, for credit institutions which have received capital support by HFSF, following the positive assessment and proposal of the Committee and subsequent relevant reasoned proposal of the Board of Directors to the Annual General Meeting of the Bank's Shareholders of 28 July 2022, the Annual General Meeting appointed PwC as the Group Independent Auditors for the financial year 2022.

Non-audit services

The Committee is responsible for setting, reviewing and monitoring the appropriateness of the provision of non-audit services by the Independent Auditor. It also applies the Group's Policy regarding non-audit services being awarded to the Independent Auditor. The non-audit services are carried out in accordance with the Independent Auditor's Independence Policy to ensure that services do not create a conflict of interest. All non-audit services are either approved by the Committee, or by the Group Chief Financial Officer when acting within delegated limits and criteria set by the Committee.

During the period, PwC did not provide any non-permissible non-statutory audit services. The non-statutory audit services carried out by PwC included engagements approved during the year. Group Finance Division, as a delegate of the Committee, considered that it was in the best interests of the Group to use PwC for these services because they were:

- audit-related engagements that were largely carried out by members of the audit engagement team, with the work closely related to the work performed in the audit;
- engagements covered under other assurance services that require obtaining appropriate audit evidence to express a conclusion designed to enhance the degree of confidence of the intended users other than the responsible party about the subject matter information; or
- other permitted services to advisory attestation reports on internal controls of a service organization primarily prepared for and used by third-party end users.

For fees paid to PwC, please refer to Note 45 of the Annual Financial Statements.

Whistleblowing regarding financial reporting and auditing matters

As set out in the "*Non-Financial Statement*" of the Board of Directors' Report, the Compliance, Ethics and Culture Committee of the Bank's Board of Directors is responsible for the establishment and the continuous monitoring of the implementation of these procedures, which ensure confidentiality and secrecy of the reports or comments received.

The Committee is informed by the Compliance, Ethics and Culture Committee regarding any whistleblowing cases that relate to financial reporting and auditing matters.

Compliance and other Committee Activities

In accordance with the Bank of Greece Governor's Act 2577/2006, the Committee also evaluated the Reports which the Compliance Division presented to the Board of Directors for approval and forwarding to the Bank of Greece, including the Report for issues relating to money laundering and terrorist financing.

It also approves any new or updated policies prepared by the Group Compliance Division, the Group Finance Division and the Group Legal Division on subjects under the Committee's jurisdiction.

It was also updated on outstanding legal cases with emphasis on cases, the outcome of which, could impact the financial statements.

The Committee was also updated on regulatory developments and key interactions with the regulatory authorities, through the receipt of respective regular reports by the Compliance and Governance Function.

Committee evaluation and effectiveness

Regarding the evaluation and the effectiveness of the Committee, see section "*D. Board of Directors and other management, administrative and supervisory Bodies - Evaluation of the Chief Executive Officer, the Board of Directors and the Board Committees*" of the Board of Directors' Report. The overall result was positive, indicating that there is an effective Committee in place discharging its duties fully.

NBG Group Sustainability Policy

In 2021, the Committee approved the NBG's Group Sustainability Policy (see "*Non-Financial Statement - NBG Group Sustainability Policy*" of the Board of Directors' Report).

A key principle of the NBG Group's philosophy is to operate effectively, in a timely and decisive manner, focusing on its long-term sustainability and growth, ensuring sustainable development through innovative ideas and breakthrough solutions, while contributing to addressing the challenges of climate change for the benefit of all Stakeholders who trust its brand and reputation.

Management is committed to continuing NBG's social contribution, demonstrating its respect for all stakeholders, and understanding their features, expectations and needs, through communication and interaction with them, to address the material issues that they are concerned about. To continuously promote sustainable development and responsible entrepreneurship, and aiming at effective management of ESG, sustainability and sustainable financing issues, the Bank established in 2021, the ESG Management Committee (see "*Corporate Governance Statement - Management, administrative and supervisory bodies of the Bank-Executive Committees - ESG Management Committee*" of the Board of Directors' Report).

Furthermore, in February 2022, the Board established the Innovation and Sustainability Committee ensuring there is continuous monitoring and tracking of important developments and long-term trends related to Innovation, Sustainability, Information Technology, ESG and Banking (see section "*Corporate Governance Statement - Board of Directors' Committees - Innovation and Sustainability Committee*" of the Board of Directors' Report).

NBG has further integrated the management of ESG topics across the Three Lines of Defence, with the introduction of specific roles and responsibilities within existing organizational units, as well as the establishment of new ESG related teams (for the Three Lines of Defence please refer to section "*Corporate Governance Statement - E. Internal Control System and Risk Management*") of the Board of Directors' Report. In this context, a new independent sector, Climate & Environmental Strategy Sector, has been set up to define, coordinate and monitor implementation of Climate and Environmental Strategy across the front-line.

Fully aware of the importance of its role in the transition to a sustainable economy, NBG's strategic decision is to constantly upgrade its role and contribution to sustainable development in the context of its activities and operations. In this respect, the Group Sustainability Policy, which is in alignment with the requirements of the applicable legislative and regulatory framework and international practices, applies to actions aiming at sustainable development, corporate social responsibility and business ethics. The purpose of this 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 its Group of Companies.

The main lines of actions for Sustainable Development of the Group and the Bank carried out with the aim of either reducing the negative impacts or enhancing the positive ones, as well as the commitments of the Bank, are described in section "*Non-Financial Statement*" of the Board of Directors' Report, by impact category, and more specifically, in sub section "*Environmental Issues*" for the environmental Impact of financing activities and of internal operation and infrastructure. For the Socio-economic Impact see subsection "*Social and labour issues".*

For the sustainable development initiatives that the Bank undertook and developed in 2022, see section "*Non-Financial Statement - Our performance*" of the Board of Directors' Report.

Responsible Governance Impact

Recognizing its leading role as a responsible company, the Bank is committed to adopting principles that ensure a high level of corporate governance, structures that generate reliable standards of professional conduct and business ethics, policies that contribute to the smooth operation of the organization and the market, and practices that contribute to strengthening of all Stakeholders' trust. In this light, the Bank focuses on the following issues:

- Board membership, roles and authorities.
- Regulatory compliance and business ethics (including combating corruption and bribery, prevention of money laundering & terrorist financing, and unfair competition practices, responsible tax behaviour, data protection, responsible procurement).
- Transparency and Reliability (accurate, equal, timely, regular, reliable and accessible information for all, regarding issues of financial and non-financial reporting/disclosures).
- Remuneration policies.
- Equal treatment of shareholders.
- Robust and effective Internal Control System (i.e., Risk Management Framework, etc.).

The full text of the Group Sustainability Policy can be found on the Bank's website (https://www.nbg.gr/en/group/esg/environment/sustainable-development-policy).

Focus of future activities

At the beginning of each year, the Committee discusses its key priorities for the year ahead. In 2023, the Committee will continue to focus strongly on the successful execution of its Annual Work Plan for 2023. Among the Committee's key priorities is the close monitoring of the critical accounting judgments and estimates in the context of the financial statements, as well as the oversight of disclosures, to meet increasing expectations of stakeholders, in particular the implementation of robust processes and controls to support these disclosures as part of the financial statements' publications/reports to stakeholders in line with the regulatory requirements.

The Committee will also closely track the impact of expected evolution of the economic context (inflation pressure, interest rate rise, reduction of ECB quantitative easing and asset purchases); as well as the implications from the ongoing war in Ukraine and the changing geopolitical environment it has caused.

Translation from the original text in Greek

Independent Auditor's Report

To the Shareholders of "National Bank of Greece S.A."

Report on the audit of the Group and Bank annual financial statements

Our opinion

We have audited the accompanying financial statements of "National Bank of Greece S.A." (Bank or/and Group) which comprise the statement of financial position as of 31 December 2022, the statements of income, comprehensive income, changes in equity and cash flow for the year then ended, and notes[1] to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects the financial position of the Bank and the Group as at 31 December 2022, their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by the European Union and comply with the statutory requirements of Law 4548/2018.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs), as they have been transposed into Greek Law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

During our audit we remained independent of the Bank and the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) that has been transposed into Greek Law, and the ethical requirements of Law 4449/2017 and of Regulation (EU) No 537/2014, that are relevant to the audit of the financial statements in Greece. We have fulfilled our other ethical responsibilities in accordance with Law 4449/2017, Regulation (EU) No 537/2014 and the requirements of the IESBA Code.

We declare that the non-audit services that we have provided to the Bank and its subsidiaries are in accordance with the aforementioned provisions of the applicable law and regulation and that we have not provided non-audit services that are prohibited under Article 5(1) of Regulation (EU) No 537/2014.

The non-audit services that we have provided to the Bank and its subsidiaries, for the year ended 31 December 2022, are disclosed in note 45 to the financial statements.

[1] *Certain required disclosures have been presented elsewhere in the Board of Directors Report, rather than in the notes to the financial statements. These disclosures are cross-referenced from the financial statements and are identified as audited.*

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the year under audit. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	*How our audit addressed the key audit matter*
Expected credit loss allowances for loans and advances to customers under IFRS 9	
The pre-provision balance of the loans and advances to customers at amortized cost, excluding those held for sale, amounted to €34.7bn for the Bank and €36.6bn for the Group, with expected credit loss allowances of €1.4bn and €1.5bn respectively. The measurement of ECL requires Management to apply significant judgement and make estimates and assumptions that involve significant uncertainty, considering also the current macroeconomic and geopolitical outlook, the high levels of inflation and the rising global interest rate environment. Due to the magnitude of ECL allowance and the extent of management judgement that is required for the impairment calculations, the aforementioned calculation has been identified as an area of most significance in the current year audit of the Bank and Group financial statements. The critical judgements and estimates on how the Bank and Group manage and measure credit risk, and for the allowance for impairment on loans and advances to customers, are included in note 3.6 of the annual financial statements. These included: ○ The development by the Group's Economic Analysis Division of a number of future macroeconomic scenarios and their relative probabilities of occurrence, which are incorporated into the Stage allocation process and the calculation of expected credit loss allowances. ○ For lending exposures with signs of credit impairment, that are assessed on an individual basis, the significant judgements made for determining whether these loans are impaired and the estimation of their ECL, based on the expected future cash flows and collateral liquidations and the timing of their recovery. ○ For the collectively assessed lending exposures, for which ECL allowances are estimated on a portfolio basis, the modelling methodologies used for the determination of the probability of default (PD), the exposure at default (EAD) and loss given default (LGD) and the validation of their performance. ○ Management's applied overlays where they believe that the estimated loss amounts are not appropriate, either due to model limitations, or	Our work included understanding of management's process and assessment of the design of governance and controls over the determination of the allowance for impairment on loans and advances to customers. We understood the impairment estimation process due to credit risk and assessed the design, implementation and operation of key internal controls around: (i) the determination of the macroeconomic scenarios used and the probability weightings applied to them, (ii) the model monitoring and validation, and (iii) the flow of critical data from source systems to ECL models. With the support of our internal specialists, when needed, we performed the following procedures: ○ For the generation, selection and weighting applied to economic scenarios, we: (i) assessed the identification and use of appropriate external economic data, (ii) assessed the methodology for determining the economic scenarios used and the probability weightings applied to them, and (iii) assessed the risk of bias in the forecasts, as well as the existence of contrary evidence. ○ Where impairment provisions were calculated on a collective basis, we: (i) tested the completeness and accuracy of data used in the impairment models by agreeing details to the source systems, (ii) assessed the design and implementation of the models, including significant assumptions and the quality of the observable data used to derive model parameters, and (iii) assessed the reasonableness of the impairment model methodology applied by management and key modelling judgements to determine the credit risk parameters for the expected credit loss calculation. In addition, our procedures included, among others, the following test of details: ○ For a sample of individually impaired loans, we re-performed the impairment calculation and tested key inputs including the expected cash flows to be collected, expected timing of the collection, discount rates used and the valuation of any collateral held that was included in the expected cash flows.

when the emerging risks or the current conditions are not captured. o Management's estimates around the measurement of loans classified as held for sale either due to direct portfolio sales or loans securitizations.	o For the aforementioned sample we inspected legal agreements and supporting documentation to confirm the existence and legal right to the collateral. We assessed the collateral valuation techniques applied against Bank and Group policy and valuation standards. o Assessed the appropriateness of management's overlays in light of recent economic events and circumstances. o For the loans held for sale, both through outright sales transactions and through securitisations, we inspected the respective offers and/or agreements and assessed management's calculations for determining their recoverable amount. Based on the evidence obtained, we found that the methodologies, impairment model assumptions, management judgements, data used within the allowance assessment and the respective financial statements' disclosures were appropriate and in line with the requirements of IFRS 9.
Recoverability of Deferred Tax Assets ('DTA')	
The Bank and Group, as disclosed in note 27 of the annual financial statements, recognised DTA of €4.7bn in relation to tax deductible temporary differences. The recognition and measurement of DTA has been identified as an area of significance as it requires significant assumptions, estimates and high degree of judgement by the management regarding the ability of generating future taxable profits. For more information regarding critical judgements and estimates please refer to note 3.2 of the annual financial statements. The Bank and the Group have recognised DTA for deductible temporary differences to the extent it considers this to be recoverable. These differences relate to: o The losses resulted from Group's participation in the Greek debt voluntary restructuring ("PSI+") and subsequent debt buyback program of 2012, which are subject to a 30 year tax amortization, starting from year 2012; and o the loan impairment losses that can offset future taxable gains according to current tax legislation. The recoverability of the recognised DTA is dependent on the Bank's and the Group's ability to generate future taxable profits sufficient to cover the deductible temporary differences when such differences crystallise for tax purposes. Management's assessment regarding the ability of the Bank and the Group to generate future taxable profits	We have assessed the reasonableness of the assumptions used in drafting the business plan, that was approved by the Bank's and Group's Board of Directors taking into account the execution risks and uncertainties stemming from the macroeconomic environment in Greece. Specifically, we: o Compared these to our own expectations derived from our knowledge of the industry and our understanding obtained during our audit, and o Performed a sensitivity analysis to determine the effect of changes in the assumptions and how estimation uncertainty may affect the Bank's and the Group's projected profitability. For the purpose of our recoverability assessment, we have evaluated the appropriateness of the adjustments applied to convert accounting profits into taxable ones and have assessed management's projections beyond the business plan horizon. Furthermore, our procedures also included assessing management's interpretations of current tax legislation with respect to the accounting write-offs and the gradual amortisation of the crystallised tax loss arising from nonperforming loans' disposals, and debt forgiveness arrangements. Based on the evidence obtained, we found management's assessment with respect to the recoverability of the DTA to be reasonable. We evaluated the adequacy of the financial statements' disclosures, including disclosures of key assumptions and judgements.

requires the use of significant judgement and estimates as indicated below: o The assumptions that underpin the business plan of the Bank and the Group that may be impacted by the risks and uncertainties stemming from the macroeconomic environment in Greece; o the projections required to cover the time horizon up to the legal expiration of the period within which the DTA can be recovered; and o the adjustments required to derive the estimated tax profits from the projected accounting profits to infer the amount of DTA that will be recoverable in future periods.	Based on the evidence obtained, we found that the management's assumptions, judgements, data within the DTA recoverability assessment and the respective financial statements' disclosures were appropriate and in line with the requirements of IAS 12.
IT systems	
The Bank's and Group's financial statements are highly reliant on information generated, processed and reported by the Bank's and Group's Information Technology (IT) systems and automated processes and controls implemented in these systems. The Bank and the Group have implemented a framework of governance and IT controls to address risks related to user access management, program development and changes as well as IT operations that support the continued proper operation of the IT environment, including the continued effective functioning of information processing controls and the integrity of information relevant to financial reporting. We considered this a significant area of focus for our audit, due to the complexity, the high volume of transactions and pervasiveness of IT systems on the Bank's and Group's operations and financial reporting processes as well as the implementation of the new Accounting Engine during the year.	We involved specialists to evaluate IT general controls that support financially significant applications, underlying infrastructure and IT dependencies relevant to financial reporting. The IT General control areas evaluated included access to programs and data, IT operations, program development and changes as well as consideration of cyber security risks. With regards to the newly implemented Bank Accounting Engine, we tested, on a sample basis, specific program development controls. Additionally, we performed substantive procedures over the validation of General Ledger Accounting rules for all the transactions generated from all transactional systems in scope, as well as substantive testing over manual journal entries. We also performed testing, on a sample basis, of supporting IT dependencies that were key to our audit in order to assess the accuracy of certain system calculations, the completeness and accuracy of system generated reports and where applicable, further supplemented by other substantive audit procedures.

Other Information

The members of the Board of Directors are responsible for the Other Information. The Other Information, which is included in the Annual Report in accordance with Law 3556/2007, is the Certification of the Board of Directors, the Board of Directors' Report, the Supplementary Report of the Board of Directors, the Audit Committee Report, Disclosures of Law 4261/2014 Art.81, Disclosures of Law 4261/2014 Art. 82 and Disclosures of article 6 of Law 4374/2016 (but does not include the financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report.

Our opinion on the financial statements does not cover the Other Information and except to the extent otherwise explicitly stated in this section of our Report, we do not express an audit opinion or other form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the Other Information identified above and, in doing so, consider whether the Other Information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We considered whether the Board of Directors Report includes the disclosures required by Law 4548/2018 and the Corporate Governance Statement required by article 152 of Law 4548/2018 has been prepared.

Based on the work undertaken in the course of our audit, in our opinion:

- The information given in the Board of Directors' Report for the year ended at 31 December 2022 is consistent with the financial statements,
- The Board of Directors' Report has been prepared in accordance with the legal requirements of articles 150, 151, 153 and 154 of Law 4548/2018,
- The Corporate Governance Statement provides the information referred to items (c) and (d) of paragraph 1 of article 152 of Law 4548/2018.

In addition, in light of the knowledge and understanding of the Bank and Group and their environment obtained in the course of the audit, we are required to report if we have identified material misstatements in the Board of Directors Report and Other Information that we obtained prior to the date of this auditor's report. We have nothing to report in this respect.

Responsibilities of Board of Directors and those charged with governance for the financial statements

The Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, as adopted by the European Union and comply with the requirements of Law 4548/2018, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Bank's and Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Bank and Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Bank's and Group's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs, as they have been transposed into Greek Law, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs that have been transposed into Greek Law, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's and Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's and Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion.

Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank and Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Bank and Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the year under audit and are therefore the key audit matters. We describe these matters in our auditor's report.

Report on other legal and regulatory requirements

1. Additional Report to the Audit Committee

Our opinion on the accompanying financial statements is consistent with our, as per article 11 of Regulation (EU) 537/2014 required, Additional Report to the Audit Committee of the Bank.

2. Appointment

We were first appointed as auditors of the Bank by the decision of the annual general meeting of shareholders on 30 June 2017. Our appointment has been renewed annually by the decision of the annual general meeting of shareholders for a total uninterrupted period of appointment of 6 years.

3. Operating Regulation

The Bank has an Operating Regulation in accordance with the content provided by the provisions of article 14 of Law 4706/2020.

4. Assurance Report on the European Single Electronic Format

We have examined the digital files of the Bank and the Group, which were compiled in accordance with the European Single Electronic Format (ESEF) defined by the Commission Delegated Regulation (EU) 2019/815, as amended by Regulation (EU) 2020/1989 (hereinafter "ESEF Regulation"), and which include the financial statements of the Bank and the Group for the year ended December 31, 2022, in XHTML format 5UMCZOEYKCVFAW8ZLO05-2022-12-31-el.html, as well as the provided XBRL file 5UMCZOEYKCVFAW8ZLO05-2022-12-31-el.zip with the appropriate marking up, on the aforementioned consolidated financial statements, including the other explanatory information (Notes to the financial statements).

Regulatory framework

The digital files of the European Single Electronic Format are compiled in accordance with ESEF Regulation and 2020 / C 379/01 Interpretative Communication of the European Commission of 10 November 2020, as provided by Law 3556/2007 and the relevant announcements of the Hellenic Capital Market Commission and the Athens Stock Exchange (hereinafter "ESEF Regulatory Framework").

In summary, this Framework includes the following requirements:

- All annual financial reports should be prepared in XHTML format.
- For consolidated financial statements in accordance with International Financial Reporting Standards, the financial information stated in the Statement of Comprehensive Income, the Statement of Financial

Position, the Statement of Changes in Equity and the Statement of Cash Flows, as well as the financial information included in the other explanatory information, should be marked-up with XBRL 'tags' and 'block tag', according to the ESEF Taxonomy, as in force. The technical specifications for ESEF, including the relevant classification, are set out in the ESEF Regulatory Technical Standards.

The requirements set out in the current ESEF Regulatory Framework are suitable criteria for formulating a reasonable assurance conclusion.

Responsibilities of the management and those charged with governance

The management is responsible for the preparation and submission of the financial statements of the Bank and the Group, for the year ended December 31, 2022, in accordance with the requirements set by the ESEF Regulatory Framework, as well as for those internal controls that management determines as necessary, to enable the compilation of digital files free of material error due to either fraud or error.

Auditor's responsibilities

Our responsibility is to plan and carry out this assurance work, in accordance with no. 214/4 / 11.02.2022 Decision of the Board of Directors of the Hellenic Accounting and Auditing Standards Oversight Board (HAASOB) and the "Guidelines in relation to the work and the assurance report of the Certified Public Accountants on the European Single Electronic Format (ESEF) of issuers with securities listed on a regulated market in Greece" as issued by the Board of Certified Auditors on 14/02/2022 (hereinafter "ESEF Guidelines"), providing reasonable assurance that the financial statements of the Bank and the Group prepared by the management in accordance with ESEF comply in all material respects with the current ESEF Regulatory Framework.

Our work was carried out in accordance with the Code of Ethics for Professional Accountants of the International Ethics Standard Board for Accountants (IESBA Code), which has been transposed into Greek Law and in addition we have fulfilled the ethical responsibilities of independence, according to Law 4449/2017 and the Regulation (EU) 537/2014.

The assurance work we conducted is limited to the procedures provided by the ESEF Guidelines and was carried out in accordance with International Standard on Assurance Engagements 3000, "Assurance Engagements other than Audits or Reviews of Historical Financial Information". Reasonable assurance is a high level of assurance, but it is not a guarantee that this work will always detect a material misstatement regarding non-compliance with the requirements of the ESEF Regulation.

Conclusion

Based on the procedures performed and the evidence obtained, we conclude that the financial statements of the Bank and the Group for the year ended December 31, 2022, in XHTML file format 5UMCZOEYKCVFAW8ZLO05-2022-12-31-el.html, as well as the provided XBRL file 5UMCZOEYKCVFAW8ZLO05-2022-12-31-el.zip with the appropriate marking up, on the aforementioned consolidated financial statements have been prepared, in all material respects, in accordance with the requirements of the ESEF Regulatory Framework.

pwc

PricewaterhouseCoopers S.A.
260 Kifissias Avenue, Halandri 152 32
SOEL Reg. No. 113

Athens, 19 March 2023
The Certified Auditor

Despina Marinou
SOEL Reg. No. 17681

NATIONAL BANK
OF GREECE

Group and Bank Financial Statements

2022

As at and for the period ended 31 December 2022

Statement of Financial Position
as at 31 December 2022

€ million	Note	Group 31.12.2022	Group 31.12.2021	Bank 31.12.2022	Bank 31.12.2021
ASSETS					
Cash and balances with central banks	17	14,226	15,827	13,957	15,539
Due from banks	18	2,900	3,639	2,854	3,539
Financial assets at fair value through profit or loss	19	395	314	375	295
Derivative financial instruments	20	1,962	4,331	1,962	4,331
Loans and advances to customers	21	35,561	30,439	33,782	28,886
Investment securities	22	13,190	14,937	12,905	14,552
Investment property	23	71	80	2	2
Investments in subsidiaries	43	-	-	759	1,133
Equity method investments	24	175	18	172	17
Software	25	431	353	424	345
Property and equipment	26	1,565	1,655	1,164	1,240
Deferred tax assets	27	4,705	4,912	4,692	4,906
Current income tax advance	15	208	289	205	285
Other assets	28	2,229	2,671	2,122	2,584
Non-current assets held for sale	29	495	4,493	441	866
Total assets		**78,113**	**83,958**	**75,816**	**78,520**
LIABILITIES					
Due to banks	30	9,811	14,731	10,027	14,900
Derivative financial instruments	20	1,923	3,014	1,923	3,014
Due to customers	31	55,192	53,493	53,704	52,228
Debt securities in issue	32	1,731	912	1,731	912
Other borrowed funds	33	63	79	-	-
Deferred tax liabilities	27	16	15	-	-
Retirement benefit obligations	11	248	271	246	269
Current income tax liabilities		2	4	-	-
Other liabilities	34	2,627	2,250	2,302	1,956
Liabilities associated with non-current assets held for sale	29	25	3,417	-	-
Total liabilities		**71,638**	**78,186**	**69,933**	**73,279**
SHAREHOLDERS' EQUITY					
Share capital	36	915	915	915	915
Share premium	36	3,542	13,866	3,539	13,863
Reserves and retained earnings	38	1,995	(9,264)	1,429	(9,537)
Amounts recognised directly in equity relating to non-current assets held for sale		-	233	-	-
Equity attributable to NBG shareholders		**6,452**	**5,750**	**5,883**	**5,241**
Non-controlling interests	39	23	22	-	-
Total equity		**6,475**	**5,772**	**5,883**	**5,241**
Total equity and liabilities		**78,113**	**83,958**	**75,816**	**78,520**

Athens, 13 March 2023

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

The notes on pages 190 to 305 form an integral part of these Annual Financial Statements

Income Statement
for the year ended 31 December 2022

€ million	Note	Group 12-month period ended 31.12.2022	Group 12-month period ended 31.12.2021	Bank 12-month period ended 31.12.2022	Bank 12-month period ended 31.12.2021
Continuing Operations					
Interest and similar income		1,521	1,361	1,412	1,260
Interest expense and similar charges		(152)	(149)	(162)	(158)
Net interest income	6	**1,369**	**1,212**	**1,250**	**1,102**
Fee and commission income		464	421	414	370
Fee and commission expense		(117)	(134)	(103)	(121)
Net fee and commission income	7	**347**	**287**	**311**	**249**
Net trading income / (loss) and results from investment securities	8	346	180	339	172
Gains / (losses) arising from the derecognition of financial assets measured at amortised cost	8	60	283	60	283
Net other income / (expense)	9	233	(59)	220	(81)
Total income		**2,355**	**1,903**	**2,180**	**1,725**
Personnel expenses	10	(475)	(545)	(439)	(503)
General, administrative and other operating expenses	12	(208)	(207)	(178)	(179)
Depreciation and amortisation on investment property, property & equipment and software & other intangible assets	23, 25, 26	(172)	(163)	(155)	(142)
Credit provisions and other impairment charges	13	(280)	(78)	(252)	(60)
Restructuring costs	14	(67)	(111)	(67)	(109)
Share of profit / (loss) of equity method investments		2	-	-	
Profit before tax		**1,155**	**799**	**1,089**	**732**
Tax benefit / (expense)	15	(263)	(15)	(263)	-
Profit for the period from continuing operations		**892**	**784**	**826**	**732**
Discontinued Operations					
Profit / (loss) for the period from discontinued operations	29	**230**	**85**	**(13)**	**(3)**
Profit for the period		**1,122**	**869**	**813**	**729**
Attributable to:					
Non-controlling interests		2	2	-	-
NBG equity shareholders		**1,120**	**867**	**813**	**729**
Earnings per share (Euro) - Basic and diluted from continuing operations	16	**€0.97**	**€0.86**	**€0.90**	**€0.80**
Earnings per share (Euro) - Basic and diluted from continuing and discontinued operations	16	**€1.22**	**€0.95**	**€0.89**	**€0.80**

Athens, 13 March 2023

THE CHAIRMAN OF THE BOARD OF DIRECTORS	THE CHIEF EXECUTIVE OFFICER	THE CHIEF FINANCIAL OFFICER
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The notes on pages 190 to 305 form an integral part of these Annual Financial Statements

Statement of Comprehensive Income
for the year ended 31 December 2022

€ million	Note	Group 12-month period ended 31.12.2022	Group 12-month period ended 31.12.2021	Bank 12-month period ended 31.12.2022	Bank 12-month period ended 31.12.2021
Profit for the period		**1,122**	**869**	**813**	**729**
Other comprehensive income / (expense):					
Items that will be reclassified to the Income Statement:					
Available-for-sale securities, net of tax		(246)	(88)	-	-
Investments in debt instruments measured at fair value through other comprehensive income ("FVTOCI"), net of tax		(212)	(145)	(211)	(145)
Currency translation differences, net of tax		(125)	10	(13)	1
Cash flow hedge, net of tax		18	22	18	22
Net investment hedge, net of tax		110	-	-	-
Total of items that will be reclassified to the Income Statement		**(455)**	**(201)**	**(206)**	**(122)**
Items that will not be reclassified to the Income Statement:					
Investments in equity instruments measured at FVTOCI, net of tax		(10)	11	(11)	10
Remeasurement of the net defined benefit liability / asset, net of tax		44	9	35	10
Total of items that will not be reclassified to the Income Statement		**34**	**20**	**24**	**20**
Other comprehensive income / (expense) for the period, net of tax	37	**(421)**	**(181)**	**(182)**	**(102)**
Total comprehensive income / (expense) for the period		**701**	**688**	**631**	**627**
Attributable to:					
Non-controlling interests		2	2	-	-
NBG equity shareholders		699	686	631	627

Athens, 13 March 2023

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

The notes on pages 190 to 305 form an integral part of these Annual Financial Statements

Statement of Changes in Equity - Group
for the year ended 31 December 2022

€ million	Share capital	Share premium	Treasury shares	Securities at FVTOCI reserve	Currency translation reserve	Net investment hedge reserve	Cash flow hedge reserve	Defined benefit plans	Other reserves & Retained earnings	Total	Non-controlling Interests	Total
	Attributable to equity holders of the parent company											
	Ordinary shares	Ordinary shares										
Balance at 31 December 2020 and at 1 January 2021	**2,744**	**13,866**	**(1)**	**417**	**59**	**(111)**	**(40)**	**(208)**	**(11,661)**	**5,065**	**20**	**5,085**
Other Comprehensive Income/ (expense) for the period	-	-	-	(223)	10	-	22	9	-	**(182)**	-	**(182)**
Gains/(losses) from equity instruments at FVTOCI reclassified to retained earnings	-	-	-	1	-	-	-	-	(1)	**-**	-	**-**
Profit for the period	**-**	**-**	**-**	-	-	-	-	**-**	867	**867**	2	**869**
Total Comprehensive Income / (expense) for the period (see Note 37)	**-**	**-**	**-**	**(222)**	**10**	**-**	**22**	**9**	**866**	**685**	**2**	**687**
Reduction of par value per share (see Note 36)	(1,829)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,829**	**-**	**-**	**-**
Acquisitions, disposals & share capital increases of subsidiaries/associates	-	-	-	-	-	-	-	-	(1)	**(1)**	-	**(1)**
(Purchases)/ disposals of treasury shares	-	-	1	-	-	-	-	-	-	**1**	-	**1**
Balance at 31 December 2021 and at 1 January 2022	**915**	**13,866**	**-**	**195**	**69**	**(111)**	**(18)**	**(199)**	**(8,967)**	**5,750**	**22**	**5,772**
Other Comprehensive Income/ (expense) for the period	-	-	-	(457)	(125)	110	18	44	(9)	**(419)**	-	**(419)**
Gains/(losses) from equity instruments at FVTOCI reclassified to retained earnings	-	-	-	(11)	-	-	-	-	11	**-**	-	**-**
Profit for the period	-	-	-	-	-	-	-	-	1,120	**1,120**	2	**1,122**
Total Comprehensive Income / (expense) for the period (see Note 37)	**-**	**-**	**-**	**(468)**	**(125)**	**110**	**18**	**44**	**1,122**	**701**	**2**	**703**
Offsetting of losses with share premium and reserves (see Note 36)	**-**	(10,324)	-	-	-	-	-	-	10,324	**-**	**-**	**-**
Acquisitions, disposals & share capital increases of subsidiaries/equity method investments	-	-	-	-	-	-	-	-	1	1	(1)	**-**
Balance at 31 December 2022	**915**	**3,542**	**-**	**(273)**	**(56)**	**(1)**	**-**	**(155)**	**2,480**	**6,452**	**23**	**6,475**

The notes on pages 190 to 305 form an integral part of these Annual Financial Statements

Statement of Changes in Equity - Bank
for the year ended 31 December 2022

€ million	Share capital	Share premium	Securities at FVTOCI reserve	Currency translation reserve	Cash flow hedge reserve	Defined benefit plans	Other reserves & retained earnings	Total
	Ordinary shares	Ordinary shares						
Balance at 31 December 2020 and 1 January 2021	**2,744**	**13,863**	**76**	**(52)**	**(40)**	**(199)**	**(11,777)**	**4,615**
Other Comprehensive Income/ (expense) for the period	-	-	(136)	1	22	10	-	**(103)**
Gains/(losses) from equity instruments at FVTOCI reclassified to retained earnings	-	-	1	-	-	-	(1)	**-**
Profit for the period	-	-	-	-	-	-	729	**729**
Total Comprehensive Income / (expense) for the period (see Note 37)	**-**	**-**	**(135)**	**1**	**22**	**10**	**728**	**626**
Reduction of par value per share (see Note 36)	(1,829)	-	-	-	-	-	1,829	-
Balance at 31 December 2021 and 1 January 2022	**915**	**13,863**	**(59)**	**(51)**	**(18)**	**(189)**	**(9,220)**	**5,241**
Other Comprehensive Income/ (expense) for the period	-	-	(211)	(13)	18	35	-	**(171)**
Gains/(losses) from equity instruments at FVTOCI reclassified to retained earnings	-	-	(11)	-	-	-	11	**-**
Profit for the period	-	-	-	-	-	-	813	**813**
Total Comprehensive Income / (expense) for the period (see Note 37)	**-**	**-**	**(222)**	**(13)**	**18**	**35**	**824**	**642**
Offsetting of losses with share premium and reserves (see Note 36)	-	(10,324)	-	-	-	-	10,324	**-**
Balance at 31 December 2022	**915**	**3,539**	**(281)**	**(64)**	**-**	**(154)**	**1,928**	**5,883**

The notes on pages 190 to 305 form an integral part of these Annual Financial Statements

Cash Flow Statement
for the year ended 31 December 2022

	Group		Bank	
	12-month period ended		12-month period ended	
€ million	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Cash flows from operating activities				
Profit before tax	**1,392**	**901**	**1,074**	**729**
Adjustments for:				
Non-cash items included in income statement and other adjustments:	**341**	**12**	**494**	**14**
Depreciation and amortisation on investment property, property & equipment and software & other intangible assets (see Note 23, 25 & 26)	172	163	155	142
Amortisation of premiums /discounts of investment securities, debt securities in issue and other borrowed funds	65	101	72	96
Credit provisions and other impairment charges	104	75	188	88
Provision for employee benefits	15	25	8	8
Share of (profit) / loss of equity method investments	(2)	-	-	-
Result from fair value and cash flow hedges	(1)	34	(1)	34
Dividend income from investment securities	(3)	(4)	(3)	(3)
Net (gain) / loss on disposal of property & equipment and investment property	(21)	(8)	-	(4)
Net (gain) / loss on disposal of subsidiaries	(30)	-	-	-
Net (gain) / loss on disposal of investment securities	27	(182)	24	(172)
Gain on exchange of Greek Government Bonds (see Note 22)	-	(209)	-	(209)
Accrued interest from financing activities and results from repurchase of debt securities in issue	6	-	(2)	2
Accrued interest of investment securities	(6)	16	(7)	16
Valuation adjustment on instruments designated at fair value through profit or loss	4	2	4	2
Other non-cash operating items	11	(1)	56	14
Net (increase) / decrease in operating assets:	**3,340**	**183**	**4,132**	**223**
Mandatory reserve deposits with Central Bank	37	3	3	4
Due from banks	2,621	232	3,179	298
Financial assets at fair value through profit or loss	(72)	212	(68)	207
Derivative financial instruments	2,492	1,236	2,492	1,235
Loans and advances to customers	(2,180)	(1,078)	(2,043)	(1,125)
Other assets	442	(422)	569	(396)
Net increase / (decrease) in operating liabilities:	**(3,148)**	**5,534**	**(3,649)**	**5,607**
Due to banks	(4,950)	1,995	(4,873)	1,879
Due to customers	1,696	4,430	1,472	4,701
Derivative financial instruments	(661)	(567)	(661)	(567)
Retirement benefit obligations	(10)	(21)	3	(25)
Insurance related reserves and liabilities	329	80	-	-
Income taxes (paid) / received	21	32	54	52
Other liabilities	427	(415)	356	(433)
Net cash from / (for) operating activities	**1,925**	**6,630**	**2,051**	**6,573**
Cash flows from investing activities				
Acquisition of subsidiaries, net of cash acquired	-	-	(2)	-
Participation in share capital (increase)/decrease of subsidiaries	-	-	(53)	(19)
Disposals of subsidiaries, net of cash disposed	214	-	623	-
(Acquisition) / disposal of equity method investments	(155)	-	(155)	-
Dividends received from investment securities & equity method investments	3	4	4	3
Purchase of investment property, property & equipment, software & other and intangible assets	(193)	(179)	(176)	(167)
Proceeds from disposal of property & equipment and investment property	51	19	10	5
Purchase of investment securities	(7,942)	(13,122)	(7,321)	(11,571)
Proceeds from redemption and sale of investment securities	6,940	13,006	5,908	11,582
Net cash (used in) / provided by investing activities	**(1,082)**	**(272)**	**(1,162)**	**(167)**
Cash flows from financing activities				
Proceeds from debt securities in issue and other borrowed funds	907	19	883	-
Repayments of debt securities in issue, other borrowed funds and preferred securities	(62)	-	(22)	-
Principal elements of lease payments	(61)	(57)	(50)	(45)
Proceeds from disposal of treasury shares	15	16	-	-
Repurchase of treasury shares	(14)	(15)	-	-
Net cash from/ (for) financing activities	**785**	**(37)**	**811**	**(45)**
Effect of foreign exchange rate changes on cash and cash equivalents	(8)	-	-	(1)
Net increase / (decrease) in cash and cash equivalents	**1,620**	**6,321**	**1,700**	**6,360**
Cash and cash equivalents at beginning of period	16,105	9,784	15,810	9,450
Cash and cash equivalents at end of period (see Note 41)	**17,725**	**16,105**	**17,510**	**15,810**

The notes on pages 190 to 305 form an integral part of these Annual Financial Statements

NOTE 1 General information

National Bank of Greece S.A. (hereinafter "NBG" or the "Bank") was founded in 1841 and its shares have been listed on the Athens Exchange since 1880. The Bank's headquarters are located at 86 Eolou Street, 10559 Athens, Greece, (Register number G.E.MH. 237901000), tel. (+30) 210 334 1000, www.nbg.gr. By resolution of the Board of Directors, the Bank can establish branches, agencies and correspondence offices in Greece and abroad. In its 182 years of operation, the Bank has expanded on its commercial banking business by entering into related business areas. The Bank and its subsidiaries (hereinafter the "Group") provide a wide range of financial services including mainly retail, corporate and investment banking, non-performing management, transactional banking, leasing, factoring, brokerage, asset management, real estate management and insurance services. The Group operates mainly in Greece but also through its branch in Cyprus and its subsidiaries in North Macedonia, Romania, Bulgaria, Cyprus, Luxembourg, Netherlands and U.K. Following the respective Bank's decision in 2021, the Group ceased its operation in Egypt, Malta and NBG London Branch; and therefore the NBG Egypt Branch, the NBG London Branch and the subsidiaries NBG Malta Ltd (formerly known as NBG Bank Malta Ltd) and NBG Malta Holdings Ltd are currently under liquidation.

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

The Non-Executive Chairman of the Board of Directors
Gikas A. Hardouvelis
Executive members
Pavlos K. Mylonas
Christina T. Theofilidi
Independent Non-Executive Members
Avraam C. Gounaris - Senior Independent Director
Anne Clementine L. Marion-Bouchacourt
Claude Edgar L.G. Piret
Wietze J.P. Reehoorn
Matthieu A. Kiss
Elena Ana E.V. Cernat
Aikaterini K. Beritsi
Jayaprakasa (JP) C.S. Rangaswami
Athanasios S. Zarkalis
Non-Executive Representative of the Hellenic Financial Stability Fund (Greek Law 3864/2010)
Periklis F. Drougkas

The Board of Directors Members are elected by the Bank's General Meeting of Shareholders for a maximum term of three years and may be re-elected. The term of the above Members expires at the Annual General Meeting of the Bank's Shareholders in 2024.

Moreover, the Annual General Meeting of Shareholders held on 28 July 2022, resolved upon the increase of the number of Board members from twelve (12) to thirteen (13) and the election of Mr. Athanasios Zarkalis as new Independent Non-Executive member of the Board of Directors, in fulfilment of the new position in the Board, with a term equal to the remaining Board members, i.e. up to the Annual General Meeting of Shareholders of 2024.

The Annual Financial Statements are subject to approval by the Bank's Annual Shareholder's Meeting.

These Annual Financial Statements have been approved for issue by the Bank's Board of Directors on 13 March 2023.

NOTE 2 Summary of significant accounting policies

2.1 Basis of preparation

The consolidated Financial Statements of the Group and the separate Financial Statements of the Bank as at and for the year ended 31 December 2022 (the "Annual Financial Statements") have been prepared in accordance with International Financial Reporting Standards ("IFRSs") as endorsed by the European Union (the "EU").

The Annual Financial Statements have been prepared under the historical cost basis except for the financial assets measured at fair value through other comprehensive income, financial assets and financial liabilities (including derivative instruments) measured at fair-value-through-profit-or-loss. The carrying values of recognised assets and liabilities that are hedged items in fair value hedges, and otherwise carried at amortised cost, are adjusted to record changes in fair value attributable to the risks that are being hedged.

The accounting policies for the preparation of the Annual Financial Statements have been consistently applied to the years 2022 and 2021, after considering the amendments in IFRSs as described in Section 2.3 "New and Amended Standards and Interpretations". Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year.

The preparation of the Annual Financial Statements in conformity with IFRSs requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the reporting date and the reported amounts of revenues and expenses during the reporting period. Use of available information and application of judgment are inherent in the formation of estimates in the following areas: impairment of loans-and-receivables, valuation of financial instruments not quoted in active markets, including OTC derivatives and certain debt securities, impairment of investment securities, impairment assessment of intangible assets, assessment of the recoverability of deferred tax assets ("DTA"), estimation of retirement benefits obligation, liabilities from unaudited tax years and contingencies from litigation. Although these estimates are based on management's best knowledge of current events and actions, actual results ultimately may differ from those estimates.

The Annual Financial Statements have been prepared on the basis that the Group will continue to operate as a going concern (see Note 2.2 "Going Concern").

The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the Annual Financial Statements are disclosed in Note 3 "Critical judgments and estimates".

The Group's presentation currency is the Euro (€) being the functional currency of the parent company. Except as indicated, financial information presented in Euro has been rounded to the nearest million.

2.2 Going concern

Going concern conclusion

After considering (a) the significant recurring profitability of the Group and the Bank (b) the significant collateral buffer and Liquidity Coverage Ratio ("LCR") and Net Stable Funding Ratio ("NSFR") which is well above 100% (c) the current level of European Central Bank ("ECB") funding solely from Targeted Long-term Refinancing Operations ("TLTROs") (d) the Group's Common Equity Tier 1 ("CET1") ratio at 31 December 2022 which exceeded the Overall Capital Requirements ("OCR"), (e) the extensive and continuous fiscal and monetary support of the European and Greek authorities in response to the unprecedented COVID-19 crisis in 2020 and 2021, (f) the activation of new fiscal measures in response to pressures from increased inflation and (g) the Group's insignificant exposure to Russia and the Ukraine and Management's actions with respect to the crises (see Note 47 "Ukraine crisis"), the Board of Directors concluded that the Group and the Bank is a going concern and thus the application of the going concern principle for the preparation of these Annual Financial Statements is appropriate.

Profitability

For the year ended 31 December 2022, the profit from continuing operations amounted to €892 million and €826 million for the Group and the Bank, respectively, whereas earnings per share from continuing operations amounted to €0.97 and €0.90 for the Group and the Bank, respectively.

Liquidity

As at 31 December 2022, funding from the ECB through TLTROs amounted to €8.1 billion (31 December 2021: €11.6 billion), solely TLTROs. Additionally, as at 31 December 2022, the Group's liquidity buffer at cash values amounted to €25.9 billion, with the LCR and NSFR ratios well above 100%.

Capital adequacy

The Group's Common Equity Tier 1 ("CET1") and Total Capital ratios as at 31 December 2022 were 16.6% and 17.7% respectively, exceeding the OCR ratios of 11.75% for 2022, post capital relief measures (see Note 4.6 "Capital Adequacy").

Macroeconomic developments

Economic activity in Greece remained on an upward trend in y-o-y terms in 2022, according to 9M.2022 national accounts data and high frequency indicators of economic activity available for 4Q.2022, showing resilience to the persistent headwinds from high inflation and elevated geopolitical uncertainty and outpacing the euro area average. Greece's Gross Domestic Product ("GDP") growth reached 5.9% y-o-y in 9M.2022, compared with 4.0% y-o-y for the euro area average. The revival of tourism and other service activities, additional energy-related fiscal support, and self-sustained improvements in the labor market and business environment cushioned the inflation drag on disposable income.

Private consumption increased by 9.5% y-o-y and gross fixed capital formation by 10.2% y-o-y in 9M.2022, with the latter climbing to an 11-year high of 13.6% of GDP. Labor market conditions remained highly supportive, offsetting part of the inflation hit on disposable income. Tourism provided a decisive impulse to economic growth, with latest trends presaging a new all-time high for revenue (up by €6.8 billion y-o-y in 11M.2022, to 97.6% compared to 11M.2019 levels).

Positive wealth effects and increasing non-wage income supported household spending. Residential real estate prices, which account for more than 80% of household wealth, rose by 10.4% y-o-y in 9M.2022 (+11.2% y-o-y in 3Q.2022), recording a cumulative appreciation of nearly 40% between 3Q.2017 and 3Q.2022.

Profits from entrepreneurial activity, as measured by the economy-wide gross operating surplus (excluding mixed income) increased at a 10-year high of €44.6 billion in 9M.2022, exhibiting the highest growth rate in 20 years. The buoyancy of business profits reflects the adaptability and resilience of the competitive corporate sector to sharply rising production costs, combined with strengthened pricing power and supported by favourable demand conditions.

Strong cyclical tailwinds bolstered the fiscal performance vis-à-vis the upwardly revised fiscal targets for 2022, despite the additional energy support measures in 4Q.22 and early-2023. Fiscal support to households and firms in FY.2022 is estimated at c. €11.5 billion, in gross value terms, mostly comprising of subsidies to electricity bills and other energy-related measures. The Government Budget for 2023 targets to a primary surplus of 0.7% of GDP, from an estimated primary deficit of 1.6% of GDP in 2022. Greece's public debt as % of GDP recorded an outstanding decline of 24.7 pps, on an annual basis, in 3Q.2022 – the largest improvement among euro area countries – to 178.2% of GDP and is expected to drop further in 2023 (to c. 160.0% according to the 2023 Budget).

Greece's responsiveness to mounting energy challenges was remarkable, reflected in a double-digit drop in electricity consumption in 2022, as well as by a 19% y-o-y decline in natural gas import volume for domestic consumption in 2022, combined with a swift substitution of Russian gas for Liquefied Natural Gas ("LNG") in the national energy mix. An easing of energy price pressures in 4Q.2022, following a spike in 3Q.2022, has been translated into a significant slowing of the Consumer Price Index ("CPI") inflation to 7.2% in December 2022 from 12.0% in September 2022, while market expectations of energy prices (future contracts on crude oil and natural gas) are also pointing to some easing of energy-related risks (estimated average year-over-year drop in crude oil prices of -18.9% and natural gas based on Title Transfer Facility ("TTF") contract of -46.7%, although the market remains sensitive to geopolitical uncertainty and other extraordinary factors which could affect fuel demand and supply conditions).

However, underlying inflation pressures remain high and appear more persistent worldwide, leading major central banks (including the ECB) to rapidly tighten their monetary policy, with markets expecting additional interest rate hikes until mid-2023. This tightening could affect macroeconomic and financial conditions over the course of 2023, due to the timing lags in monetary policy's transmission mechanism. Adverse lagged effects, along with the persistent impact of the energy crisis, underlie the weakened economic outlook for the global and European economy for 2023. The ECB, in its latest publication on macroeconomic forecasts, expects a slowing of GDP growth in the euro area to 0.5% in 2023 from an estimated 3.4% in 2022. At the same time, the lift of Covid-19 restrictions in China – which is expected to bolster demand for commodities – and the continuation of the Ukrainian crisis, in conjunction with other sources of geopolitical uncertainty that remain relevant in 2023, could pose additional challenges as regards the control of inflation and/or the resolution of energy challenges, which could translate into weaker economic outcomes in 2023 and beyond. An escalation of the crisis in Ukraine could have far-reaching economic and social implications for Europe, which are impossible to credibly quantify, in a period of limited capacity for additional fiscal or monetary policy interventions.

On a positive note, the Greek economy is expected to outperform the euro area in the baseline scenario for 2023, on the back of: i) stronger carryover effects from its solid economic growth momentum in 2022; ii) a more defensive position in the credit cycle, with the business sector hardened by multiyear restructurings and exhibiting lower leverage levels and sizeable liquidity buffers, fueled further by significant 2022 activity; and iii) increasing support from the Recovery and Resilience Facility ("RRF"), with inflows (i.e. grants and loans, excluding leverage), according to the European Commission, estimated at €11.1 billion in 2021 – Feb 2023, providing a significant boost to fixed capital investment in 2023.

2.3 New and Amended Standards and Interpretations

Amendments to existing standards and the Conceptual Framework effective from 1 January 2022

-IFRS 16 (Amendment): COVID-19-Related Rent Concessions (effective for annual periods beginning on or after 1 April 2021 and effective for the consolidated and separate Financial Statements from 1 January 2022). The amendment extends the application period of the practical expedient in relation to rent concessions by one year to cover rental concessions that reduce leases due only on or before 30 June 2022. The adoption of this amendment did not have a material impact on the consolidated and separate Annual Financial Statements.

-IFRS 3 (Amendments): Reference to the Conceptual Framework (effective for annual periods beginning on 1 January 2022). The amendments update a reference in IFRS 3 to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations. The adoption of these amendments did not have any effect on the consolidated and separate Annual Financial Statements.

-IAS 16 (Amendments): Property, Plant and Equipment: Proceeds before Intended Use (effective for annual periods beginning on 1 January 2022). The amendments prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognise such sales proceeds and related cost in the Income Statement. The adoption of these amendments did not have any effect on the consolidated and separate Annual Financial Statements.

-IAS 37 (Amendments): Onerous Contracts: Cost of Fulfilling a Contract (effective for annual periods beginning on 1 January 2022). The amendments specify which costs a company includes when assessing whether a contract will be loss-making. The adoption of these amendments did not have a material impact on the consolidated and separate Annual Financial Statements.

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

> **IFRS 9 Financial Instruments: Fees in the ‘10 per cent’ test for derecognition of financial liabilities.** The amendment clarifies which fees an entity includes when it applies the ‘10 per cent’ test in assessing whether to derecognize a financial liability. Only fees paid or received between the entity (the borrower) and the lender are included, including fees paid or received by either the entity or the lender on the other’s behalf. The adoption of this amendment did not have a material impact on the consolidated and separate Annual Financial Statements.
>
> **IFRS 16: Lease Incentives.** The amendment to Illustrative Example 13 accompanying IFRS 16 removes from the example the illustration of the reimbursement of leasehold improvements by the lessor, in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives are illustrated in that example. The adoption of this amendment did not have a material impact on the consolidated and separate Annual Financial Statements.

The amendments to existing standards effective from 1 January 2022 have been endorsed by the EU.

New standards and amendments to existing standards effective after 2022

New standard

-IFRS 17 *Insurance Contracts* (effective for annual periods beginning on or after 1 January 2023). IFRS 17 was issued in May 2017, including amendments issued in June 2020 and supersedes IFRS 4. IFRS 17 establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of this standard and its objective is to ensure that an entity provides relevant information that faithfully represents those contracts. The new standard solves the comparison problems created by IFRS 4 by requiring all insurance contracts to be accounted for in a consistent manner. Insurance obligations will be accounted for using current values instead of historical cost. The standard has been endorsed by the EU.

Due to the sale of the Bank’s insurance subsidiary NIC on 31 March 2022, there was no impact from the adoption of IFRS 17.

Amendments

-IAS 1 and IFRS Practice Statement 2 (Amendments): Disclosure of Accounting Policies (effective for annual reporting periods beginning on or after 1 January 2023). The amendments require that an entity discloses its material accounting policies, instead of its significant accounting policies. Further amendments explain how an entity can identify a material accounting policy. Examples of when an accounting policy is likely to be material are added. To support the amendment, the Board has also developed guidance and examples to explain and demonstrate the application of the ‘Four-Step Materiality Process’. The Group and the Bank are currently assessing the impact of this amendment, but taking into account the fact that the significant accounting policies disclosed in Note 2 “Summary of significant accounting policies” in this Annual Report include all material accounting policies, the Group and the Bank expect to disclose fewer accounting policies for the annual reporting period beginning 1 January 2023.

-IAS 8 (Amendment): Definition of Accounting Estimates (effective for annual reporting periods beginning on or after 1 January 2023). The amendment replaces the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in Financial Statements that are subject to measurement uncertainty”. Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The amendments clarify that a change in accounting estimate that results from new information or new developments is not the correction of an error. There was no impact on the consolidated and separate Financial Statements from the adoption of this amendment.

-IAS 12 (Amendments): Deferred Tax related to Assets and Liabilities arising from a Single Transaction (effective for annual reporting periods beginning on or after 1 January 2023). These amendments clarify and narrow the scope of the exemption provided by the IAS 12 “Income Taxes” standard allowing institutions to not recognise any deferred tax during the initial recognition of an asset and a liability. All leases and decommissioning obligations are excluded from the exemption scope for which companies recognise both an asset and a liability and will now have to recognise deferred taxes. From the date of first application of IFRS 16 “Leases”, the Group has considered the right of use assets and the lease-related liabilities as a single transaction. Consequently, on the initial recognition date, the amount of deferred tax asset offsets the amount of deferred tax liability. The net temporary differences resulting from later variations in the right of use assets and lease liabilities subsequently result in a deferred tax asset as of 1 January 2023 which is subject to the recoverability criteria of IAS 12 “Income Taxes”. There was no impact on the consolidated and separate Financial Statements from the adoption of these amendments.

-IFRS 17 (Amendment): Initial Application of IFRS 17 and IFRS 9 – Comparative Information (effective for annual periods beginning on or after 1 January 2023). The amendment is a transition option relating to comparative information about financial assets presented on initial application of IFRS 17. The amendment is aimed at helping entities to avoid temporary accounting mismatches between financial assets and insurance contract liabilities, and therefore improve the usefulness of comparative information for the users of financial statements. Due to the sale of the Bank’s insurance subsidiary NIC in March 2022 there was no impact on the consolidated and separate Financial Statements from the adoption of this amendment.

-IFRS 16 (Amendment): Lease Liability in a Sale and Leaseback (effective for annual periods beginning on or after 1 January 2024). The amendment clarifies how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted. The requirements are applied retrospectively back to sale and leaseback transactions that were entered into after the date of initial application of IFRS 16.

-IAS 1 (Amendments): Classification of liabilities as current or non-current (effective for annual periods beginning on or after 1 January 2024). The amendments clarify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period. The amendments also clarify that the classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability and make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services. The amendments are expected to be effective for annual periods beginning on or after January 1, 2024 with early adoption permitted. The Group and the Bank present their Statement of Financial Position on a liquidity basis and this amendment may affect the presentation of such liabilities if any.

-IAS 1 (Amendment): Non-current Liabilities with Covenants (effective for annual periods beginning on or after 1 January 2024). The new amendments clarify that if the right to defer settlement is subject to the entity complying with specified conditions (covenants), this amendment will only apply to conditions that exist when compliance is measured on or before the reporting date. Additionally, the amendments aim to improve the information an entity provides when its right to defer settlement of a liability is subject to compliance with covenants within twelve months after the reporting period.

-Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts (Amendment to IFRS 4). The amendment, which has been endorsed by the EU, introduces two approaches. The amended standard will: a) give all companies that issue insurance contracts the option to recognise in the Statement of Other Comprehensive Income, rather than in the Income Statement, the volatility that could arise when IFRS 9 is applied before the new insurance contracts standard is issued (i.e. the difference between the amounts that would be recognized in profit or loss in accordance with IFRS 9 and the amounts recognized in profit or loss in accordance with IAS 39) – “overlay approach” and b) give companies whose activities are predominantly connected with insurance an optional temporary exemption from applying IFRS 9 until 2021 – “deferral approach”. The entities that defer the application of IFRS 9 will continue to apply IAS 39.

The Amendment ‘Extension of the Temporary Exemption from Applying IFRS 9 (effective for annual periods beginning on or after 1 January 2021) extended the expiry date of the extension described above from 1 January 2021 to 1 January 2023.

On 31 March 2022, the Bank sold its insurance subsidiary NIC, however NIC applied this amendment using the deferral approach up to the date of sale.

The amendments to existing standards effective after 2022 have been endorsed by the EU, except for the amendments to IAS 1: “Classification of liabilities as current or non-current” and “Non-current Liabilities with Covenants” and the amendment to IFRS 16: “Lease Liability in a Sale and Leaseback”, which have not been endorsed by the EU.

2.4 Consolidation

2.4.1 Basis of consolidation

The Annual Financial Statements incorporate the consolidated and separate Financial Statements of the Bank and its subsidiaries (including structured entities), which are entities controlled by the Bank. Control is achieved, if and only if, the Bank has: a) power over the subsidiaries, b) exposure, or rights to variable returns from its involvement with the subsidiaries and c) the ability to use its power over the subsidiaries to affect the amount of the Bank’s returns.

Income and expenses and other comprehensive income of subsidiaries acquired or disposed of during the year are included in the consolidated Income Statement and in the consolidated Statement of Comprehensive Income, respectively, from the effective date of acquisition and up to the effective date of disposal, as appropriate.

When necessary, adjustments are made to the Financial Statements of subsidiaries to bring their accounting policies in line with those of the Group.

All intra-group transactions, balances, income and expenses are eliminated upon consolidation.

2.4.2 Non-controlling interests

Non-controlling interests may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income/(expense) is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

2.4.3 Changes in the Group's ownership interests in subsidiaries that do not result in loss of control

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Bank.

2.4.4 Loss of control

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. For assets of the subsidiary carried at fair value with the related cumulative gain or loss recognised in other comprehensive income, the amounts previously recognised in other comprehensive income are accounted for as if the Bank had directly disposed of the relevant assets (i.e. reclassified to the Income Statement or transferred directly to retained earnings as specified by applicable IFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9 Financial Instruments or, when applicable, the cost on initial recognition of an investment in an associate or a jointly controlled entity. Upon loss of significant influence over the associate or joint control, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

2.4.5 Associates

Associates are entities over which the Group has significant influence, but which it does not control. If the Group holds, directly or indirectly, 20% or more of the voting power of the investee, it is presumed that the Group has significant influence, unless it can be clearly demonstrated that this is not the case. Investments in associates are accounted for by applying the equity method of accounting. Under the equity method of accounting, the investment is initially recorded at cost. Goodwill arising on the acquisition of an associate is included in the carrying amount of the investment (net of any accumulated impairment loss). The carrying amount of the investment is increased or decreased by the proportionate share of the associate's post-acquisition profits or losses (recognised in the Group income statement) and movements in reserves (recognised in reserves). Dividends received from the associate during the year reduce the carrying value of the investment. Investments in associates for which significant influence is intended to be temporary because such investments are acquired and held exclusively with a view to their subsequent disposal within twelve months from their acquisition, are recorded as assets held for sale. Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associate. Unrealised losses are also eliminated but considered as an impairment indicator of the asset transferred. Where necessary, the associate's financial statements used in applying the equity method are adjusted to ensure consistency with the accounting policies adopted by the Group.

2.4.6 Joint arrangements

A joint arrangement is an arrangement of which two or more parties have joint control. A joint arrangement has the following characteristics:

(a) The parties are bound by a contractual arrangement and

(b) The contractual arrangement gives two or more of those parties joint control of the arrangement.

Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

A joint arrangement is either a joint operation or a joint venture.

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Those parties are called joint operators. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Those parties are called joint venturers.

The Group determines the type of joint arrangement in which it is involved and classifies the joint arrangement as a joint operation or a joint venture depending upon the rights and obligations of the parties to the arrangement.

In case of a joint operator the Group recognises:

(a) its assets, including its share of any assets held jointly,

(b) its liabilities, including its share of any liabilities incurred jointly,

(c) its revenue from the sale of its share of the output arising from the joint operation,

(d) its share of the revenue from the sale of the output by the joint operation and

(e) its expenses, including its share of any expenses incurred jointly.

When the Group acquires an interest in a joint operation in which the activity of the joint operation constitutes a business, as defined in IFRS 3 Business combinations, it applies, to the extent of its share in accordance with previous paragraph, all of the principles on business combinations accounting in IFRS 3, and other IFRSs, that do not conflict with the guidance in IFRS 11 Joint arrangements. This applies to the acquisition of both the initial interest and additional interests in a joint operation in which the activity of the joint operation constitutes a business.

In case of a joint venture the Group recognises its interest in a joint venture as an investment and accounts for that investment using the equity method. (see Note 2.4.5 "Associates" above).

2.4.7 Investments in subsidiaries, associates and joint ventures in individual financial statements

In the Bank's separate financial statements subsidiaries, associates and joint ventures are measured at cost less impairment.

2.4.8 Impairment assessment of investments in subsidiaries, associates and joint ventures in individual financial statements

At each reporting date, the Group and the Bank assesses whether there is any indication that an investment in a subsidiary, associate or joint venture may be impaired. If any such indication exists, the Group estimates the recoverable amount of the investment. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

2.5 Business combinations

2.5.1 Acquisition method

Acquisitions of businesses within the scope of IFRS 3 are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in the Income Statement as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value at the acquisition date, except for:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with IAS 12 Income Taxes and IAS 19 Employee Benefits respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with IFRS 2 Share-based Payment at the acquisition date (see Note 2.28.2 "Share based payment transactions" below); and
- assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that Standard.

2.5.2 Goodwill

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in the Income Statement. As at 31 December 2022 and 2021 the Group had no separately recognisable goodwill.

2.5.3 Contingent consideration

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Other contingent consideration that is either a financial instrument within the scope of IFRS 9 or a non-financial asset or liability, is remeasured, at fair value at each subsequent reporting date and the changes in fair value are recognised in the Income Statement.

2.5.4 Business combination achieved in stages

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group obtains control) and the resulting gain or loss, if any, is recognised in the Income Statement. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in Other comprehensive income are reclassified to the Income Statement where such treatment would be appropriate if that interest were disposed of.

2.5.5 Provisional accounting

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see Note 2.5.3 “Contingent consideration” above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date. Measurement period adjustments are adjustments that arise from additional information obtained during the “measurement period” (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

2.6 Foreign currency translations

Items included in the Financial Statements of each entity of the Group are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to that entity (“the functional currency”). The consolidated and separate Financial Statements of the Group are presented in millions of Euro (€), which is the functional currency of the Bank.

Foreign currency transactions are translated into the functional currency at the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the Income Statement, except when deferred in Other comprehensive income as gains or losses from qualifying cash flow or net investment hedging instruments. Translation differences on debt securities and other monetary financial assets re-measured at fair value are included in “Net trading income and results from investment securities”. Translation differences on non-monetary financial assets are a component of the change in their fair value and are recognised in the Income Statement for equity securities held for trading, or in Other comprehensive income for equity securities measured at fair value through Other comprehensive income. Non-monetary items that are measured in terms of historical cost in a foreign currency shall be translated using the exchange rate at the date of the transaction.

When preparing these Financial Statements, assets and liabilities of foreign entities are translated at the exchange rates prevailing at the reporting date, while income and expense items are translated at average rates for the period. Differences resulting from the use of closing and average exchange rates and from revaluing a foreign entity’s opening net asset balance at closing rate are recognised directly in foreign currency translation reserve within Other Comprehensive Income.

When a monetary item forms part of a reporting entity’s net investment in a foreign operation and is denominated in a currency other than the functional currency of either the reporting entity or the foreign operation, the exchange differences that arise in the individual financial statements of both companies are reclassified to Other comprehensive income upon consolidation. When a foreign entity is sold, such translation differences are recognised in the Income Statement as part of the gain or loss on disposal.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

2.7 Classification and Measurement of financial instruments

2.7.1 Classification of financial assets

The Group uses the following measurement categories for financial assets:

- Debt instruments at amortised cost.
- Debt instruments at Fair Value through Other Comprehensive Income (“FVTOCI”) with cumulative gains and losses reclassified to profit or loss on derecognition.
- Equity instruments measured at FVTOCI with gains and losses remaining in Other Comprehensive Income (“OCI”) without recycling to profit or loss on derecognition.
- Debt instruments, derivatives, equity instruments and mutual funds at Fair Value through Profit or Loss (“FVTPL”).

Except for debt instruments that are designated at initial recognition or mandatorily recognised at FVTPL, such assets are classified at amortised cost or FVTOCI on the basis of:

(a) The Group's business model for managing the financial asset and

(b) the contractual cash flow characteristics of the financial asset.

IFRS 9 precludes the separation of any embedded derivatives from a hybrid contract when the host contract is a financial asset within its scope. Instead, the entire hybrid financial asset is classified into one of the categories listed above. The Group continues to recognise financial assets on a trade basis.

2.7.2 Business model assessment

The business models reflect how the Group manages its debt financial assets in order to generate cash flows. This assessment is performed on the basis of scenarios that the Group reasonably expects to occur. The assessment is based on all relevant and objective information that is available at the time of the business model assessment. The Group has identified the following business models for debt financial assets:

- **Hold to collect contractual cash flows:** The Group's objective is to hold the financial assets and collect the contractual cash flows. All the assets in this business model give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding. Debt instruments classified in this business model are measured at amortised cost. Loans and advances to customers within this category may be sold to manage the concentration of the Group's credit risk to a particular obligor, country or industrial sector, without an increase in the asset's credit risk. Such sales are consistent with the business model's objective if they are infrequent (even if significant in value) or insignificant in value both individually and in the aggregate (even if frequent). In such cases, i.e. if more than an infrequent number of sales are made or those sales are more than insignificant in value (either individually or in aggregate), the Group assess whether and how such sales are consistent with the objective of collecting contractual cash flows.
- **Hold to collect contractual cash flows and sell:** The objective of this business model is to meet everyday liquidity needs and such objective is achieved by both collecting contractual cash flows and selling debt instruments. Assets within this business model are not sold with the intention of short-term profit taking, however frequent sales may occur and such sales may be significant in value. All the assets in this business model give rise to cash flows that are SPPI. Debt instruments held within this business model are accounted for at FVTOCI.
- **Held for trading:** Under this business model, the Group actively manages the instruments in order to realise fair value gains arising from changes in credit spreads and yield curves. The assets in this business model are accounted for at FVTPL.
- **Held and managed on a fair value basis:** Refers to assets that are managed by the Group on a fair value basis without the intention to sell them in the near future. The assets in this business model are accounted for at FVTPL.

2.7.3 Contractual cash flow characteristics

The Group assesses the characteristics of its financial assets' contractual cash flows at initial recognition in order to determine whether they are SPPI. This is referred to as the "SPPI test". Interest amount within a basic lending arrangement, is typically the consideration for the time value of money and the credit risk. Interest may also include consideration for other basic lending risks such as liquidity and costs (e.g. administration associated with holding the financial asset for a particular period of time), as well as a profit margin. Interest may also be negative, which is not consistent with this definition if the Group decides to effectively pay a fee for the safekeeping of its money for a particular period of time.

2.7.4 Non-recourse loans and contractually linked financial assets

When a financial instrument's contractual cash flows are specifically derived from specified assets of the borrower, the Group assesses whether the cash flows arising from the debt instrument are SPPI. In order to conclude whether the loan represents a basic lending agreement and its return does not vary based on the performance of the underlying asset or project, the Group assesses whether there is an adequate buffer to absorb credit losses. The Group also performs a specific analysis of contractual cash flow when financial assets are instruments issued by a securitisation vehicle or a similar entity that prioritises payments to holders using multiple contractually-linked instruments that create concentrations of credit risk (tranches). When assessing whether contractual cash flows are SPPI or not, the Group analysis the contractual terms, as well as the credit risk of each tranche and the exposure to credit risk in the underlying pool of financial instruments. Judgment is applied in both cases when determining whether certain contractual features significantly affect the future cash flows of the financial asset.

2.7.5 Equity instruments classified as FVTOCI

The Group may acquire an investment in an equity instrument that is not held for trading nor contingent consideration recognised by an acquirer in a business combination to which IFRS 3 applies. At initial recognition, the Group may make an irrevocable election to present in OCI subsequent changes to the fair value of this equity investment, except for equity securities that give an investor significant influence over an investee, which are accounted for in accordance with IAS 28 Investments in Associates and Joint Ventures.

The election to designate an investment in an equity instrument at FVTOCI is made on an instrument-by-instrument basis. Investments in mutual funds cannot be designated at FVTOCI, as they do not meet the definition of an equity instrument under IAS 32, hence these are mandatorily measured at FVTPL. These equity instruments are not subject to an impairment assessment.

2.7.6 Measurement of financial assets

Financial assets measured at amortised cost

A debt financial asset is measured at amortised cost if it is held in a business model that has an objective to hold financial assets to collect contractual cash flows and the contractual terms of the financial asset result in cash flows that pass the SPPI test.

The financial assets classified within this category, mainly include the following asset classes:

- Cash and balances with central banks
- Sight and time deposits with banks
- Securities purchased under agreements to resell
- Deposits in margin accounts
- Other receivables due from banks
- Loans and advances to customers at amortised cost
- Debt securities (Investment securities measured at amortised cost)
- Other receivables included in line item "Other assets"

Subsequent to initial recognition, the debt financial asset is measured at amortised cost using the effective interest rate ("EIR") method for the allocation and recognition of interest revenue in line item "Interest and similar income" of the Income Statement over the relevant period. The amortised cost is the amount at which the financial asset is measured at initial recognition minus any principal repayments, plus or minus the cumulative amortisation using the EIR method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount is the amortised cost of a financial asset before adjusting for any loss allowance. Interest income on debt financial assets is calculated on the gross carrying amount if the asset is classified in Stage 1 or Stage 2. When a debt financial asset becomes credit-impaired (classified in Stage 3), interest income is calculated on the amortised cost (i.e. the gross carrying amount adjusted for the impairment allowance).

The EIR is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to its gross carrying amount. When calculating the EIR, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (e.g. prepayment, extension, call and similar options). The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the EIR, transaction costs, and all other premiums or discounts. Fees that are an integral part of the EIR of a financial instrument are treated as an adjustment to the EIR.

Except for purchased or originated financial assets that are credit-impaired ("POCI") on initial recognition, expected credit losses ("ECL") are not considered in the calculation of the EIR. For a POCI financial asset, the credit-adjusted EIR is applied when calculating the interest revenue and it is the rate that exactly discounts the estimated future cash flows through the expected life of the financial asset to the asset's amortised cost. The Group includes the initial ECL in the estimated cash flows when calculating the credit-adjusted EIR for such assets.

Debt instruments measured at FVTOCI

A debt financial asset is measured at FVTOCI if it is held in a business model that has an objective to hold financial assets to collect contractual cash flows and sell the assets and the contractual terms of the financial asset result in cash flows that pass the SPPI test.

After initial recognition, investments in debt financial assets are measured at fair value in the statement of financial position (with no deduction for sale or disposal costs) with unrealised gains and losses reported in OCI, net of applicable income taxes, until such investments are derecognised (i.e. when sold or collected). Upon derecognition, the cumulative gains or losses previously recognised in OCI are reclassified from equity to "Net trading income/(loss) and results from investment securities" of the Income Statement, as a reclassification adjustment.

For debt financial assets measured at amortised cost or FVTOCI, the following items are recognised in the Income Statement:

- ECL allowance recognised in "Credit provisions and other impairment charges".
- Foreign exchange gains and losses, calculated based on the amortised cost of the instrument, are recognised in "Net trading income/(loss) and results from investment securities".
- Interest income calculated with the EIR method is recognised in "Interest and similar income".
- Modification gains or losses, recognised in "Credit provisions and other impairment charges".

Equity instruments at FVTOCI

After initial recognition, investments in equity instruments at FVTOCI are measured at fair value, with no deduction for sale or disposal costs. With the exception of dividends received, the associated gains and losses (including any related foreign exchange component) is recognised in OCI. Amounts presented in OCI are not subsequently recycled to the Income Statement, instead the cumulative gain or loss is transferred within equity from accumulated OCI to retained earnings.

Dividends are recognised in "Net other income/(expense)" line item of the Income Statement when all of the following criteria are met:

- the Group's right to receive payment of the dividend is established;
- it is probable that the economic benefits associated with the dividend will flow to the Group;
- the amount of the dividend can be measured reliably;
- the dividend clearly does not represent a recovery of part of the cost of the investment.

Financial assets and financial liabilities measured at FVTPL

After initial recognition, financial assets and financial liabilities that are classified as at FVTPL are measured at fair value, with no deduction for sale or disposal costs. Gains and losses arising from fair value remeasurement are recognised in their entirety in "Net trading income/(loss) and results from investment securities". All changes to the fair value of a FVTPL liability due to market risk are recorded in profit and loss while changes due to the Group's own credit risk are recorded in OCI. The amount presented in OCI is not subsequently transferred to profit or loss even when the liability is derecognised and the amounts are realised. The cumulative gain or loss is transferred within equity from accumulated OCI to retained earnings.

Reclassification of financial assets

The Group reclassifies all affected financial assets only when the Group changes its business model for managing financial assets. The reclassification is applied prospectively from the reclassification date, which is the first day of the first quarterly reporting period following the change in the business model.

Changes in the Group's business models are usually the result of external or internal changes, affecting significantly the Group's operations.

Investments in equity instruments that are designated as at FVTOCI, or any financial assets or liabilities that are designated at FVTPL, cannot be reclassified because the election to designate them as at FVTOCI or FVTPL respectively, at initial recognition, is irrevocable.

2.7.7 Impairment - Expected Credit Losses

ECL are recognised for all financial assets measured at amortised cost, debt financial assets measured at FVTOCI, lease receivables, financial guarantees and certain loan commitments. ECL represent the difference between contractual cash flows and those that the Group expects to receive, discounted at the 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.

POCIs are classified as credit impaired at initial recognition. An instrument is POCI if it has been purchased with a material discount to its par value that reflects the incurred credit losses.

For POCI financial assets, the Group recognises adverse changes in lifetime ECL since initial recognition as a loss allowance with any changes recognised in the Income Statement. POCI are initially recognised at fair value with interest income subsequently being recognised based on a credit-adjusted EIR. POCI may also include financial instruments that are newly recognised following a substantial modification and remain a separate category until maturity. Any favourable changes for POCI assets are ECL impairment gains even if the resulting expected cash flows exceed the estimated cash flows on initial recognition.

The Group does not apply the practical expedient that allows a lifetime ECL for lease receivables to be recognised irrespective of whether a SICR has occurred. Instead, all such receivables are incorporated into the standard ECL calculation.

Impairment charge for ECL is recognised in the Income Statement with a corresponding ECL allowance reported as a decrease in the carrying value of financial assets measured at amortised cost on the statement of financial position. For financial assets measured at FVTOCI, the carrying value is not reduced, but the ECL allowance is recognised in OCI. For off-balance sheet financial instruments, the ECL allowance is reported as a provision in "Other liabilities". Impairment charge for ECL is recognised in the Income Statement in "Credit provisions and other impairment charges".

Write-off

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

Definition of default

The Group has aligned the definition of default for financial reporting purposes, with the non performing exposures (NPE) definition used for regulatory purposes, as per EBA Implementing Technical Standards on Supervisory reporting on forbearance and non-performing exposures, as adopted by the Commission Implementing Regulation (EU) 2015/227 of 9 January 2015 amending Implementing Regulation (EU) No 680/2014 laying down implementing technical standards with regard to supervisory reporting of institutions according to Regulation (EU) No 575/2013 of the European Parliament and of the Council ("EBA ITS"). Following the financial crisis, the EBA established tighter standards around the definition of default (CRR Article 178) to achieve greater alignment across banks and jurisdictions being applied from 1 January 2021. The definition of default for financial reporting purposes is consistent with the one used for internal credit risk management purposes.

For more information on the definition of default please refer to Note 4.2.6 “Impairment of amortised cost and FVTOCI financial assets”.

Measurement of Expected Credit Losses

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

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

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

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. To that end, in alignment with relevant supervisory expectations and good market practices, the Bank, through a set of initiatives, is planning to further enhance the incorporation of ESG factors in its Risk Management Framework (including link with borrower’s default risk and ECL) as methodological approaches mature, quantification and analytical capabilities develop and additional climate and environmental data become available.

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. Further information on adjustments applied is disclosed in Note 4.2.6 "Impairment of amortised cost and FVTOCI financial assets".

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 in 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.

Further information on SICR is disclosed in Note 4.2.6 "Impairment of amortised cost and FVTOCI financial assets".

2.8 Derivative financial instruments and hedging

2.8.1 Derivative financial instruments

Derivative financial instruments including foreign exchange contracts, forward rate agreements, currency and interest rate swaps, interest rate futures, currency and interest rate options (both written and purchased) and other derivative financial instruments are initially recognised in the Statement of Financial Position at fair value and subsequently are re-measured at their fair value. Derivatives are presented in assets when favourable to the Group and in liabilities when unfavourable to the Group. Where the Group enters into derivative instruments used for trading purposes, realised and unrealised gains and losses are recognised in the Income Statement in "Net trading income / (loss) and results from investment securities".

A derivative may be embedded in another financial instrument, known as a "host contract". If the host is a contract other than a financial asset, the embedded derivative is bifurcated from its host contract and treated as a separate derivative, provided that its risk and economic characteristics are not closely related to those of the host contract, it meets the accounting definition of a derivative, and the host contract is not carried at fair value with unrealized gains and losses reported in the Income Statement.

If the host contract is a financial asset, IFRS 9 precludes the separation of any embedded derivatives from a hybrid contract that is a financial asset within its scope. Instead, the hybrid financial asset is measured at fair value in its entirety.

2.8.2 Continuation of IAS 39 hedge accounting requirements

IFRS 9 includes an accounting policy choice to continue IAS 39 hedge accounting, which the Group has exercised, and will comply with the revised annual hedge accounting disclosures as required by the related amendments to IFRS 7 *Financial Instruments: Disclosures*. Refer to Note 20 "Derivative financial instruments".

2.8.3 Hedge accounting

Certain derivative instruments transacted as effective economic hedges under the Group's risk management positions, do not qualify for hedge accounting under the specific rules of IAS 39 and are therefore treated in the same way as derivative instruments held for trading purposes.

The Group also uses derivative instruments as part of its asset and liability management activities to manage exposures to interest rate, foreign currency and credit risks, including exposures arising from forecast transactions. The Group applies fair value, cash flow or net investment hedge accounting when transactions meet the specified criteria to obtain hedge accounting treatment. The Group's criteria for a derivative instrument to be accounted for as a hedge include:

i. at inception of the hedge, there is formal designation and documentation of the hedging instrument, hedged item, hedging objective, strategy and relationship;

ii. the hedge is documented showing that it is expected to be highly effective in offsetting the risk in the hedged item throughout the hedging period. A hedge is considered to be highly effective when the Group achieves offsetting changes in fair value between 80 percent and 125 percent for the risk being hedged; and

iii. the hedge is highly effective on an ongoing basis.

2.8.4 Fair value hedges

For qualifying fair value hedges, the change in fair value of the hedging derivative is recognised in the Income Statement along with the corresponding change in the fair value of the hedged item that is attributable to that specific hedged risk. If the hedge relationship no longer meets the criteria for hedge accounting, for reasons other than the derecognition of the hedged item, or the hedging designation is revoked, the cumulative adjustment to the carrying amount of the hedged item, is, in the case of interest bearing financial instruments, amortised to the Income Statement over the remaining term of the original hedge item, while for non-interest bearing instruments that amount is immediately recognised in the Income Statement. If the hedged item has been derecognised, e.g. sold or repaid, the unamortized fair value adjustment is recognised immediately in the Income Statement.

2.8.5 Cash flow hedges

Fair value gains or losses associated with the effective portion of a derivative designated as a cash flow hedge are recognised initially in Other comprehensive income. When the cash flows that the derivative is hedging (including cash flows from transactions that were only forecast when the derivative hedge was effected) materialize, resulting in income or expense, then the associated gain or loss on the hedging derivative is simultaneously transferred from Other comprehensive income to corresponding income or expense line item.

If a cash flow hedge for a forecast transaction is deemed to be no longer effective, or the hedge relationship is terminated, the cumulative gain or loss on the hedging derivative previously reported in Other comprehensive income is transferred to the Income Statement when the committed or forecast transaction occurs even if it is no longer probable that it will occur. If the forecasted transaction is no longer expected to occur, then the cumulative gain or loss is transferred immediately to the Income Statement.

The foreign currency risk of a highly probable forecast intragroup transaction may qualify as a hedged item in the consolidated Financial Statements, provided that: (a) the transaction is denominated in a currency other than the functional currency of the entity entering into that transaction; and (b) the foreign currency risk will affect the consolidated Income Statement.

2.8.6 Net investment hedge

Hedges of net investments in foreign operations are accounted for in a similar way to cash flow hedges. The gain or loss on the effective portion of the hedging instrument is recognised in the Statement of Other comprehensive income; any gain or loss on the ineffective portion is recognized immediately in the Income Statement. Gains and losses accumulated in other comprehensive income are recycled in the Income Statement on the disposal of the foreign operation.

2.8.7 Hedge effectiveness testing

To qualify for hedge accounting, the Group requires that at the inception of the hedge and throughout its life, each hedge must be expected to be highly effective (prospective test) and demonstrate actual effectiveness (retrospective test) on an ongoing basis.

The documentation of each hedging relationship sets out how effective the hedge is assessed. The method the Group adopts for assessing hedge effectiveness will depend on its risk management strategy.

The Group implements a number of reliefs that apply to all hedging relationships directly affected by interest rate benchmark reform (i.e. Interest Rate Benchmark Reform Phase 1). The reliefs apply during the period before the replacement of an existing interest rate benchmark with an alternative risk-free rate ("RFR"). A hedging relationship is affected if interest rate benchmark reform gives rise to uncertainties about the timing and or amount of benchmark-based cash flows of the hedged item or the hedging instrument. The reliefs cease to apply once certain conditions are met. These include when the uncertainty arising from IBOR reform is no longer present with respect to the timing and amount of the benchmark-based cash flows of the hedged item, if the hedging relationship is discontinued or once amounts in the cash flow hedge reserve have been released.

Hedge ineffectiveness is recognized in the Income Statement in "Net trading income / (loss) and results from investment securities".

2.8.8 IBOR Reform- Treatment of changes in the basis used for determining the contractual cash flows of the component of a hedge

Non-discontinuation of hedges

The documentation of the existing hedges shall be updated to reflect the changes brought about by the reform of the reference interest rate (IBOR reform) on the basis for determining the contractual cash flows of the hedging components. These updates resulting from the IBOR reform do not cause the discontinuation of the hedge nor the designation of a new accounting hedge if the aim of such updates is only to:

- designate the alternative reference interest rate (contractually or non-contractually specified) as a hedged risk;
- update the description of the hedged item, including a description of the hedged portion of cash flows or of the fair value;
- update the description of the hedging instrument;
- update the description of the method used to assess the effectiveness of the hedge. These updates are performed as and when changes are made to the hedged items or the hedging instruments; an accounting hedge may be updated several successive times.

Changes not directly resulting from the application of the IBOR reform and impacting the basis used for determining the contractual cash flows of the hedging relationship components or the hedging documentation are analysed beforehand in order to confirm compliance with the qualifying criteria for hedge accounting.

Specific accounting treatments

Regarding fair value hedges and cash flow hedges, the applicable accounting requirements remain unchanged for the recognition of gains and losses resulting from the reassessment of the hedged component and the hedging instrument taking account of the changes described above.

For the purpose of the retrospective effectiveness assessment, the cumulative fair value changes may be reset to zero on a case by case basis for each hedging relationship modified.

The amounts of gains or losses recognised in equity (as unrealised or deferred gains and losses), for the cash flow hedges that have been discontinued prospectively after a change in the reference interest rate used as a basis for the future cash flows hedged are kept in equity until the hedged cash flows are recorded on the Income Statement.

For the Bank's derivative instruments that have been designated as hedging instruments the change over from EONIA to €STER took place during 2021 and there was no effect on the consolidated and separate Income Statement.

2.9 Fair value of financial instruments

The Group measures the fair value of its financial instruments based on a framework for measuring fair value that categorises financial instruments based on a three-level hierarchy of the inputs to the valuation technique, as discussed below.

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities. Level 1 assets and liabilities include debt and equity securities and derivative contracts that are traded in an active market. An active market, is a market in which transactions for assets or liabilities take place with sufficient frequency and volume to provide pricing information on an ongoing basis and are characterized with low bid/ask spreads.

Level 2: Observable inputs other than Level 1 quoted prices, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data (for example derived from prices) for substantially the full term of the assets or liabilities. Level 2 assets and liabilities include debt securities with quoted prices that are traded less frequently than exchange-traded instruments, as well as debt securities without quoted prices and certain derivative contracts whose values are determined using pricing models, discounted cash flow methodologies, or similar techniques with inputs that are observable in the market or can be derived principally from or corroborated by observable market data. This category generally includes government and corporate debt securities with prices in markets that are not active and certain over-the-counter ("OTC") derivative contracts.

Level 3: Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant Management judgment or estimation.

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety, is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety.

2.10 Recognition of deferred Day 1 profit or loss

When the fair value is determined using valuation models for which not all inputs are market observable prices or rates, the Group initially recognises a financial instrument at the transaction price, which is the best indicator of fair value, although the value obtained from the relevant valuation model may differ. Such a difference between the transaction price and the model value is commonly referred to as "Day 1 profit or loss". The Group does not recognise that initial difference, immediately in the Income Statement.

Deferred Day 1 profit or loss is amortised over the life of the instrument. Any unrecognised "Day 1 profit or loss" is immediately released to the Income Statement if fair value of the financial instrument in question can be determined either by using market observable model inputs or by reference to a quoted price for the same product in an active market or upon settlement.

After entering into a transaction, the Group measures the financial instrument at fair value, adjusted for the deferred "Day 1 profit or loss". Subsequent changes in fair value are recognised immediately in the Income Statement without reversal of deferred "Day 1 profits and losses".

2.11 Derecognition

2.11.1 Financial assets

A financial asset (or, where applicable, a part of a financial asset or group of similar financial assets) is derecognised when:

i. the rights to receive cash flows from the asset have expired;

ii. the Group retains the right to receive cash flows from the asset but assumes a contractual obligation to pay the cash flows to one or more recipients under a 'pass through' arrangement. Under a pass through arrangement the Group has no obligation to pay amounts to the eventual recipient unless it collects equivalent amounts from the original asset, the Group is prohibited by the terms of the transfer contract from selling or pledging the original asset other than as security to the eventual recipient for the obligation to pay them cash flows and the Group has an obligation to remit any cash flows it collects on behalf of the eventual recipient without material delay. Furthermore, the Group is not entitled to reinvest such cash flows, except in cash and cash equivalents during a short settlement period and interest earned on such investments is passed to the eventual recipients.; or

iii. the Group has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset. NBG has transferred control when the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer.

When the Group has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group's continuing involvement in the asset. Continuing involvement in the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

As part of its activities, the Group securitises certain financial assets, generally through the sale of these assets to special purpose entities, which issue securities collateralised with these assets.

To the extent that the Group sells these securities to third party investors, the transferred assets may qualify for derecognition in full or in part. Gains or losses on transfers that qualify for derecognition are based on the carrying amount of the financial assets derecognised and the retained interest, based on their relative fair values at the date of the transfer.

Modification of financial assets

A financial asset may also be derecognised if, upon renegotiation of the contractual terms of the lending arrangement, the modification of the terms is substantial enough to be considered as an expiry of the contractual rights to the cash flows of the original instrument, in which case a new financial asset is recognised based on the revised contractual terms. The new financial asset is recognised at fair value at the date of the modification and the difference between the fair value of the new financial asset and the net carrying amount of the original one is recognised in the income statement as a derecognition gain or loss.

When the modification is not considered substantial in order to lead to derecognition, the gain or loss arising from the modification is calculated as the difference between the present value of the new contractual cash flows (i.e. based on the modified terms) discounted by the original effective interest rate of the loan and the carrying amount post write-off (if any). Further information on modification that does not lead to derecognition is disclosed in Note 4.2.11 "Forbearance".

IBOR Reform - Treatment of changes in the basis for determining the contractual cash flow of financial assets and liabilities

The basis for determining the contractual cash flows of a financial asset or liability may be modified:

- either by amending the contractual terms and conditions set during the initial recognition of the financial instrument (e.g.: when the agreement is renegotiated, the contractual terms and conditions are amended to replace the initial reference interest rate by an alternative one),
- or by applying the appropriate external dispositions without requiring a change in contractual terms (e.g.: the method for determining the reference interest rate is modified without any change in the contractual terms and conditions, i.e., the EONIA has been quoted by reference to the €STER + 8.5bp since October 2019),
- or as a result of the activation of an existing contractual term or condition (example: application of the contractual rate replacement provision, or "Fallback" provision).

If, in the context of the IBOR Reform, there is a change in the basis for determining the contractual cash flows of a financial asset or liability at amortised cost or of a financial asset at FVTOCI, the reassessment of the contractual cash flows is regarded as a modification of the EIR applied to determine the future interest income or expense and does not generate a gain or loss in the Income Statement.

This treatment depends on compliance with the following conditions:

- a change in the basis for determining the contractual cash flows is required and results directly from the IBOR Reform; and
- the new basis for determining the contractual cash flows is economically equivalent to the former basis used before the change.

The cases giving rise to a new basis for determining the contractual cash flows considered economically equivalent to the former basis are, for example:

- the replacement of an existing reference interest rate used to determine the contractual cash flows of a financial asset or liability by:
  - an alternative reference interest rate (or by changing the method used to determine the reference interest rate in question), with
  - the addition of a fixed spread necessary to compensate for the difference in basis between the existing reference interest rate and the alternative one;
- changes in the determination of the amount of interest resulting from the use of a new reference interest rate; and
- the addition of a Fallback provision to the contractual terms and conditions of a financial asset or liability to allow for the implementation of the changes described above (such as replacement of the rate).

2.11.2 Financial liabilities

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expired.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, the exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference between the carrying amount of the extinguished or transferred liability and the consideration paid including any non-cash assets transferred or liabilities assumed is recognised in the Income Statement.

For financial liabilities, the Group considers a modification to be substantial based on qualitative factors and if it results in a difference between the adjusted discounted present value and the original carrying amount of the financial liability of, or greater than, ten percent.

2.12 IBOR Reform

The interest rate benchmark reform, initiated by the Financial Stability Board in 2014, aims at replacing these benchmark rates with alternative rates, in particular the Risk-Free Rates (“RFR”). This reform accelerated on 5 March 2021, when the Financial Conduct Authority, the supervisor of LIBOR, announced the official dates for the cessation and loss of representativeness:

- EUR and CHF LIBOR (all terms); GBP and JPY LIBOR (terms: overnight, 1 week, 2 months and 12 months); LIBOR USD (terms: 1 week and 2 months): the publication of these benchmark settings contributed by a panel of banks has permanently ceased as of 1 January 2022.

Besides, regarding the major euro area interest rate benchmark indexes:

- EURIBOR: European Money Markets Institute (“EMMI”), administrator of the index, does not plan to cease its publication. The EURIBOR will thus be maintained in the coming years.
- EONIA: its publication ceased definitively on 3 January 2022. The successor rate recommended by the ECB working group on the euro area is the €STR on which the EONIA was based since end 2019.

In parallel, other interest rate indexes based on LIBOR are also subject to reform (e.g. SOR, MIFOR, THBFIX, ICE swap rate). Local regulators or administrators continue clarifying the roadmap and issuing recommendations to reduce the risks associated with these transitions.

Impact of the IBOR Reform to the Group

With the cessation deadlines announced for LIBOR and EONIA in mind, the public authorities and the working groups set up by the central banks issued recommendations to the industry. These recommendations aim at stopping the production of new contracts referencing these indexes as well as at migrating the existing contracts referencing said indexes to alternative benchmark rates. The Group took the following steps with respect to the Reform:

- strengthening of the new contracts through the inclusion of fallback clauses and risk warnings;
- fair and homogenous treatment of customers through the involvement of the compliance teams in the renegotiations of contracts.

In 2022 the Group focused its action on transitioning its agreements referencing USD Libor. Depending on the products, the transition has, overall, been carried out according to three major modalities:

- loans and credit lines are subject to individual renegotiations, together with the related hedging instruments, in order to maintain their effectiveness;
- most of the derivative products have been transitioned at the instigation of the clearing houses or through the activation of their fallback clauses (protocol set up by the ISDA). Some derivative products have, however, been renegotiated bilaterally;
- lastly, for some products (typically: cash accounts and similar), the transition has been done through an update of the general conditions.

Group's Exposures as at 31 December 2022 in € million

Financial assets and liabilities and derivatives impacted by the interest rate benchmarks reform:

Current benchmark interest rates	New risk-free rates likely to/or has replaced current benchmark interest rates	Financial assets (excluding derivatives) impacted by the reform	Financial liabilities (excluding derivatives) impacted by the reform	Derivatives impacted by the reform	
		Carrying value		Notionals	Fair Value
Index whose listing ends on 30.06.2023					
LIBOR - London Interbank Offered Rate - USD	Secured Overnight Financing Rate (SOFR)	2,026	35	2,199	25
Total		**2,026**	**35**	**2,199**	**25**

Risks associated with the IBOR Reform

The risks related to the IBOR reform are now mainly limited to USD LIBOR for the period running until June 2023. They have been identified as follows:

- programme governance and execution risk, liable to cause delays and loss of opportunities, is monitored as part of the work of regular committees and arbitration bodies;
- legal documentation risk, liable to lead to post-transition litigations, is managed through fallback clauses inserted in the contracts depending on the availability of market standards;
- market risk, with the creation of a basis risk between the rate curves associated with the different indexes, is the subject of close monitoring and supervision;
- operational risks in the execution of the transition of transactions, depending in particular on the willingness and preparedness of our counterparties, the volume of transactions to be migrated and their spread over time;
- regulatory risk managed according to the Group guidelines which are in line with the recommendations of the regulators and working groups on the LIBOR transition; these guidelines concern the products which, by exception, continue referencing USD LIBOR;
- misconduct risk, related to the end of LIBOR, notably managed through:
  - specific guidelines detailed by business line;
  - training of the teams;
  - communications to customers regarding the transition-related risks, the alternative solutions that may be implemented, and on how they could be affected.

Based on the progress made to date, the Group is confident in its operational capacity to manage the transition to the new benchmark rate.

2.13 Sale and repurchase agreements

Securities sold subject to a commitment to repurchase them at a predetermined price ('Repos') are retained on the Statement of Financial Position and the counterparty liability is included in amounts Due to banks, Due to customers or Other deposits, which are classified in Due to customers in the Statements of Financial Position, as appropriate. Securities purchased under agreement to resell ('Reverse Repos') are recorded as Due from banks or Loans and advances to customers, as appropriate. The difference between sale and repurchase price (or the purchase and resale price) is treated as interest expense (or income) and accrued over the life of the Repos (or Reverse Repos) agreement using the effective interest rate method. The Group's policy is to monitor the market value of the principal amount loaned under resale agreements and obtain collateral from or return collateral pledged to counterparties when appropriate, thus these financing agreements do not create material credit risk.

2.14 Securities borrowing and lending

Securities borrowing and lending transactions are usually collateralised by securities or cash. Cash advanced or received as collateral is recorded as an asset or liability.

Securities borrowed are not recognised in the Statement of Financial Position, unless they are then sold to third parties, in which case, the obligation to return the securities is recorded at fair value as a trading liability with any gains or losses included in the Income Statement in "Net trading income".

The Group monitors the market value of the securities borrowed and lent on a regular basis and provides or requests additional collateral in accordance with the underlying agreements. Fees and interest received or paid are recorded as interest income or interest expense, on an accrual basis.

2.15 Regular way purchases and sales of financial assets and liabilities

"Regular way" purchases and sales of financial assets and liabilities (that is, those that require delivery within the time frame established by regulation or market convention) are recognised on the settlement date apart from trading and investment securities and derivative financial instruments, which are recognised on the trade date, which is the date that the Group commits to purchase or sell the asset. Other purchases and sales of trading securities are treated as derivatives until settlement occurs.

2.16 Offsetting

A financial asset and a financial liability are offset and the net amount presented on the Statement of Financial Position when the Group has a legally enforceable right to set off the recognised amounts and intends either to settle the asset and liability on a net basis, or to realise the asset and settle the liability simultaneously. The legal right to set off the recognised amounts must be enforceable in all circumstances, in both the normal course of business and in the event of default of one of the counterparties. Please refer to Note 4.8 “Offsetting financial assets and financial liabilities”.

2.17 Commodity broker-trader

The Bank acts as a broker-dealer with respect to emission rights and measures those emission rights, that do not qualify as a derivative financial instrument but as a commodity, at fair value less costs to sell. These emission rights are presented in in the Statement of Financial Position in “Other assets” and the changes in fair value less costs to sell are recognised in the period of the change and are presented in the Income Statement in “Net trading income and results from investment securities”.

2.18 Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue associated with the rendering of services is recognized by reference to the stage of completion of the transaction at the end of the reporting period.

2.18.1 Interest and similar income

Interest from interest-bearing assets and liabilities are recognized as net interest income using the EIR. EIR is the rate that discounts expected future cash receipts through the expected life of the financial instrument to its gross carrying amount. The calculation takes into account the contractual interest rate, along with any fees or incremental costs that are directly attributable to the instrument and all other premiums or discounts.

2.18.2 Fee and commission income

Fee and commission income includes asset management fees, commission fees, investment banking fees and credit card fees. The Group recognizes asset management fees based on time elapsed, which depicts the rendering of investment management services over time.

Commission income includes sales, mutual fund management fees and brokerage commissions. Sales and brokerage commissions are generally recognized at a point in time when the transaction is executed. Mutual fund management fees are recognized over time and are generally calculated based on the average daily net asset value of the fund during the period.

Investment banking fees include advisory fees and underwriting fees and are generally recognized at a point in time as income upon successful completion of the engagement.

2.19 Property and equipment, RoU assets and foreclosed assets

Property and equipment include land and buildings, leasehold improvements, transportation and other equipment, held by the Group for use in the supply of services or for administrative purposes. Property and equipment are initially recorded at cost, which includes all costs necessary to bring an asset into operating condition. Right-of-Use (“RoU”) assets are presented together with Property and equipment in the Statement of Financial Position, and are analysed in Note 26 "Property and equipment". For more information on the accounting for RoU Assets see Section 2.24 “Leases”.

Property and equipment are subsequently measured at cost less accumulated depreciation and accumulated impairment losses. Costs incurred subsequent to the acquisition of an asset which is classified as property and equipment are capitalised only when it is probable that they will result in future economic benefits to the Group beyond those originally anticipated for the asset, otherwise they are expensed as incurred.

Depreciation begins when the asset is available for use and ceases only when the asset is derecognised. Depreciation of an asset that is retired from active use does not cease unless it is fully depreciated, but its useful life is reassessed. Property and equipment are depreciated on a straight-line basis over their estimated useful lives as follows:

Land	No depreciation
Buildings	Not exceeding 50 years
Leasehold improvements	Residual lease term, not exceeding 12 years
Furniture and related equipment	Not exceeding 12 years
Motor vehicles	Not exceeding 10 years
Hardware and other equipment	Not exceeding 5 years
Right-of-use assets	Straight-line basis over the lease term

At each reporting date the Group assesses whether there is any indication that an item of property or equipment and RoU may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset. Where the carrying amount of an asset exceeds its estimated recoverable amount, it is written down to its recoverable amount. The impairment loss is recognised in Income Statement in

"Credit provisions and other impairment charges". Gains and losses on disposal of property and equipment are determined by reference to their carrying amount and are taken into account in determining profit/(loss) before tax.

Foreclosed assets

Assets that are classified as "Foreclosed assets" are included in the Statement of Financial Position in "Other assets" upon actual foreclosure or when physical possession of the collateral is taken, through mutual agreement or court action. Foreclosed assets arise when the Group initiates legal actions for debt collection upon the recognition that repayment or restructuring of the debt cannot be achieved. In case the exposures are collateralized with assets, legal actions involve the initiation of an auction program that targets the repayment of the loans through the collateral liquidation value. Foreclosed assets are initially measured at the fair value of the property less estimated costs to sell. Prior to foreclosure, any write-downs, if necessary, are charged to "Impairment charges for ECL" in the Income Statement.

Subsequent to acquisition, gains or losses on the disposal of, and losses or gains up to the amount of previous write-downs arising from the (periodic) revaluation of repossessed properties are recorded in the Income Statement in "Net other income/(expense)" and "Other provisions and impairment charges", respectively. Foreclosed assets that are held for capital appreciation or rental income, are classified in the Statement of Financial Position as "Investment property".

2.20 Investment property

Investment property includes land and buildings owned by the Group (or held through a finance lease agreement) with the intention of earning rent or for capital appreciation or both, and is initially recorded at cost, which includes transaction costs.

Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and any accumulated impairment losses.

Investment property is depreciated on a straight-line basis over its estimated useful life, which approximates the useful life of similar assets included in property and equipment. Investment property is reviewed for impairment when there is an indication of impairment or at least on an annual basis.

2.21 Goodwill, software, and other intangible assets

2.21.1 Goodwill

Subsequent to initial recognition, goodwill is stated at cost, as established at the date of acquisition (see Notes 2.5 "Business combinations"-2.5.2 "Goodwill", above) less accumulated impairment losses.

Goodwill is allocated to cash-generating units ("CGUs") for the purpose of impairment testing. The allocation is made to those cash-generating units that are expected to benefit from the business combination in which the goodwill arose.

The Group assesses goodwill for possible impairment annually or more frequently if there are indications for impairment. The assessment involves estimating whether the carrying amount of the goodwill remains fully recoverable. When making this assessment the Group compares the carrying value of the CGU to which the goodwill is allocated to its recoverable amount, which is the higher of fair value less cost to sell and value in use. Fair value is estimated by reference to market value, if available, or is determined by a qualified evaluator or pricing model. If the recoverable amount is less than the carrying amount, an irreversible impairment loss is recognised, and the goodwill is written down by the excess of the carrying amount of the unit over its recoverable amount.

2.21.2 Intangible assets acquired through business combinations

Intangible assets acquired through business combinations may include brand names, which have an indefinite life and customer relationships, which have a finite life and are amortised on a straight line basis over their useful lives of 6-11 years.

2.21.3 Software

Software includes costs that are directly associated with identifiable and unique software products controlled by the Group that are anticipated to generate future economic benefits exceeding costs beyond one year. Expenditure, which enhances or extends the performance of computer software programs beyond their original specifications is recognised as a capital improvement and added to the original cost of the software.

Software is amortised using the straight-line method over the useful life, not exceeding a period of 20 years.

In particular for **internally generated software,** the amount initially recognised is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria. Where no internally generated intangible asset can be recognised, development expenditure is charged in the period in which it is incurred to the Income Statement.

Research costs are expensed as incurred. An internally generated software arising from development expenditure incurred on an individual project is recognized only when the Group can demonstrate:

i. the technical feasibility of completing the internally generated software so that it will be available for use,

ii. its intention to complete and use the asset,

iii. the ability to use the asset,

iv. how the asset will generate future economic benefits,

v. the ability of adequate technical, financial and other resources to complete the development and use the asset and

vi. the ability to measure reliably the expenditure during development.

Following the initial recognition of the development expenditure, the cost model is applied requiring the asset to be carried at cost less any accumulated amortization and impairment losses.

Expenditure on starting up an operation or branch, training personnel, advertising and promotion and relocating or reorganizing part or the entire Group is recognised as an expense when it is incurred.

2.22 Impairment of intangible assets

The Group assesses intangible assets for possible impairment annually or more frequently if there are indications for impairment. If such indications exist an analysis is performed to assess whether the carrying amount of intangible assets is fully recoverable. A write-down is made if the carrying amount exceeds the recoverable amount. Any impairment loss is recognised in Income Statement in “Credit provisions and other impairment charges”.

2.23 Insurance operations

The amendment to IFRS 4 *Insurance Contracts* “Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts”, adopted by the EU on 3 November 2017, provides the option for entities that predominantly undertake insurance activities to defer the effective date of IFRS 9 until 1 January 2023. The effect of such a deferral is that those entities may continue to report their financial statements under the existing standard IAS 39.

This temporary exemption from IFRS 9, which was limited to groups that predominantly undertook insurance activities according to the IASB amendment, has been extended to the insurance sector of financial conglomerates as defined by the Directive 2002/87/EC as adopted by the European Union.

The Group applied this amendment to NIC, its insurance business which continued to apply IAS 39 “Financial instruments: Recognition and Measurement” up to the date of sale, 31 of March 2022.

2.24 Leases

The Group at the inception of a contract assess whether the contract is or contains a lease based on whether the Group has the right to control the use of an identified asset for a period of time obtaining substantially all the economic benefits from the use of the asset in exchange for consideration.

2.24.1 A Group company is the lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets for which lease payments are recognised as operating expenses on a straight-line basis over the lease term.

At the commencement date of the lease the Group:

a) Recognises a right of use (“RoU”) asset representing the Group’s right to use the underlying asset in the statement of financial position.

b) Recognises a lease liability that represents the present value of the Group’s obligation to make lease payments over the lease terms in the statement of financial position.

c) Recognises depreciation on the RoU asset.

d) Reviews the RoU assets for impairment whenever events or circumstances indicate that the carrying amount may not be recoverable over the remaining life. Any impairments are charged to the income statement.

e) Recognises interest expense on the lease liabilities in the income statement.

f) Separates the total amount of cash paid into the principal portion presented within financing activities and the accrued interest expense portion presented within operating activities in the cash flow statement.

2.24.2 RoU assets

As stated above, the Group recognises RoU assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). RoU assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of RoU assets includes the amount of lease liabilities recognised, initial direct costs incurred, restoration costs and lease payments made at or before the commencement date less any lease incentives received. RoU assets are depreciated on a straight-line basis over the lease term.

The RoU assets are presented in “Property and equipment”.

2.24.3 Lease liabilities

As stated above, at the commencement date of the lease, the Group recognises lease liabilities which are initially measured at the present value of the future lease payments, discounted using the rate implicit in the lease or, if this rate cannot be readily determined, the lessee’s incremental borrowing rate (IBR). The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the RoU asset in a similar economic environment.

The lease payments include fixed payments (less any lease incentives receivable), variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs. The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or a rate, if there is a change in the Group’s estimate of the amounts expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the RoU asset, or is recorded in the Income Statement if the carrying amount of the RoU asset has been reduced to zero.

2.24.4 Short-term leases and leases of low-value assets

The Group has elected not to recognize RoU assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets (€5,000 or less). The Group recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term (Note 12 "General, administrative & other operating expenses").

2.24.5 A Group company is the lessor

Finance lease: When assets are leased out under a finance lease, the present value of the minimum lease payments is recognized as a receivable. Lease income is recognized over the term of the lease using the net investment method (before tax), which reflects a constant periodic rate of return. Finance lease receivables are included in loans and advances to customers.

Operating lease: Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Property leased out under operating leases are included in the Statement of Financial Position based on the nature of the asset. They are depreciated over their useful lives on a basis consistent with similar owned property. Rental income (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term.

2.25 Cash and cash equivalents

For the purposes of the Cash Flow Statement, cash and cash equivalents include cash on hand, unrestricted balances held with central banks, amounts due from other banks and highly liquid financial assets with original maturities of less than three months from the date of acquisition such as treasury bills and other eligible bills, investment and trading securities which are subject to insignificant risk of changes to fair value and are used by the Group in the management of its short-term commitments.

2.26 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made.

2.27 Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

A financial guarantee contract, other than those assessed as insurance contracts, is recognised initially at their fair value and subsequently measured at the higher of: (a) the unamortized balance of the related fees received and deferred, and (b) the amount of the loss allowance determined in accordance with IFRS 9.

2.28 Employee benefits

Group companies operate various post-employment benefit plans in accordance with local conditions and practices in their respective countries. Such plans are classified as defined benefit and defined contribution plans.

2.28.1 Pension plans

a. Defined benefit plans

A defined benefit plan is a post-employment benefit plan that defines an amount of benefit to be provided, determined using a number of financial and demographic assumptions. The most significant assumptions include age, years of service or compensation, life expectancy, the discount rate, expected salary increases and pension rates. For defined benefit plans, the liability is the present value of the defined benefit obligation as at the reporting date minus the fair value of the plan assets. The defined benefit obligation and the related costs are calculated by independent actuaries on an annual basis at the end of each annual reporting period, using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high quality corporate bonds or government bonds that are denominated in the currency in which the benefits will be paid and, which have terms to maturity approximating the terms of the related liability, or for currencies for which there is no deep market in such high quality corporate bonds, the market yields (at the end of the reporting period) on government bonds denominated in that currency shall be used. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined liability/(asset). Service cost (current service cost, past service cost (including the effect of curtailments) and gains or losses on settlements) and net interest on the net defined benefit liability/(asset) are charged to the income statement and are included in staff costs. The defined benefit obligation net of plan assets is recorded on the Statement of Financial Position, with changes resulting from remeasurements (comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan asset (excluding interest)) recognized immediately in OCI, with no subsequent recycling to profit or loss, in order to fully reflect the full value of the plan deficit or surplus.

b. Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the Group pays fixed contributions into a separate entity and has no legal or constructive obligations to pay further contributions, if the entity does not hold sufficient assets to pay all employees' benefits relating to employee service in the current and prior periods. Group contributions to defined contribution plans are charged to the income statement in the year to which they relate and are included in staff costs.

2.28.2 Share based payment transactions

The fair value of the employee services received in exchange for the grant of the options is measured by reference to the fair value of the share options at the date on which they are granted and is recognised in the income statement over the period that the services are received, which is the vesting period. The total amount to be expensed over the vesting period is determined by reference to the fair value of the share options granted. Fair value of the options granted is determined using an option-pricing model that takes into account the share price at the grant date, the exercise price of the option, the life of the option, the expected volatility of the share price over the life of the option, the expected dividends on it, and the risk-free interest rate over the life of the option.

When the options are exercised and new shares are issued, the proceeds received net of any transaction costs are credited to share capital (par value) and the surplus to share premium. There were no share based payment transactions in 2021 or 2022 for the Group and the Bank.

2.28.3 Termination benefits

A liability for a termination benefit is recognised at the earlier of when the Group and the Bank can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

2.29 Income taxes

Current income tax liability is based on taxable profit for the year. Taxable profit differs from profit/(loss) for the period as reported in the Income Statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's current income tax liability is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method.

The principal temporary differences arise from revaluation of certain financial instruments, including securities and derivatives, insurance reserves, provisions for defined benefit obligations and other post retirement benefits, loss from the Private Sector Initiative ("PSI") and property and equipment. DTA relating to the unused tax losses carried forward are recognised to the extent that it is probable that sufficient taxable profits will be available in the future against which these deductible temporary differences can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on laws that have been enacted or substantially enacted at the reporting date.

Deferred tax assets and liabilities are not recognized if the temporary differences arise from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profits nor the accounting profits.

Recognition of deferred tax assets is based on Management's best estimate that it is more probable than not that the tax benefits associated with certain temporary differences, such as tax losses carried forward and tax credits, will be realized, based on all available evidence. The carrying amount of deferred tax assets is reviewed semi-annually and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. In making such determination, the Group and the Bank consider all available positive and negative evidence, including future reversals of existing taxable temporary differences, projected future taxable income and recent financial results. In the event the Group and the Bank were to determine that it would be able to realize their deferred income tax assets in the future in excess of their recorded amount, it would make an adjustment to increase the carrying amount of deferred tax assets.

Current and deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current income tax advances against current income tax liabilities and when they relate to income taxes levied by the same taxation authority and the Management intends to settle its current tax assets and liabilities on a net basis.

Deferred income tax is recognised for temporary differences arising from investments in subsidiaries, associates and joint ventures, except where the timing of the reversal of the temporary difference can be controlled by the Group and it is probable that the difference will not reverse in the foreseeable future.

Deferred income tax relating to fair value changes of investment securities measured at FVTOCI and cash flow hedges, which are charged or credited to other comprehensive income, is also credited or charged to other comprehensive income where applicable and is subsequently recognised in the Income Statement together with the deferred gain or loss.

2.30 Debt securities in issue and other borrowed funds

Debt securities issued and other borrowed funds are initially recognised at fair value net of transaction costs incurred. Subsequent measurement is at amortised cost (unless they are designated as at fair value through profit or loss) and any difference between net proceeds and the redemption value is recognised in the Income Statement over the period of the borrowings using the effective interest rate method.

2.31 Share capital, treasury shares and other equity items

Share and other equity items issue costs: Incremental external costs directly attributable to the issue of shares and other equity items, other than on a business combination, are deducted from equity net of any related income tax benefit.

Dividends on ordinary shares, preference shares and preferred securities: Dividends on ordinary shares are recognised as a liability in the period in which they are approved by the Bank's Shareholders at the Annual General Meeting. Dividends on preference shares and preferred securities classified as equity are recognised as a liability in the period in which the Group becomes committed to pay the dividend.

Treasury shares: NBG shares held by the Group are classified as treasury shares and the consideration paid including any attributable incremental external costs, net of income taxes, is deducted from total shareholders' equity until they are cancelled, reissued or resold. Treasury shares do not reduce the number of shares issued but affect the number of outstanding shares used in the calculation of earnings per share. Treasury shares held by the Bank are not eligible to receive cash dividends. Any difference between acquisition cost and ultimate proceeds from subsequent resale (or reissue) of treasury shares is included in shareholders' equity and is therefore not to be considered a gain or loss to be included in the Income Statement.

2.32 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker is the person or group that allocates resources to and assesses the performance of the operating segments of an entity. The Group has determined the Senior Executive Committee as its chief operating decision-maker.

All transactions between business segments are conducted on an arm's length basis, with inter-segment revenue and costs being eliminated. Income and expenses directly associated with each segment are included in determining business segment performance.

Geographical segments include income from assets that are either located or are managed in the respective geographical areas.

2.33 Assets and liabilities held for sale and discontinued operations

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification except as permitted by IFRS 5, and actions required to complete the plan should indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale on initial classification are measured at their lower of their carrying amount and their fair value less costs to sell. Assets and liabilities of disposal groups classified as held for sale and non-current assets classified as held for sale are shown separately on the face of the Statement of Financial Position.

Impairment losses on initial classification as held for sale are included in the income statement, even when there is a revaluation. The same applies to gains and losses on subsequent re-measurement.

If the Group has classified an asset (or disposal group) as held for sale, but the criteria for classification as such are no longer met, the Group ceases to classify the asset (or disposal group) as held for sale. The Group measures a non-current asset (or disposal group) that ceases to be classified as held for sale (or ceases to be included in a disposal group classified as held for sale) at the lower of:

(a) its carrying amount before the asset (or disposal group) was classified as held for sale, adjusted for any depreciation or amortisation that would have been recognised had the asset (or disposal group) not been classified as held for sale, and

(b) its recoverable amount at the date of the subsequent decision not to sell.

A discontinued operation is a component of the Group's business that represents a separate major line of business or geographical area of operations that has been disposed of or is classified as held for sale or is a subsidiary acquired exclusively with a view to resale. Classification as discontinued operations occurs upon disposal or when the operations meet the criteria to be classified as held for sale.

The results of discontinued operations are shown as a single amount on the face of the income statement comprising the post-tax profit or loss of discontinued operations and the post-tax gain or loss recognized either on measurement to fair value less costs to sell or on the disposal of the discontinued operation.

2.34 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions. Government grants relating to costs are deferred and recognised in the income statement over the period necessary to match them with the costs that they are intended to compensate.

The Group accounts for the potential reduction in the borrowing rate under the Targeted Longer-Term Refinancing Operations III program ("TLTRO III") as government grant under IAS 20. The income from the government grant is presented in the Income Statement in Net interest income and is recognized when there is reasonable assurance that the Group will receive the grant and will comply with the conditions attached to the grant.

2.35 Related party transactions

Related parties include entities, which the Bank has the ability to exercise significant influence in making financial and operating decisions. Related parties include the members of the Board of Directors, the members of the (Extended) Senior Executive Committees of the Bank, other General Manager with decision making power, the key management of the Group companies, their close relatives, companies controlled or joint controlled by them and companies over which they can influence the financial and operating policies.

2.36 Fiduciary and trust activities

The Group provides fiduciary and trust services to individuals and other institutions, whereby it holds and manages assets or invests funds received in various financial instruments at the direction of the customer. The Group receives fee income for providing these services. Trust assets are not assets of the Group and are not recognised in the financial statements. The Group is not exposed to any credit risk relating to such placements, as it does not guarantee these investments.

2.37 Earnings /(losses) per share

A basic earnings per share (EPS) ratio is calculated by dividing the profit or loss for the period attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period excluding the average number of ordinary shares purchased by the Group and held as treasury shares.

A diluted earnings per share ratio is computed using the same method as for basic EPS, but the determinants are adjusted to reflect the potential dilution that could occur if convertible debt securities, options, warrants or other contracts to issue ordinary shares were converted or exercised into ordinary shares.

NOTE 3 Critical judgments and estimates

The preparation of the Financial Statements in accordance with IFRSs requires Management to make judgments, estimates and assumptions that affect the reported amount of assets, liabilities, income and expense in the consolidated and separate Financial Statements and accompanying notes. The Group believes that the judgments, estimates and assumptions used in the preparation of the consolidated and separate financial statements are appropriate.

The most significant areas, for which judgments, estimates and assumptions are required in applying the Group's accounting policies, are the following:

3.1 Fair value of financial instruments

The fair values of financial instruments that are not quoted in active markets are determined by using valuation techniques. These include present value methods and other models based mainly on observable input parameters and to a smaller extent on non-observable input parameters. Valuation models are used primarily to value derivatives transacted in the over-the-counter market and bonds that are not traded on an active market.

These models take into consideration the impact of credit risk. For derivatives, this impact is estimated by calculating a separate credit value adjustment ("CVA") for each counterparty to which the Group has exposure. The calculation considers expected exposures generated using simulation techniques, as well as netting agreements and collateral postings. Furthermore, the CVA is based on expected loss rates derived from Credit Default Swaps ("CDS") rates observed in the market, or, if these are not available, the probability of default of the counterparty derived from internal rating models, or otherwise the regulatory risk weight is applied. With respect to the impact of own credit risk on the valuation of derivatives, the Group applies a methodology symmetric to the one applied for CVA.

All valuation models are validated before they are used as a basis for financial reporting. Valuation results of material models are periodically reviewed by qualified personnel independent of the area that performed the development. Wherever possible, the Group compares valuations derived from models with quoted prices of similar financial instruments and with actual values when realised, in order to further validate and calibrate its models. A variety of factors are incorporated into the Group's models, including actual or estimated market prices and rates, such as time value and volatility, market depth and liquidity, and changes in own credit risk for financial liabilities.

The Group applies its models consistently from one period to the next, ensuring comparability and continuity of valuations over time, but estimating fair value inherently involves a significant degree of judgment. Management therefore periodically reviews the output of the model to cover the risks associated with the estimation of unobservable input parameters and the assumptions within the models themselves.

Although a significant degree of judgment is, in some cases, required in establishing fair values, Management believes the fair values recorded in the Statement of Financial Position and the changes in fair values recorded in the Income Statement or the Statement of Comprehensive Income are reasonable and reflect the underlying economics, based on the controls and procedural safeguards employed.

Additional information related to fair value of financial instruments is disclosed in Note 4.7 "Fair value of financial assets and liabilities".

3.2 Income taxes

The Group is subject to income taxes in various jurisdictions. Significant judgment is required in determining the provision for income taxes and the amount of deferred tax asset that is recoverable. The Group considers many factors including statutory, judicial and regulatory guidance in estimating the appropriate accrued income taxes for each jurisdiction. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognizes liabilities for anticipated tax audit issues based on the technical merits of tax position taken and estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which the final outcome is determined.

Deferred tax assets are recognized in respect of tax losses and deductible temporary differences to the extent that it is probable that future taxable profit will be available against which the losses and deductible temporary differences can be utilized. Estimating the expected future taxable income requires the application of judgment and making assumptions about the future trends of the key drivers of profitability, such as loan and deposits volumes and spreads and operating expenses.

As of 31 December 2022, the Bank assessed the recoverability of its deferred tax asset, taking into account the actual performance for the year ended 31 December 2022, the completed and agreed disposals of NBG's subsidiaries, the funding from the Eurosystem and the extensive and continuous fiscal and monetary support from the European and Greek authorities in response to the unprecedented COVID-19 crisis (see Note 2.2 "Going concern").

Taking into consideration the above, Management prepared analytical financial projections up to the end of 2025 and used its best estimates regarding the growth assumptions thereafter. Based on the above, Management concluded that a deferred tax asset of €4,705 million for the Group and €4,692 million for the Bank may be treated as realizable.

The amount of the deferred tax asset on tax losses and deductible temporary differences is currently treated as non-realizable, however, could be recognised in future periods if estimates of future taxable income during the carry-forward period are increased. Taxable income is calculated in accordance with the applicable tax laws and regulations; accordingly taxable income should not be considered as equal to or an alternative to net income.

3.3 Pension benefits - Defined benefit obligation

The present value of the defined benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions such as mortality, disability and rates of employee turnover and financial assumptions such as the discount rate, salary changes and benefit levels. Any changes in these assumptions will impact the carrying amount of defined benefit obligations. The Group determines the appropriate discount rate at the end of each year by reference to market yields based on high quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related defined benefit obligations. Where a deep market in these bonds does not exist, estimates of rates which take into account the risk and maturity of the related liabilities are used.

Additional information related to other key assumptions for defined benefit obligations is disclosed in Note 11 "Retirement benefit obligation".

3.4 Impairment assessment of investments in subsidiaries, associates and joint ventures in individual financial statements

The Bank accounts for and assesses for impairment investments in subsidiaries, associates and joint ventures in its separate financial statements as described in Note 2.4.8 “Impairment assessment of investments in subsidiaries, associates and joint ventures in individual financial statements”, above. This assessment requires the use of certain assumptions and estimates, which Management believes are reasonable and supportable in the existing market environment and commensurate with the risk profile of the assets valued. However, different ones could be used which would lead to different results.

3.5 Assessing whether the contractual cash flows are SPPI

The Group assesses whether the contractual cash flows of lending exposures including securitised notes issued by special purpose entities and loans with non-recourse features, as well as debt securities are SPPI compliant. When performing this assessment significant judgment may be applied. Specifically, the Group applies significant judgment when considering whether non-recourse features significantly affect future cash flows. In order to conclude whether the loan represents a basic lending agreement and its return does not vary based on the performance of the underlying asset or project, the Group assesses whether there is an adequate buffer to absorb credit losses primarily by comparing the value of asset performance indicators, (e.g. loan-to-value and average debt servicing coverage ratio) against predefined thresholds. Significant judgement is also applied when assessing if securitised notes issued by special purpose vehicles are SPPI compliant, the cash flow characteristics of the notes, the underlying pool of financial assets as well as the credit risk inherent in each securitization’s tranche is taken into account for this assessment.

3.6 Measurement uncertainty in determination of ECL estimates

The measurement of ECL requires Management to apply significant judgment and make estimates and assumptions that involve significant uncertainty at the time they are determined. Changes to these estimates and assumptions can result in significant changes to the amount and timing of ECL allowance to be recognised. The most significant sources of measurement uncertainty relate to the following ECL factors:

Determination of a significant increase of credit risk

The Group assesses whether a SICR has occurred since initial recognition based on qualitative and quantitative criteria that include significant management judgment. Further information on the criteria applied is disclosed in Note 4.2.6 “Impairment of amortised cost and FVTOCI financial assets”. More stringent criteria could significantly increase the number of financial instruments classified into Stage 2. All staging criteria and thresholds determined based on FLI are subject to validation by the Bank’s Model Validation Unit. Changes in the staging criteria are approved by the Group’s Executive Committee and Board Risk Committee.

Model risk inherent in the IFRS 9 models

Compliance with the IFRS 9 impairment model requires the use of a variety of models. The complexity of the models as well as dependency to other model-based inputs is high, therefore any changes in inputs and data (e.g. internal credit ratings, behavioural scores etc.), as well as new or revised models, may significantly affect the ECL allowance. The models are validated by the Bank’s Model Validation Unit, in accordance with the Bank’s Model Risk Management Framework. Further information is disclosed in Note 4.2.6 “Impairment of amortised cost and FVTOCI financial assets”.

Forward looking information

FLI is incorporated in the ECL measurement of collectively assessed loans and debt securities through the PD and LGD models. The expected recoveries (cash flow recoveries or liquidation of collateral) used in the ECL measurement of corporate lending exposures individually assessed, take into account FLI based on the Bank’s forecasts of the relevant macroeconomic factors. Management selects forward-looking scenarios and assesses the suitability of respective weights to be applied. Each of the scenarios is based on Management’s assumptions over future economic conditions in the form of macroeconomic, market and other factors. Changes in the scenarios and weights, the relevant macroeconomic variables and the assumptions made for the forecast horizon may have a significant effect on the ECL allowance. More information is disclosed in Note 4.2.6 “Impairment of amortised cost and FVTOCI financial assets”.

3.7 Leases

The Group as a lessee determines the lease term as the non-cancellable period of a lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Group applies judgement in evaluating whether it is reasonably certain or not to exercise an option to extend or terminate a lease, by considering all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease or not to exercise the option to terminate the lease.

After the commencement date the Group reassesses the lease term upon the occurrence of a significant event or a significant change in circumstances that is within its control that affects whether it is reasonably certain to exercise an option not previously included in the determination of the lease term, or not to exercise an option previously included in the determination of the lease term.

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Bank or its subsidiaries would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific adjustments (such as an adjustment for credit risk) taking into account the terms and conditions of the lease.

3.8 Assessment of control over investees

Management exercises judgement to assess if the Group controls another entity including structured entities. The assessment of control or loss of control is carried out according to the Group's accounting policies and applicable accounting standards. Management's assessment of control takes into account the structure of the transaction, the contractual arrangements and whether the Group directs the substantive decisions that affect returns.

NOTE 4 Financial risk management

The Group considers effective risk management to be a key factor in its ability to deliver sustained returns to the shareholders. The Group allocates substantial resources to keep upgrading its policies, processes, methods and infrastructure to ensure compliance with best international practices and the guidelines of the Basel Committee for Banking Supervision.

4.1 Group Risk Management Governance Framework

The Group aims to adopt practices regarding risk management governance, taking into account all relevant guidelines and regulatory requirements. The risk management processes of the Group distinguish among the following kinds of risk: credit risk, concentration risk, market risk, interest rate risk in the banking book, counterparty credit risk, liquidity risk, operational risk and model risk.

The Group Risk Management Governance Framework is described in detail in the Risk Management section of the Board of Directors Report.

4.2 Credit risk

Credit risk is the risk of financial loss relating to the failure of a borrower to meet its contractual obligations. It arises in lending activities as well as in various other activities where we are exposed to the risk of counterparty default, such as our trading, capital markets and settlement activities. Credit risk is the largest single risk that the NBG Group faces. The credit risk processes are conducted separately by the Bank and each of its subsidiaries. The credit risk procedures established by the subsidiaries are coordinated by the Group Credit Risk Control Division (GCRCD). The sections below refer to the processes followed by the Bank.

4.2.1 Credit policy for corporate lending

The credit policies for corporate lending of the Bank and its Subsidiaries set out the fundamental principles for the identification, measurement, approval, monitoring and reporting of the credit risk related to the corporate portfolio and ensure equal treatment for all obligors.

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

4.2.2 Credit policy for retail lending

The credit policy for retail lending ("Retail Credit Policy") sets the minimum credit criteria, principles, procedures and guidelines for managing and controlling credit risk undertaken in retail portfolios, both at Bank and Group level. Its main scope is to enhance, guide and regulate the effective and adequate management of credit risk, thus achieving a viable balance between risk and return.

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

The Retail Credit Policy is communicated through the respective credit policy regulations serving three basic objectives:

- to set the framework for basic credit criteria, rules and procedures,
- to consolidate retail credit policies of the Group, and,
- to establish a common approach for managing retail banking risks.

The credit policy regulations are approved by the Senior Executive Committee and are reviewed whenever deemed necessary.

The NBG Group Retail Credit Division reports directly to the Chief Credit Officer (“CCO”) and its main task is to evaluate, design and approve the Credit Policy that governs the retail banking products, both locally and abroad. Furthermore, the NBG Group Retail Credit Division closely monitors the consistent implementation of both the Retail Credit Policy provisions and credit granting procedures.

Through the application of the Retail Credit Policy, the evaluation and estimation of credit risk, for new as well as for existing products, are effectively facilitated. The Senior Executive Committee is regularly informed on all aspects covered by the Retail Credit Policy. Remediation Action Plans are put together to resolve the issues, whenever necessary, within the risk appetite and strategic orientation of the Bank.

4.2.3 Credit granting processes

The Group’s credit granting processes are described in the “Risk Management” section of the Board of Directors Report, under “Management of Risks | Credit Risk”.

4.2.4 Credit risk assessment, monitoring and internal ratings

The Bank uses different credit risk rating models and methodologies, according to the specific characteristics of credit portfolios, which are monitored systematically by GCRCD and validated according to the validation cycle defined in the Model Validation Policy by the independent MVU. More specifically:

Corporate Portfolio

NBG has developed a corporate portfolio rating system (initially approved and certified by the Bank of Greece for Pillar I purposes) which is used to quantify risk parameters, such as Probability of Default (“PD”), and supports mainly the credit approval process while it is also utilized for pricing, ICAAP calculation, reporting and provisioning purposes. The rules for classifying obligors into rating grades are set out in detail in the Corporate Credit Policy. In brief, NBG’s Obligor Risk Rating (ORR) scale contains 21 grades, 19 of which correspond to obligors who are not in default status and 2 to obligors who are in default status. Different exposures against the same obligor receive the same rating grade, regardless of the specificities of various characteristics of credit (e.g. type of facility, collateral provided, etc.). The rating procedure is carried out at least annually or earlier in cases where new information or new financial data is made available and may affect the risk undertaken. The Bank uses four types of models to assess the creditworthiness of corporate obligors. All these models, are hosted on the Credit Lens (CL) platform, developed by Moody’s. Corporate obligors are assessed via the following models:

1. Corporate Rating Model (CRM): A “Hybrid” rating model implemented via Moody’s Credit Lens (CL) platform, focusing on companies with full financial data
2. Specialised Lending – Slotting Criteria Scorecards: Project and Object Finance credits
3. Limited Financials Scorecards: Applied to newly founded companies and smaller firms with limited financial data, which keep simplified B-class accounting ledgers (i.e. single entry books)
4. Expert judgement model: Used for specific type of obligors (such as Local Authorities and municipal enterprises, Non-Profit Organizations, etc,) that cannot be rated by the remaining number of models for the Corporate portfolio, hosted on Credit Lens platform

All these models produce ordinal rankings of obligors (or credits, in the case of project and object finance) in the ORR scale which are then mapped into a unique PD. Models are calibrated, whenever necessary.

Apart from the above models, NBG has developed and implemented the Early Warning System (EWS) for its Corporate Clientele; a comprehensive framework that identifies, monitors and manages obligors with credit deterioration at very early stages. EWS was introduced in 2018, and comprises efficient and effective structures, processes and tools to support early arrears management.

With regard to the pricing of the Corporate Obligors, NBG has established a well-defined Risk-Based Pricing (RBP) Framework that is based on fundamental pricing principles and is governed by relevant policies, robust pricing methodologies and tools. NBG’s RBP Framework covers the new business production as well as the renewal of existing credit relationships for Corporate portfolio. It takes into account the Bank’s Risk Appetite Framework (RAF), the current regulatory framework, the international accounting standards and the relevant provisioning models, the macroeconomic trends, as well as the fair and proportional treatment of all clients. On a regular basis (at least annually) it is reviewed and revised, if deemed necessary.

The universe of all models related to corporate portfolio is presented below.

Credit Risk Models by use, type and portfolio

Model Use	Model Type	Corporate
IFRS 9 Models	PD	1
	EAD	1
	LGD	1
ICAAP (Pillar II)	PD	5
	EAD	-
	LGD	-
Pricing Tools		1
Early Warning System (EWS)		1
Total		10

Retail Portfolio

The management of credit risk in the retail portfolio starts with the approval stage. The underwriting process is centralised which ensures segregation of duties and uniform enforcement of underwriting standards. Every new application is assessed using product-based application/origination scorecards. Furthermore, throughout the life of each credit, the payment behaviour is regularly monitored, using statistically-developed behavioural scorecards. Monitoring reports about the quality of each retail loan book are regularly (more frequently than annually) provided by GCRCD for management review and corrective measures are proposed to mitigate and control credit risk, whenever necessary.

The **mortgage** portfolio in particular, is reviewed using more advanced methods since the Bank adopted the A- IRB approach in 2008 for estimating capital requirements against credit risk for mortgage exposures. The Bank's PD model was developed in 2009, and based on more recent re-calibrations, was used for capital calculation purposes under the IRB Approach. Since the Bank's reversion to the Standardized Approach in June 2019, the model is used for Internal Capital (ICAAP) calculation purposes as well as for internal reporting and portfolio monitoring purposes. Any non-defaulted exposure is rated using this PD model on a monthly basis and is classified in one of 10 rating grades with common risk attributes (pools). Each rating grade is assigned a different PD. All defaulted exposures receive a PD equal to 100%.

Furthermore, an internally developed LGD model for mortgage loans is used mainly for financial reporting purposes, but also for ICAAP, Stress Test and Budget/Business/NPE/Recovery Planning purposes. The model consists of three components; the first component produces transition probabilities to any discrete state an account can be found from the previous state it has been classified taking into account macro-economic factors, the second one estimates recovery rates and the third component incorporates the expected recovered amount from collateral liquidation. Both the aforementioned PD and LGD models are validated according to the validation cycle set as defined in the Model Validation Policy by the independent Model Validation Unit (MVU) and is monitored regularly by GCRCD.

As far as loans and advances to **SBL** customers are concerned, the same basic principle of centralised assessment and monitoring is followed as in the corporate portfolio. All credit applications are evaluated first, at inception, and then at least once a year and certainly, on credit limits renewal dates. The assessment uses the SBL Model that generates a rating score, which in turn corresponds to a PD. This model incorporates an independent "behavioural score" variable. A standard behavioural scorecard examines the customer's behaviour in respect to all of his accounts, both credit and deposit ones, weighs a number of variables accordingly (e.g. delinquencies, limit usage, etc.) and generates automatically a score every month. The addition of a behavioural score led to a significant increase in the predictive power of the SBL PD Model.

In addition, an LGD model for SBL is in place and used mainly for financial reporting purposes, but also for ICAAP, Stress Test and Budget/Business/NPE/Recovery Planning purposes. The methodology considers three model components (Curing, Recoveries, Loss Given Liquidation) that lead to the implementation of a conceptually sound calculation technique which takes into account obligor and portfolio specific characteristics and the long-run economic conditions of the Greek market.

As above, SBL's PD and LGD models are validated according to the validation cycle set as defined in the Model Validation Policy by the independent MVU and monitored regularly by GCRCD.

As in the Corporate Portfolio, NBG implements an EWS for its retail population and more specifically for Mortgage, Consumer & SBL portfolios, aiming at identifying possible credit losses at a very early stage. The framework is supported by the appropriate procedure documents, controls and tools for achieving effective early arrears management.

As far as the pricing is concerned, a well-established Risk-Based Pricing (RBP) Framework is also implemented for the retail clientele, governed by relevant policies, robust pricing methodologies and tools.

The universe of all models related to retail portfolio is presented below.

Credit Risk Models by use, type and portfolio

Model Use	Model Type	Mortgage loans	Consumer Term Loans	Credit Cards & Open Loans	SBL	Total
IFRS 9 Models	PD	1	1	1	1	**4**
	EAD	-	-	1	1	**2**
	LGD	1	1	1	1	**4**
ICAAP (Pillar II)	PD	1	-	-	3	**4**
	LGD	1	-	-	1	**2**
Pricing Tools		1	1	1	1	**4**
Early Warning System (EWS)		1	1	2	1	**5**
Score cards	Application	1	2	2	-	**5**
	Behavioral	3	2	6	-	**11**
Total		**10**	**8**	**14**	**9**	**41**

4.2.5 Concentration risk management

The Bank manages the extension of credit, controls its exposure to credit risk and ensures its regulatory compliance based on an internal limits system. The process for managing concentration risk is described in the "Risk Management" section of the Board of Directors Report, under "Management of Risks | Concentration Risk".

4.2.6 Impairment of amortised cost and FVTOCI financial assets

An ECL allowance is recognised for all financial assets measured at amortised cost, debt financial assets measured at FVTOCI, lease receivables, financial guarantee contracts and certain loan commitments that meet the financial instrument definition. The Bank has established a policy for impairment of financial instruments under IFRS 9 (the "Impairment Policy"), which also applies to all subsidiaries and establishes guidelines on measurement of ECL. The Group's accounting policies on recognition and measurement of ECL are described in Note 2.7.7 "Impairment – Expected Credit Losses". Based on the Impairment Policy, the Group's Financial Assets Impairment Provision and Write-off Committee is responsible for:

- Approving the macroeconomic scenarios and the probability weights proposed to each scenario.
- Ensuring that the ECL allowance on all financial assets and off-balance sheet commitments within the scope of IFRS 9 is estimated in accordance with the impairment Policy.
- Ensuring compliance with the approved procedures for calculating financial assets impairment provision.
- Reviewing and approving the amount of the ECL allowance which has been measured either on an individual basis by the responsible Divisions, or on a collective basis by the dedicated ECL calculation system.
- Reporting to the BRC the amount of the ECL allowance for annual and interim, separate and consolidated financial statements.
- Reporting to the BRC and the AC changes in the credit risk parameters used in the ECL allowance calculation.

Definition of default

The Group has aligned the definition of default for financial reporting purposes, with the NPE definition used for regulatory purposes, as per the EBA ITS, thus a financial asset is considered as credit impaired, and is classified into Stage 3, when it is classified as NPE in accordance with the Group's NPE and Forbearance Classification Policy. 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.

Significant increase in credit risk (SICR)

A non-credit impaired asset is classified in Stage 2 if it has suffered a SICR, otherwise it is classified in Stage 1. An assessment as to whether a significant increase in credit risk has occurred since initial recognition is performed at each reporting period on the individual financial instrument level, by considering the change in the risk of default occurring over the remaining expected lifetime of the financial instrument. The assessment compares the risk of default occurring at the reporting date compared with that at initial recognition, taking into account reasonable and supportable information, including information about past events, current conditions and future economic conditions. The assessment is unbiased, probability-weighted, and to the extent relevant, uses forward-looking information consistent with that used in the measurement of ECL.

The Bank assesses SICR, in accordance with the principles set in the Impairment Policy, which includes the following:

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

The abovementioned criteria regarding the quantitative element and backstop indicators are further analysed below per type of exposure:

a. Retail lending exposures

Stage allocation is performed by the comparison of scenario weighted lifetime PDs from the risk assessment performed at origination versus the weighted lifetime PDs at each reporting date, for the financial asset’s residual term. In order to identify SICR since initial recognition and determine whether the financial asset shall be transferred from Stage 1 to Stage 2 on a quantitative basis the Bank has developed a separate threshold model for each group of retail lending exposures (mortgage, consumer and SB exposures). SICR threshold models are statistically estimated utilizing historical data in the IFRS 9 lifetime PD modelling framework. The resulting thresholds derived from the models are not altered exogenously. Thresholds are relative and vary depending on the level of lifetime PD at origination, also ensuring that higher origination PDs are associated with lower SICR thresholds. As at 31 December 2022, the estimated average relative increase for SICR identification can range between 58% and 162%, depending on the group of retail loans portfolio.

In addition, for exposures with lifetime PD equal to or greater than 0.3% at the reporting date, the EBA backstop indicator of the threefold increase in lifetime PD is applied as a rule for Stage 2 allocation.

b. Corporate lending exposures

SICR is assessed based on changes in the obligor’s internal credit rating since origination. The SICR threshold for a financial asset to be transferred to Stage 2 on a quantitative basis, ranges from one notch to eight notches downgrade in terms of the ORR scale, whereby thresholds are wider for obligors whose credit risk at origination was lower and consequently narrower for obligors whose credit risk at origination was higher.

In addition, for exposures with 12-month point-in-time (“PiT”) PD (based on the PD to which the credit ratings of obligors in the ORR scale have been mapped, as described in Note 4.2.4 “Credit risk assessment, monitoring and internal ratings”) equal to or greater than 0.3% at the reporting date, the EBA backstop indicator of the threefold increase in 12-month PiT PD is applied as a rule for Stage 2 allocation.

c. Debt securities and other financial assets

All debt securities and financial assets due from sovereigns and financial institutions are assessed on an individual basis in order to determine if a SICR has occurred since initial recognition, based on external credit ratings. If an external credit rating is available for a debt security, then SICR is assessed based on this rating, rather than the issuer’s rating, in order to incorporate in the analysis any instrument-specific credit characteristics. All other financial assets due from sovereigns and financial institutions, such as money market placements, reverse repurchase agreements and unrated debt securities, are assessed for SICR based on the counterparty's or issuer's external credit rating. Any of the aforementioned financial assets rated as 'investment grade' at the reporting date, are assumed as having low credit risk and are classified within Stage 1 without any further SICR analysis.

Movement of financial assets to Stage 1

Financial assets are transferred back to Stage 1 when the SICR criteria are no longer met.

ECL measurement period

The period over which lifetime ECL is measured is based on the maximum contractual period over which the Bank is exposed to credit risk, which is determined in accordance with the substantive terms of the contract. For revolving lending exposures, the period of exposure is determined based on the expected credit risk management actions and historical experience.

Forward-looking information

ECL measurement incorporates forward-looking information (FLI). The Group selects three forward-looking scenarios of the future path of economic activity in Greece and combines them with a set of weights that represent the probability of occurrence of each of these scenarios. The Group assesses the suitability and plausibility of the respective weighted scenario, combining relevant information from official sources, major rating agencies and credible sources of private forecasters' polls, and uses an econometric model relating GDP with the future path of other macroeconomic variables used in ECL calculations, in conjunction with and a minimum set of exogenous forward-looking conditioning variables. The selected scenarios for GDP growth and the related weights are approved by the Management. More specifically, the Bank applies three forward-looking macroeconomic scenarios, i.e. baseline, optimistic and adverse, with a probability weighting of 55%, 20% and 25%, respectively, developed by the Economic Analysis Division. The macroeconomic scenarios and the respective weights are approved by the Group's Financial Assets Impairment Provision and Write-off Committee and their performance is assessed by the MVU as part of the validation process of the models used to estimate ECL in accordance with the Model Validation Policy. The macroeconomic scenarios used for measuring ECL are the same with the ones used for evaluating SICR.

The macroeconomic variables utilized by the Bank relate to Greek economic factors and the ECL allowance is mainly driven by the changes in gross domestic product (GDP) and house price index (HPI). As regards HPI, the values corresponding to the optimistic scenario are assumed to be equal to those of the baseline over the projection period, in view of the uncertainty and the idiosyncratic non-modeled drivers of this market under the current juncture. The annual average forecasts in the mid-term horizon (2023-2027) under the three macroeconomic scenarios for each of these 2 key variables are the following:

	Baseline	Optimistic	Adverse
GDP growth	2.0	3.3	-0.5
HPI growth	3.4	3.4	1.0

The ECL allowance is sensitive to changes in forward-looking scenarios of the aforementioned macroeconomic variables. Given that the Group's ECL allowance is mainly driven by the Bank, Management assessed and considered the sensitivity of the Bank's ECL allowance on loans and advances to customers at amortised cost against reasonably possible changes in these specific variables, compared to the FLI scenarios utilised in the ECL measurement as of 31 December 2022. The sensitivity analysis was performed assuming a "favourable" and an "adverse" shift in the three FLI scenarios for GDP and HPI growth, while retaining the same probability weights assigned to each scenario (i.e. 55%, 20% and 25% for the baseline, optimistic and adverse scenarios, respectively). These two variations of the original set of GDP growth scenarios have been used to derive two model-based sets of scenario paths for all macroeconomic variables (including the HPI) since GDP plays a pivotal role in the modelling of all other variables. Moreover, an additional sensitivity analysis focusing exclusively on the HPI growth was performed keeping all other macroeconomic variables constant to their original values.

The alternative scenarios were applied to the full trajectory of GDP growth and HPI (2023-2050), with the average deviation assumed for each macroeconomic variable and scenario presented in the following table:

	Change compared to FLI scenarios used in the ECL measurement as of 31 December 2022 and 2021, expressed in percentage points		
Alternative scenario assumed	Baseline	Optimistic	Adverse
Higher GDP	+1.0	+1.0	+1.0
Lower GDP	-1.0	-1.0	-1.0
Higher HPI	+1.0	+1.0	+1.0
Lower HPI	-1.0	-1.0	-1.0

The impact on the ECL allowance for each of the alternative scenarios assumed for GDP and HPI by impairment stage is presented below, expressed as a percentage of the Bank's ECL allowance on loans and advances to customers at amortised cost as at 31 December 2022 and 2021. The impact on the ECL allowance should be read in the context of the sensitivity analysis as a whole, in conjunction with the narrative disclosures provided above.

As at 31 December 2022	ECL Impact			
Alternative scenario assumed	Stage 1	Stage 2	Stage 3	Total
Higher GDP	-0.03%	-1.3%	-0.5%	-1.9%
Lower GDP	+0.01%	+1.4%	+0.4%	+1.9%
Higher HPI	-0.03%	-0.2%	-0.2%	-0.4%
Lower HPI	+0.03%	+0.2%	+0.2%	+0.5%

As at 31 December 2021	ECL Impact			
Alternative scenario assumed	Stage 1	Stage 2	Stage 3	Total
Higher GDP	-0.2%	-1.6%	-1.2%	-3.0%
Lower GDP	+0.2%	+1.9%	+1.3%	+3.4%
Higher HPI	-0.02%	-0.2%	-0.4%	-0.7%
Lower HPI	+0.01%	+0.3%	+0.4%	+0.7%

As at 31 December 2022, the assignment of a 100% probability weight on the optimistic scenario would decrease the Bank's ECL allowance by 2.0% compared to the probability weighted ECL allowance (31 December 2021: -5.8%), while the assignment of a 100% probability weight on the adverse scenario would increase the Bank's ECL allowance by 3.1% compared to the probability weighted ECL allowance (31 December 2021: +11.3%).

Model risk inherent in the IFRS 9 models

Compliance with the impairment requirements of IFRS 9 requires the use of a variety of models. The complexity of the models as well as dependency to other model-based inputs is high, therefore any changes in inputs and data (e.g. ORRs, behavioral scores etc.), as well as new or revised models, may significantly affect the ECL allowance. The models are validated by the Bank's MVU, in accordance with the Bank's Model Risk Management Framework. The Bank's Model Validation Policy describes all key metrics and statistical tests used to quantitatively assess the following models and methodologies used to estimate the credit risk and measure ECL:

- PD, LGD and EAD models
- SICR methodology
- FLI macroeconomic models

The model validation process comprises the assessment of the qualitative and the quantitative aspects of a model as they are presented in detail in the Model Validation Policy and its Annexes. As part of the qualitative assessment, the qualitative aspects mainly examined comprise the completeness, the correctness and the consistency of the input data, the model design, its compliance with the existing internal and external requirements, the rigor of its implementation in the Bank's source systems and the model use, while the quantitative aspects cover the estimation of model's discriminatory power, its accuracy and the stability of the produced model outcomes.

Management adjustments in the ECL measurement of loans and advances to customers

The Group, in the context of its provisional framework, may occasionally make use of post-model adjustments (PMAs) based on expert credit judgment, to capture additional risks and incorporate the impact from new economic conditions and related macroeconomic uncertainties as a result of unexpected events, which may not be timely reflected in the ECL model outputs. PMAs may also relate to accounting requirements not incorporated in the ECL model output due to model limitations.

Management critically assesses the prevailing economic conditions at each quarter and determines whether PMAs are warranted to address emerging risks or whether prior period PMAs are no longer required, incorporating the related uncertainties in the estimation of expected credit losses in a valid, consistent and efficient manner, in accordance with the Group's internal respective frameworks. The determination and estimation of PMAs is performed in accordance with established dedicated processes and is subject to strict governance arrangements, ensuring the adequacy and soundness of the ECL measurement under IFRS 9.

As at 31 December 2022, PMAs include adjustments relating to the economic uncertainty resulting from the energy crisis, persistence of inflationary pressures, increasing interest rates, elevated geopolitical risks and concerns regarding the response of economic activity to the ongoing monetary policy tightening and the unwinding of exceptional fiscal support. Tighter financing conditions due to increasing inflation and interest rates may have an adverse impact on the credit condition of corporates and households, depending on their sensitivity to the macro-financial environment.

In this context, PMAs have been applied on exposures of obligors of both the retail and the corporate loan portfolios, that have been either under post support measures during 2022 or relate to other risk sensitive segments considering their respective risk profiles, which are considered most vulnerable to further deterioration of the economic conditions and related financial pressures caused by increasing cost of living and higher operating costs. The adjustment is performed on performing exposures and involves the application of increased coverage rates, following relevant risk assessment. Furthermore, management adjustments have also been captured through other PMAs, mainly focusing on recovery strategies to be pursued for NPEs.

As at 31 December 2021, PMAs had been applied on performing exposures of obligors to which payment moratoria had been granted in the context of the Covid-19 crisis and expired in end-2020. These adjustments were focused on Stage 1 and Stage 2 exposures of the retail and corporate loan portfolios by applying increased coverage rates following risk assessment. Other PMAs performed related to recovery strategies to be pursued for NPEs, as in 2022.

4.2.7 Maximum exposure to credit risk before collateral held or other credit enhancements

The following table represents the maximum exposure to credit risk of the Group and the Bank at 31 December 2022 and 31 December 2021, without taking account of any collateral held or other credit enhancements attached.

	Group		Bank	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Due from banks (Note 18)	2,900	3,639	2,854	3,539
Trading debt securities (Note 19)	214	282	213	276
Derivative financial instruments (Note 20)	1,962	4,331	1,962	4,331
Loans and advances to customers (Note 21)	35,561	30,439	33,782	28,886
Investment debt securities (Note 22)	13,089	14,851	12,814	14,475
Other financial assets (Note 28)	1,775	2,212	1,699	2,136
Credit related commitments (Note 35)	5,706	3,979	5,955	4,241
Total	**61,207**	**59,733**	**59,279**	**57,884**

4.2.8 Collateral and other credit enhancements

Counterparty credit risk

The Group's counterparty credit risk management processes are described in the Risk Management section of the Board of Directors Report, under "Management of Risks | Counterparty Credit Risk".

Loans and advances to customers

The most common practice used by the Group to mitigate credit risk with respect to loans and advances to customers is receiving collateral. The Group implements guidelines on the eligibility of specific types of collateral, as described in the Corporate Credit Policy and the Retail Credit Policy documents. In the same documents, eligible types of collateral for regulatory purposes (funded and unfunded credit risk mitigation techniques), are also presented.

The main collateral types for loans and advances to customers are:

Real Estate Collaterals

- Residential real estate,
- Commercial real estate,
- Industrial real estate

Financial Collaterals

- Cash collaterals,
- Assigned receivables,
- Pledges over financial instruments, such as debt securities and equities

Other Collaterals

- State guarantees, vessels, equipment, inventory, and other collateral

Guarantees received

- Personal, corporate, public entities, local authorities and other guarantees

The Bank has internally developed a Collateral Management System in order to upgrade the control and monitoring of collaterals received for both corporate and retail loans and advances to customers, as well as to fulfil the requirements arising from the regulatory framework. The user of the Collateral Management System is able to retrieve information regarding collateral at different aggregation levels, to monitor all useful aspects of collateral in order to preserve adequate coverage as well as automatically calculate required haircuts on the collateral values.

Furthermore, the Collateral Management System is designed so as to provide information regarding exposure per guarantor in the case of credit guarantees. The basic types of credit guarantees are:

Bank Guarantees

This guarantee is deemed an acceptable form of unfunded credit protection and takes the form of a Letter of Credit (L/C) or a Letter of Guarantee (L/G) from Financial Institutions, domestically and abroad.

State Guarantee

This guarantee is considered as equivalent to the pledge on a liquid asset only if it is direct, explicit, irrevocable and unconditional, hence no external factors could affect the substance of coverage.

Guarantee by ETEAN Fund (formerly known as TEMPME)

This guarantee is considered as equivalent to the pledge on a liquid asset if the decision of the ETEAN Fund does not include conditions and special clauses concerning factors beyond the Bank's control.

Longer-term finance and lending to corporate entities are generally secured. Revolving credit facilities to individuals are generally unsecured. In addition, in order to mitigate the potential credit loss, the Group will seek additional collateral from the counterparty as soon as impairment indicators are noticed for the relevant individual loans and advances to customers. Debt securities, treasury and other eligible bills are generally unsecured.

Valuation of collateral

The collateral associated with loans and advances to customers is initially evaluated during the credit approval process, based on its market value[1] and is revalued at regular intervals based on the NBG Group Property Valuation Policy.

Market value assessment of real estate collaterals, which may secure loans and advances to individuals or legal entities, is performed by the Immovable & Movable Assets Valuation & Advisory Services Division and employs internal or external certified valuers based on predefined criteria (qualifications and expertise), in accordance with the NBG Group Property Valuation Policy.

The real estate valuations are categorized into individual valuations on a specific property and are carried out either through on-site, desktop or by indexed valuations based on statistical methodology (Propindex, etc.). The real estate valuations performed to determine the collateral value during the loan origination phase are always performed by on-site inspections.

In accordance with the NBG Group Property Valuation Policy, NBG Group accepts the following key valuation approaches provided by International and European Valuation Standards (IVS/EVS):

a. Market approach or Comparative Method
b. Income approach
c. Cost Approach or Depreciated Replacement Cost
d. Residual Method

The frequency of property valuations used as collateral for loans and advances to customers is set out in the NBG Group Property Valuation Policy and is in compliance with the Regulation (EU) 575/2013 and the ECB Guidance to Banks on Non-Performing Loans. The Group updates the collateral valuations of all exposures at least annually based on the NBG Group Property Valuation Policy. Furthermore, the revaluation of the real estate collateral is updated on an individual basis at the time the exposure is classified as non-performing (NPE) and at least annually while it continues to be classified as such.

Management is constantly monitoring the market conditions in the Greek real estate market either internally though macroeconomic reports issued by the Group's Chief Economist, or externally through reports produced by the Immovable & Movable Assets Valuation & Advisory Services Division or by international independent valuation firms. Changes in market conditions are considered as an important factor in determining the market value of real estate collateral. A more volatile market may lead to the need for more frequent collateral valuations. Valuations are prepared taking into consideration the effect of any sources of uncertainty.

[1] It is noted that the definition of market value in the Royal Institution of Chartered Surveyors ("RICS") Red Book Global is not materially different to the definition of fair value in IFRS 13 "Fair Value Measurement".

When the value of the collateralised property exceeds the loan balance, the value of collateral is capped to the gross carrying amount of the loan. A breakdown of collateral and guarantees received to mitigate credit risk exposure arising from loans and advances to customers is summarised as follows:

Breakdown of collaterals and guarantees | Group

	31.12.2022					31.12.2021				
	Value of collateral received					Value of collateral received				
	Real estate collateral	Financial collateral	Other collateral	Total collateral value	Guarantees received	Real estate collateral	Financial collateral	Other collateral	Total collateral value	Guarantees received
Retail Lending	7,829	483	553	8,865	4,679	8,073	389	655	9,117	5,016
Corporate Lending[1]	3,121	1,832	6,928	11,881	8,688	3,162	1,690	6,934	11,786	6,231
Public Sector Lending	36	40	81	157	274	50	40	68	158	119
Total	**10,986**	**2,355**	**7,562**	**20,903**	**13,641**	**11,285**	**2,119**	**7,657**	**21,061**	**11,366**

[1] Other collateral includes the guarantee provided by the Hellenic Republic under the Hellenic Asset Protection Scheme for the Frontier senior notes. The amount of the guarantee is capped to the gross carrying amount of the Frontier senior notes of €2,795 million (31 December 2021: €3,145 million).

Breakdown of collaterals and guarantees for Credit impaired assets | Group

	31.12.2022					31.12.2021				
	Value of collateral received					Value of collateral received				
	Real estate collateral	Financial collateral	Other collateral	Total collateral value	Guarantees received	Real estate collateral	Financial collateral	Other collateral	Total collateral value	Guarantees received
Retail Lending	460	11	85	556	346	556	24	104	684	563
Corporate Lending	381	62	169	612	547	506	69	169	744	711
Public Sector Lending	2	-	-	2	4	15	-	1	16	4
Total	**843**	**73**	**254**	**1,170**	**897**	**1,077**	**93**	**274**	**1,444**	**1,278**

Breakdown of collaterals and guarantees | Bank

	31.12.2022					31.12.2021				
	Value of collateral received					Value of collateral received				
	Real estate collateral	Financial collateral	Other collateral	Total collateral value	Guarantees received	Real estate collateral	Financial collateral	Other collateral	Total collateral value	Guarantees received
Retail Lending	7,404	456	497	8,357	4,679	7,688	372	615	8,675	5,016
Corporate Lending[1]	2,454	1,814	5,857	10,125	8,646	2,580	1,686	6,004	10,270	6,207
Public Sector Lending	36	40	54	130	274	51	40	40	131	119
Total	**9,894**	**2,310**	**6,408**	**18,612**	**13,599**	**10,319**	**2,098**	**6,659**	**19,076**	**11,342**

[1] Other collateral includes the guarantee provided by the Hellenic Republic under the Hellenic Asset Protection Scheme for the Frontier senior notes. The amount of the guarantee is capped to the gross carrying amount of the Frontier senior notes of €2,795 million (31 December 2021: €3,145 million).

Breakdown of collaterals and guarantees for Credit impaired assets | Bank

	31.12.2022					31.12.2021				
	Value of collateral received					Value of collateral received				
	Real estate collateral	Financial collateral	Other collateral	Total collateral value	Guarantees received	Real estate collateral	Financial collateral	Other collateral	Total collateral value	Guarantees received
Retail Lending	443	11	83	537	346	534	24	104	662	563
Corporate Lending	324	62	161	547	547	451	69	159	679	711
Public Sector Lending	2	-	-	2	4	15	-	1	16	4
Total	**769**	**73**	**244**	**1,086**	**897**	**1,000**	**93**	**264**	**1,357**	**1,278**

Loan to Value (LTV) Ratio of Mortgage portfolio

The Loan to Value Ratio represents the relationship between the loan and the appraised value of the property held as collateral. A breakdown of mortgage loans by range of LTV is summarised as follows:

	Group				Bank			
	31.12.2022	of which: Credit Impaired	31.12.2021	of which: Credit Impaired	31.12.2022	of which: Credit Impaired	31.12.2021	of which: Credit Impaired
Less than 50%	2,056	65	1,930	66	1,955	63	1,836	63
50%-70%	1,955	82	1,898	84	1,849	81	1,804	83
71%-80%	1,083	50	1,048	63	1,034	50	1,002	58
81%-90%	860	47	795	58	830	47	773	54
91%-100%	680	42	836	47	677	41	834	46
101%-120%	580	53	791	70	578	51	788	69
121%-150%	388	44	588	62	386	42	586	61
Greater than 150%	304	46	456	88	299	44	452	86
Gross carrying amount	**7,906**	**429**	**8,342**	**538**	**7,608**	**419**	**8,075**	**520**
Average LTV	**72.6%**	**89.0%**	**78.1%**	**98.2%**	**73.3%**	**89.0%**	**78.8%**	**98.8%**

4.2.9 Credit quality of loans and advances to customers at amortised cost

Credit quality of loans and advances to customers at amortised cost by range of probability of default

A breakdown of the portfolio by range of probability of default for the Group is summarized as follows:

As at 31 December 2022	Mortgage loans				Consumer loans			
12-month PD	Stage 1	Stage 2	Credit impaired	Total	Stage 1	Stage 2	Credit impaired	Total
0.01% - 2%	4,388	1,628	-	**6,016**	890	142	-	**1,032**
2.01% - 10%	228	735	-	**963**	303	104	-	**407**
10.01% - 20%	394	70	-	**464**	9	21	-	**30**
Over 20.01%	-	34	429	**463**	1	14	149	**164**
Gross carrying amount	**5,010**	**2,467**	**429**	**7,906**	**1,203**	**281**	**149**	**1,633**

As at 31 December 2022	Credit Cards				Small Business Lending			
12-month PD	Stage 1	Stage 2	Credit impaired	Total	Stage 1	Stage 2	Credit impaired	Total
0.01% - 2%	306	6	-	**312**	57	3	-	**60**
2.01% - 10%	101	10	-	**111**	419	244	-	**663**
10.01% - 20%	2	1	-	**3**	165	136	-	**301**
Over 20.01%	-	-	33	**33**	38	246	200	**484**
Gross carrying amount	**409**	**17**	**33**	**459**	**679**	**629**	**200**	**1,508**

As at 31 December 2022	Corporate Lending				Public Sector			
12-month PD	Stage 1	Stage 2	Credit impaired	Total	Stage 1	Stage 2	Credit impaired	Total
0.01% - 2%	20,081	453	-	**20,534**	530	25	-	**555**
2.01% - 10%	1,953	446	-	**2,399**	48	7	-	**55**
10.01% - 20%	271	157	-	**428**	2	16	-	**18**
Over 20.01%	2	97	945	**1,044**	1	1	14	**16**
Gross carrying amount	**22,307**	**1,153**	**945**	**24,405**	**581**	**49**	**14**	**644**

As at 31 December 2022	Total Loans			
12-month PD	Stage 1	Stage 2	Credit impaired	Total
0.01% - 2%	26,252	2,257	-	**28,509**
2.01% - 10%	3,052	1,546	-	**4,598**
10.01% - 20%	843	401	-	**1,244**
Over 20.01%	42	392	1,770	**2,204**
Gross carrying amount	**30,189**	**4,596**	**1,770**	**36,555**

As at 31 December 2021	Mortgage loans				Consumer loans			
12-month PD	Stage 1	Stage 2	Credit impaired	Total	Stage 1	Stage 2	Credit impaired	Total
0.01% - 2%	4,295	1,701	-	**5,996**	965	154	-	**1,119**
2.01% - 10%	245	910	-	**1,155**	269	47	-	**316**
10.01% - 20%	491	121	-	**612**	19	19	-	**38**
Over 20.01%	-	41	538	**579**	1	13	161	**175**
Gross carrying amount	**5,031**	**2,773**	**538**	**8,342**	**1,254**	**233**	**161**	**1,648**

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As at 31 December 2021	Credit Cards				Small Business Lending			
12-month PD	Stage 1	Stage 2	Credit impaired	**Total**	Stage 1	Stage 2	Credit impaired	**Total**
0.01% - 2%	299	22	-	**321**	105	8	-	**113**
2.01% - 10%	67	3	-	**70**	410	220	-	**630**
10.01% - 20%	20	4	-	**24**	7	43	-	**50**
Over 20.01%	-	-	22	**22**	51	393	220	**664**
Gross carrying amount	**386**	**29**	**22**	**437**	**573**	**664**	**220**	**1,457**

As at 31 December 2021	Corporate Lending				Public Sector			
12-month PD	Stage 1	Stage 2	Credit impaired	**Total**	Stage 1	Stage 2	Credit impaired	**Total**
0.01% - 2%	15,924	469	-	**16,393**	471	3	-	**474**
2.01% - 10%	1,059	438	-	**1,497**	19	6	-	**25**
10.01% - 20%	33	60	-	**93**	-	1	-	**1**
Over 20.01%	36	69	1,241	**1,346**	1	2	31	**34**
Gross carrying amount	**17,052**	**1,036**	**1,241**	**19,329**	**491**	**12**	**31**	**534**

As at 31 December 2021	Total Loans			
12-month PD	Stage 1	Stage 2	Credit impaired	**Total**
0.01% - 2%	22,059	2,357	-	**24,416**
2.01% - 10%	2,069	1,624	-	**3,693**
10.01% - 20%	570	248	-	**818**
Over 20.01%	89	518	2,213	**2,820**
Gross carrying amount	**24,787**	**4,747**	**2,213**	**31,747**

A breakdown of the portfolio by range of probability of default for the Bank is summarized as follows:

As at 31 December 2022	Mortgage loans				Consumer loans			
12-month PD	Stage 1	Stage 2	Credit impaired	**Total**	Stage 1	Stage 2	Credit impaired	**Total**
0.01% - 2%	4,227	1,625	-	**5,852**	475	113	-	**588**
2.01% - 10%	227	615	-	**842**	284	13	-	**297**
10.01% - 20%	394	70	-	**464**	1	6	-	**7**
Over 20.01%	-	31	419	**450**	1	8	111	**120**
Gross carrying amount	**4,848**	**2,341**	**419**	**7,608**	**761**	**140**	**111**	**1,012**

As at 31 December 2022	Credit Cards				Small Business Lending			
12-month PD	Stage 1	Stage 2	Credit impaired	**Total**	Stage 1	Stage 2	Credit impaired	**Total**
0.01% - 2%	264	2	-	**266**	16	2	-	**18**
2.01% - 10%	101	8	-	**109**	389	240	-	**629**
10.01% - 20%	2	-	-	**2**	113	124	-	**237**
Over 20.01%	-	-	30	**30**	38	233	189	**460**
Gross carrying amount	**367**	**10**	**30**	**407**	**556**	**599**	**189**	**1,344**

As at 31 December 2022	Corporate Lending				Public Sector			
12-month PD	Stage 1	Stage 2	Credit impaired	**Total**	Stage 1	Stage 2	Credit impaired	**Total**
0.01% - 2%	20,419	397	-	**20,816**	529	-	-	**529**
2.01% - 10%	1,601	347	-	**1,948**	48	7	-	**55**
10.01% - 20%	8	60	-	**68**	2	16	-	**18**
Over 20.01%	1	25	829	**855**	1	1	14	**16**
Gross carrying amount	**22,029**	**829**	**829**	**23,687**	**580**	**24**	**14**	**618**

As at 31 December 2022	Total Loans			
12-month PD	Stage 1	Stage 2	Credit impaired	**Total**
0.01% - 2%	25,930	2,139	-	**28,069**
2.01% - 10%	2,650	1,230	-	**3,880**
10.01% - 20%	520	276	-	**796**
Over 20.01%	41	298	1,592	**1,931**
Gross carrying amount	**29,141**	**3,943**	**1,592**	**34,676**

As at 31 December 2021	Mortgage loans				Consumer loans			
12-month PD	Stage 1	Stage 2	Credit impaired	Total	Stage 1	Stage 2	Credit impaired	Total
0.01% - 2%	4,142	1,698	-	**5,840**	486	152	-	**638**
2.01% - 10%	237	829	-	**1,066**	218	24	-	**242**
10.01% - 20%	490	121	-	**611**	18	6	-	**24**
Over 20.01%	-	38	520	**558**	1	5	125	**131**
Gross carrying amount	**4,869**	**2,686**	**520**	**8,075**	**723**	**187**	**125**	**1,035**

As at 31 December 2021	Credit Cards				Small Business Lending			
12-month PD	Stage 1	Stage 2	Credit impaired	Total	Stage 1	Stage 2	Credit impaired	Total
0.01% - 2%	262	11	-	**273**	79	5	-	**84**
2.01% - 10%	66	-	-	**66**	360	208	-	**568**
10.01% - 20%	20	4	-	**24**	7	39	-	**46**
Over 20.01%	-	-	21	**21**	51	376	217	**644**
Gross carrying amount	**348**	**15**	**21**	**384**	**497**	**628**	**217**	**1,342**

As at 31 December 2021	Corporate Lending				Public Sector			
12-month PD	Stage 1	Stage 2	Credit impaired	Total	Stage 1	Stage 2	Credit impaired	Total
0.01% - 2%	16,249	392	-	**16,641**	446	-	-	**446**
2.01% - 10%	619	298	-	**917**	19	6	-	**25**
10.01% - 20%	3	26	-	**29**	-	1	-	**1**
Over 20.01%	36	9	1,114	**1,159**	1	2	31	**34**
Gross carrying amount	**16,907**	**725**	**1,114**	**18,746**	**466**	**9**	**31**	**506**

As at 31 December 2021	Total Loans			
12-month PD	Stage 1	Stage 2	Credit impaired	Total
0.01% - 2%	21,664	2,258	-	**23,922**
2.01% - 10%	1,519	1,365	-	**2,884**
10.01% - 20%	538	197	-	**735**
Over 20.01%	89	430	2,028	**2,547**
Gross carrying amount	**23,810**	**4,250**	**2,028**	**30,088**

Ageing analysis of loans and advances to customers at amortised cost

Ageing analysis of loans and advances to customers at amortised cost | Group

	Mortgage loans				Consumer loans			
As at 31 December 2022	Stage 1	Stage 2	Credit impaired	Total	Stage 1	Stage 2	Credit impaired	Total
Current	4,984	2,364	234	**7,582**	1,133	252	21	**1,406**
1-30 days	26	74	17	**117**	70	19	6	**95**
31-60 days	-	18	14	**32**	-	7	4	**11**
61-90 days	-	11	11	**22**	-	3	3	**6**
91-180 days	-	-	32	**32**	-	-	13	**13**
Past due over 180 days	-	-	121	**121**	-	-	102	**102**
Gross carrying amount	**5,010**	**2,467**	**429**	**7,906**	**1,203**	**281**	**149**	**1,633**
ECL allowance	(26)	(98)	(148)	**(272)**	(23)	(30)	(101)	**(154)**
Net carrying amount	**4,984**	**2,369**	**281**	**7,634**	**1,180**	**251**	**48**	**1,479**

	Credit Cards				Small Business Lending			
As at 31 December 2022	Stage 1	Stage 2	Credit impaired	Total	Stage 1	Stage 2	Credit impaired	Total
Current	404	13	-	**417**	634	552	35	**1,221**
1-30 days	5	1	-	**6**	45	61	6	**112**
31-60 days	-	2	-	**2**	-	10	2	**12**
61-90 days	-	1	-	**1**	-	6	2	**8**
91-180 days	-	-	2	**2**	-	-	15	**15**
Past due over 180 days	-	-	31	**31**	-	-	140	**140**
Gross carrying amount	**409**	**17**	**33**	**459**	**679**	**629**	**200**	**1,508**
ECL allowance	(8)	(2)	(31)	**(41)**	(14)	(70)	(118)	**(202)**
Net carrying amount	**401**	**15**	**2**	**418**	**665**	**559**	**82**	**1,306**

	Large Corporate				SMEs			
As at 31 December 2022	Stage 1	Stage 2	Credit impaired	Total	Stage 1	Stage 2	Credit impaired	Total
Current	17,854	434	316	**18,604**	3,654	435	80	**4,169**
1-30 days	445	94	32	**571**	354	61	35	**450**
31-60 days	-	17	3	**20**	-	68	13	**81**
61-90 days	-	32	-	**32**	-	12	1	**13**
91-180 days	-	-	14	**14**	-	-	9	**9**
Past due over 180 days	-	-	250	**250**	-	-	192	**192**
Gross carrying amount	**18,299**	**577**	**615**	**19,491**	**4,008**	**576**	**330**	**4,914**
ECL allowance	(100)	(45)	(386)	**(531)**	(34)	(46)	(191)	**(271)**
Net carrying amount	**18,199**	**532**	**229**	**18,960**	**3,974**	**530**	**139**	**4,643**

	Public Sector				Total Loans			
As at 31 December 2022	Stage 1	Stage 2	Credit impaired	Total	Stage 1	Stage 2	Credit impaired	Total
Current	556	38	2	**596**	29,219	4,088	688	**33,995**
1-30 days	25	7	-	**32**	970	317	96	**1,383**
31-60 days	-	3	-	**3**	-	125	36	**161**
61-90 days	-	1	-	**1**	-	66	17	**83**
91-180 days	-	-	-	**-**	-	-	85	**85**
Past due over 180 days	-	-	12	**12**	-	-	848	**848**
Gross carrying amount	**581**	**49**	**14**	**644**	**30,189**	**4,596**	**1,770**	**36,555**
ECL allowance	(7)	(3)	(12)	**(22)**	(212)	(294)	(987)	**(1,493)**
Net carrying amount	**574**	**46**	**2**	**622**	**29,977**	**4,302**	**783**	**35,062**

	Mortgage loans				Consumer loans			
As at 31 December 2021	Stage 1	Stage 2	Credit impaired	Total	Stage 1	Stage 2	Credit impaired	Total
Current	4,998	2,679	318	**7,995**	1,153	200	45	**1,398**
1-30 days	33	72	8	**113**	101	21	6	**128**
31-60 days	-	14	4	**18**	-	9	3	**12**
61-90 days	-	8	2	**10**	-	3	3	**6**
91-180 days	-	-	9	**9**	-	-	7	**7**
Past due over 180 days	-	-	197	**197**	-	-	97	**97**
Gross carrying amount	**5,031**	**2,773**	**538**	**8,342**	**1,254**	**233**	**161**	**1,648**
ECL allowance	(30)	(81)	(184)	**(295)**	(21)	(32)	(111)	**(164)**
Net carrying amount	**5,001**	**2,692**	**354**	**8,047**	**1,233**	**201**	**50**	**1,484**

	Credit Cards				Small Business Lending			
As at 31 December 2021	Stage 1	Stage 2	Credit impaired	Total	Stage 1	Stage 2	Credit impaired	Total
Current	378	15	-	**393**	552	581	53	**1,186**
1-30 days	8	3	1	**12**	21	70	10	**101**
31-60 days	-	5	-	**5**	-	9	1	**10**
61-90 days	-	6	-	**6**	-	4	1	**5**
91-180 days	-	-	3	**3**	-	-	6	**6**
Past due over 180 days	-	-	18	**18**	-	-	149	**149**
Gross carrying amount	**386**	**29**	**22**	**437**	**573**	**664**	**220**	**1,457**
ECL allowance	(5)	(1)	(22)	**(28)**	(10)	(92)	(160)	**(262)**
Net carrying amount	**381**	**28**	**-**	**409**	**563**	**572**	**60**	**1,195**

	Large Corporate				SMEs			
As at 31 December 2021	Stage 1	Stage 2	Credit impaired	Total	Stage 1	Stage 2	Credit impaired	Total
Current	12,991	429	246	**13,666**	3,068	481	112	**3,661**
1-30 days	598	39	205	**842**	395	68	35	**498**
31-60 days	-	2	3	**5**	-	12	4	**16**
61-90 days	-	-	22	**22**	-	5	1	**6**
91-180 days	-	-	29	**29**	-	-	11	**11**
Past due over 180 days	-	-	383	**383**	-	-	190	**190**
Gross carrying amount	**13,589**	**470**	**888**	**14,947**	**3,463**	**566**	**353**	**4,382**
ECL allowance	(102)	(35)	(512)	**(649)**	(30)	(30)	(175)	**(235)**
Net carrying amount	**13,487**	**435**	**376**	**14,298**	**3,433**	**536**	**178**	**4,147**

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As at 31 December 2021	Public Sector Stage 1	Public Sector Stage 2	Public Sector Credit impaired	Public Sector Total	Total Loans Stage 1	Total Loans Stage 2	Total Loans Credit impaired	Total Loans Total
Current	488	9	15	**512**	23,628	4,394	789	**28,811**
1-30 days	3	-	-	**3**	1,159	273	265	**1,697**
31-60 days	-	3	-	**3**	-	54	15	**69**
61-90 days	-	-	-	**-**	-	26	29	**55**
91-180 days	-	-	2	**2**	-	-	67	**67**
Past due over 180 days	-	-	14	**14**	-	-	1,048	**1,048**
Gross carrying amount	**491**	**12**	**31**	**534**	**24,787**	**4,747**	**2,213**	**31,747**
ECL allowance	(6)	(1)	(15)	**(22)**	(204)	(272)	(1,179)	**(1,655)**
Net carrying amount	**485**	**11**	**16**	**512**	**24,583**	**4,475**	**1,034**	**30,092**

Ageing analysis of loans and advances to customers at amortised cost | Bank

As at 31 December 2022	Mortgage loans Stage 1	Mortgage loans Stage 2	Mortgage loans Credit impaired	Mortgage loans Total	Consumer loans Stage 1	Consumer loans Stage 2	Consumer loans Credit impaired	Consumer loans Total
Current	4,824	2,242	232	**7,298**	711	124	18	**853**
1-30 days	24	73	16	**113**	50	10	6	**66**
31-60 days	-	16	13	**29**	-	4	4	**8**
61-90 days	-	10	11	**21**	-	2	3	**5**
91-180 days	-	-	31	**31**	-	-	9	**9**
Past due over 180 days	-	-	116	**116**	-	-	71	**71**
Gross carrying amount	**4,848**	**2,341**	**419**	**7,608**	**761**	**140**	**111**	**1,012**
ECL allowance	(26)	(98)	(143)	**(267)**	(20)	(22)	(82)	**(124)**
Net carrying amount	**4,822**	**2,243**	**276**	**7,341**	**741**	**118**	**29**	**888**

As at 31 December 2022	Credit Cards Stage 1	Credit Cards Stage 2	Credit Cards Credit impaired	Credit Cards Total	Small Business Lending Stage 1	Small Business Lending Stage 2	Small Business Lending Credit impaired	Small Business Lending Total
Current	363	8	-	**371**	525	530	35	**1,090**
1-30 days	4	-	-	**4**	31	58	6	**95**
31-60 days	-	1	-	**1**	-	8	2	**10**
61-90 days	-	1	-	**1**	-	3	2	**5**
91-180 days	-	-	2	**2**	-	-	14	**14**
Past due over 180 days	-	-	28	**28**	-	-	130	**130**
Gross carrying amount	**367**	**10**	**30**	**407**	**556**	**599**	**189**	**1,344**
ECL allowance	(8)	(1)	(30)	**(39)**	(14)	(69)	(114)	**(197)**
Net carrying amount	**359**	**9**	**-**	**368**	**542**	**530**	**75**	**1,147**

As at 31 December 2022	Large Corporate Stage 1	Large Corporate Stage 2	Large Corporate Credit impaired	Large Corporate Total	SMEs Stage 1	SMEs Stage 2	SMEs Credit impaired	SMEs Total
Current	18,532	356	292	**19,180**	2,910	302	72	**3,284**
1-30 days	297	91	30	**418**	290	43	30	**363**
31-60 days	-	6	1	**7**	-	30	13	**43**
61-90 days	-	1	-	**1**	-	-	1	**1**
91-180 days	-	-	9	**9**	-	-	6	**6**
Past due over 180 days	-	-	240	**240**	-	-	135	**135**
Gross carrying amount	**18,829**	**454**	**572**	**19,855**	**3,200**	**375**	**257**	**3,832**
ECL allowance	(109)	(43)	(368)	**(520)**	(31)	(40)	(153)	**(224)**
Net carrying amount	**18,720**	**411**	**204**	**19,335**	**3,169**	**335**	**104**	**3,608**

As at 31 December 2022	Public Sector Stage 1	Public Sector Stage 2	Public Sector Credit impaired	Public Sector Total	Total Loans Stage 1	Total Loans Stage 2	Total Loans Credit impaired	Total Loans Total
Current	555	24	2	**581**	28,420	3,586	651	**32,657**
1-30 days	25	-	-	**25**	721	275	88	**1,084**
31-60 days	-	-	-	**-**	-	65	33	**98**
61-90 days	-	-	-	**-**	-	17	17	**34**
91-180 days	-	-	-	**-**	-	-	71	**71**
Past due over 180 days	-	-	12	**12**	-	-	732	**732**
Gross carrying amount	**580**	**24**	**14**	**618**	**29,141**	**3,943**	**1,592**	**34,676**
ECL allowance	(7)	(3)	(12)	**(22)**	(215)	(276)	(902)	**(1,393)**
Net carrying amount	**573**	**21**	**2**	**596**	**28,926**	**3,667**	**690**	**33,283**

As at 31 December 2021	Mortgage loans Stage 1	Stage 2	Credit impaired	Total	Consumer loans Stage 1	Stage 2	Credit impaired	Total
Current	4,846	2,602	316	**7,764**	666	173	44	**883**
1-30 days	23	65	8	**96**	57	10	5	**72**
31-60 days	-	12	3	**15**	-	3	2	**5**
61-90 days	-	7	2	**9**	-	1	2	**3**
91-180 days	-	-	8	**8**	-	-	4	**4**
Past due over 180 days	-	-	183	**183**	-	-	68	**68**
Gross carrying amount	**4,869**	**2,686**	**520**	**8,075**	**723**	**187**	**125**	**1,035**
ECL allowance	(30)	(80)	(177)	**(287)**	(16)	(29)	(92)	**(137)**
Net carrying amount	**4,839**	**2,606**	**343**	**7,788**	**707**	**158**	**33**	**898**

As at 31 December 2021	Credit Cards Stage 1	Stage 2	Credit impaired	Total	Small Business Lending Stage 1	Stage 2	Credit impaired	Total
Current	341	5	-	**346**	489	552	53	**1,094**
1-30 days	7	-	1	**8**	8	66	9	**83**
31-60 days	-	5	-	**5**	-	7	1	**8**
61-90 days	-	5	-	**5**	-	3	-	**3**
91-180 days	-	-	3	**3**	-	-	6	**6**
Past due over 180 days	-	-	17	**17**	-	-	148	**148**
Gross carrying amount	**348**	**15**	**21**	**384**	**497**	**628**	**217**	**1,342**
ECL allowance	(5)	(1)	(21)	**(27)**	(9)	(92)	(158)	**(259)**
Net carrying amount	**343**	**14**	**-**	**357**	**488**	**536**	**59**	**1,083**

As at 31 December 2021	Large Corporate Stage 1	Stage 2	Credit impaired	Total	SMEs Stage 1	Stage 2	Credit impaired	Total
Current	13,639	310	244	**14,193**	2,524	329	100	**2,953**
1-30 days	413	23	204	**640**	331	48	23	**402**
31-60 days	-	2	3	**5**	-	8	2	**10**
61-90 days	-	-	22	**22**	-	5	2	**7**
91-180 days	-	-	29	**29**	-	-	10	**10**
Past due over 180 days	-	-	344	**344**	-	-	131	**131**
Gross carrying amount	**14,052**	**335**	**846**	**15,233**	**2,855**	**390**	**268**	**3,513**
ECL allowance	(113)	(34)	(483)	**(630)**	(26)	(24)	(131)	**(181)**
Net carrying amount	**13,939**	**301**	**363**	**14,603**	**2,829**	**366**	**137**	**3,332**

As at 31 December 2021	Public Sector Stage 1	Stage 2	Credit impaired	Total	Total Loans Stage 1	Stage 2	Credit impaired	Total
Current	463	9	16	**488**	22,968	3,980	773	**27,721**
1-30 days	3	-	-	**3**	842	212	250	**1,304**
31-60 days	-	-	-	**-**	-	37	11	**48**
61-90 days	-	-	-	**-**	-	21	28	**49**
91-180 days	-	-	2	**2**	-	-	62	**62**
Past due over 180 days	-	-	13	**13**	-	-	904	**904**
Gross carrying amount	**466**	**9**	**31**	**506**	**23,810**	**4,250**	**2,028**	**30,088**
ECL allowance	(6)	(1)	(15)	**(22)**	(205)	(261)	(1,077)	**(1,543)**
Net carrying amount	**460**	**8**	**16**	**484**	**23,605**	**3,989**	**951**	**28,545**

4.2.10 Interest income on loans and advances to customers

Interest income from loans and advances to customers at amortised cost | Group

	31.12.2022 Not Credit Impaired Loans	Credit Impaired Loans	Total Interest Income
Retail Lending	407	54	461
Corporate Lending	648	56	704
Public sector Lending	1	-	1
Total interest income	**1,056**	**110**	**1,166**

	31.12.2021 Not Credit Impaired Loans	Credit Impaired Loans	Total Interest Income
Retail Lending	375	132	507
Corporate Lending	483	67	550
Total interest income	**858**	**199**	**1,057**

Interest income from loans and advances to customers at amortised cost | Bank

	31.12.2022		
	Not Credit Impaired Loans	Credit Impaired Loans	Total Interest Income
Retail Lending	350	53	403
Corporate Lending	605	54	659
Total interest income	**955**	**107**	**1,062**

	31.12.2021		
	Not Credit Impaired Loans	Credit Impaired Loans	Total Interest Income
Retail Lending	319	131	450
Corporate Lending	448	63	511
Total interest income	**767**	**194**	**961**

4.2.11 Forbearance

Forbearance Measures

The Group may, in the normal course of business, renegotiate contractual terms of a lending arrangement and proceed to modifications, either as a result of financial difficulties of the borrower or due to other reasons. Forbearance measures comprise concessions of the Group towards a borrower facing or about to face financial difficulties in meeting its financial commitments, in which case the loan terms and conditions are modified to provide the borrower the ability to service the debt or refinance the contract, either totally or partially. Cases of lending arrangement modifications without financial difficulty of the borrower are not classified as forbearance measures.

There are several types of forbearance measures offered by the Group, including reduced payment schedules, loan term extensions, interest-only payment schedules, partial debt forgiveness programs and hybrid modifications, comprising a combination of the aforementioned forbearance measures.

The main restructuring program, namely “Split & Settle”, has been applied to the mortgage and secured consumer loan portfolio since 2019, and comprises a split-balance type of product whose main characteristic is the separation of the outstanding debt in two parts: the amount to be repaid (Split), which is amortized in monthly instalments (principal plus interest) and the amount to be potentially forgiven (Settle), which remains interest-free. The settle amount is forgiven one month after the end of the repayment period, provided that the contractually agreed conditions are met. Borrowers who have applied for protection under bankruptcy Law 3869/2010 are also entitled to participate in this program, as long as they resign from their application.

Furthermore, similar programs with the aforementioned characteristic of debt splitting have also been introduced since 2018 for the restructuring of SBL loans (sole entrepreneurs/ professionals) as well as debt deriving from credit cards and consumer credit products (without collateral). A “Split & Settle” product with similar characteristics with those of the program relating the mortgage portfolio has become available to the SBL legal entities during 2022.

Finally, the “Restart” program for SBL loans to individuals, introduced in 2021, relates to loans secured by real estate collateral and offers instalment reduction through loan term extension with the option of a reduced fractional payment of up to 24 months. This program has become available to the SBL legal entities as well during 2022. The ‘’Restart’’ program for the Household Retail portfolio (mortgage, consumer loans, credit cards) relating to loans secured by real estate collateral was also launched during 2022 and offers instalment reduction through loan term extension combined with a fractional-payment scheme of 24 months, whereby the customer pays a proportion of the full instalment due, based on affordability.

For Corporate loans, the types of forbearance measures usually include a mix of tailor-made solutions to cover current conditions and the borrower’s projected cash flows.

The Bank’s Credit Policy for both Retail and Corporate portfolios provides clear instructions and guidelines regarding the full range of forbearance products offered to customers, the requirements to be met in terms of eligibility for the available programs to be offered, as well as the management and monitoring of restructured loans after approval and until termination of the loan contract. The approval rights of the Credit Committees are also described in the Bank’s Credit Policy.

The forbearance processes and evolution of forborne loans along with re-default and curing trends and their respective drivers are closely monitored and assessed by Management on an on-going basis in order to timely identify and assess relevant risks and deploy appropriate management strategies to provide borrowers with viable solutions and improve cash flow recoverability.

Classification of forborne loans

Forbearance constitutes a qualitative SICR trigger, as disclosed in Note 4.2.6 “Impairment of amortised cost and FVTOCI financial assets”. The monitoring, classification and reporting of forborne loans is performed by the Group in accordance with EBA Guidelines. All forborne performing exposures (FPEs) are classified in Stage 2 for a probation period of at least 2 years until regulatory requirements to exit forbearance status are met, while all forborne non-performing exposures (FNPEs) are classified in Stage 3 for at least one year (cure period) until regulatory curing requirements are met.

Modification of loans and advances to customers at amortised cost

Forbearance measures do not lead to derecognition unless changes to the original contractual terms result in a substantially different loan, i.e. the loan is altered in a manner that the terms under the modified contract are substantially different from those under the original contract (Note 2.11 “Derecognition”).

When the modification is not considered substantial in order to lead to derecognition, the gain or loss arising from the modification is calculated as the difference between the present value of the new contractual cash flows (i.e. based on the modified terms) discounted by the original effective interest rate of the loan and the carrying amount post write-off (if any), and is recognised in the income statement in “Credit provisions and other impairment charges”.

As at 31 December 2022, the amortised cost (before modification) of loans and advances to customers with lifetime ECL whose cash flows were modified during the year amounted to €389 million for the Group and the Bank (31 December 2021: €1,001million), resulting in a modification loss of €1 million for the Group and the Bank (2021: €34 million), as disclosed in the Movement of the Gross carrying amount of loans and advances to customers at amortised cost in Note 21 “Loans and advances to customers”.

The impact of modification on the ECL allowance associated with these assets for the Group and the Bank was a release of €2 million (2021: €16 million), as disclosed in the Movement of the ECL allowance on loans and advances to customers at amortised cost in Note 21 “Loans and advances to customers”.

Therefore, the net impact recognised in the Income Statement related to modification gain of €1 million for the Group and the Bank for the period (2021: loss of €18 million), which is separately disclosed in Note 13 “Credit provisions and other impairment charges”.

An analysis of the Group’s and the Bank’s forborne loans measured at amortised cost is presented in the following tables.

Forborne loans and advances to customers at amortised cost by type of forbearance measure

	Group		Bank	
Forbearance measure	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Reduced payment schedule	911	1,080	910	1,080
Hybrid modifications	618	843	618	843
Term extension	610	750	556	690
Interest only schedule	91	72	89	71
Other types of forbearance measures	126	204	100	165
Net carrying amount	**2,356**	**2,949**	**2,273**	**2,849**

Credit quality of forborne loans and advances to customers at amortised cost

	Group			Bank		
As at 31 December 2022	Loans and advances to customers	Forborne loans	% of forborne loans	Loans and advances to customers	Forborne loans	% of forborne loans
Stage 1	30,189	-	0%	29,141	-	0%
Stage 2	4,596	2,082	45%	3,943	2,030	51%
Credit impaired	1,770	830	47%	1,592	785	49%
Gross carrying amount	**36,555**	**2,912**	**8%**	**34,676**	**2,815**	**8%**
ECL allowance - Individual	(471)	(249)	53%	(424)	(238)	56%
ECL allowance - Collective	(1,022)	(307)	30%	(969)	(304)	31%
Net carrying amount	**35,062**	**2,356**	**7%**	**33,283**	**2,273**	**7%**
Value of collateral	20,903	2,347	11%	18,612	2,294	12%

As at 31 December 2022, credit-impaired loans and advances to customers at amortised cost subject to forbearance measures include loans with delay less than 90 days:

	Group	Bank
Mortgage loans	248	245
Consumer loans	22	21
Small Business Lending	36	35
Corporate Lending	378	370
Gross carrying amount	**684**	**671**

As at 31 December 2021	Group			Bank		
	Loans and advances to customers	Forborne loans	% of forborne loans	Loans and advances to customers	Forborne loans	% of forborne loans
Stage 1	24,787	-	0%	23,810	-	0%
Stage 2	4,747	2,446	52%	4,250	2,380	56%
Credit impaired	2,213	1,100	50%	2,028	1,030	51%
Gross carrying amount	**31,747**	**3,546**	**11%**	**30,088**	**3,410**	**11%**
ECL allowance - Individual	(630)	(322)	51%	(559)	(287)	51%
ECL allowance - Collective	(1,025)	(275)	27%	(984)	(274)	28%
Net carrying amount	**30,092**	**2,949**	**10%**	**28,545**	**2,849**	**10%**
Value of collateral	21,061	2,808	13%	19,076	2,753	14%

As at 31 December 2021, credit-impaired loans and advances to customers at amortised cost subject to forbearance measures include loans with delay less than 90 days.

	Group	Bank
Mortgage loans	305	303
Consumer loans	23	22
Small Business Lending	52	51
Corporate Lending	504	485
Gross carrying amount	**884**	**861**

Movement of forborne loans and advances to customers at amortised cost net of ECL allowance

	Group		Bank	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Opening net carrying amount	**2,949**	**3,612**	**2,849**	**3,461**
New forborne assets	172	263	134	232
Interest income	90	125	89	123
Repayments	(346)	(384)	(325)	(354)
Exposures that exited forbearance status	(497)	(459)	(467)	(451)
Write-offs & sales	(57)	(76)	(54)	(68)
Impairment charge for expected credit losses	81	61	83	68
Reclassified as Held for Sale	(36)	(193)	(36)	(162)
Closing net carrying amount	**2,356**	**2,949**	**2,273**	**2,849**

Forborne loans and advances to customers at amortised cost net of ECL allowance by product line

	Group		Bank	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Retail Lending	**1,843**	**2,379**	**1,827**	**2,362**
Mortgage Loans	1,689	2,160	1,685	2,152
Consumer Loans	85	133	80	128
Small Business Lending	69	86	62	82
Corporate Lending	**494**	**550**	**427**	**467**
Large	348	364	331	324
SMEs	146	186	96	143
Public Sector Lending	**19**	**20**	**19**	**20**
Net carrying amount	**2,356**	**2,949**	**2,273**	**2,849**

Forborne loans and advances to customers at amortised cost net of ECL allowance by geographical region

	Group		Bank	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Greece	2,322	2,904	2,273	2,849
International	34	45	-	-
Net carrying amount	**2,356**	**2,949**	**2,273**	**2,849**

4.2.12 Repossessed collateral

As at 31 December 2022, repossessed collateral amounted to €467 million and €393 million for the Group and the Bank respectively (2021: €490 million and €418 million respectively). During 2022, the Group obtained assets by taking possession of collateral held as security of €26 million for the Group and €13 million for the Bank respectively (2021: €52 million and €50 million for the Group and the Bank respectively).

Almost all repossessed assets relate to properties. Repossessed properties are sold as soon as practicable. Repossessed assets are classified in the Statement of Financial Position within “Other assets”, except for those properties that are held for capital appreciation or rental income, which are classified within “Investment property”.

4.2.13 Credit risk concentration of loans and advances to customers at amortised cost and credit related commitments

The credit risk concentration of loans and advances to customers at amortised cost and credit related commitments by geographical and industry sector for the Group and the Bank is summarised in the following tables:

Analysis by product line, industry and geographical region | Group

	Greece				International				Total			
As at 31 December 2022	Stage 1	Stage 2	Credit impaired	ECL allowance	Stage 1	Stage 2	Credit impaired	ECL allowance	Stage 1	Stage 2	Credit impaired	ECL allowance
Retail lending	**6,593**	**3,097**	**757**	**(630)**	**708**	**297**	**54**	**(39)**	**7,301**	**3,394**	**811**	**(669)**
Mortgage	4,848	2,341	419	(267)	162	126	10	(5)	5,010	2,467	429	(272)
Consumer	770	140	111	(123)	433	141	38	(31)	1,203	281	149	(154)
Credit cards	367	10	30	(39)	42	7	3	(2)	409	17	33	(41)
Small business lending	608	606	197	(201)	71	23	3	(1)	679	629	200	(202)
Corporate lending	**21,896**	**1,005**	**871**	**(750)**	**411**	**148**	**74**	**(52)**	**22,307**	**1,153**	**945**	**(802)**
Industry & mining	2,661	368	331	(293)	117	41	20	(14)	2,778	409	351	(307)
Trade and services (excl. tourism)	9,693	249	246	(181)	155	47	31	(22)	9,848	296	277	(203)
Construction and real estate development	1,281	48	56	(57)	40	20	10	(5)	1,321	68	66	(62)
Energy	2,647	13	2	(26)	26	17	-	(2)	2,673	30	2	(28)
Tourism	1,195	180	136	(108)	6	5	5	(4)	1,201	185	141	(112)
Shipping	2,360	48	30	(11)	-	-	-	-	2,360	48	30	(11)
Transportation and telecommunications	1,598	58	36	(45)	12	4	4	(2)	1,610	62	40	(47)
Other	461	41	34	(29)	55	14	4	(3)	516	55	38	(32)
Public sector	**581**	**49**	**14**	**(22)**	**-**	**-**	**-**	**-**	**581**	**49**	**14**	**(22)**
Total	**29,070**	**4,151**	**1,642**	**(1,402)**	**1,119**	**445**	**128**	**(91)**	**30,189**	**4,596**	**1,770**	**(1,493)**
Standby letters of credit and financial guarantees written	4,274	234	68	(49)	64	4	13	(1)	**4,338**	**238**	**81**	**(50)**
Commercial letters of credit	606	-	3	(1)	406	33	1	-	**1,012**	**33**	**4**	**(1)**

	Greece				International				Total			
As at 31 December 2021 (Restated)	Stage 1	Stage 2	Credit impaired	ECL allowance	Stage 1	Stage 2	Credit impaired	ECL allowance	Stage 1	Stage 2	Credit impaired	ECL allowance
Retail lending	**6,473**	**3,524**	**883**	**(710)**	**771**	**175**	**58**	**(39)**	**7,244**	**3,699**	**941**	**(749)**
Mortgage	4,870	2,685	520	(287)	161	88	18	(8)	5,031	2,773	538	(295)
Consumer	732	187	124	(136)	522	46	37	(28)	1,254	233	161	(164)
Credit cards	348	15	21	(27)	38	14	1	(1)	386	29	22	(28)
Small business lending	523	637	218	(260)	50	27	2	(2)	573	664	220	(262)
Corporate lending	**16,662**	**900**	**1,144**	**(805)**	**390**	**136**	**97**	**(79)**	**17,052**	**1,036**	**1,241**	**(884)**
Industry & mining	2,491	228	449	(333)	117	41	25	(31)	2,608	269	474	(364)
Trade and services (excl. tourism)	5,739	314	260	(187)	142	83	55	(33)	5,881	397	315	(220)
Construction and real estate development	1,751	44	116	(67)	40	14	5	(4)	1,791	58	121	(71)
Energy	2,281	3	3	(21)	23	7	-	(1)	2,304	10	3	(22)
Tourism	861	163	188	(109)	3	7	5	(3)	864	170	193	(112)
Shipping	2,062	93	36	(23)	-	-	-	-	2,062	93	36	(23)
Transportation and telecommunications	982	14	48	(40)	3	5	2	(1)	985	19	50	(41)
Other	495	41	44	(25)	62	(21)	5	(6)	557	20	49	(31)
Public sector	**491**	**12**	**31**	**(22)**	**-**	**-**	**-**	**-**	**491**	**12**	**31**	**(22)**
Total	**23,626**	**4,436**	**2,058**	**(1,537)**	**1,161**	**311**	**155**	**(118)**	**24,787**	**4,747**	**2,213**	**(1,655)**
Standby letters of credit and financial guarantees written	2,620	181	84	(53)	52	20	3	-	**2,672**	**201**	**87**	**(53)**
Commercial letters of credit	695	1	2	(1)	315	2	4	-	**1,010**	**3**	**6**	**(1)**

As at 31 December 2021 (As published in 2021)	Greece Gross carrying amount	Greece Credit impaired	Greece ECL allowance	SEE Gross carrying amount	SEE Credit impaired	SEE ECL allowance	Other countries Gross carrying amount	Other countries Credit impaired	Other countries ECL allowance	Total Gross carrying amount	Total Credit impaired	Total ECL allowance
Retail lending	**10,880**	**883**	**(710)**	**948**	**42**	**(31)**	**56**	**16**	**(8)**	**11,884**	**941**	**(749)**
Mortgage	8,075	520	(287)	224	4	(2)	43	14	(6)	8,342	538	(295)
Consumer	1,043	124	(136)	593	35	(26)	12	2	(2)	1,648	161	(164)
Credit cards	384	21	(27)	52	1	(1)	1	-	-	437	22	(28)
Small business lending	1,378	218	(260)	79	2	(2)	-	-	-	1,457	220	(262)
Corporate lending	**18,705**	**1,144**	**(805)**	**435**	**53**	**(41)**	**189**	**44**	**(38)**	**19,329**	**1,241**	**(884)**
Industry & mining	3,168	449	(333)	166	23	(16)	17	2	(15)	3,351	474	(364)
Trade and services (excl. tourism)	6,312	260	(187)	109	13	(10)	172	42	(23)	6,593	315	(220)
Construction and real estate development	1,911	116	(67)	59	5	(4)	-	-	-	1,970	121	(71)
Energy	2,287	3	(21)	30	-	(1)	-	-	-	2,317	3	(22)
Tourism	1,212	188	(109)	15	5	(3)	-	-	-	1,227	193	(112)
Shipping	2,191	36	(23)	-	-	-	-	-	-	2,191	36	(23)
Transportation and telecommunications	1,044	48	(40)	10	2	(1)	-	-	-	1,054	50	(41)
Other	580	44	(25)	46	5	(6)	-	-	-	626	49	(31)
Public sector	**534**	**31**	**(22)**	-	-	-	-	-	-	**534**	**31**	**(22)**
Total	**30,119**	**2,058**	**(1,537)**	**1,383**	**95**	**(72)**	**245**	**60**	**(46)**	**31,747**	**2,213**	**(1,655)**

Analysis by product line, industry and geographical region | Bank

As at 31 December 2022	Greece Stage 1	Greece Stage 2	Greece Credit impaired	Greece ECL allowance	International Stage 1	International Stage 2	International Credit impaired	International ECL allowance	Total Stage 1	Total Stage 2	Total Credit impaired	Total ECL allowance
Retail lending	**6,532**	**3,090**	**748**	**(626)**	**-**	**-**	**1**	**(1)**	**6,532**	**3,090**	**749**	**(627)**
Mortgage	4,848	2,341	419	(267)	-	-	-	-	4,848	2,341	419	(267)
Consumer	761	140	110	(123)	-	-	1	(1)	761	140	111	(124)
Credit cards	367	10	30	(39)	-	-	-	-	367	10	30	(39)
Small business lending	556	599	189	(197)	-	-	-	-	556	599	189	(197)
Corporate lending	**22,021**	**829**	**826**	**(740)**	**8**	**-**	**3**	**(4)**	**22,029**	**829**	**829**	**(744)**
Industry & mining	2,366	303	328	(291)	4	-	-	(1)	2,370	303	328	(292)
Trade and services (excl. tourism)	10,268	151	205	(173)	4	-	3	(3)	10,272	151	208	(176)
Construction and real estate development	1,224	40	56	(57)	-	-	-	-	1,224	40	56	(57)
Energy	2,640	13	2	(26)	-	-	-	-	2,640	13	2	(26)
Tourism	1,195	180	136	(108)	-	-	-	-	1,195	180	136	(108)
Shipping	2,360	48	30	(11)	-	-	-	-	2,360	48	30	(11)
Transportation and telecommunications	1,595	58	36	(45)	-	-	-	-	1,595	58	36	(45)
Other	373	36	33	(29)	-	-	-	-	373	36	33	(29)
Public sector	**580**	**24**	**14**	**(22)**	**-**	**-**	**-**	**-**	**580**	**24**	**14**	**(22)**
Total	**29,133**	**3,943**	**1,588**	**(1,388)**	**8**	**-**	**4**	**(5)**	**29,141**	**3,943**	**1,592**	**(1,393)**
Standby letters of credit and financial guarantees written	4,605	234	67	(48)	-	-	1	(1)	**4,605**	**234**	**68**	**(49)**
Commercial letters of credit	606	-	3	(1)	405	33	1	-	**1,011**	**33**	**4**	**(1)**

As at 31 December 2021 (Restated)	Greece Stage 1	Greece Stage 2	Greece Credit impaired	Greece ECL allowance	International Stage 1	International Stage 2	International Credit impaired	International ECL allowance	Total Stage 1	Total Stage 2	Total Credit impaired	Total ECL allowance
Retail lending	**6,434**	**3,516**	**882**	**(709)**	**3**	**-**	**1**	**(1)**	**6,437**	**3,516**	**883**	**(710)**
Mortgage	4,869	2,686	520	(287)	-	-	-	-	4,869	2,686	520	(287)
Consumer	720	187	124	(136)	**3**	-	1	(1)	723	187	125	(137)
Credit cards	348	15	21	(27)	-	-	-	-	348	15	21	(27)
Small business lending	497	628	217	(259)	-	-	-	-	497	628	217	(259)
Corporate lending	**16,888**	**725**	**1,109**	**(793)**	**19**	**-**	**5**	**(18)**	**16,907**	**725**	**1,114**	**(811)**
Industry & mining	2,163	188	448	(333)	15	-	2	(15)	2,178	188	450	(348)
Trade and services (excl. tourism)	6,446	210	226	(175)	4	-	3	(3)	6,450	210	229	(178)
Construction and real estate development	1,683	35	116	(67)	-	-	-	-	1,683	35	116	(67)
Energy	2,265	3	3	(21)	-	-	-	-	2,265	3	3	(21)
Tourism	850	163	188	(109)	-	-	-	-	850	163	188	(109)
Shipping	2,062	93	36	(23)	-	-	-	-	2,062	93	36	(23)
Transportation and telecommunications	981	13	48	(40)	-	-	-	-	981	13	48	(40)
Other	438	20	44	(25)	-	-	-	-	438	20	44	(25)
Public sector	**466**	**9**	**31**	**(22)**	-	-	-	-	**466**	**9**	**31**	**(22)**
Total	**23,788**	**4,250**	**2,022**	**(1,524)**	**22**	**-**	**6**	**(19)**	**23,810**	**4,250**	**2,028**	**(1,543)**
Standby letters of credit and financial guarantees written	2,956	181	84	(76)	-	-	3	-	**2,956**	**181**	**87**	**(76)**
Commercial letters of credit	695	1	2	(1)	313	2	4	-	**1,008**	**3**	**6**	**(1)**

As at 31 December 2021 (As published in 2021)	Greece Gross carrying amount	Greece Credit impaired	Greece ECL allowance	SEE Gross carrying amount	SEE Credit impaired	SEE ECL allowance	Other countries Gross carrying amount	Other countries Credit impaired	Other countries ECL allowance	Total Gross carrying amount	Total Credit impaired	Total ECL allowance
Retail lending	**10,832**	**882**	**(709)**	**-**	**-**	**-**	**4**	**1**	**(1)**	**10,836**	**883**	**(710)**
Mortgage	8,075	520	(287)	-	-	-	-	-	-	8,075	520	(287)
Consumer	1,031	124	(136)	-	-	-	4	1	(1)	1,035	125	(137)
Credit cards	384	21	(27)	-	-	-	-	-	-	384	21	(27)
Small business lending	1,342	217	(259)	-	-	-	-	-	-	1,342	217	(259)
Corporate lending	**18,722**	**1,109**	**(793)**	**-**	**-**	**-**	**24**	**5**	**(18)**	**18,746**	**1,114**	**(811)**
Industry & mining	2,799	448	(333)	-	-	-	17	2	(15)	2,816	450	(348)
Trade and services (excl. tourism)	6,882	226	(175)	-	-	-	7	3	(3)	6,889	229	(178)
Construction and real estate development	1,834	116	(67)	-	-	-	-	-	-	1,834	116	(67)
Energy	2,271	3	(21)	-	-	-	-	-	-	2,271	3	(21)
Tourism	1,201	188	(109)	-	-	-	-	-	-	1,201	188	(109)
Shipping	2,191	36	(23)	-	-	-	-	-	-	2,191	36	(23)
Transportation and telecommunications	1,042	48	(40)	-	-	-	-	-	-	1,042	48	(40)
Other	502	44	(25)	-	-	-	-	-	-	502	44	(25)
Public sector	**506**	**31**	**(22)**	-	-	-	-	-	**-**	**506**	**31**	**(22)**
Total	**30,060**	**2,022**	**(1,524)**	**-**	**-**	**-**	**28**	**6**	**(19)**	**30,088**	**2,028**	**(1,543)**

4.2.14 Debt securities

The tables below present the movement of expected credit losses for debt securities during 2022 and 2021, for the Group and the Bank (see also Note 22 "Investment Securities"):

ECL Movement for Debt Securities - Group & Bank 2022

	Securities measured at amortised cost Stage 1	Securities measured at amortised cost Stage 2	Securities measured at FVTOCI Stage 1	Securities measured at FVTOCI Stage 2
Balance at 1 January	18	57	4	1
Net remeasurement of ECL allowance	5	(4)	1	-
Impairment losses on new assets	3	-	2	-
Derecognition of debt Securities	(1)	-	-	(1)
Balance at 31 December	**25**	**53**	**7**	**-**

ECL Movement for Debt Securities - Group & Bank 2021

	Securities measured at amortised cost Stage 1	Securities measured at amortised cost Stage 2	Securities measured at FVTOCI Stage 1	Securities measured at FVTOCI Stage 2
Balance at 1 January	24	68	9	-
Net remeasurement of ECL allowance	(7)	(11)	(3)	1
Impairment losses on new assets	7	-	3	-
Derecognition of debt Securities	(6)	-	(5)	-
Balance at 31 December	**18**	**57**	**4**	**1**

The tables below present an analysis of debt securities, treasury bills and other eligible bills by rating agency designation at 31 December 2022 and 2021, based on the lower rating between Moody's and S&P ratings expressed in Moody's equivalent:

Ratings – Group

As at 31 December 2022	Securities measured at FVTPL	Securities measured at FVTOCI	Securities measured at amortised cost	Total
Aaa	44	140	302	**486**
Aa1 to A3	114	82	-	**196**
Baa1 to Ba3	46	2,394	9,764	**12,204**
Lower than Ba3	6	115	292	**413**
Total	**210**	**2,731**	**10,358**	**13,299**

As at 31 December 2021	Securities measured at FVTPL	Securities measured at FVTOCI	Securities measured at amortised cost	Total
Aaa	-	525	-	**525**
Aa1 to A3	163	83	-	**246**
Baa1 to Ba3	74	1,931	11,936	**13,941**
Lower than Ba3	31	210	166	**407**
Total	**268**	**2,749**	**12,102**	**15,119**

Ratings – Bank

As at 31 December 2022	Securities measured at FVTPL	Securities measured at FVTOCI	Securities measured at amortised cost	Total
Aaa	44	140	302	**486**
Aa1 to A3	114	82	-	**196**
Baa1 to Ba3	46	2,357	9,527	**11,930**
Lower than Ba3	5	115	291	**411**
Total	**209**	**2,694**	**10,120**	**13,023**

As at 31 December 2021	Securities measured at FVTPL	Securities measured at FVTOCI	Securities measured at amortised cost	Total
Aaa	-	525	-	**525**
Aa1 to A3	163	83	-	**246**
Baa1 to Ba3	74	1,867	11,624	**13,565**
Lower than Ba3	31	211	165	**407**
Total	**268**	**2,686**	**11,789**	**14,743**

4.3 Market risk

Market risk is the current or prospective risk to earnings and capital arising from adverse movements in interest rates, equity and commodity prices and exchange rates, and their levels of volatility. The main contributor to market risk in the Group is the Bank. The most significant types of market risk for the Bank are interest rate risk, equity risk, foreign exchange risk and commodity risk. For more information over the significant types of market risk for the Group, please refer to the "Board of Directors Report" section "Risk management – Management of Risks – Market Risk".

4.3.1 Market risk on trading and HTCS portfolios - Value-at-Risk ("VaR")

The Bank uses internally developed and implemented market risk models and systems to assess and quantify the portfolio market risk, based on best practice and industry-wide accepted risk metrics. More specifically, the Bank estimates the market risk of its trading and the held to collect and sell (HTCS) portfolios using the VaR methodology. This has been implemented in NBG's risk platform which is RiskWatch by Algorithmics (currently SS&C Technologies). In particular, the Bank has adopted the variance-covariance (VCV) methodology, with a 99% confidence interval and a 1-day holding period. The VaR is calculated on a daily basis for the Bank's trading and HTCS portfolios, along with the VaR per risk type (interest rate, equity and foreign exchange risk). The VaR estimates are used internally as a risk management tool, as well as for regulatory purposes. The GFLRMD calculates the VaR of the Bank's trading and HTCS portfolios, for internal use, on a daily basis, using the latest 75 exponentially weighted daily observations to construct the VCV matrices. For regulatory purposes, the calculations apply only on the trading portfolio and the VCV matrices are based on 252, equally weighted, daily observations. The risk factors relevant to the financial products in the Bank's portfolio are interest rates, equity indices, foreign exchange rates and commodity prices. Additionally, the

GFLRMD calculates the stressed VaR (sVaR) of the Bank's trading portfolio, which is defined as the VaR, where model inputs are calibrated to historical data from a continuous 1-year period of significant financial stress, relevant to the Bank's portfolio. The relevant VCV matrices are identified over a period starting in January 2008. Similarly, to VaR, NBG calculates sVaR on a daily basis, using a 1-day holding period and 99% confidence level.

The following tables reflect the VaR of the Bank (99%, 1 day) for the years ended 31 December 2022 and 2021, respectively.

2022 (in € 000)	Total VaR	Interest Rate Risk VaR	Equity Risk VaR	Foreign Exchange Risk VaR
31 December	17,973	17,676	518	320
Average (daily value)	18,169	17,715	1,504	342
Max (daily value)	33,176	31,929	4,656	1,201
Min (daily value)	9,688	10,065	518	81

2021 (in € 000)	Total VaR	Interest Rate Risk VaR	Equity Risk VaR	Foreign Exchange Risk VaR
31 December	11,034	11,103	1,394	271
Average (daily value)	13,305	12,916	1,064	234
Max (daily value)	28,166	27,721	1,925	571
Min (daily value)	7,947	7,335	523	52

The VaR of the Bank's Trading and HTCS portfolios is mostly hedged for interest rate risk, but it is exposed to credit-spread risk, through the positions in Greek and other EU periphery sovereign bonds, held in the HTCS portfolio.

In the first six months of 2022, ECB's response to inflationary pressures and the macroeconomic impact of the Ukrainian crisis, led interest rates to soar, both the benchmark and the EU periphery sovereign curves, and the respective credit-spreads to widen. This in turn caused the yield volatilities to spike and the VaR of the Bank's Trading and HTCS portfolios to increase sharply and breach the VaR limit of €30 million, reaching its peak near the end of Q2.2022.

During the third quarter of the year, fragmentation fears subsided after the announcement of the Transmission Protection Instrument ('TPI') by ECB and the VaR gradually receded, in line with the path of the respective volatilities. However, in the beginning of the last quarter of the year, the EU periphery sovereign yields exhibited significant gyrations, leading to the increase of the respective volatilities and to higher VaR estimates, albeit below the approved VaR limits. By the end of 2022, the VaR of the Bank's trading and HTCS portfolio stood at €18 million, above the respective level at the end of the previous year.

Back-testing

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

Any excess of the hypothetical/actual losses over the VaR estimate is reported to the regulatory authorities within no later than five business days. Moreover, the Board is informed about the total number of excesses, on a monthly basis.

The Bank's trading book is primarily exposed to interest rate risk in the Eurozone, with the key risk factors being the EUR swap rates and the respective sovereign yields (mainly the German). During 2022, the widening of the swap-spread and the non-parallel movement of the EUR IRS rates and the respective sovereign yields, combined with the unweighted scheme of the VaR model, caused successive over-shootings. As of December 30th, 2022, the total number of back-testing over-shootings stood at 23, over a 1-year horizon.

Stress Testing

The VaR model is based on certain theoretical assumptions, which do not fully capture the potential "tail events" in the markets.

To enhance the predictability of our VaR model and minimize the effect of the aforementioned limitations, NBG performs stress testing on a weekly basis. The aim of stress testing is to evaluate the gains or losses that may occur under extreme market conditions and applies on both, trading and HTCS portfolios. These scenarios are presented in the following tables:

Interest rate-related scenarios:

Scenario	Description	0-3 Months	3 Months-5 Years	>5 Years
1	Parallel Curve Shift	+200 bps	+200 bps	+200 bps
2	Parallel Curve Shift	−200 bps	−200 bps	−200 bps
3	Steepening	0 bps	+100 bps	+200 bps
4	Flattening	+200 bps	+100 bps	0 bps

Equities/Commodities scenarios:

Scenario	Description
1	-30% for all indices

Foreign exchange rate-related scenarios:

Scenario	Description
1	appreciation by 30%
2	depreciation by 30%

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

Volatility scenarios:

Scenario	Description
1	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%

4.3.2 Limitations of the VAR model

The VaR model is based on certain theoretical assumptions, which under extreme market conditions might not capture the maximum loss the Bank may suffer. The restrictions of this methodology are summarized as follows:

- The use of volatilities and correlations as predictive measures for the behaviour of risk factors in the future might prove insufficient in periods of intense volatility in financial markets. However, this limitation is mitigated with the calculation of the stressed VaR;
- The ten-day holding period for the VaR calculations (used for regulatory purposes and capital allocation), implies that the Bank will be able to liquidate all its trading positions within this time period. This assumption might underestimate market risk in periods of insufficient liquidity in the financial markets;
- VaR refers to the plausible loss at a 99% confidence interval, without taking into account any losses beyond that level;
- All VaR calculations are performed on a close-of-business (“COB”) basis and not on an intraday basis, thus not taking into account the respective portfolio changes;
- VaR estimates rely on small changes in the level of the relevant risk factors. For bigger movements (tail events), this metric might not fully capture the impact on the value of the portfolio; and
- Returns on individual risk factors are assumed to follow a normal distribution. If this assumption does not hold, the probability of extreme market movements could be underestimated. This limitation is mitigated through the stress testing framework, analysed in the previous section.

4.3.3 Interest rate risk in the banking book

Interest Rate Risk in the Banking Book (IRRBB) refers to the current or prospective risk to the Group’s and Bank’s capital and earnings arising from adverse movements in interest rates that affect the Banking Book positions. The main sources of IRRBB are the following: re-pricing risk, basis risk and optionality risk. For further analysis please refer to the “Board of Directors Report” section “Risk management – Management of Risks – Interest Rate Risk in the Banking Book”).

4.3.4 Interest rate risk based on next re-pricing date

The interest rate risk for the Group and the Bank, relating to financial instruments based on next re-pricing date, is summarised as follows:

Interest re-pricing dates - Group

As at 31 December 2022	Up to 1 month	1 to 3 months	3 to 12 months	1 to 5 yrs	Over 5 yrs	Non interest bearing	Total
Assets							
Cash and balances with central banks	12,856	-	-	-	-	1,370	**14,226**
Due from banks	2,523	2	86	167	-	122	**2,900**
Financial assets at fair value through profit or loss	22	5	37	98	61	172	**395**
Loans and advances to customers	18,903	5,339	5,450	3,291	1,741	837	**35,561**
Investment securities at fair value through OCI	44	719	540	226	1,202	101	**2,832**
Investment securities at amortised cost	98	169	1,973	416	7,700	2	**10,358**
Other assets	-	-	-	-	-	1,771	**1,771**
Total	**34,446**	**6,234**	**8,086**	**4,198**	**10,704**	**4,375**	**68,043**
Liabilities							
Due to banks	1,237	30	6,285	2,149	108	2	**9,811**
Due to customers	46,506	2,057	2,823	2,723	3	1,080	**55,192**
Debt securities in issue & other borrowed funds	2	30	5	1,331	400	26	**1,794**
Other liabilities	2	-	-	-	-	1,324	**1,326**
Lease liability	7	13	61	290	784	-	**1,156**
Total	**47,754**	**2,130**	**9,174**	**6,493**	**1,295**	**2,432**	**69,279**
Total interest sensitivity gap	**(13,308)**	**4,104**	**(1,088)**	**(2,295)**	**9,409**	**1,943**	**(1,236)**

Interest re-pricing dates - Group

As at 31 December 2021	Up to 1 month	1 to 3 months	3 to 12 months	1 to 5 yrs	Over 5 yrs	Non interest bearing	Total
Assets							
Cash and balances with central banks	7	1	-	-	-	15,819	**15,827**
Due from banks	3,224	35	136	144	-	100	**3,639**
Financial assets at fair value through profit or loss	31	7	19	100	122	35	**314**
Loans and advances to customers	15,680	4,695	5,117	2,659	1,650	638	**30,439**
Investment securities at fair value through OCI	37	688	121	204	1,699	85	**2,834**
Investment securities at amortised cost	21	77	2,389	534	9,080	2	**12,103**
Other assets	-	3	-	-	-	2,208	**2,211**
Total	**19,000**	**5,506**	**7,782**	**3,641**	**12,551**	**18,887**	**67,367**
Liabilities							
Due to banks	2,570	31	1,588	10,437	105	-	**14,731**
Due to customers	42,679	2,778	4,644	2,575	2	815	**53,493**
Debt securities in issue & other borrowed funds	53	36	118	632	132	20	**991**
Other liabilities	1	-	-	-	-	878	**879**
Lease liability	7	13	59	344	816	-	**1,239**
Total	**45,310**	**2,858**	**6,409**	**13,988**	**1,055**	**1,713**	**71,333**
Total interest sensitivity gap	**(26,310)**	**2,648**	**1,373**	**(10,347)**	**11,496**	**17,174**	**(3,966)**

Interest re-pricing dates - Bank

As at 31 December 2022	Up to 1 month	1 to 3 months	3 to 12 months	1 to 5 yrs	Over 5 yrs	Non interest bearing	Total
Assets							
Cash and balances with central banks	12,736	-	-	-	-	1,221	**13,957**
Due from banks	2,460	25	86	167	-	116	**2,854**
Financial assets at fair value through profit or loss	8	5	37	98	61	166	**375**
Loans and advances to customers	18,167	5,158	5,274	2,948	1,507	728	**33,782**
Investment securities at fair value through OCI	14	719	531	226	1,203	91	**2,784**
Investment securities at amortised cost	78	169	1,937	328	7,609	-	**10,121**
Other assets	-	-	-	-	-	1,699	**1,699**
Total	**33,463**	**6,076**	**7,865**	**3,767**	**10,380**	**4,021**	**65,572**
Liabilities							
Due to banks	1,455	30	6,285	2,149	108	-	**10,027**
Due to customers	45,783	1,991	2,546	2,565	-	819	**53,704**
Debt securities in issue & other borrowed funds	-	-	-	1,315	391	25	**1,731**
Other liabilities	3	-	-	-	-	1,152	**1,155**
Lease liability	7	14	62	279	642	-	**1,004**
Total	**47,248**	**2,035**	**8,893**	**6,308**	**1,141**	**1,996**	**67,621**
Total interest sensitivity gap	**(13,785)**	**4,041**	**(1,028)**	**(2,541)**	**9,239**	**2,025**	**(2,049)**

Interest re-pricing dates - Bank

As at 31 December 2021	Up to 1 month	1 to 3 months	3 to 12 months	1 to 5 yrs	Over 5 yrs	Non interest bearing	Total
Assets							
Cash and balances with central banks	-	1	-	-	-	15,538	**15,539**
Due from banks	3,081	29	188	144	-	97	**3,539**
Financial assets at fair value through profit or loss	20	7	19	100	122	27	**295**
Loans and advances to customers	15,093	4,697	4,936	2,159	1,499	502	**28,886**
Investment securities at fair value through OCI	-	686	97	204	1,699	77	**2,763**
Investment securities at amortised cost	-	77	2,384	341	8,987	-	**11,789**
Other assets	-	-	-	-	-	2,134	**2,134**
Total	**18,194**	**5,497**	**7,624**	**2,948**	**12,307**	**18,375**	**64,945**
Liabilities							
Due to banks	2,739	31	1,588	10,437	105	-	**14,900**
Due to customers	42,223	2,671	4,008	2,470	-	856	**52,228**
Debt securities in issue & other borrowed funds	13	26	116	617	122	18	**912**
Other liabilities	-	-	-	-	-	746	**746**
Lease liability	7	13	59	325	654	-	**1,058**
Total	**44,982**	**2,741**	**5,771**	**13,849**	**881**	**1,620**	**69,844**
Total interest sensitivity gap	**(26,788)**	**2,756**	**1,853**	**(10,901)**	**11,426**	**16,755**	**(4,899)**

4.3.5 Foreign exchange risk

Foreign Exchange Risk is the risk related to the potential loss due to adverse movements in foreign exchange rates. The Open Currency Position ("OCP") of the Bank primarily arises from foreign exchange spot and forward transactions, as well as from the mark-to-market of NBG's OTC derivatives' trades denominated in foreign currency.

The foreign exchange risk concentration for the Group and the Bank as at 31 December 2022 and 31 December 2021 is presented in the following tables:

Foreign exchange risk concentration - Group

As at 31 December 2022	EURO	USD	GBP	JPY	CHF	Other	Total
Assets							
Cash and balances with central banks	14,049	21	3	-	1	152	**14,226**
Due from banks	2,704	88	10	15	40	43	**2,900**
Financial assets at fair value through profit or loss	382	9	4	-	-	-	**395**
Derivative financial instruments	1,892	63	6	-	-	1	**1,962**
Loans and advances to customers	31,850	2,457	33	-	231	990	**35,561**
Securities measured at fair value through other comprehensive income	2,715	86	-	-	-	31	**2,832**
Securities measured at amortised cost	10,296	43	-	-	-	19	**10,358**
Investment property	63	-	-	-	-	8	**71**
Equity method investments	175	-	-	-	-	-	**175**
Goodwill, software and other intangible assets	429	-	-	-	-	2	**431**
Property and equipment	1,537	-	-	-	-	28	**1,565**
Other assets	6,740	306	14	-	26	56	**7,142**
Total assets excl. assets held-for-sale	**72,832**	**3,073**	**70**	**15**	**298**	**1,330**	**77,618**
Non-current assets held for sale	472	2	-	-	21	-	**495**
Total assets	**73,304**	**3,075**	**70**	**15**	**319**	**1,330**	**78,113**

As at 31 December 2022	EURO	USD	GBP	JPY	CHF	Other	Total
Liabilities							
Due to banks	9,773	2	3	-	30	3	**9,811**
Derivative financial instruments	1,787	132	1	-	2	1	**1,923**
Due to customers	51,146	2,224	124	4	219	1,475	**55,192**
Debt securities in issue & Other borrowed funds	1,582	-	209	-	-	3	**1,794**
Other liabilities	2,399	206	5	-	-	35	**2,645**
Retirement benefit obligations	247	-	-	-	-	1	**248**
Total liabilities excl. liabilities associated with non current assets held-for-sale	**66,934**	**2,564**	**342**	**4**	**251**	**1,518**	**71,613**
Liabilities associated with non-current assets held for sale	25	-	-	-	-	-	**25**
Total liabilities	**66,959**	**2,564**	**342**	**4**	**251**	**1,518**	**71,638**
Net on balance sheet position	**6,345**	**511**	**(272)**	**11**	**68**	**(188)**	**6,475**

Foreign exchange risk concentration - Group

As at 31 December 2021	EURO	USD	GBP	JPY	CHF	Other	Total
Assets							
Cash and balances with central banks	15,674	16	6	-	3	128	**15,827**
Due from banks	3,223	301	27	15	21	52	**3,639**
Financial assets at fair value through profit or loss	276	38	-	-	-	-	**314**
Derivative financial instruments	4,214	105	4	-	-	8	**4,331**
Loans and advances to customers	26,796	2,356	32	-	288	967	**30,439**
Securities measured at fair value though other comprehensive income	2,780	7	-	-	-	46	**2,833**
Securities measured at amortised cost	12,039	46	-	-	-	19	**12,104**
Investment property	70	-	-	-	-	10	**80**
Equity method investments	18	-	-	-	-	-	**18**
Goodwill, software and other intangible assets	351	-	-	-	-	2	**353**
Property and equipment	1,637	-	-	-	-	18	**1,655**
Other assets	7,708	123	1	-	3	37	**7,872**
Total assets excl. assets held-for-sale	**74,786**	**2,992**	**70**	**15**	**315**	**1,287**	**79,465**
Non-current assets held for sale	4,451	6	-	-	18	18	**4,493**
Total assets	**79,237**	**2,998**	**70**	**15**	**333**	**1,305**	**83,958**

As at 31 December 2021	EURO	USD	GBP	JPY	CHF	Other	Total
Liabilities							
Due to banks	14,450	16	11	1	253	-	**14,731**
Derivative financial instruments	2,843	159	10	-	-	2	**3,014**
Due to customers	49,321	2,499	138	1	44	1,490	**53,493**
Debt securities in issue & Other borrowed funds	975	-	-	-	-	16	**991**
Other liabilities	2,161	55	3	-	-	50	**2,269**
Retirement benefit obligations	270	-	-	-	-	1	**271**
Total liabilities excl. liabilities associated with non current assets held-for-sale	**70,020**	**2,729**	**162**	**2**	**297**	**1,559**	**74,769**
Liabilities associated with non-current assets held for sale	3,403	2	-	-	-	12	**3,417**
Total liabilities	**73,423**	**2,731**	**162**	**2**	**297**	**1,571**	**78,186**
Net on balance sheet position	**5,814**	**267**	**(92)**	**13**	**36**	**(266)**	**5,772**

Foreign exchange risk concentration - Bank

As at 31 December 2022	EURO	USD	GBP	JPY	CHF	Other	Total
Assets							
Cash and balances with central banks	13,929	20	3	-	-	5	**13,957**
Due from banks	2,714	61	6	15	34	24	**2,854**
Financial assets at fair value through profit or loss	366	9	-	-	-	-	**375**
Derivative financial instruments	1,892	63	6	-	-	1	**1,962**
Loans and advances to customers	31,090	2,431	28	-	231	2	**33,782**
Securities measured at fair value through other comprehensive income	2,705	79	-	-	-	-	**2,784**
Securities measured at amortised cost	10,078	43	-	-	-	-	**10,121**
Investments in subsidiaries	759	-	-	-	-	-	**759**
Investment property	2	-	-	-	-	-	**2**
Equity method investments	172	-	-	-	-	-	**172**
Goodwill, software and other intangible assets	424	-	-	-	-	-	**424**
Property and equipment	1,164	-	-	-	-	-	**1,164**
Other assets	6,655	306	13	-	26	19	**7,019**
Total assets excl. non current assets held for sale	**71,950**	**3,012**	**56**	**15**	**291**	**51**	**75,375**
Non-current assets held for sale	423	2	-	-	16	-	**441**
Total assets	**72,373**	**3,014**	**56**	**15**	**307**	**51**	**75,816**

As at 31 December 2022	EURO	USD	GBP	JPY	CHF	Other	Total
Liabilities							
Due to banks	9,969	22	3	-	30	3	**10,027**
Derivative financial instruments	1,787	132	1	-	2	1	**1,923**
Due to customers	50,584	2,182	137	5	213	583	**53,704**
Debt securities in issue & Other borrowed funds	1,522	-	209	-	-	-	**1,731**
Other liabilities	2,087	198	4	-	-	13	**2,302**
Retirement benefit obligations	246	-	-	-	-	-	**246**
Total liabilities excl. liabilities associated with non current assets held for Sale	**66,195**	**2,534**	**354**	**5**	**245**	**600**	**69,933**
Total liabilities	**66,195**	**2,534**	**354**	**5**	**245**	**600**	**69,933**
Net on balance sheet position	**6,178**	**480**	**(298)**	**10**	**62**	**(549)**	**5,883**

Foreign exchange risk concentration - Bank

As at 31 December 2021	EURO	USD	GBP	JPY	CHF	Other	Total
Assets							
Cash and balances with central banks	15,510	14	6	-	2	7	**15,539**
Due from banks	3,206	261	16	14	14	28	**3,539**
Financial assets at fair value through profit or loss	257	38	-	-	-	-	**295**
Derivative financial instruments	4,214	105	4	-	-	8	**4,331**
Loans and advances to customers	26,232	2,334	32	-	287	1	**28,886**
Securities measured at fair value through other comprehensive income	2,762	1	-	-	-	-	**2,763**
Securities measured at amortised cost	11,743	46	-	-	-	-	**11,789**
Investments in subsidiaries	1,133	-	-	-	-	-	**1,133**
Investment property	2	-	-	-	-	-	**2**
Equity method investments	17	-	-	-	-	-	**17**
Goodwill, software and other intangible assets	345	-	-	-	-	-	**345**
Property and equipment	1,236	-	-	-	-	4	**1,240**
Other assets	7,645	123	-	-	2	5	**7,775**
Total assets excl. non current assets held for sale	**74,302**	**2,922**	**58**	**14**	**305**	**53**	**77,654**
Non-current assets held for sale	852	-	-	-	14	-	**866**
Total assets	**75,154**	**2,922**	**58**	**14**	**319**	**53**	**78,520**

As at 31 December 2021	EURO	USD	GBP	JPY	CHF	Other	Total
Liabilities							
Due to banks	14,557	74	11	1	253	4	**14,900**
Derivative financial instruments	2,843	159	10	-	-	2	**3,014**
Due to customers	48,913	2,424	218	3	37	633	**52,228**
Debt securities in issue & Other borrowed funds	912	-	-	-	-	-	**912**
Other liabilities	1,884	46	1	-	-	25	**1,956**
Retirement benefit obligations	269	-	-	-	-	-	**269**
Total liabilities excl. liabilities associated with non current assets held for Sale	**69,378**	**2,703**	**240**	**4**	**290**	**664**	**73,279**
Total liabilities	**69,378**	**2,703**	**240**	**4**	**290**	**664**	**73,279**
Net on balance sheet position	**5,776**	**219**	**(182)**	**10**	**29**	**(611)**	**5,241**

4.4 Country risk

Country risk is the current or prospective risk to earnings and capital, caused by events in a particular country which are at least to some extent under the control of the government but definitely not under the control of a private enterprise or individual. The main categories of country risk consist of sovereign risk, convertibility risk and transfer risk. For more information, please refer to the “Board of Directors Report” section “Risk management – Management of Risks – Country Risk”.

4.5 Liquidity risk

4.5.1 Liquidity risk management

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

It reflects the potential mismatch between incoming and outgoing payments, taking into account unexpected delays in repayments (term Liquidity Risk) or unexpectedly high outflows (withdrawal/call risk). Liquidity Risk involves both the risk of unexpected increases in the cost of funding of the portfolio of assets at appropriate maturities and rates, and the risk of being unable to liquidate a position in a timely manner and on reasonable terms. For more information please refer to the “Board of Directors Report” section “Risk management – Management of Risks – Liquidity Risk”.

4.5.2 Contractual undiscounted cash flows

The contractual undiscounted cash outflows of the Group's and the Bank's non-derivative financial liabilities are presented in the tables below. Liquidity risk arising from derivatives is not considered significant.

Contractual undiscounted cash outflows - Group

As at 31 December 2022	Up to 1 month	1 to 3 months	3 to 12 months	1 to 5 yrs	Over 5 yrs	Total
Due to banks	1,239	30	6,348	2,233	109	**9,959**
Due to customers	49,384	2,139	2,941	775	11	**55,250**
Debt securities in issue & Other borrowed funds	13	20	111	1,993	10	**2,147**
Other liabilities	165	916	167	-	43	**1,291**
Lease liability	8	13	61	305	1,075	**1,462**
Total – on balance sheet	**50,809**	**3,118**	**9,628**	**5,306**	**1,248**	**70,109**
Credit commitments	**1,186**	**380**	**839**	**1,017**	**2,284**	**5,706**

Contractual undiscounted cash outflows - Group

As at 31 December 2021	Up to 1 month	1 to 3 months	3 to 12 months	1 to 5 yrs	Over 5 yrs	Total
Due to banks	2,107	104	1,670	9,937	741	**14,559**
Due to customers	46,454	2,647	3,653	350	3	**53,107**
Debt securities in issue & Other borrowed funds	11	2	98	202	1,042	**1,355**
Other liabilities	136	454	179	-	48	**817**
Lease liability	7	14	65	293	1,250	**1,629**
Total – on balance sheet	**48,715**	**3,221**	**5,665**	**10,782**	**3,084**	**71,467**
Credit commitments	**976**	**300**	**648**	**441**	**1,612**	**3,977**

Contractual undiscounted cash outflow - Bank

As at 31 December 2022	Up to 1 month	1 to 3 months	3 to 12 months	1 to 5 yrs	Over 5 yrs	Total
Due to banks	1,456	30	6,348	2,233	109	**10,176**
Due to customers	48,419	2,071	2,654	607	8	**53,759**
Debt securities in issue & Other borrowed funds	-	-	106	1,978	-	**2,084**
Other liabilities	3	916	166	-	46	**1,131**
Lease liability	8	14	62	308	1,075	**1,467**
Total – on balance sheet	**49,886**	**3,031**	**9,336**	**5,126**	**1,238**	**68,617**
Credit commitments	**1,179**	**375**	**793**	**994**	**2,614**	**5,955**

Contractual undiscounted cash outflow - Bank

As at 31 December 2021	Up to 1 month	1 to 3 months	3 to 12 months	1 to 5 yrs	Over 5 yrs	Total
Due to banks	2,281	104	1,670	9,937	741	**14,733**
Due to customers	46,105	2,566	3,349	218	-	**52,238**
Debt securities in issue & Other borrowed funds	-	-	47	188	1,031	**1,266**
Other liabilities	4	462	180	-	48	**694**
Lease liability	7	14	65	290	1,246	**1,622**
Total – on balance sheet	**48,397**	**3,146**	**5,311**	**10,633**	**3,066**	**70,553**
Credit commitments	**974**	**295**	**617**	**411**	**1,944**	**4,241**

Other liabilities mainly include accrued interest and commissions, payables to suppliers, amounts due to government agencies, taxes payable (other than income taxes), and accrued expenses.

4.6 Capital adequacy

In June 2013, the European Parliament and the Council of Europe issued Directive 2013/36/EU and Regulation (EU) No 575/2013 (known as Capital Requirements Directive IV ("CRD IV") and Capital Requirements Regulation ("CRR") respectively), which incorporate the key amendments that have been proposed by the Basel Committee for Banking Supervision (known as Basel III). Directive 2013/36/EU has been transported into Greek Law by virtue of Greek Law 4261/2014 and Regulation (EU) No 575/2013 has been directly applicable to all EU Member States since 1 January 2014 and certain changes under CRD IV were implemented gradually.

Regulation (EU) No 575/2013 as amended by Regulation (EU) No 876/2019 (CRR2) defines the minimum capital requirements (Pillar 1 requirements) and Directive 2013/36/EU as amended by Directive 2019/878/EU (CRD V) defines the combined buffer requirements for EU institutions. In addition, Directive 2013/36/EU provides (Art. 97 et seq.) that Competent Authorities regularly carry out the Supervisory Review and Evaluation process ("SREP"), to assess and measure risks not covered, or not fully covered, under Pillar 1 and determine additional capital and liquidity requirements (Pillar 2 requirements). SREP is conducted under the lead of the ECB. The SREP decision is tailored to each bank's individual profile.

The table below summarises capital requirements for the NBG Group for 2023 and 2022:

	CET1 Capital Requirements			Overall Capital Requirements		
	2023	2022 post capital relief measures	2022	2023	2022 post capital relief measures	2022
Pillar 1	4.50%	4.50%	4.50%	8.00%	8.00%	8.00%
Pillar 2	1.69%	1.69%	1.69%	3.00%	3.00%	3.00%
Capital Conservation Buffer	2.50%	-	2.50%	2.50%	-	2.50%
O-SII Buffer	1.00%	0.75%	0.75%	1.00%	0.75%	0.75%
Total	**9.69%**	**6.94%**	**9.44%**	**14.50%**	**11.75%**	**14.25%**

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

	Group		Bank	
	31.12.2022*	31.12.2021*	31.12.2022*	31.12.2021*
Common Equity Tier 1	**16.6%**	**16.9%**	**16.3%**	**16.6%**
Tier 1	**16.6%**	**16.9%**	**16.3%**	**16.6%**
Total	**17.7%**	**17.5%**	**17.5%**	**17.3%**

**including profit for the period.*

DTC Law

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

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

Furthermore, Greek Law 4465/2017 amended article 27 "Carry forward losses" by introducing an amortization period of 20 years for losses due to loan write offs as part of a settlement or restructuring and losses that crystallize as a result of a disposal of loans. In addition, in 2021 Greek Law 4831 further amended article 27 of Greek Law 4172/2013 (see Note 27 "Deferred tax assets and liabilities").

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 2022, the amount of DTAs that were eligible for conversion to a receivable from the Greek State subject to the DTC Law was €3.9 billion (31 December 2021: €4.1 billion). The conditions for conversion rights were not met in the year ended 31 December 2022 and no conversion rights are deliverable in 2023.

2022 ECB Climate risk Stress Test

On 27 January 2022, ECB launched a supervisory climate risk stress test to assess how prepared banks are for dealing with financial and economic shocks stemming from climate risk. The exercise was conducted in the first half of 2022 under common methodological rules and scenario assumptions and ECB published its aggregate results in July 2022.

The Exercise was primarily prescribed by ECB as one of pivotal, but also mutually learning nature for all participating Banks and Supervisors, forming part of the green transition roadmap and effective management of climate risks. In this context, the 2022 Climate risk Stress Test does not constitute a solvency exercise; its outcome will inform the Supervisory Review and Evaluation Process (SREP) from a qualitative perspective, without a direct impact on capital through the Pillar 2 guidance.

NBG's overall performance was in line with the average of the EU-wide participating institutions. In terms of advancement in the internal climate stress-testing capabilities (qualitative part of the Exercise), the Bank ranked above the average of Total EU sample at Medium-Advance level, while in the domestic banking sector, NBG's overall transition impact on Business Model viability was assessed as of relatively lower risk (Advanced scoring).

2023 EBA EU-wide Stress Test

On 31 January 2023, The European Banking Authority (EBA) launched the 2023 EU-wide stress test and released the macroeconomic scenarios. 2023 EU-wide stress test is designed to provide valuable input for assessing the resilience of the European banking sector in the current uncertain and changing macroeconomic environment. The EU-wide stress test will be conducted on a sample of 70 EU banks – thereof 57 from countries which are members of the Single Supervisory Mechanism (SSM) – covering roughly 75% of total banking sector assets in the EU and Norway. The EBA expects to publish the results of the exercise at the end of July 2023.

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.

On 14 December 2022, the Bank as being identified by the SRB as the Single Point of Entry ("SPE") of the Group and the only entity required to maintain an MREL capacity, received from the Bank of Greece the SRB's decision that should meet by 31 December 2025 an MREL target of 23.53% of TREA and 5.88% of LRE on a consolidated basis. In addition, as per the MREL decision the Bank should always meet from 1 January 2022 onwards, the requirement of 14.79% of TREA and 5.85% of LRE on a consolidated basis, while through the linear build-up of the requirements the Bank should meet from 1 January 2023 onwards, the requirement of 16.91% of TREA and 5.88% of LRE on a consolidated basis. To the above requirements the capital buffer requirement ("CBR") must be added, which from 1 January 2022 stands at 3.25%, increases to 3.50% from 1 January 2023 and expected to stand at 3.50% until 31 December 2025. The Bank meets both the LRE requirements, and the 1 January 2023 interim non-binding target of 20.41% of TREA (including CBR).

Finally, according to the abovementioned SRB's decision, no subordination requirement is set for the Bank.

4.7 Fair values of financial assets and liabilities

a. Financial instruments not measured at fair value

The table below summarises the carrying amounts and the fair values of those financial assets and liabilities that are not presented on the Group's and the Bank's Statement of Financial Position at fair value and the fair value is materially different from the carrying amount.

Financial instruments not measured at fair value - Group

	Carrying amount	Fair value			
	31.12.2022	31.12.2022	Level 1	Level 2	Level 3
Financial Assets					
Loans and advances to customers at amortised cost	35,062	35,817	-	3,224	32,593
Investment securities at amortised cost	10,357	9,128	3,418	4,929	781
Financial Liabilities					
Due to customers	54,584	54,640	46,256	8,384	-
Debt securities in issue	1,731	1,728	-	1,728	-

	Carrying amount	Fair value			
	31.12.2021	31.12.2021	Level 1	Level 2	Level 3
Financial Assets					
Loans and advances to customers at amortised cost	30,092	29,467	-	-	29,467
Investment securities at amortised cost	12,102	12,128	3,860	7,057	1,211
Financial Liabilities					
Due to customers	53,026	53,090	44,434	8,656	-
Debt securities in issue	912	974	-	974	-

Financial instruments not measured at fair value - Bank

	Carrying amount	Fair value			
	31.12.2022	31.12.2022	Level 1	Level 2	Level 3
Financial Assets					
Loans and advances to customers at amortised cost	33,283	34,038	-	3,224	30,814
Investment securities at amortised cost	10,121	8,891	3,418	4,692	781
Financial Liabilities					
Due to customers	53,096	53,151	45,321	7,830	-
Debt securities in issue	1,731	1,728	-	1,728	-

	Carrying amount	Fair value			
	31.12.2021	31.12.2021	Level 1	Level 2	Level 3
Financial Assets					
Loans and advances to customers at amortised cost	28,545	27,919	-	-	27,919
Investment securities at amortised cost	11,790	11,812	3,794	6,807	1,211
Financial Liabilities					
Due to customers	51,761	51,825	43,846	7,979	-
Debt securities in issue	912	974	-	974	-

The following methods and assumptions were used to estimate the fair values of the above financial instruments as at 31 December 2022 and 31 December 2021:

The carrying amount of cash and balances with central banks, due from and due to banks, other borrowed funds as well as accrued interest, approximates their fair value.

Loans and advances to customers at amortised cost: The fair value of loans and advances to customers at amortised cost is estimated using discounted cash flow models. The discount rates are based on current market interest rates offered for instruments with similar terms to borrowers of similar credit quality.

Investment securities at amortised cost: The fair value of investment securities at amortised cost is estimated using market prices or using discounted cash flow models based on current market interest rates offered for instruments with similar credit quality.

Due to customers: The fair value for demand deposits and deposits with no defined maturity is determined to be the amount payable on demand at the reporting date. The fair value for fixed-maturity deposits is estimated using discounted cash flow models based on rates currently offered for the relevant product types with similar remaining maturities.

Debt securities in issue: Fair value is estimated using market prices, or if such are not available, using a discounted cash flow analysis, based on current market rates of similar maturity and credit quality debt securities.

b. Financial instruments measured at fair value

The tables below present the fair values of those financial assets and liabilities presented on the Group's and the Bank's Statement of Financial Position at fair value by fair value measurement level on 31 December 2022 and 31 December 2021. Other Assets for both the Group and the Bank include an investment in spot position for emission rights which is carried at fair value through profit or loss.

Financial instruments measured at fair value - Group

As at 31 December 2022	Fair value measurement using			
	Level 1	Level 2	Level 3	Total at Fair Value
Financial Assets				
Financial assets at fair value through profit or loss	139	81	-	220
Financial assets mandatorily at fair value through profit or loss	152	10	512	674
Derivative financial instruments	2	1,947	13	1,962
Investment securities at fair value through other comprehensive income	833	1,949	51	2,833
Other assets	298	-	-	298
Total	**1,424**	**3,987**	**576**	**5,987**
Financial Liabilities				
Due to customers designated as at fair value through profit or loss	-	608	-	608
Derivative financial instruments	1	1,872	50	1,923
Other liabilities	1	-	-	1
Total	**2**	**2,480**	**50**	**2,532**

As at 31 December 2021	Fair value measurement using			
	Level 1	Level 2	Level 3	Total at Fair Value
Financial Assets				
Financial assets at fair value through profit or loss	167	114	-	281
Financial assets mandatorily at fair value through profit or loss	1	24	354	379
Derivative financial instruments	1	4,296	34	4,331
Investment securities at fair value through other comprehensive income	2,002	807	26	2,835
Other Assets	330	-	-	330
Total	**2,501**	**5,241**	**414**	**8,156**
Financial Liabilities				
Due to customers designated as at fair value through profit or loss	-	467	-	467
Derivative financial instruments	-	3,008	6	3,014
Total	**-**	**3,475**	**6**	**3,481**

Financial instruments measured at fair value - Bank

As at 31 December 2022	Fair value measurement using			
	Level 1	Level 2	Level 3	Total at Fair Value
Financial Assets				
Financial assets at fair value through profit or loss	126	81	-	207
Financial assets mandatorily at fair value through profit or loss	149	10	508	667
Derivative financial instruments	2	1,947	13	1,962
Investment securities at fair value through other comprehensive income	826	1,909	49	2,784
Other assets	298	-	-	298
Total	**1,401**	**3,947**	**570**	**5,918**
Financial Liabilities				
Due to customers designated as at fair value through profit or loss	-	608	-	608
Derivative financial instruments	1	1,872	50	1,923
Total	**1**	**2,480**	**50**	**2,531**

As at 31 December 2021	Fair value measurement using			
	Level 1	Level 2	Level 3	Total at Fair Value
Financial Assets				
Financial assets at fair value through profit or loss	156	115	-	271
Financial assets mandatorily at fair value through profit or loss	-	24	341	365
Derivative financial instruments	1	4,296	34	4,331
Investment securities at fair value through other comprehensive income	1,995	741	26	2,762
Other assets	330	-	-	330
Total	**2,482**	**5,176**	**401**	**8,059**
Financial Liabilities				
Due to customers designated as at fair value through profit or loss	-	467	-	467
Derivative financial instruments	-	3,007	6	3,013
Total	**-**	**3,474**	**6**	**3,480**

There were no assets or liabilities classified as held-for-sale in the Group's Statement of Financial Position measured at fair value as at 31 December 2022. The table below presents the fair values for the assets and liabilities classified as held-for-sale in the Group's Statement of Financial Position and measured at fair value for 31 December 2021:

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

As at 31 December 2021	Fair value measurement using			
	Level 1	Level 2	Level 3	Total asset/ liability at Fair Value
Financial Assets				
Financial assets at fair value through profit or loss	7	20	-	27
Investment securities at fair value through other comprehensive income	1,467	1,722	15	3,204
Insurance related assets and receivables	173	112	-	285
Total	**1,647**	**1,854**	**15**	**3,516**

Transfers between Level 1 and Level 2

As at 31 December 2022, a fair value through other comprehensive income security issued by the Italian Republic, for which the Group determined that sufficient liquidity and trading did not exist as of that date, has been transferred from Level 1 to Level 2 according to the Group's fair value hierarchy policy. The carrying amount of the fair value through other comprehensive income security transferred as at 31 December 2022 was €134 million. In addition, a fair value through profit or loss security issued by the European Stability Mechanism ("ESM") for which the Group determined that sufficient liquidity and trading did not exist as of that date, has been also transferred from Level 1 to Level 2 according to the Group's fair value hierarchy policy. The carrying amount of the fair value through profit or loss security transferred as at 31 December 2022 was €8 million.

As at 31 December 2021, certain fair value through profit or loss securities issued by European Stability Mechanism ("ESM") for which the Group determined that sufficient liquidity and trading existed as of that date, have been transferred from Level 2 to Level 1 according to the Group's fair value hierarchy policy. The carrying amount of the fair value through profit or loss securities transferred was €4 million as at 31 December 2021.

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

Level 3 financial instruments

Level 3 financial instruments as at 31 December 2022 and 31 December 2021 include:

(a) Derivative products, which are valued using valuation techniques with significant unobservable inputs, including certain correlation products, such as correlation between various interest indices. They also include derivatives for which the CVA is based on significant unobservable inputs and the amount of the CVA is significant relative to the total fair value of the derivative.

(b) Securities mandatorily at fair value through profit or loss, for which the models used to estimate their fair value is based on unobservable credit spreads or which are price-based and the price is obtained from the issuers of the securities. They also include loans and advances to customers mandatorily measured at fair value through profit or loss, valued using discounted cash flow valuation techniques incorporating unobservable credit spreads. Additionally, they include receivables resulted from the disposal of loan portfolios and other transactions. The main part of these receivables relates to an unconditional consideration to be received at a predetermined future date while the remaining part relates to a contingent consideration to be received based on the achievement of predetermined collection targets. The valuation of the contingent consideration incorporates a range of unobservable inputs, hence the Group assesses the whole receivable to be classified in the lowest level of the fair value hierarchy.

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

The table below presents a reconciliation of all Level 3 fair value measurements for the year ended 31 December 2022 and 31 December 2021, including realized and unrealized gains/(losses) included in the “Income Statement” and “Statement of Other Comprehensive Income”.

Transfers into or out of Level 3

The Group conducts a review of the fair value hierarchy classifications on a quarterly basis. For the year ended 31 December 2022 and the year ended 31 December 2021, transfers from Level 2 into Level 3 include derivative financial instruments for which the bilateral CVA is significant to the base fair value of the respective instruments. Transfers from Level 3 into Level 2 include derivative financial instruments for which the bilateral CVA is no longer significant to the base fair value of the respective instruments.

Reconciliation of fair value measurements in Level 3 – Group

	2022		
Group	Net derivative financial instruments	Investment securities at FVTOCI	Mandatorily at FVTPL
Balance at 1 January	**28**	**26**	**354**
Gain/(loss) included in Income Statement	(77)	-	16
Gain/(loss) included in OCI	-	1	-
Purchases	-	27	198
Sales	-	(3)	-
Settlements	-	-	(56)
Transfer into/(out of) level 3	12	-	-
Balance at 31 December	**(37)**	**51**	**512**

	2021		
Group	Net derivative financial instruments	Investment securities at FVTOCI	Mandatorily at FVTPL
Balance at 1 January	**13**	**26**	**78**
Gain/(loss) included in Income Statement	16	-	7
Purchases	-	-	296
Settlements	(1)	-	(27)
Balance at 31 December	**28**	**26**	**354**

Reconciliation of fair value measurements in Level 3 – Bank

Bank	2022 Net derivative financial instruments	2022 Investment securities at FVTOCI	2022 Mandatorily at FVTPL
Balance at 1 January	**28**	**26**	**341**
Gain/(loss) included in Income Statement	(77)	-	17
Gain/(loss) included in OCI	-	1	-
Purchases	-	25	204
Sales	-	(3)	-
Settlements	-	-	(54)
Transfer into/(out of) level 3	12	-	-
Balance at 31 December	**(37)**	**49**	**508**

Bank	2021 Net derivative financial instruments	2021 Investment securities at FVTOCI	2021 Mandatorily at FVTPL
Balance at 1 January	**13**	**27**	**78**
Gain/(loss) included in Income Statement	16	-	7
Purchases	-	-	281
Settlements	(1)	(1)	(25)
Balance at 31 December	**28**	**26**	**341**

Changes in unrealised gains/(losses) included in the income statement of financial instruments measured at fair value using significant unobservable inputs (Level 3), relate to financial assets mandatorily at fair value through profit or loss and net derivative financial instruments, and amount to €3 million and €(25) million for the Group as well as €4m and €(25) million for the Bank respectively for the year ended 31 December 2022 and for the year ended 31 December 2021 amount to €(3) million and €18 million respectively, for the Group and the Bank.

Valuation Process and Control Framework

The Group has various processes in place to ensure that the fair values of its assets and liabilities are reasonably estimated and has established a control framework which is designed to ensure that fair values are validated by functions independent of the risk-taker. To that end, the Group utilizes various sources for determining the fair values of its financial instruments and uses its own independent functions to validate these results, where possible.

Fair values of debt securities are determined either by reference to prices for traded instruments in active markets, to external quotations or widely accepted financial models, which are based on market observable or unobservable information where the former is not available, as well as relevant market based parameters such as interest rates, option volatilities, currency rates, etc.

The Group may, sometimes, also utilize third-party pricing information, and perform validating procedures on this information to the extent possible or base its fair value on the latest transaction prices available, given the absence of an active market or similar transactions or other market observable inputs. All such instruments are categorized within the lowest level of fair value hierarchy (i.e. Level 3).

Generally, fair values of debt securities, including significant inputs on the valuation models are independently checked and validated by the Middle Office and Risk Management Function on a systematic basis.

Fair values of derivatives are determined by Management using valuation models which include discounted cash-flow models, option pricing models or other appropriate models. Adequate control procedures are in place for the validation of these models, including the valuation inputs, on a systematic basis. Middle Office and Risk Management functions provide the control valuation framework necessary to ensure that the fair values are reasonably determined, reflecting current market circumstances and economic conditions. Furthermore, over-the-counter derivatives are also compared on a daily basis with counterparties' valuations, under the daily collateral management process.

Market Valuation Adjustments

Counterparty credit risk-adjustments are applied to all over-the-counter derivatives. Own credit-risk adjustments are applied to reflect the Group's own credit risk when valuing derivatives. Bilateral credit-risk adjustments consider the expected cash flows between the Group and its counterparties under the relevant terms of the derivative instruments and the effect of the credit-risk profile of the counterparties on the valuation of these cash flows. Where appropriate, the Group takes into consideration the credit-risk mitigating arrangements, including collateral agreements and master netting arrangements, for the purpose of estimating own and counterparty credit risk valuation adjustments.

Quantitative Information about Level 3 Fair Value Measurements | 31 December 2022

Financial Instrument	Fair Value	Valuation Technique	Significant Unobservable Input	Range of Inputs Low	High
Investment securities mandatorily at fair value through profit or loss	13	Income and market approach	Price	n/a[1]	n/a[1]
Interest Rate Derivatives	(34)	Discounted Cash Flows, Internal Model (for CVA/DVA)	Credit Spread	237 bps	624 bps
	(3)	Discounted Cash Flows	Constant Maturity Swap correlation between different tenors	72.80%	100.00%
Investment Securities at fair value through other comprehensive income	51	Income and market approach	n/a[1]	n/a[1]	n/a[1]
Loans and advances to customers mandatorily at fair value through profit or loss	21	Discounted Cash Flows	Credit Spread	300 bps	300 bps
	478	Discounted Cash Flows	Credit Spread	n/a[2]	n/a[2]

[1] Equity securities mandatorily at FVTPL and at fair value through other comprehensive income include equity securities which are not traded in active markets. In the absence of an active market we estimate the fair value of these securities using a market or an income valuation approach. Given the bespoke nature of the valuation method in respect of each holding, it is not practicable to quote a range of unobservable inputs.
[2]The valuation of the contingent part of the receivables from the loan portfolio sales, has been performed using a discounted cash flow methodology under the income approach and includes a wide range of unobservable inputs, for which is not practicable to quote a relevant range of unobservable inputs, for disclosure purposes.

Quantitative Information about Level 3 Fair Value Measurements | 31 December 2021

Financial Instrument	Fair Value	Valuation Technique	Significant Unobservable Input	Range of Inputs Low	High
Investment securities mandatorily at fair value through profit or loss	1	Discounted Cash Flows	Credit Spread	766 bps	766 bps
	6	Price Based	Price	28.19%	28.19%
Interest Rate Derivatives	29	Discounted Cash Flows, Internal Model (for CVA/DVA)	Credit Spread	166 bps	488 bps
	(2)	Discounted Cash Flows	Constant Maturity Swap correlation between different tenors	72.80%	100.00%
Other Derivatives	1	Discounted Cash Flows, Internal Model (for CVA/DVA)	Credit Spread	352 bps	488 bps
Investment Securities at fair value through other comprehensive income	26	Income and market approach	n/a[1]	n/a[1]	n/a[1]
Loans and advances to customers mandatorily at fair value through profit or loss	61	Discounted Cash Flows	Credit Spread	200 bps	650 bps
	286	Discounted Cash Flows	Credit Spread	n/a[2]	n/a[2]

[1] Equity securities at fair value through other comprehensive income include equity securities which are not traded in active markets. In the absence of an active market we estimate the fair value of these securities using a market or an income valuation approach. Given the bespoke nature of the valuation method in respect of each holding, it is not practicable to quote a range of unobservable inputs.
[2]The valuation of the contingent part of the receivables from the loan portfolio sales, has been performed using a discounted cash flow methodology under the income approach and includes a wide range of unobservable inputs, for which is not practicable to quote a relevant range of unobservable inputs, for disclosure purposes.

Sensitivity of Fair Value Measurements to Changes in Unobservable Inputs

For structured interest rate derivatives, a significant change in the correlation inputs (e.g. the degree of correlation between two different interest rates, or between interest rates and foreign exchange rates) would have a significant impact on the fair value of the individual instrument; however, the magnitude and the direction of the impact depends on whether the Group is long or short the exposure, among other factors. Due to the limited exposure that the Group has to these instruments, a reasonable change in the above unobservable inputs would not be significant to the Group. Additionally, interest rate derivatives include interest rate swaps for which the bilateral credit valuation adjustment is significant in comparison to their fair value. The counterparty credit-risk adjustment in these cases is mainly driven by the internal ratings of the counterparty. A reasonable increase in the credit spread of these entities would result in an insignificant change in the fair value of the Group's and the Bank's financial instruments.

Other derivatives include derivatives for which the bilateral credit valuation adjustment is significant in comparison to their fair value. In these cases, the counterparty credit risk adjustment is mainly driven by the internal ratings of the counterparty. A reasonable increase in the credit spread of these entities would result in an insignificant change in the fair value of the Group's and the Bank's financial instruments.

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

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

4.8 Offsetting financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount is reported in the Statement of Financial Position where the Group and the Bank currently have a legally enforceable right to set-off the recognised amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The Group and the Bank enter into various master netting arrangements or similar agreements that do not meet the criteria set by the applicable accounting guidance for offsetting in the Statement of Financial Position but still allow for the related amounts to be set off in the event of a default by the counterparty (such as bankruptcy or a failure to pay or perform). The table below presents the recognised financial instruments that are either offset or subject to master netting arrangements or similar agreements but not offset, as at 31 December 2022 and 2021, and shows under "Net amount" what the net impact would be on the Group's and the Bank's Statement of Financial Position if all set-off rights were exercised.

a. Financial assets subject to offsetting, enforceable netting arrangements and similar agreements

		Group				Bank			
At 31 December 2022		Derivative instruments (1)	Reverse repurchase agreements (2)	Deposits in margin accounts (3)	**Total**	Derivative instruments (1)	Reverse repurchase agreements (2)	Deposits in margin accounts (3)	**Total**
Gross amounts of recognised financial assets		**6,579**	**115**	**1,451**	**8,145**	**6,579**	**115**	**1,451**	**8,145**
Positive market values from derivative financial instruments that have been offset		(4,617)	-	2,803	**(1,814)**	(4,617)	-	2,803	**(1,814)**
Cash collateral received		-	-	(2,738)	**(2,738)**	-	-	(2,738)	**(2,738)**
Negative market values from derivative financial instruments		-	-	-	**-**	-	-	-	**-**
Net amounts of financial assets presented in the Statement of Financial Position		**1,962**	**115**	**1,516**	**3,593**	**1,962**	**115**	**1,516**	**3,593**
Related amounts not set off in the Statement of Financial Position	Financial instruments	(584)	(115)	-	**(699)**	(584)	(115)	-	**(699)**
	Cash collateral received	(873)	-	-	**(873)**	(873)	-	-	**(873)**
Net amount		**505**	**-**	**1,516**	**2,021**	**505**	**-**	**1,516**	**2,021**

(1) Included in Derivative assets in the Statement of Financial Position of the Group and the Bank as at 31 December 2022.
(2) Included in Loans and advances to customers in the Statement of Financial Position of the Group and the Bank respectively, as at 31 December 2022.
(3) Included in Due from Banks in the Statement of Financial Position of the Group and the Bank respectively, as at 31 December 2022.

		Group				Bank			
At 31 December 2021		Derivative instruments (1)	Reverse repurchase agreements (2)	Deposits in margin accounts (3)	**Total**	Derivative instruments (1)	Reverse repurchase agreements (2)	Deposits in margin accounts (3)	**Total**
Gross amounts of recognised financial assets		**5,060**	**30**	**4,129**	**9,219**	**5,060**	**30**	**4,129**	**9,219**
Positive market values from derivative financial instruments that have been offset		(729)	-	-	**(729)**	(729)	-	-	**(729)**
Negative market values from derivative financial instruments		-	-	(959)	**(959)**	-	-	(959)	**(959)**
Net amounts of financial assets presented in the Statement of Financial Position		**4,331**	**30**	**3,170**	**7,531**	**4,331**	**30**	**3,170**	**7,531**
Related amounts not set off in the Statement of Financial Position	Financial instruments	(496)	(30)	-	**(526)**	(496)	(30)	-	**(526)**
	Cash collateral received	(715)	-	-	**(715)**	(715)	-	-	**(715)**
Net amount		**3,120**	**-**	**3,170**	**6,290**	**3,120**	**-**	**3,170**	**6,290**

(1) Included in Derivative assets in the Statement of Financial Position of the Group and the Bank as at 31 December 2021.
(2) Included in Loans and advances to customers in the Statement of Financial Position of the Group and the Bank respectively, as at 31 December 2021.
(3) Included in Due from Banks in the Statement of Financial Position of the Group and the Bank respectively, as at 31 December 2021.

b. Financial liabilities subject to offsetting, enforceable netting arrangements and similar agreements

At 31 December 2022		Group Derivative instruments (1)	Group Repurchase agreements (2)	Group Total	Bank Derivative instruments (1)	Bank Repurchase agreements (2)	Bank Total
Gross amounts of recognised financial liabilities		**3,737**	**122**	**3,859**	**3,737**	**122**	**3,859**
Negative market values from derivative financial instruments that have been offset		(4,617)	-	**(4,617)**	(4,617)	-	**(4,617)**
Deposits in margin accounts		2,803	-	**2,803**	2,803	-	**2,803**
Net amounts of financial liabilities presented in the Statement of Financial Position		**1,923**	**122**	**2,045**	**1,923**	**122**	**2,045**
Related amounts not set off in the Statement of Financial Position	Financial instruments	(433)	(122)	**(555)**	(433)	(122)	**(555)**
	Cash collateral pledged	(575)	-	**(575)**	(575)	-	**(575)**
Net amount		**915**	**-**	**915**	**915**	**-**	**915**

(1) Included in Derivative liabilities in the Statement of Financial Position of the Group and the Bank as at 31 December 2022.
(2) Included in Due to Banks in the Statement of Financial Position of the Group and the Bank as at 31 December 2022.

At 31 December 2021		Group Derivative instruments (1)	Group Repurchase agreements (2)	Group Total	Bank Derivative instruments (1)	Bank Repurchase agreements (2)	Bank Total
Gross amounts of recognised financial liabilities		**4,702**	**1,239**	**5,941**	**4,701**	**1,239**	**5,940**
Negative market values from derivative financial instruments that have been offset		(729)	-	**(729)**	(729)	-	**(729)**
Deposits in margin accounts		(959)	-	**(959)**	(959)	-	**(959)**
Net amounts of financial liabilities presented in the Statement of Financial Position		**3,014**	**1,239**	**4,253**	**3,013**	**1,239**	**4,252**
Related amounts not set off in the Statement of Financial Position	Financial instruments	(1,253)	(1,239)	**(2,492)**	(1,253)	(1,239)	**(2,492)**
	Cash collateral pledged	(1,204)	-	**(1,204)**	(1,204)	-	**(1,204)**
Net amount		**557**	**-**	**557**	**556**	**-**	**556**

(1) Included in Derivative liabilities in the Statement of Financial Position of the Group and the Bank as at 31 December 2021.
(2) Included in Due to Banks in the Statement of Financial Position of the Group and the Bank as at 31 December 2021.

NOTE 5 Segment reporting

The Group manages its business through the following business segments:

Retail banking

Retail banking includes all individual customers, professionals, small-medium and small-sized companies (companies with annual turnover of up to €2.5 million). The Bank, through its extended network of branches and digital business, offers to its retail customers various types of loans (mortgage, consumer and small business lending), cards (debit, credit and prepaid cards), deposit, investment and bancassurance products, as well as a wide range of other traditional services and products.

Corporate & investment banking

Corporate & investment banking includes lending to all large and medium-sized companies and shipping finance except for exposures transferred to the Special Assets Unit (“SAU”) and investment banking activities. The Group offers its corporate customers a wide range of products and services, including financial and investment advisory services, deposit accounts, loans (denominated in both euro and foreign currency), foreign exchange and trade service activities.

Trouble Assets Units (“TAU”) & Specialized Asset Solutions (“SAS”)

In order to (a) manage more effectively delinquent, non-performing and denounced loans and (b) ensure compliance with the provisions of the Bank of Greece Executive Committee Act 42/30.5.2014 and Act 47/9.2.2015 and the Code of Conduct (referred to in Article 1(2) of Greek Law 4224/2013), the Bank established two dedicated and independent internal units, one responsible for the management of the Bank’s retail loans (the Retail Collection Unit (“RCU”)) and the other for the Bank’s corporate delinquent exposures the SAU, which has the overall responsibility for the management of such loans (end-to-end responsibility). In 2022, a new business was setup SAS in order to capture emerging revenue generation opportunities in the emerging ecosystem of NPE’s portfolio servicers and investors (e.g. acquisition financing, Real Estate Operating companies (“REOCo”) financing).

Global markets and asset management

Global markets and asset management includes all treasury activities, asset management (mutual funds and closed end funds), custody services, private equity and brokerage.

Insurance

Until 31 March 2022, the Group offered a wide range of insurance products through its subsidiary company NIC and other subsidiaries in SEE. NIC was classified as Held for Sale and Discontinued Operations. On 31 March 2022, the disposal to CVC Capital Partners was completed, see Note 43 "*Acquisitions, disposals and other transactions*".

International banking operations

The Group's international banking activities include a wide range of traditional commercial banking services, such as commercial and retail credit, trade financing, foreign exchange and taking of deposits. In addition, the Group offers shipping finance, investment banking and brokerage services through certain of its foreign branches and subsidiaries. Non-current assets held for sale as at 31 December 2021 include CAC Coral Ltd. The profit or losses from discontinued operations for the period ended 31 December 2022 and 31 December 2021, include CAC Coral Ltd. NBG Cyprus Ltd was reclassified as continuing operations. The disposal of CAC Coral Ltd completed on 15 July 2022 (see Note 43 "*Acquisitions, disposals and other transactions*".

Other

Includes proprietary real estate management, warehousing business as well as unallocated income and expense of the Group.

Breakdown by business segment

12-month period ended

31.12.2022	Retail Banking	Corporate & Investment Banking	TAU & SAS	Global markets & Asset Management	Insurance	International Banking Operations	Other	Group
Net interest income	430	544	147	180	-	76	(8)	**1,369**
Net fee and commission income	175	113	10	22	-	17	10	**347**
Other	(18)	11	(8)	360	-	35	259	**639**
Total income	**587**	**668**	**149**	**562**	**-**	**128**	**261**	**2,355**
Direct costs	(332)	(41)	(6)	(22)	-	(53)	(104)	**(558)**
Allocated costs and provisions[1]	(150)	(142)	(204)	(22)	-	(8)	(118)	**(644)**
Share of profit of equity method investments	-	-	-	-	-	-	2	**2**
Profit / (loss) before tax	**105**	**485**	**(61)**	**518**	**-**	**67**	**41**	**1,155**
Tax benefit / (expense)								**(263)**
Profit for the period from continuing operations								**892**
Non-controlling interests								**(2)**
Profit/(loss) for the period from discontinued operations	-	-	-	-	240	(10)	-	**230**
Profit attributable to NBG equity shareholders								**1,120**
Depreciation and amortisation[1]	42	3	2	1	-	5	119	**172**
Credit provisions and other impairment charges	(40)	97	171	5	-	8	39	**280**
Non current asset additions	8	-	-	-	-	16	167	**191**

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

Breakdown by business segment

12-month period ended

31.12.2021	Retail Banking	Corporate & Investment Banking	TAU & SAS	Global markets & Asset Management	Insurance	International Banking Operations	Other	Group As restated
Net interest income	216	465	255	230	-	67	(21)	**1,212**
Net fee and commission income	141	92	12	21	-	18	3	**287**
Other	(17)	(3)	(26)	464	-	6	(20)	**404**
Total income	**340**	**554**	**241**	**715**	**-**	**91**	**(38)**	**1,903**
Direct costs	(325)	(42)	(7)	(22)	-	(77)	(187)	**(660)**
Allocated costs and provisions(2)	(193)	(51)	(21)	5	-	(16)	(168)	**(444)**
Profit / (loss) before tax	**(178)**	**461**	**213**	**698**	**-**	**(2)**	**(393)**	**799**
Tax benefit / (expense)								**(15)**
Profit for the period from continuing operations								**784**
Non controlling interests								**(2)**
Profit / (loss) for the period from discontinued operations	-	-	-	-	88	(3)	-	**85**
Profit attributable to NBG equity shareholders								**867**
Depreciation, amortisation(2)	35	2	2	1	-	9	114	**163**
Credit provision and other impairment charges	17	15	(15)	(20)	-	16	65	**78**
Non current asset additions	13	3	-	-	-	3	152	**171**

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

Breakdown by business segment

	Retail Banking	Corporate & Investment Banking	TAU & SAS	Global Markets & Asset Management	Insurance	International Banking Operations	Other	Group
Segment assets as at 31 December 2022								
Segment assets	7,352	23,693	3,054	31,694	-	2,608	4,304	**72,705**
Current income tax advance and deferred tax assets	-	-	-	-	-	-	-	**4,913**
Non-current assets held for sale	-	-	438	-	-	-	57	**495**
Total assets								**78,113**
Segment liabilities as at 31 December 2022								
Segment liabilities	45,411	6,364	180	14,552	-	1,794	3,294	**71,595**
Current income and deferred tax liabilities	-	-	-	-	-	-	-	**18**
Liabilities associated with non-current assets held for sale	-	-	-	-	-	-	25	**25**
Total liabilities								**71,638**

	Retail Banking	Corporate & Investment Banking	TAU & SAS	Global Markets & Asset Management	Insurance	International Banking Operations	Other	Group
Segment assets as at 31 December 2021								
Segment assets	7,052	18,395	3,559	38,420	-	2,739	4,099	**74,264**
Current income tax advance and deferred tax assets	-	-	-	-	-	-	-	**5,201**
Non-current assets held for sale	-	-	445	-	3,893	-	155	**4,493**
Total assets								**83,958**
Segment liabilities as at 31 December 2021								
Segment liabilities	43,482	6,325	186	19,250	-	1,951	3,556	**74,750**
Current income and deferred tax liabilities	-	-	-	-	-	-	-	**19**
Liabilities associated with non-current assets held for sale	-	-	-	-	3,413	4	-	**3,417**
Total liabilities								**78,186**

Breakdown by location

12 month period ended 31 December 2022	Greece	International	Group
Net interest income	1,293	76	**1,369**
Net fee and commission income	330	17	**347**
Other	605	34	**639**
Total income	**2,228**	**127**	**2,355**
Direct costs	(505)	(53)	**(558)**
Allocated costs and provisions(1)	(637)	(7)	**(644)**
Share of profit of equity method investments	2	-	**2**
Profit / (loss) before tax	**1,088**	**67**	**1,155**
Tax benefit / (expense)			**(263)**
Profit for the period from continuing operations			**892**
Non-controlling interests			**(2)**
Profit / (loss) for the period from discontinued operations	230	-	**230**
Profit attributable to NBG equity shareholders			**1,120**
Depreciation and amortisation(1)	167	5	**172**
Credit provisions and other impairment charges	272	8	**280**
Non-current asset additions	175	16	**191**
Non-current assets	2,409	68	**2,477**

Breakdown by location

12 month period ended 31 December 2021	Greece	International	Group As restated
Net interest income	1,145	67	**1,212**
Net fee and commission income	269	18	**287**
Other	398	6	**404**
Total income	**1,812**	**91**	**1,903**
Direct costs	(583)	(77)	**(660)**
Allocated costs and provisions(1)	(428)	(16)	**(444)**
Profit / (loss) before tax	**801**	**(2)**	**799**
Tax benefit / (expense)			**(15)**
Loss for the period from continuing operations			**784**
Non-controlling interests			**(2)**
Profit/(loss) for the period from discontinued operations	88	(3)	**85**
Profit attributable to NBG equity shareholders			**867**
Depreciation and amortisation(1)	154	9	**163**
Credit provisions and other impairment charges	62	16	**78**
Non-current asset additions	168	3	**171**
Non-current assets	2,460	53	**2,513**

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

Breakdown by location				
12 month period ended 31 December 2021	Greece	S.E. Europe	Other	Group
Net interest income	1,145	58	9	**1,212**
Net fee and commission income	269	13	5	**287**
Other	398	2	4	**404**
Total income	**1,812**	**73**	**18**	**1,903**
Direct costs	(583)	(29)	(48)	**(660)**
Allocated costs and provisions[(1)]	(428)	(16)	-	**(444)**
Profit / (loss) before tax	**801**	**28**	**(30)**	**799**
Tax benefit / (expense)				**(15)**
Loss for the period from continuing operations				**784**
Non-controlling interests				**(2)**
Profit/(loss) for the period from discontinued operations	88	-	(3)	**85**
Profit attributable to NBG equity shareholders				**867**
Depreciation and amortisation[(1)]	154	3	6	**163**
Credit provisions and other impairment charges	62	16	-	**78**
Non-current asset additions	168	2	1	**171**
Non-current assets	2,460	33	20	**2,513**

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

In order to report the breakdown by business segment in a manner consistent with the internal reporting provided to the chief operating decision-maker, the comparative figures for 2021 segment reporting were restated by reclassifying certain NII, general, administrative and other operating expenses and depreciation and amortization among all business segments of the Bank.

Restatement
Breakdown by business segment

12-month period ended 31.12.2021	Retail Banking	Corporate & Investment Banking	TAU	Global markets & Asset Management	Insurance	International Banking Operations	Other	Group
Net interest income	19	1	1	-	-	-	(21)	-
Net fee and commission income	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total income	**19**	**1**	**1**	**-**	**-**	**-**	**(21)**	**-**
Direct costs	(10)	(1)	(2)	-	-	-	39	**26**
Allocated costs and provisions	(15)	(5)	(3)	(2)	-	-	(1)	**(26)**
Profit / (loss) before tax	**(6)**	**(5)**	**(4)**	**(2)**	**-**	**-**	**17**	**-**

NOTE 6 Net interest income

	Group		Bank	
Continuing Operations	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Interest earned on:				
Amounts due from banks	88	114	88	115
Financial assets at fair value through profit or loss	4	4	4	4
Investment securities	263	186	258	180
Loans and advances to customers (Note 4.2.10)	1,166	1,057	1,062	961
Interest and similar income	**1,521**	**1,361**	**1,412**	**1,260**
Interest payable on:				
Amounts due to banks	(38)	(42)	(38)	(42)
Amounts due to customers	(37)	(33)	(33)	(29)
Debt securities in issue and other borrowed funds	(54)	(49)	(55)	(48)
Lease liability	(23)	(25)	(36)	(39)
Interest expense and similar charges	**(152)**	**(149)**	**(162)**	**(158)**
Net interest income	**1,369**	**1,212**	**1,250**	**1,102**

NOTE 7 Net fee and commission income

	Group		Bank	
Continuing Operations	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Custody, brokerage & investment banking	10	11	4	4
Retail lending fees	80	54	78	50
Corporate lending fees	104	92	92	80
Banking fees & similar charges	141	118	137	115
Fund management fees	12	12	-	-
Net fee and commission income	**347**	**287**	**311**	**249**

NOTE 8 Net trading income / (loss) and results from investment securities and Gains / (losses) arising from the derecognition of financial assets measured at amortised cost

	Group		Bank	
Continuing Operations	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Net trading result and other net unrealized gains / (losses) from financial instruments	430	82	423	75
Net gain / (loss) from disposal of investment debt securities	(84)	98	(84)	97
Total net trading income / (loss) and results from investment securities	**346**	**180**	**339**	**172**

	Group		Bank	
Continuing Operations	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Gains / (losses) arising from the derecognition of financial assets measured at amortised cost	60	283	60	283
Total	**60**	**283**	**60**	**283**

Net Trading Income during the twelve-month period ended 31 December 2022, includes €150 million gains from ineffective hedge accounting relationships while the remaining Net Trading Income result, is mainly due to derivative and BCVA gains following the increase in interest rates.

On 13 January 2021, the Greek Public Debt Management Agency ("PDMA") and the Bank carried out a Greek Government Bond ("GGB") exchange. The Bank exchanged bonds of €1.0 billion nominal value, carrying amount of €1.3 billion and settlement amount of €1.5 billion maturing on 20 March 2050, with a series of other Greek Government Bonds with shorter maturities of a total nominal value of €2.8 billion and a settlement amount of €3.6 billion (as per relative Ministry Decree). The exchange was executed at market terms and the difference between the settlement amounts for the bond exchanged and the bonds received was settled in cash. The transaction was settled on 20 January 2021. The Group realized a gain of €209 million in "Gains / (losses) arising from the derecognition of financial assets measured at amortised cost".

NOTE 9 Net other income / (expenses)

	Group		Bank	
Continuing Operations	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Income from non-banking activities	344	43	328	18
Dividends	3	3	3	3
Deposit Insurance Premium	(63)	(52)	(60)	(49)
Withholding taxes and duties on loans granted	(51)	(53)	(51)	(53)
Total	**233**	**(59)**	**220**	**(81)**

Income from non-banking activities includes the total gain of €294 million from the spin-off of NBG's Merchant Acquiring Business and the sale of 51% of NBG Pay S.A. to EVO Payments Inc at Group and Bank level (see Note 43 "Acquisitions, disposals and other capital transactions").

Deposit Insurance Premium includes contributions to Deposit Insurance and Resolution Funds for the Bank of €34 million regarding the regular contribution to the Hellenic Deposit and Investment Guarantee Fund ("HDIGF") Resolution Leg (2021: €33 million) and €26 million contribution towards the Single Resolution Fund ("SRF") (2021: €15 million).

NOTE 10 Personnel expenses

	Group		Bank	
Continuing Operations	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Salaries and other staff related benefits	466	537	431	496
Pension costs: defined benefit plans (see Note 11)	9	8	8	7
Total	**475**	**545**	**439**	**503**

"Salaries and other staff related benefits" in 2022, include the defined contributions of €35 million related to social security for employees insured with National Bank of Greece Auxiliary Pension Plan ("LEPETE"), to e-EFKA. In 2021, the respective social security contribution was €35 million (see Note 11 "Retirement benefit obligation").

The average number of employees from continuing operations for the Group during the period from 1 January 2022 up to 31 December 2022 was 8,537 (31 December 2021: 9,224) and for the Bank was 7,196 (31 December 2021: 7,810). The decrease on the number of employees as of 31 December 2022 is due to the Voluntary Exit Scheme ("VES") of the Bank launched in 2022, which reduced its headcount gradually by 469 employees for the Group and the Bank, (see Note 11 "Retirement benefit obligation").

NOTE 11 Retirement benefit obligation

I. Defined Contribution Plans

National Bank of Greece Pension Plan

In accordance with Greek Law 3655/2008, applicable from April 2008, the Bank's main pension plan, which was a defined-contribution plan, has been incorporated into the main pension branch of the state sponsored social security fund IKA–ETAM as of 1 August 2008. This legislation also prescribes that employer contributions made by the Bank will be reduced every three years in equal increments from 26.50% in 2013 until they reach 13.33% of employees' gross salary, for employees who joined any social security plan prior to 1 January 1993.

However, in accordance with Greek Law 4387/2016 and Ministry decision number F11321/OIK.45947/1757/2016 (Govt. Gazette 4458/B/30.12.2016, from 1 January 2017, the Bank's employer contributions reduced equally every year and they reached 13.33% in 2020. Additionally, the aforementioned law introduced a maximum gross monthly income of 5,860.80 euros, upon which social security contributions are calculated, (the amount was increased to 7,126.94 euros from 1 January 2023, from 6,500 euros which was on 1 February 2019). Employer contributions for employees, who joined any social security fund post 1 January 1993, will remain at 13.33%.

National Bank of Greece Auxiliary Pension Plan ("LEPETE")

Regarding the National Bank of Greece Auxiliary Pension Plan ("LEPETE"), on 19 March 2020, a legislative amendment (Article 63, Greek Law 4680/2020) on Article 24 of Greek Law 4618/2019 was passed ("the amendment"), changing the previous status described above. According to the amendment, the employees insured with LEPETE were transferred to the former ETEAEP and are now governed by the legislation of the Auxiliary Insurance Plan of Single Social Security Entity ("e-EFKA"). As a result, the Bank is liable for normal employer's contributions. The Bank is also obligated to pay an additional social security contribution to the Auxiliary Insurance Plan of e-EFKA for the years 2018 to 2032, amounting to 12.0% per annum of the gross salaries of employees with any employment relationship with the Bank on 31 December of each respective year. These additional annual contributions from the Bank for the years 2022 and 2021 amounted to €35 million and €35 million respectively.

Other Defined Contribution Pension Plans

NBG Asset Management Mutual Funds, Pronomiouhos S.A. Genikon Apothikon Hellados and NBG Leasing S.A. also make contributions to other defined contribution pension plans and funds for their employees.

Defined contribution health plans

Contributions by the Bank to the National Bank of Greece Health Plan ("T.Y.P.E.T.") amount to 6.25% of employees' salaries. Employees' contributions amount to 2.5% of their salaries. Additional contributions are paid for insured members of the employees' families (such as spouse that does not work and children) and are increased further in the event that the insured spouse is employed or that members of the paternal family are also insured. Contributions of retired employees amount to 4% of their pensions, while additional contributions are paid for other insured members of their families. T.Y.P.E.T. offers health benefits to employees before and after their retirement, and to insured members of their families.

Total contributions to social security funds, state run plans and defined contribution plans for the Group for 2022 and 2021 were €133 million and €206 million respectively. The respective figures for the Bank were €126 million and €198 million respectively. As mentioned above, as of 1 August 2008, the Bank's pension plan was incorporated into IKA-ETAM and therefore ceased to exist as separate defined contribution plan.

National Bank of Greece Lump Sum Benefit Plan

Up to 2013, the Bank did not contribute to the aforementioned plan. Following the amendment of the aforementioned plan's regulation, from 1 January 2014 the Bank pays voluntary contribution of 2.0% and up to €12,060.00 total remuneration (as amended on 1 October 2022, from €11,820.00 as of 1 December 2021).

II. Defined Benefit Plans

Retirement indemnities

Most of the Group companies are required by local law to offer retirement indemnities to employees leaving service to retire. Such retirement indemnities are in the form of a lump sum payment based usually on final salary and years of service, the calculation of which depends on the jurisdiction in which the company operates and the employee's profession (e.g. Greek Law provides for different indemnities for salaried employees, wage earners and lawyers). In some cases, Group company regulations provide for additional benefits to employees above the statutory minimum.

In accordance with Greek Law 4046/2012 and Board of Ministers' Decision (6/28.2.2012), from 14 February 2012 onwards, the employment contracts that lapse on attainment of the normal retirement age or based on the particular retirement conditions, are considered as indefinite duration employment contracts and therefore, the provisions for employees statutory retirement indemnity of Greek Law 2112/1920, are applied.

Prior to the enactment of the above Law, the Bank considered the employment contracts with its employees as finite duration contracts; therefore, no provision for staff leaving indemnity was recognized.

On 12 November 2012, the new Greek Law 4093/2012 (GG A' 222) decreased the Greek Law 2112/1920 statutory indemnity scale in case of employee dismissal or normal retirement. The new law restricts the maximum indemnity payable to an employee upon dismissal or retirement, to 12 monthly salaries instead of 24.

The transitional provisions of the law state that for employees who on 12 November 2012 had 17 or more full years of service to the same employer there is an additional monthly salary as indemnity per year and up to 24 monthly salaries. In case of dismissal the additional monthly salary is restricted to 2,000 euros.

Implementation of the IFRS Interpretations Committee Decision relating to the provisions for staff indemnity relating to the accounting for the allocation of the cost of provision for staff indemnity due to retirement based on IAS 19 Employee Benefits.

In May 2021, the IFRS Interpretations Committee ("IFRIC") issued the final decision ("Decision") on the agenda entitled "Distribution of benefits in periods of service in accordance with International Accounting Standard (IAS) 19". Based on the above Decision, the way in which the basic principles of IAS 19 were applied in Greece in the past in this regard, and consequently, according to what is defined in the IASB Due Process Handbook (par. 8.6) is differentiated. Therefore, entities that prepare their financial statements in accordance with IFRS are required to amend their accounting policies in this regard.

This Decision defines accounting treatment for the formation of the employee benefits for statutory indemnity due to retirement, where according to the provision of the Greek legislation (Greek Law 3198/1955) is capped at 16 years of service within the entity.

This amendment was retroactively implemented, by the Group and the Bank, in 2020.

Lump sum and annuity benefits

Former Ethnokarta employees are entitled to benefits from Deposit Administration Fund ("DAF") type policies, which offer lump sum benefits and pension benefits additional to those offered by social security funds or main pension plans. Such benefits are usually based on the employees' salary and years of service and vary depending on the provisions of each policy.

Pension costs – defined benefit plans

	Group		Bank	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Service cost	6	7	5	7
Net interest expense on the net defined benefit liability/(asset)	3	1	3	1
Loss / (income) on curtailments /settlements and other expense/ (income)	76	64	76	63
Less amounts recognized as restructuring cost	(76)	(64)	(76)	(64)
Total	**9**	**8**	**8**	**7**

In 2022, "Loss / (income) on curtailments / settlements and other expense / (income)" include the 2022 VES cost implemented mainly by the Bank, amounting to €76 million for the Group and the Bank.

In 2021, "Loss / (income) on curtailments / settlements and other expense / (income)" include the 2021 VES cost implemented mainly by the Bank, amounting to €64 million for the Group and €63 million for the Bank.

Net liability in Statement of Financial Position

	Group		Bank	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Present value of funded obligations	104	130	104	130
Fair value of plan assets	(3)	(3)	(3)	(3)
	101	**127**	**101**	**127**
Present value of unfunded obligations	147	144	145	142
Total	**248**	**271**	**246**	**269**

Movement in net liability

	Group 2022	Group 2021	Bank 2022	Bank 2021
Net liability at the beginning of the period	**271**	**294**	**269**	**293**
Actual employer contributions paid	(7)	(17)	(7)	(17)
Benefits paid directly	(66)	(69)	(65)	(68)
Total expenses recognized in the income statement - continuing operations	85	72	84	71
Amount recognized in the OCI	(35)	(9)	(35)	(10)
Net liability at the end of the period	**248**	**271**	**246**	**269**

Remeasurements on the net liability

	Group 2022	Group 2021	Bank 2022	Bank 2021
Liability (gain)/loss due to changes in assumptions	(37)	(11)	(37)	(12)
Liability experience (gain)/loss arising during the year	2	2	2	2
Total amount recognized in OCI	**(35)**	**(9)**	**(35)**	**(10)**

In 2023, the Group and the Bank are expected to make €9 million and €9 million respectively, in contributions to funded plans, and pay €56 million and €56 million respectively, in retirement indemnities.

Reconciliation of defined benefit obligation

	Group 2022	Group 2021	Bank 2022	Bank 2021
Defined benefit obligation at the beginning of the period	**274**	**296**	**272**	**295**
Service cost-continuing operations	6	7	5	7
Interest cost -continuing operations	3	1	3	1
Employee contributions	2	2	2	2
Benefits paid from the Fund	(9)	(18)	(9)	(18)
Benefits paid directly	(66)	(69)	(65)	(68)
Losses/(gains) on curtailments / settlements- continuing operations	76	64	76	63
Remeasurements (gains)/losses:				
Loss/(Gain) - financial assumptions	(37)	(11)	(37)	(12)
Loss/(Gain) - experience	2	2	2	2
Defined benefit obligation at the end of the period	**251**	**274**	**249**	**272**

Reconciliation of plan assets

	Group 2022	Group 2021	Bank 2022	Bank 2021
Fair value of plan assets at the beginning of the period	**3**	**2**	**3**	**2**
Employer contributions	7	17	7	17
Employee contributions	2	2	2	2
Benefits paid from the fund	(9)	(18)	(9)	(18)
Fair value of plan assets at the end of the period	**3**	**3**	**3**	**3**

The weighted average assumptions used to determine the pension costs for these defined benefit obligations, for the years ended 31 December 2022 and 2021 are:

Weighted average assumptions at the end of the reporting period

	Group 2022	Group 2021	Bank 2022	Bank 2021
Discount rate	3.8%	0.9%	3.8%	1.0%
Price inflation	2.5%	1.9%	2.5%	2.0%
Rate of compensation increase	2.3%	1.5%	2.5%	1.5%
Pension increase	0.0%	0.0%	0.0%	0.0%
Plan duration	10.8	11.9	12.1	11.8

The following table presents a sensitivity analysis for each significant actuarial assumption showing how the defined benefit obligation would have been affected by changes in the relevant actuarial assumption that were reasonably possible at the balance sheet date.

Sensitivity analysis of significant actuarial assumptions - Group

		31 December 2022
Actuarial assumption	**Change in Assumptions**	**Increase / (decrease)**
Discount rate	Increase by 50 basis points	(5.1) %
	Decrease by 50 basis points	5.5%
Price inflation	Increase by 50 basis points	0.3%
	Decrease by 50 basis points	(0.2)%
Rate of compensation increase	Increase by 50 basis points	5.1%
	Decrease by 50 basis points	(4.7)%
Pension growth rate	Increase by 50 basis points	0.6%
	Decrease by 50 basis points	(1.3)%
Life Expectancy	Plus 1 year	0.7%
	Minus 1 year	(0.8)%

Sensitivity analysis of significant actuarial assumptions - Bank

		31 December 2022
Actuarial assumption	**Change in Assumptions**	**Increase / (decrease)**
Discount rate	Increase by 50 basis points	(5.1) %
	Decrease by 50 basis points	5.5%
Price inflation	Increase by 50 basis points	0.3%
	Decrease by 50 basis points	(0.2)%
Rate of compensation increase	Increase by 50 basis points	5.1%
	Decrease by 50 basis points	(4.8)%
Pension growth rate	Increase by 50 basis points	0.6%
	Decrease by 50 basis points	(1.3)%
Life Expectancy	Plus 1 year	0.8%
	Minus 1 year	(0.8)%

Allocation of plan assets

The allocation of plan assets as at 31 December 2022 for the Group and the Bank of amount €3 million (31 December 2021: €3 million) relates mainly to assets of DAF policies issued by the insurance company NIC.

NOTE 12 General, administrative & other operating expenses

	Group		Bank	
Continuing Operations	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Duties and taxes	15	15	10	11
Utilities	52	52	47	46
ATM and POS related expenses	2	2	2	2
Travelling and transportation expenses	10	8	7	6
Short-term or low value leases	2	1	1	1
Maintenance and other related expenses	16	14	13	11
Consulting, audit, legal and outsourcing expenses	51	46	44	38
Promotion and advertisement and donation expenses	25	38	23	36
Subscriptions, contributions, consumables and entertainment expenses	18	18	16	17
Other administrative expenses	17	13	15	11
Total	**208**	**207**	**178**	**179**

NOTE 13 Credit provisions and other impairment charges

	Group		Bank	
	12-month period ended		12-month period ended	
Continuing Operations	31.12.2022	31.12.2021	31.12.2022	31.12.2021
a. Impairment charge for ECL				
Loans and advances to customers at amortised cost (Note 21)	218	54	186	29
Net modification (gain)/loss (Note 4.2.11)	(1)	18	(1)	18
	217	**72**	**185**	**47**
b. Impairment charge for securities				
Investment in debt instruments	5	(20)	5	(20)
	5	**(20)**	**5**	**(20)**
c. Other provisions and impairment charges				
Impairment of investment property, property and equipment, software & other intangible assets and other assets	5	6	5	6
Impairment of investment in subsidiaries and equity method investments	23	(10)	27	9
Legal and other provisions	30	30	30	18
	58	**26**	**62**	**33**
Total	**280**	**78**	**252**	**60**

Impairment charge for ECL at 31 December 2021 for the Group and the Bank includes a release of €0.2 billion relating to Project Frontier.

NOTE 14 Restructuring costs

For the period ended 31 December 2022, restructuring costs include €59 million for the Group and the Bank for the Exit Schemes (31 December 2021: €83 million) and €8 million direct expenditure relating to the Transformation Program (31 December 2021: €28 million for the Group and €26 million for the Bank).

NOTE 15 Tax benefit /(expense)

	Group		Bank	
	12-month period ended		12-month period ended	
Continuing Operations	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Current tax	(53)	(13)	(46)	-
Deferred tax	(210)	(2)	(217)	-
Tax benefit / (expense)	**(263)**	**(15)**	**(263)**	**-**

Profit before tax	**1,155**	**799**	**1,089**	**732**
Tax calculated based on the current tax rate of 29% (2021: 29%)	(335)	(232)	(316)	(212)
Effect of different tax rates of subsidiaries	9	7	-	-
Income not subject to taxation and other permanent differences	10	9	2	4
Expenses not deductible for tax purposes	(67)	(44)	(69)	(41)
Effect of unused tax losses and deductible temporary differences not recognised as deferred tax assets	(2)	14	-	17
Tax effect of utilization of tax losses not previously recognised	-	35	-	35
Tax effect of utilization of deductible temporary differences not previously recognised	166	198	166	198
Effect of previously unrecognised and unused temporary differences now recognised as deferred tax assets	8	-	-	-
Non off-settable withholding taxes	(46)	-	(46)	-
Other	(6)	(2)	-	(1)
Income tax expense	**(263)**	**(15)**	**(263)**	**-**
Effective tax rate for the period	**22.77%**	**1.84%**	**24.12%**	**-**

The nominal corporation tax rate for the Bank for 2022 and 2021 is 29%. Following Greek Law 4646/2019, the withholding tax on dividends distributed from 1 January 2020 onwards was decreased from 10% to 5%.

The unaudited tax years of the Group's investments accounted for by applying the equity method of accounting and subsidiaries are presented in Note 44 "Group companies".

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

NOTE 16 Earnings per share

	Group		Bank	
	12-month period ended		12-month period ended	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Profit for the period attributable to NBG equity shareholders from continuing operations	890	782	826	732
Profit / (loss) for the period from discontinued operations	230	85	(13)	(3)
Profit for the period attributable to NBG ordinary shareholders from continuing and discontinued operations	**1,120**	**867**	**813**	**729**
Weighted average number of ordinary shares outstanding for basic and diluted EPS	**914,697,097**	**914,586,334**	**914,715,153**	**914,715,153**
Earnings per share (Euro) - Basic and diluted from continuing operations	**0.97**	**0.86**	**0.90**	**0.80**
Earnings per share (Euro) - Basic and diluted from continuing and discontinued operations	**1.22**	**0.95**	**0.89**	**0.80**

NOTE 17 Cash and balances with central banks

	Group		Bank	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Cash in hand	742	685	707	647
Balances with central banks	13,484	15,142	13,250	14,892
Total	**14,226**	**15,827**	**13,957**	**15,539**
Of which				
Obligatory balances with central banks	**116**	**234**	**1**	**4**

The Bank is required to maintain a current account with the Bank of Greece ("BoG") to facilitate interbank transactions with the central bank, its member banks, and other financial institutions through the Trans-European Automated Real-Time Gross Settlement Express Transfer system ("TARGET"). BoG requires all banks established in Greece to maintain deposits with the central bank equal to 1% of total customer deposits as defined by the ECB. Similar requirements apply to the other banking subsidiaries of the Group. The Bank's deposits at BoG bear interest at the refinancing rate as set by the ECB of 2.50% at 31 December 2022 while the corresponding deposits of certain subsidiaries are non-interest bearing.

NOTE 18 Due from banks

	Group		Bank	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Sight deposits with banks	227	286	186	187
Time deposits with banks	81	69	81	78
Securities purchased under agreements to resell	92	-	92	-
Deposits in margin accounts	2,182	2,962	2,182	2,962
Other	318	322	313	312
Total	**2,900**	**3,639**	**2,854**	**3,539**

NOTE 19 Financial assets at fair value through profit or loss

	Group		Bank	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Trading Securities:				
Government bonds	160	221	160	221
Treasury bills	44	30	43	30
Equity securities	21	30	3	19
Financial assets mandatorily classified at fair value through profit and loss:				
Other debt securities	6	17	6	17
Mutual funds units	160	2	159	-
Other	4	14	4	8
Total	**395**	**314**	**375**	**295**

NOTE 20 Derivative financial instruments

	Group			Bank		
	31.12.2022			31.12.2022		
	Notional amounts	Fair values Assets	Fair values Liabilities	Notional amounts	Fair values Assets	Fair values Liabilities
Derivatives held for trading						
Interest rate derivatives – OTC	41,047	1,719	1,453	41,047	1,719	1,453
Foreign exchange derivatives – OTC	5,029	82	93	5,024	82	93
Other types of derivatives – OTC	635	30	53	635	30	53
Interest rate derivatives – Exchange traded	1,935	1	1	1,935	1	1
Other types of derivatives - Exchange traded	771	2	-	753	2	-
Total	**49,417**	**1,834**	**1,600**	**49,394**	**1,834**	**1,600**
Derivatives held for fair value hedging						
Interest rate derivatives – OTC	1,115	128	323	1,115	128	323
Total	**1,115**	**128**	**323**	**1,115**	**128**	**323**
Total	**50,532**	**1,962**	**1,923**	**50,509**	**1,962**	**1,923**

	Group			Bank		
	31.12.2021			31.12.2021		
	Notional amounts	Fair values Assets	Fair values Liabilities	Notional amounts	Fair values Assets	Fair values Liabilities
Derivatives held for trading						
Interest rate derivatives – OTC	35,534	4,201	2,069	35,534	4,201	2,069
Foreign exchange derivatives – OTC	3,141	64	55	3,130	64	55
Other types of derivatives – OTC	425	60	137	425	60	137
Interest rate derivatives – Exchange traded	1,370	1	-	1,370	1	-
Other types of derivatives - Exchange traded	1,191	1	-	1,178	1	-
Total	**41,661**	**4,327**	**2,261**	**41,637**	**4,327**	**2,261**
Derivatives held for fair value hedging						
Interest rate derivatives – OTC	1,260	4	753	1,260	4	753
Total	**1,260**	**4**	**753**	**1,260**	**4**	**753**
Total	**42,921**	**4,331**	**3,014**	**42,897**	**4,331**	**3,014**

Credit risk

The Group calculates a separate CVA for each counterparty to which the Group has exposure. The CVA is estimated considering expected exposures generated using simulation techniques, as well as netting agreements and collateral postings. Furthermore, the CVA is based on implied probabilities of default, derived from CDS rates observed in the market, or, if these are not available, the probability of default of the counterparty derived from internal rating models, or otherwise the regulatory risk weight is applied.

With respect to own credit risk, the Group estimates a Debit Value Adjustment ("DVA") by applying a methodology symmetric to the one applied for CVA. The bilateral CVA for the Group and the Bank at 31 December 2022 amounted to a cumulative gain of €38 million (31 December 2021: cumulative loss €6 million).

Fair value hedges

The Group's and the Bank's fair value hedges consist of interest rate swaps that are used to protect against changes in the fair value of fixed-rate, long-term financial instruments due to movements in market interest rates.

31.12.2022 Hedging Instruments					31.12.2022 Hedged Items			
Derivative Instrument	Nominal Amount	Fair Value	Statement of Financial Position Line	Change in fair value (2)	Carrying Amount	Accumulated hedge adjustment on the hedged item	Statement of Financial Position Line	Change in fair value due to the risk being hedged (2)
Interest Rate Swaps	400	128	Derivative Assets	135	7,978	(1,686)	Securities measured at amortised cost	(1,763)
Interest Rate Swaps	5,437	1,681	Due from Banks (1)	1,744				
Interest Rate Swaps	400	264	Derivative Liabilities	(93)				
Interest Rate Swaps	100	52	Derivative Liabilities	36	957	N/A	Securities measured at FVTOCI	(258)
Interest Rate Swaps	781	221	Due from Banks (1)	219				
Interest Rate Swaps	215	7	Derivative Liabilities	(3)	1,581	39	Debt Securities in issue	21
Interest Rate Swaps	1,380	(32)	Due from Banks (1)	(18)				
Interest Rate Swaps	177	14	Due from Banks (1)	14	162	(14)	Loans and advances to customers	(14)
Total	**8,890**	**1,689**		**2,034**	**7,516**	**(1,661)**		**(2,014)**

31.12.2021 Hedging Instruments					31.12.2021 Hedged Items			
Derivative Instrument	Nominal Amount	Fair Value	Statement of Financial Position Line	Change in fair value (2)	Carrying Amount	Accumulated hedge adjustment on the hedged item	Statement of Financial Position Line	Change in fair value due to the risk being hedged (2)
Interest Rate Swaps	425	4	Derivative Assets	13	10,802	706	Securities measured at amortised cost	208
Interest Rate Swaps	7,204	1	Due from Banks (1)	174				
Interest Rate Swaps	675	641	Derivative Liabilities	(420)				
Interest Rate Swaps	160	112	Derivative Liabilities	(30)	1,490	N/A	Securities measured at FVTOCI	9
Interest Rate Swaps	780	15	Due from Banks (1)	16				
Total	**9,244**	**(733)**		**(247)**	**12,292**	**706**		**217**

(1) Relates to derivatives traded with Central Clearing Counterparties (CCPs). Please refer to Note 4.8 "Offsetting financial assets and financial liabilities".

(2) Amounts reported under change in fair value for hedging instruments and hedged items refer to fair value hedging relationships that were active as at 31 December 2022 and 31 December 2021, respectively.

The accumulated amount of fair value hedge adjustments remaining in the Statement of Financial Position for discontinued hedges was €77 million for securities measured at amortised cost as at 31 December 2022 and €498 million as at 31 December 2021 respectively, for the Group and the Bank. The respective amount for debt securities in issue was €18 million as at 31 December 2022 and Nil as at 31 December 2021, for the Group and the Bank.

The accumulated amount of fair value hedge adjustments remaining in Other Comprehensive Income for discontinued hedges was 20 million as at 31 December 2022 and Nil as at 31 December 2021, for the Group and the Bank.

Hedge ineffectiveness recognized in the Income Statement amounted to €23 million and €(30) million, for the year ended 31 December 2022 and 31 December 2021 respectively, for the Group and the Bank.

Cash flow hedges

As at 31 December 2021, the Group's cash flow hedges consist of interest rate swaps, used to hedge the variability in cash flows of the Group's borrowings that are attributable to changes in the market interest rates. As at 31 December 2022, the Group's cash flow hedges were Nil.

31.12.2021					31.12.2021		
Hedging Instruments					Hedged Items		
Derivative Instrument	Nominal Amount	Fair Value	Statement of Financial Position Line	Change in fair value	Carrying Amount	Statement of Financial Position Line	Change in fair value due to the risk being hedged
Interest Rate Swaps	500	(23)	Due from Banks (1)	2	500	Due to Banks	(2)
Total	**500**	**(23)**		**2**	**500**		**(2)**

(1) Relates to derivatives traded with Central Clearing Counterparties (CCPs). Please refer to Note 4.8 "Offsetting financial assets and financial liabilities".

For the year ended 31 December 2021, hedging gains or losses that were recognized in Other Comprehensive Income amount to €(22) and hedge ineffectiveness recognized in "Net trading income / (loss) and results from investment securities" amounts to Nil for the Group and the Bank.

The net investment hedge reserve of €(110) million relates to the investments in subsidiaries NBG Finance (Dollar) Plc and NBG Finance (Sterling) Plc which are both under liquidation. The currency translation reserve of €110 million also relates to the aforementioned subsidiaries. During 2022, the two subsidiaries proceeded with interim capital distribution (return) to NBG. According to IFRS's (IFRIC 16 and IAS 21) the return of capital is equated with a sale, therefore both the Net Investment Hedge Reserve and the Currency translation reserve, which were equal and opposite were reclassified from equity (OCI) to profit or loss (see Note 37 "Tax effects relating to other comprehensive income / (expense) for the period").

NOTE 21 Loans and advances to customers

	Group		Bank	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Loans and advances to customers at amortised cost				
Mortgage loans	7,906	8,342	7,608	8,075
Consumer loans	1,633	1,648	1,012	1,035
Credit cards	459	437	407	384
Small business lending	1,508	1,457	1,344	1,342
Retail lending	**11,506**	**11,884**	**10,371**	**10,836**
Corporate and public sector lending	25,049	19,863	24,305	19,252
Gross carrying amount of loans and advances to customers at amortised cost	**36,555**	**31,747**	**34,676**	**30,088**
ECL allowance on loans and advances to customers at amortised cost	(1,493)	(1,655)	(1,393)	(1,543)
Net carrying amount of loans and advances to customers at amortised cost	**35,062**	**30,092**	**33,283**	**28,545**
Loans and advances to customers mandatorily measured at FVTPL	**499**	**347**	**499**	**341**
Total Loans and advances to customers	**35,561**	**30,439**	**33,782**	**28,886**

As at 31 December 2022, the gross carrying amount of loans and advances to customers at amortised cost in corporate and public sector lending includes the Frontier senior notes of €2,795 million (31 December 2021: €3,145 million) and a short-term reverse repo of €3,200 million (31 December 2021: NIL).

The increase of loans and advances to customers mandatorily measured at FVTPL is mainly attributed to additions during 2022, and is included in the Reconciliation of fair value measurements in Level 3 in Note 4.7 "Fair values of financial assets and liabilities".

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

As at 31 December 2022	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Credit impaired Lifetime ECL		Total
			Individually assessed	Collectively assessed	
Loans and advances to customers at amortised cost					
Mortgage loans					
Gross carrying amount	5,010	2,467	-	429	7,906
ECL allowance	(26)	(98)	-	(148)	(272)
Net carrying amount	**4,984**	**2,369**	**-**	**281**	**7,634**
Collateral held for financial assets	4,821	2,359	-	382	7,562
Consumer loans					
Gross carrying amount	1,203	281	-	149	1,633
ECL allowance	(23)	(30)	-	(101)	(154)
Net carrying amount	**1,180**	**251**	**-**	**48**	**1,479**
Collateral held for financial assets	172	51	-	11	234
Credit Cards					
Gross carrying amount	409	17	-	33	459
ECL allowance	(8)	(2)	-	(31)	(41)
Net carrying amount	**401**	**15**	**-**	**2**	**418**
Small business lending					
Gross carrying amount	679	629	-	200	1,508
ECL allowance	(14)	(70)	-	(118)	(202)
Net carrying amount	**665**	**559**	**-**	**82**	**1,306**
Collateral held for financial assets	456	450	-	163	1,069
Corporate lending[(1)]					
Gross carrying amount	22,307	1,153	735	210	24,405
ECL allowance	(134)	(91)	(459)	(118)	(802)
Net carrying amount	**22,173**	**1,062**	**276**	**92**	**23,603**
Collateral held for financial assets	10,502	767	480	132	11,881
Public sector lending					
Gross carrying amount	581	49	12	2	644
ECL allowance	(7)	(3)	(12)	-	(22)
Net carrying amount	**574**	**46**	**-**	**2**	**622**
Collateral held for financial assets	107	48	-	2	157
Total loans and advances to customers at amortised cost					
Gross carrying amount	30,189	4,596	747	1,023	36,555
ECL allowance	(212)	(294)	(471)	(516)	(1,493)
Net carrying amount of loans and advances to customers at amortised cost	**29,977**	**4,302**	**276**	**507**	**35,062**
Collateral held for financial assets	16,058	3,675	480	690	20,903
Loans and advances to customers mandatorily measured at FVTPL					**499**
Total loans and advances to customers					**35,561**

(1) The senior notes of €2,795 million relating to the Frontier securitization and a short-term reverse repo of €3,200 million are included in Stage 1 of Corporate lending.

Stage 1 and Credit impaired mortgage exposures include mortgage loans of €393 million and €1 million, respectively, guaranteed by the Hellenic Republic. For the purposes of assessing the NPE classification for the specific mortgage guaranteed exposures, the Bank equalizes the guarantor, i.e. the Greek State with the obligor. In substance, for these specific exposures the Greek State guarantee is considered obligor substitution rather than credit enhancement means. Thus, the specific exposures are classified as Stage 1 unless specific circumstances exist.

Credit impaired SBL exposures include SBL loans of €57 million, partially guaranteed by the Hellenic Republic.

Stage 1 corporate exposures include corporate loans of €11 million partially guaranteed by the Hellenic Republic, excluding state guaranteed loans with the participation of Hellenic Development Bank following COVID-19 support measures. Stage 2 and Credit impaired corporate exposures include corporate loans of €1 million and €137 million, respectively, partially guaranteed by the Hellenic Republic.

As at 31 December 2021	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Credit impaired Lifetime ECL		Total
			Individually assessed	Collectively assessed	
Loans and advances to customers at amortised cost					
Mortgage loans					
Gross carrying amount	5,031	2,773	-	538	8,342
ECL allowance	(30)	(81)	-	(184)	(295)
Net carrying amount	**5,001**	**2,692**		**354**	**8,047**
Collateral held for financial assets	4,779	2,594	-	456	7,829
Consumer loans					
Gross carrying amount	1,254	233	-	161	1,648
ECL allowance	(21)	(32)	-	(111)	(164)
Net carrying amount	**1,233**	**201**		**50**	**1,484**
Collateral held for financial assets	191	68	-	42	301
Credit Cards					
Gross carrying amount	386	29	-	22	437
ECL allowance	(5)	(1)	-	(22)	(28)
Net carrying amount	**381**	**28**		**-**	**409**
Small business lending					
Gross carrying amount	573	664	-	220	1,457
ECL allowance	(10)	(92)	-	(160)	(262)
Net carrying amount	**563**	**572**		**60**	**1,195**
Collateral held for financial assets	345	456	-	186	987
Corporate lending[(1)]					
Gross carrying amount	17,052	1,036	1,013	228	19,329
ECL allowance	(132)	(65)	(615)	(72)	(884)
Net carrying amount	**16,920**	**971**	**398**	**156**	**18,445**
Collateral held for financial assets	10,311	731	583	161	11,786
Public sector lending					
Gross carrying amount	491	12	30	1	534
ECL allowance	(6)	(1)	(15)	-	(22)
Net carrying amount	**485**	**11**	**15**	**1**	**512**
Collateral held for financial assets	132	10	16	-	158
Total loans and advances to customers at amortised cost					
Gross carrying amount	24,787	4,747	1,043	1,170	31,747
ECL allowance	(204)	(272)	(630)	(549)	(1,655)
Net carrying amount of loans and advances to customers at amortised cost	**24,583**	**4,475**	**413**	**621**	**30,092**
Collateral held for financial assets	15,758	3,859	599	845	21,061
Loans and advances to customers mandatorily measured at FVTPL					**347**
Total loans and advances to customers					**30,439**

[(1)] The senior notes of €3,145 million relating to the Frontier securitization are included in Stage 1 of Corporate lending.

Stage 1 and Credit impaired mortgage exposures include mortgage loans of €490 million and €6 million, respectively, guaranteed by the Hellenic Republic. For the purposes of assessing the NPE classification for the specific mortgage guaranteed exposures, the Bank equalizes the guarantor, i.e. the Greek State with the obligor. In substance, for these specific exposures the Greek State guarantee is considered obligor substitution rather than credit enhancement means. Thus, the specific exposures are classified as Stage 1 unless specific circumstances exist.

Credit impaired SBL exposures include SBL loans of €71 million, partially guaranteed by the Hellenic Republic.

Stage 1 corporate exposures include corporate loans of €15 million partially guaranteed by the Hellenic Republic, excluding state guaranteed loans with the participation of Hellenic Development Bank following COVID-19 support measures. Stage 2 and Credit impaired corporate exposures include corporate loans of €1 million and €122 million, respectively, partially guaranteed by the Hellenic Republic.

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

As at 31 December 2022	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Credit impaired Lifetime ECL Individually assessed	Credit impaired Lifetime ECL Collectively assessed	Total
Loans and advances to customers at amortised cost					
Mortgage loans					
Gross carrying amount	4,848	2,341	-	419	7,608
ECL allowance	(26)	(98)	-	(143)	(267)
Net carrying amount	**4,822**	**2,243**	**-**	**276**	**7,341**
Collateral held for financial assets	4,662	2,236	-	372	7,270
Consumer loans					
Gross carrying amount	761	140	-	111	1,012
ECL allowance	(20)	(22)	-	(82)	(124)
Net carrying amount	**741**	**118**	**-**	**29**	**888**
Collateral held for financial assets	109	33	-	8	150
Credit Cards					
Gross carrying amount	367	10	-	30	407
ECL allowance	(8)	(1)	-	(30)	(39)
Net carrying amount	**359**	**9**	**-**	**-**	**368**
Small business lending					
Gross carrying amount	556	599	-	189	1,344
ECL allowance	(14)	(69)	-	(114)	(197)
Net carrying amount	**542**	**530**	**-**	**75**	**1,147**
Collateral held for financial assets	355	425	-	157	937
Corporate lending[(1)]					
Gross carrying amount	22,029	829	643	186	23,687
ECL allowance	(140)	(83)	(412)	(109)	(744)
Net carrying amount	**21,889**	**746**	**231**	**77**	**22,943**
Collateral held for financial assets	9,098	480	429	118	10,125
Public sector lending					
Gross carrying amount	580	24	12	2	618
ECL allowance	(7)	(3)	(12)	-	(22)
Net carrying amount	**573**	**21**	**-**	**2**	**596**
Collateral held for financial assets	106	22	-	2	130
Total loans and advances to customers at amortised cost					
Gross carrying amount	29,141	3,943	655	937	34,676
ECL allowance	(215)	(276)	(424)	(478)	(1,393)
Net carrying amount of loans and advances to customers at amortised cost	**28,926**	**3,667**	**231**	**459**	**33,283**
Collateral held for financial assets	14,330	3,196	429	657	18,612
Loans and advances to customers mandatorily measured at FVTPL					**499**
Total loans and advances to customers					**33,782**

(1) The senior notes of €2,795 million relating to the Frontier securitization and a short term reverse repo of €3,200 million are included in Stage 1 of Corporate lending.

Stage 1 and Credit impaired mortgage exposures include mortgage loans of €393 million and €1 million, respectively, guaranteed by the Hellenic Republic. For the purposes of assessing the NPE classification for the specific mortgage guaranteed exposures, the Bank equalizes the guarantor, i.e. the Greek State with the obligor. In substance, for these specific exposures the Greek State guarantee is considered obligor substitution rather than credit enhancement means. Thus, the specific exposures are classified as Stage 1 unless specific circumstances exist.

Credit impaired SBL exposures include SBL loans of €57 million, partially guaranteed by the Hellenic Republic.

Stage 1 corporate exposures include corporate loans of €11 million partially guaranteed by the Hellenic Republic, excluding state guaranteed loans with the participation of Hellenic Development Bank following COVID-19 support measures. Stage 2 and Credit impaired corporate exposures include corporate loans of €1 million and €137 million, respectively, partially guaranteed by the Hellenic Republic.

As at 31 December 2021	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Credit impaired Lifetime ECL Individually assessed	Credit impaired Lifetime ECL Collectively assessed	Total
Loans and advances to customers at amortised cost					
Mortgage loans					
Gross carrying amount	4,869	2,686	-	520	8,075
ECL allowance	(30)	(80)	-	(177)	(287)
Net carrying amount	**4,839**	**2,606**	**-**	**343**	**7,788**
Collateral held for financial assets	4,642	2,513	-	452	7,607
Consumer loans					
Gross carrying amount	723	187	-	125	1,035
ECL allowance	(16)	(29)	-	(92)	(137)
Net carrying amount	**707**	**158**	**-**	**33**	**898**
Collateral held for financial assets	107	42	-	26	175
Credit Cards					
Gross carrying amount	348	15	-	21	384
ECL allowance	(5)	(1)	-	(21)	(27)
Net carrying amount	**343**	**14**	**-**	**-**	**357**
Small business lending					
Gross carrying amount	497	628	-	217	1,342
ECL allowance	(9)	(92)	-	(158)	(259)
Net carrying amount	**488**	**536**	**-**	**59**	**1,083**
Collateral held for financial assets	282	427	-	184	893
Corporate lending(1)					
Gross carrying amount	16,907	725	900	214	18,746
ECL allowance	(139)	(58)	(544)	(70)	(811)
Net carrying amount	**16,768**	**667**	**356**	**144**	**17,935**
Collateral held for financial assets	9,100	491	547	132	10,270
Public sector lending					
Gross carrying amount	466	9	30	1	506
ECL allowance	(6)	(1)	(15)	-	(22)
Net carrying amount	**460**	**8**	**15**	**1**	**484**
Collateral held for financial assets	108	7	16	-	131
Total loans and advances to customers at amortised cost					
Gross carrying amount	23,810	4,250	930	1,098	30,088
ECL allowance	(205)	(261)	(559)	(518)	(1,543)
Net carrying amount of loans and advances to customers at amortised cost	**23,605**	**3,989**	**371**	**580**	**28,545**
Collateral held for financial assets	14,239	3,480	563	794	19,076
Loans and advances to customers mandatorily measured at FVTPL					**341**
Total loans and advances to customers					**28,886**

(1) The senior notes of €3,145 million relating to the Frontier securitization are included in Stage 1 of Corporate lending.

Stage 1 and Credit impaired mortgage exposures include mortgage loans of €490 million and €6 million, respectively, guaranteed by the Hellenic Republic. For the purposes of assessing the NPE classification for the specific mortgage guaranteed exposures, the Bank equalizes the guarantor, i.e. the Greek State with the obligor. In substance, for these specific exposures the Greek State guarantee is considered obligor substitution rather than credit enhancement means. Thus, the specific exposures are classified as Stage 1 unless specific circumstances exist.

Credit impaired SBL exposures include SBL loans of €71 million, partially guaranteed by the Hellenic Republic.

Stage 1 corporate exposures include corporate loans of €15 million partially guaranteed by the Hellenic Republic, excluding state guaranteed loans with the participation of Hellenic Development Bank following COVID-19 support measures. Stage 2 and Credit impaired corporate exposures include corporate loans of €1 million and €122 million, respectively, partially guaranteed by the Hellenic Republic.

Notes to the Financial Statements

Group and Bank

Movement of the Gross carrying amount of loans and advances to customers at amortised cost | Group

As at 31 December 2022	Retail lending				Corporate and Public sector lending				Total loans and advances to customers			
	Stage 1	Stage 2	Credit impaired	Total	Stage 1	Stage 2	Credit impaired	Total	Stage 1	Stage 2	Credit impaired	Total
Gross carrying amount 1.1.2022	**7,244**	**3,699**	**941**	**11,884**	**17,543**	**1,048**	**1,272**	**19,863**	**24,787**	**4,747**	**2,213**	**31,747**
Transfer to Stage 1 (from 2 or 3)	735	(720)	(15)	-	348	(325)	(23)	-	1,083	(1,045)	(38)	-
Transfer to Stage 2 (from 1 or 3)	(689)	911	(222)	-	(531)	696	(165)	-	(1,220)	1,607	(387)	-
Transfer to Stage 3 (from 1 or 2)	(77)	(259)	336	-	(28)	(33)	61	-	(105)	(292)	397	-
New financial assets originated or purchased(1)	1,109	110	-	1,219	9,371	116	-	9,487	10,480	226	-	10,706
Repayments and other changes	(1,027)	(352)	(41)	(1,420)	(3,958)	(303)	(41)	(4,302)	(4,985)	(655)	(82)	(5,722)
Changes due to modifications that did not result in derecognition	-	-	(1)	(1)	-	-	-	-	-	-	(1)	(1)
Write-offs	-	-	(94)	(94)	-	-	(124)	(124)	-	-	(218)	(218)
Foreign exchange differences	6	5	2	13	143	3	4	150	149	8	6	163
Reclassified as held for sale	-	-	(95)	(95)	-	-	(25)	(25)	-	-	(120)	(120)
Gross carrying amount 31.12.2022	**7,301**	**3,394**	**811**	**11,506**	**22,888**	**1,202**	**959**	**25,049**	**30,189**	**4,596**	**1,770**	**36,555**
ECL allowance	(71)	(200)	(398)	**(669)**	(141)	(94)	(589)	**(824)**	(212)	(294)	(987)	**(1,493)**
Net carrying amount 31.12.2022	**7,230**	**3,194**	**413**	**10,837**	**22,747**	**1,108**	**370**	**24,225**	**29,977**	**4,302**	**783**	**35,062**

(1) The short-term reverse repo of €3,200 million is included in Stage 1 of Corporate and Public sector lending

As at 31 December 2021	Retail lending				Corporate and Public sector lending				Total loans and advances to customers			
	Stage 1	Stage 2	Credit impaired	Total	Stage 1	Stage 2	Credit impaired	Total	Stage 1	Stage 2	Credit impaired	Total
Gross carrying amount 1.1.2021	**7,191**	**3,599**	**2,341**	**13,131**	**13,480**	**984**	**2,073**	**16,537**	**20,671**	**4,583**	**4,414**	**29,668**
Transfer to Stage 1 (from 2 or 3)	800	(719)	(81)	-	258	(250)	(8)	-	1,058	(969)	(89)	-
Transfer to Stage 2 (from 1 or 3)	(528)	1,205	(677)	-	(515)	593	(78)	-	(1,043)	1,798	(755)	-
Transfer to Stage 3 (from 1 or 2)	(99)	(230)	329	-	(61)	(119)	180	-	(160)	(349)	509	-
New financial assets originated or purchased(2)	882	99	-	981	8,008	118	-	8,126	8,890	217	-	9,107
Derecognition of financial assets	-	-	-	-	-	-	(36)	(36)	-	-	(36)	(36)
Repayments and other changes	(1,005)	(254)	(7)	(1,266)	(3,768)	(275)	(118)	(4,161)	(4,773)	(529)	(125)	(5,427)
Changes due to modifications that did not result in derecognition	-	-	(32)	(32)	-	-	(2)	(2)	-	-	(34)	(34)
Write-offs	-	(4)	(195)	(199)	-	-	(271)	(271)	-	(4)	(466)	(470)
Foreign exchange differences	5	4	2	11	152	7	9	168	157	11	11	179
Reclassified as held for sale	(2)	(1)	(739)	(742)	(11)	(10)	(477)	(498)	(13)	(11)	(1,216)	(1,240)
Gross carrying amount 31.12.2021	**7,244**	**3,699**	**941**	**11,884**	**17,543**	**1,048**	**1,272**	**19,863**	**24,787**	**4,747**	**2,213**	**31,747**
ECL allowance	(66)	(206)	(477)	**(749)**	(138)	(66)	(702)	**(906)**	(204)	(272)	(1,179)	**(1,655)**
Net carrying amount 31.12.2021	**7,178**	**3,493**	**464**	**11,135**	**17,405**	**982**	**570**	**18,957**	**24,583**	**4,475**	**1,034**	**30,092**

(2) The senior notes of €3,145 million relating to the Frontier securitization are included in Stage 1 of Corporate and Public sector lending

Movement of the Gross carrying amount of loans and advances to customers at amortised cost | Bank

As at 31 December 2022	Retail lending				Corporate and Public sector lending				Total loans and advances to customers			
	Stage 1	Stage 2	Credit impaired	Total	Stage 1	Stage 2	Credit impaired	Total	Stage 1	Stage 2	Credit impaired	Total
Gross Balance 1.1.2022	**6,437**	**3,516**	**883**	**10,836**	**17,373**	**734**	**1,145**	**19,252**	**23,810**	**4,250**	**2,028**	**30,088**
Transfer to Stage 1 (from 2 or 3)	708	(693)	(15)	-	287	(265)	(22)	-	995	(958)	(37)	-
Transfer to Stage 2 (from 1 or 3)	(516)	736	(220)	-	(406)	570	(164)	-	(922)	1,306	(384)	-
Transfer to Stage 3 (from 1 or 2)	(67)	(251)	318	-	(23)	(21)	44	-	(90)	(272)	362	-
New financial assets originated or purchased(1)	757	74	-	831	8,979	58	-	9,037	9,736	132	-	9,868
Repayments and other changes	(793)	(297)	(41)	(1,131)	(3,743)	(226)	(64)	(4,033)	(4,536)	(523)	(105)	(5,164)
Changes due to modifications that did not result in derecognition	-	-	(1)	(1)	-	-	-	-	-	-	(1)	(1)
Write-offs	-	-	(82)	(82)	-	-	(83)	(83)	-	-	(165)	(165)
Foreign exchange differences	6	5	2	13	142	3	4	149	148	8	6	162
Reclassified as held for sale	-	-	(95)	(95)	-	-	(17)	(17)	-	-	(112)	(112)
Gross carrying amount 31.12.2022	**6,532**	**3,090**	**749**	**10,371**	**22,609**	**853**	**843**	**24,305**	**29,141**	**3,943**	**1,592**	**34,676**
ECL allowance	(68)	(190)	(369)	**(627)**	(147)	(86)	(533)	**(766)**	(215)	(276)	(902)	**(1,393)**
Net carrying amount 31.12.2022	**6,464**	**2,900**	**380**	**9,744**	**22,462**	**767**	**310**	**23,539**	**28,926**	**3,667**	**690**	**33,283**

(1) The short-term reverse repo of €3,200 million is included in Stage 1 of Corporate and Public sector lending

As at 31 December 2021	Retail lending				Corporate and Public sector lending				Total loans and advances to customers			
	Stage 1	Stage 2	Credit impaired	Total	Stage 1	Stage 2	Credit impaired	Total	Stage 1	Stage 2	Credit impaired	Total
Gross Balance 1.1.2021	**6,440**	**3,405**	**2,246**	**12,091**	**13,295**	**691**	**1,858**	**15,844**	**19,735**	**4,096**	**4,104**	**27,935**
Transfer to Stage 1 (from 2 or 3)	753	(673)	(80)	-	247	(239)	(8)	-	1,000	(912)	(88)	-
Transfer to Stage 2 (from 1 or 3)	(472)	1,147	(675)	-	(453)	528	(75)	-	(925)	1,675	(750)	-
Transfer to Stage 3 (from 1 or 2)	(92)	(220)	312	-	(59)	(108)	167	-	(151)	(328)	479	-
New financial assets originated or purchased(2)	544	73	-	617	7,636	87	-	7,723	8,180	160	-	8,340
Derecognition of financial assets	-	-	-	-	-	-	(36)	(36)	-	-	(36)	(36)
Repayments and other changes	(741)	(216)	(6)	(963)	(3,445)	(232)	(91)	(3,768)	(4,186)	(448)	(97)	(4,731)
Changes due to modifications that did not result in derecognition	-	-	(32)	(32)	-	-	(2)	(2)	-	-	(34)	(34)
Write-offs	-	(4)	(175)	(179)	-	-	(269)	(269)	-	(4)	(444)	(448)
Foreign exchange differences	5	4	1	10	152	7	9	168	157	11	10	178
Reclassified as held for sale	-	-	(708)	(708)	-	-	(408)	(408)	-	-	(1,116)	(1,116)
Gross Balance 31.12.2021	**6,437**	**3,516**	**883**	**10,836**	**17,373**	**734**	**1,145**	**19,252**	**23,810**	**4,250**	**2,028**	**30,088**
ECL allowance	(60)	(202)	(448)	**(710)**	(145)	(59)	(629)	**(833)**	(205)	(261)	(1,077)	**(1,543)**
Net carrying amount 31.12.2021	**6,377**	**3,314**	**435**	**10,126**	**17,228**	**675**	**516**	**18,419**	**23,605**	**3,989**	**951**	**28,545**

(2) The senior notes of €3,145 million relating to the Frontier securitization are included in Stage 1 of Corporate and Public sector lending

Notes to the Financial Statements

Group and Bank

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

As at 31 December 2022	Retail lending				Corporate and public sector lending				Total loans and advances to customers			
	Stage 1	Stage 2	Credit impaired	Total	Stage 1	Stage 2	Credit impaired	Total	Stage 1	Stage 2	Credit impaired	Total
ECL allowance 1.1.2022	**66**	**206**	**477**	**749**	**138**	**66**	**702**	**906**	**204**	**272**	**1,179**	**1,655**
Transfer to stage 1 (from 2 or 3)	46	(35)	(11)	-	19	(14)	(5)	-	65	(49)	(16)	-
Transfer to stage 2 (from 1 or 3)	(6)	69	(63)	-	(5)	73	(68)	-	(11)	142	(131)	-
Transfer to stage 3 (from 1 or 2)	(1)	(24)	25	-	-	(3)	3	-	(1)	(27)	28	-
Net remeasurement of loss allowance (a)	(42)	(26)	151	83	(62)	(30)	150	58	(104)	(56)	301	141
Impairment losses on new assets (b)	10	8	-	18	57	2	-	59	67	10	-	77
Impairment losses on loans (a+b) (Note 13)	**(32)**	**(18)**	**151**	**101**	**(5)**	**(28)**	**150**	**117**	**(37)**	**(46)**	**301**	**218**
Modification impact on ECL	-	-	(2)	(2)	-	-	-	-	-	-	(2)	(2)
Write-offs	-	-	(94)	(94)	-	-	(124)	(124)	-	-	(218)	(218)
Foreign exchange differences and other movements	(2)	2	(67)	(67)	(6)	-	(19)	(25)	(8)	2	(86)	(92)
Change in the present value of the ECL allowance	-	-	(10)	(10)	-	-	(2)	(2)	-	-	(12)	(12)
Reclassified as Held For Sale	-	-	(8)	(8)	-	-	(48)	(48)	-	-	(56)	(56)
ECL allowance 31.12.2022	**71**	**200**	**398**	**669**	**141**	**94**	**589**	**824**	**212**	**294**	**987**	**1,493**

As at 31 December 2021	Retail lending				Corporate and public sector lending				Total loans and advances to customers			
	Stage 1	Stage 2	Credit impaired	Total	Stage 1	Stage 2	Credit impaired	Total	Stage 1	Stage 2	Credit impaired	Total
ECL allowance 1.1.2021	**64**	**171**	**1,051**	**1,286**	**110**	**69**	**1,255**	**1,434**	**174**	**240**	**2,306**	**2,720**
Transfer to stage 1 (from 2 or 3)	53	(23)	(30)	-	20	(18)	(2)	-	73	(41)	(32)	-
Transfer to stage 2 (from 1 or 3)	(6)	176	(170)	-	(7)	32	(25)	-	(13)	208	(195)	-
Transfer to stage 3 (from 1 or 2)	(1)	(18)	19	-	(1)	(15)	16	-	(2)	(33)	35	-
Net remeasurement of loss allowance (a)	(53)	(105)	112	(46)	(31)	6	61	36	(84)	(99)	173	(10)
Impairment losses on new assets (b)	8	7	-	15	45	4	-	49	53	11	-	64
Impairment losses on loans (a+b) (Note 13)	**(45)**	**(98)**	**112**	**(31)**	**14**	**10**	**61**	**85**	**(31)**	**(88)**	**173**	**54**
Derecognition of loans	-	-	199	199	-	-	(15)	(15)	-	-	184	184
Modification impact on ECL	-	-	(14)	(14)	-	-	(2)	(2)	-	-	(16)	(16)
Write-offs	-	(4)	(195)	(199)	-	-	(271)	(271)	-	(4)	(466)	(470)
Foreign exchange differences and other movements	1	2	(17)	(14)	2	(8)	(4)	(10)	3	(6)	(21)	(24)
Change in the present value of the ECL allowance	-	-	(47)	(47)	-	-	(6)	(6)	-	-	(53)	(53)
Reclassified as Held For Sale	-	-	(431)	(431)	-	(4)	(305)	(309)	-	(4)	(736)	(740)
ECL allowance 31.12.2021	**66**	**206**	**477**	**749**	**138**	**66**	**702**	**906**	**204**	**272**	**1,179**	**1,655**

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

As at 31 December 2022	Retail lending				Corporate and public sector lending				Total loans and advances to customers			
	Stage 1	Stage 2	Credit impaired	Total	Stage 1	Stage 2	Credit impaired	Total	Stage 1	Stage 2	Credit impaired	Total
ECL allowance 1.1.2022	**60**	**202**	**448**	**710**	**145**	**59**	**629**	**833**	**205**	**261**	**1,077**	**1,543**
Transfer to stage 1 (from 2 or 3)	44	(34)	(10)	-	17	(12)	(5)	-	61	(46)	(15)	-
Transfer to stage 2 (from 1 or 3)	(4)	65	(61)	-	(4)	72	(68)	-	(8)	137	(129)	-
Transfer to stage 3 (from 1 or 2)	-	(22)	22	-	(2)	(2)	4	-	(2)	(24)	26	-
Net remeasurement of loss allowance (a)	(39)	(26)	144	79	(58)	(33)	128	37	(97)	(59)	272	116
Impairment losses on new assets (b)	7	6	-	13	55	2	-	57	62	8	-	70
Impairment losses on loans (a+b) (Note 13)	**(32)**	**(20)**	**144**	**92**	**(3)**	**(31)**	**128**	**94**	**(35)**	**(51)**	**272**	**186**
Modification impact on ECL	-	-	(2)	(2)	-	-	-	-	-	-	(2)	(2)
Write-offs	-	-	(82)	(82)	-	-	(83)	(83)	-	-	(165)	(165)
Foreign exchange differences and other movements	-	(1)	(69)	(70)	(6)	-	(25)	(31)	(6)	(1)	(94)	(101)
Change in the present value of the ECL allowance	-	-	(10)	(10)	-	-	(2)	(2)	-	-	(12)	(12)
Reclassified as Held For Sale	-	-	(11)	(11)	-	-	(45)	(45)	-	-	(56)	(56)
ECL allowance 31.12.2022	**68**	**190**	**369**	**627**	**147**	**86**	**533**	**766**	**215**	**276**	**902**	**1,393**

As at 31 December 2021	Retail lending				Corporate and public sector lending				Total loans and advances to customers			
	Stage 1	Stage 2	Credit impaired	Total	Stage 1	Stage 2	Credit impaired	Total	Stage 1	Stage 2	Credit impaired	Total
ECL allowance 1.1.2021	**57**	**162**	**1,009**	**1,228**	**112**	**58**	**1,162**	**1,332**	**169**	**220**	**2,171**	**2,560**
Transfer to stage 1 (from 2 or 3)	48	(18)	(30)	-	19	(17)	(2)	-	67	(35)	(32)	-
Transfer to stage 2 (from 1 or 3)	(4)	174	(170)	-	(5)	30	(25)	-	(9)	204	(195)	-
Transfer to stage 3 (from 1 or 2)	(1)	(13)	14	-	(1)	(13)	14	-	(2)	(26)	28	-
Net remeasurement of loss allowance (a)	(46)	(104)	92	(58)	(25)	(1)	56	30	(71)	(105)	148	(28)
Impairment losses on new assets (b)	6	5	-	11	43	3	-	46	49	8	-	57
Impairment losses on loans (a+b) (Note 13)	**(40)**	**(99)**	**92**	**(47)**	**18**	**2**	**56**	**76**	**(22)**	**(97)**	**148**	**29**
Derecognition of loans	-	-	199	199	-	-	(15)	(15)	-	-	184	184
Modification impact on ECL	-	-	(14)	(14)	-	-	(2)	(2)	-	-	(16)	(16)
Write-offs	-	(4)	(175)	(179)	-	-	(269)	(269)	-	(4)	(444)	(448)
Foreign exchange differences and other movements	-	-	(18)	(18)	2	(1)	(10)	(9)	2	(1)	(28)	(27)
Change in the present value of the ECL allowance	-	-	(47)	(47)	-	-	(6)	(6)	-	-	(53)	(53)
Reclassified as Held For Sale	-	-	(412)	(412)	-	-	(274)	(274)	-	-	(686)	(686)
ECL allowance 31.12.2021	**60**	**202**	**448**	**710**	**145**	**59**	**629**	**833**	**205**	**261**	**1,077**	**1,543**

Total impairment charge for ECL on loans and advances to customers measured at amortised cost for the Group and the Bank is disclosed in Note 13 “Credit provisions and other impairment charges”, including the net modification impact and the impairment charge for ECL on credit related commitments. The ECL allowance on credit related commitments is disclosed in Note 34 “Other liabilities”.

Covered bonds

Loans and advances to customers at amortized cost include loans used as collateral in the covered bonds program, as follows:

	Group		Bank	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Mortgage loans	**3,350**	**3,597**	**3,350**	**3,597**
of which eligible collateral	*3,217*	*3,485*	*3,217*	*3,485*

Under the covered bond Programs I and II, the Bank has the following covered bond series in issue as at 31 December 2022:

Program	Series number	Type of collateral	Issue date	Maturity date	Nominal amount in million €	Interest rate
Program I[(1)]	Series 6	Residential mortgage loans	5 October 2016	5 April 2023	1,500	Paid quarterly at rate of three month Euribor plus a margin of 30 bps
Program II[(1)]	Series 8	Residential mortgage loans	30 July 2018	28 July 2023	200	Paid annually at a fixed rate 1.85%

[(1)] The issues under both Programs are currently rated A3 by Moody's and Program II is currently rated A by Standards & Poors ("S&P").

On 25 February 2021, the Bank amended the Final Terms by extending the maturity of the Series 6; from 5 April 2021 to 5 April 2023 and the interest margin reduced from 50 bps to 30 bps with effective date 5 April 2021, onwards.

The Series 6 and the Series 8 issue have not been sold to institutional investors, are held by the Bank and thus are not presented within "Debt securities in issue" (see Note 32 "Debt securities in issue").

Information regarding covered bonds can be found at the Bank's site (www.nbg.gr) under "Investor Relations\ Outstanding Debt Issuances".

Loans and advances to customers at amortised cost include finance lease receivables:

	Group	
	31.12.2022	31.12.2021
Maturity		
Not later than 1 year	169	175
Later than 1 year but not later than 5 years	337	272
Later than 5 years	436	286
	942	**733**
Unearned future finance income on finance leases	(183)	(117)
Net investment in finance leases	**759**	**616**

ECL allowance on finance lease receivables as at 31 December 2022 amounts to €9 million (31 December 2021: €27 million).

The net investment in finance leases may be analysed as follows:

	Group	
	31.12.2022	31.12.2021
Maturity		
Not later than 1 year	134	151
Later than 1 year but not later than 5 years	248	208
Later than 5 years	377	257
Net investment in finance leases	**759**	**616**

NOTE 22 Investment securities

	Group		Bank	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Investment securities measured at fair value though other comprehensive income:				
Debt securities				
Greek government bonds	758	299	758	299
Treasury bills and other eligible bills	768	712	731	649
Debt securities issued by other governments and public sector entities	942	1,460	942	1,460
Corporate bonds incorporated in Greece	186	198	186	198
Corporate bonds incorporated outside Greece	-	11	-	11
Debt securities issued by Greek financial institutions	77	69	77	69
Total debt securities	**2,731**	**2,749**	**2,694**	**2,686**
Equity securities	101	86	91	77
Total investment securities measured at fair value though other comprehensive income	**2,832**	**2,835**	**2,785**	**2,763**
Investment securities measured at amortised cost:				
Greek government bonds	5,407	7,366	5,407	7,366
Debt securities issued by other government and public sector entities	4,300	4,550	4,063	4,247
Corporate bonds incorporated in Greece	27	27	27	27
Corporate bonds incorporated outside Greece	28	-	28	-
Debt securities issued by Greek financial institutions	274	159	274	149
Debt securities issued by foreign financial institutions	322	-	321	-
Total investment securities measured at amortised cost	**10,358**	**12,102**	**10,120**	**11,789**
Total investment securities	**13,190**	**14,937**	**12,905**	**14,552**

On 13 January 2021, the Greek PDMA and the Bank carried out a Greek Government Bond exchange. The Bank exchanged €1.0 billion nominal value, carrying amount of €1.3 billion and settlement amount of €1.5 billion of the New Greek Government Bond maturing at 20 March 2050, with a series of other GGBs with shorter maturities of a total nominal value of €2.8 billion and a settlement amount of €3.6 billion (as per relative Ministry Decree). The exchange was executed at market terms and the difference between the settlement amounts for the bond exchanged and the bonds received was settled in cash. The transaction was settled on 20 January 2021. The Group and the Bank realized a gain of €209 million.

Furthermore, on 15 December 2021, the Greek PDMA and the Bank carried out another Greek Government Bond exchange. In particular the Bank exchanged €128 million nominal value, €173 million carrying value and settlement amount of €171 million of the PSI bonds, with a series of other GGBs of a total nominal value €125million, and a settlement amount €171 million. The transaction was executed at market terms and was treated as a modification of the financial instruments exchanged, resulting in a modification loss of €2 million.

The movement of investment securities may be summarised as follows:

	Group		Bank	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Investment securities measured at fair value though other comprehensive income:				
Balance at 1 January	**2,835**	**2,888**	**2,763**	**2,814**
Additions within the period	5,610	9,397	5,413	9,008
Disposals (sales and redemptions) within the period	(5,021)	(9,389)	(4,800)	(8,997)
Gains / (losses) from changes in fair value	(572)	(32)	(573)	(33)
Amortisation of premiums / discounts	(20)	(29)	(18)	(29)
Balance at 31 December	**2,832**	**2,835**	**2,785**	**2,763**
Investment securities measured at amortised cost:				
Balance at 1 January	**12,102**	**12,339**	**11,789**	**11,907**
Additions within the period	1,973	4,172	1,973	4,076
Disposals (sales and redemptions) within the period	(3,663)	(4,357)	(3,588)	(4,147)
Impairment charge	(2)	15	(3)	17
Amortisation of premiums / discounts	(55)	(70)	(54)	(67)
Foreign exchange differences	3	3	3	3
Balance at 31 December	**10,358**	**12,102**	**10,120**	**11,789**

NOTE 23 Investment property

	Group		
	Land	Buildings	Total
Cost			
At 1 January 2021	**52**	**110**	**162**
Transfers	(2)	(3)	**(5)**
Transfers to Held for Sale	(12)	(34)	**(46)**
Disposals and write offs	(3)	(6)	**(9)**
At 31 December 2021	**35**	**67**	**102**
Accumulated depreciation & impairment			
At 1 January 2021	**(10)**	**(27)**	**(37)**
Transfers	-	2	**2**
Transfers to Held for Sale	3	6	**9**
Disposals and write offs	3	8	**11**
Depreciation charge	-	(2)	**(2)**
Impairment charge	(2)	(3)	**(5)**
At 31 December 2021	**(6)**	**(16)**	**(22)**
Net book amount at 31 December 2021	**29**	**51**	**80**
Cost			
At 1 January 2022	**35**	**67**	**102**
Transfers to Held for Sale	(1)	(8)	**(9)**
Disposals and write offs	(1)	(2)	**(3)**
At 31 December 2022	**33**	**57**	**90**
Accumulated depreciation & impairment			
At 1 January 2022	**(6)**	**(16)**	**(22)**
Transfers to Held for Sale	-	1	**1**
Disposals and write offs	-	1	**1**
Depreciation charge	-	(1)	**(1)**
Impairment charge	1	1	**2**
At 31 December 2022	**(5)**	**(14)**	**(19)**
Net book amount at 31 December 2022	**28**	**43**	**71**

The fair value of investment property as at 31 December 2022 exceeded the carrying amount and amounted to €91 million (31 December 2021: €102 million). Rental income for the year ended 31 December 2022 amounts to €3 million (2021: €3 million).

NOTE 24 Equity method investments

	Group		Bank	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
At 1 January	**18**	**22**	**17**	**20**
Additions/ transfers	155	-	155	-
Share of profit/(loss) of equity method investments	2	-	-	-
Impairment charge	-	(4)	-	(3)
At 31 December	**175**	**18**	**172**	**17**

Additions / transfers, includes the 49.00% of NBG Pay S.A., following the sale of 51.00% of the share capital of NBG Pay S.A. to EVO Payments Inc (see NOTE 43 “Acquisitions, disposals and other capital transactions”).

The Group's and Bank's equity method investments are as follows:

			Group		Bank	
	Country	Tax years unaudited	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Social Securities Funds Management S.A.	Greece	2017-2022	20.00%	20.00%	20.00%	20.00%
Larco S.A.	Greece	2012-2022	33.36%	33.36%	33.36%	33.36%
Eviop Tempo S.A.	Greece	2017-2022	21.21%	21.21%	21.21%	21.21%
Teiresias S.A.	Greece	2012-2022	39.93%	39.93%	39.93%	39.93%
Planet S.A.	Greece	2017-2022	36.99%	36.99%	36.99%	36.99%
Pyrrichos Real Estate S.A.	Greece	2012-2022	21.83%	21.83%	21.83%	21.83%
Sato S.A.	Greece	2017-2022	23.74%	23.74%	23.74%	23.74%
Olganos S.A.	Greece	2012-2022	33.60%	33.60%	33.60%	33.60%
Perigenis Business Properties S.A.	Greece	2020-2022	28.50%	28.50%	28.50%	28.50%
NBG Pay S.A.	Greece	2022	49.00%	-	49.00%	-

Summarised financial information in respect of the Group's equity method investments is set out below based on the most recent financial information available:

	31.12.2022	31.12.2021
Total assets	480	88
Total liabilities	94	22
Net assets	386	66
Group's share of net assets of equity method investments	175	18
Total revenue	35	50
Total profit for the year	5	1
Group's share of profit of equity method investments	2	-

NOTE 25 Software

	Group		Bank	
	Software	Total	Software	Total
Cost				
At 1 January 2021	**997**	**997**	**940**	**940**
Reclassified as held for sale	(3)	**(3)**	-	**-**
Additions	127	**127**	126	**126**
At 31 December 2021	**1,121**	**1,121**	**1,066**	**1,066**
Accumulated amortisation & impairment				
At 1 January 2021	**(715)**	**(715)**	**(662)**	**(662)**
Reclassified as held for sale	3	**3**	-	**-**
Amortization charge	(58)	**(58)**	(55)	**(55)**
Impairment charge	2	**2**	(4)	**(4)**
At 31 December 2021	**(768)**	**(768)**	**(721)**	**(721)**
Net book amount at 31 December 2021	**353**	**353**	**345**	**345**
Cost				
At 1 January 2022	**1,121**	**1,121**	**1,066**	**1,066**
Transfers	1	**1**		**-**
Additions	147	**147**	146	**146**
Disposals and write offs	(6)	**(6)**	(5)	**(5)**
At 31 December 2022	**1,263**	**1,263**	**1,207**	**1,207**
Accumulated amortisation & impairment				
At 1 January 2022	**(768)**	**(768)**	**(721)**	**(721)**
Transfers	1	**1**	1	**1**
Disposals and write offs	4	**4**	4	**4**
Amortisation charge	(68)	**(68)**	(66)	**(66)**
Impairment charge	(1)	**(1)**	(1)	**(1)**
At 31 December 2022	**(832)**	**(832)**	**(783)**	**(783)**
Net book amount at 31 December 2022	**431**	**431**	**424**	**424**

NOTE 26 Property and equipment

Group	Land	Buildings	Vehicles & equipment	Assets under construction	RoU Asset	Leasehold improvements	Total
Cost							
At 1 January 2021	**391**	**190**	**785**	**1**	**1,307**	**219**	**2,893**
Transfers	(10)	(14)	-	-	-	-	**(24)**
Additions	1	4	23	1	181	16	**226**
Modifications / Remeasurements / Termination	-	-	-	-	(140)	-	**(140)**
Disposals and write offs	(1)	(3)	(4)	-	-	(3)	**(11)**
At 31 December 2021	**381**	**177**	**804**	**2**	**1,348**	**232**	**2,944**
Accumulated depreciation & impairment							
At 1 January 2021	**(160)**	**(94)**	**(696)**	**-**	**(130)**	**(149)**	**(1,229)**
Transfers	2	4	-	-	-	-	**6**
Disposals and write offs	-	2	4	-	-	1	**7**
Modifications / Remeasurements / Termination	-	-	-	-	13	-	**13**
Depreciation charge	-	(3)	(15)	-	(75)	(9)	**(102)**
Impairment charge	10	1	1	-	4	-	**16**
At 31 December 2021	**(148)**	**(90)**	**(706)**	**-**	**(188)**	**(157)**	**(1,289)**
Net book amount at 31 December 2021	**233**	**87**	**98**	**2**	**1,160**	**75**	**1,655**
Cost							
At 1 January 2022	**381**	**177**	**804**	**2**	**1,348**	**232**	**2,944**
Foreign exchange differences	-	-	(1)	-	-	-	**(1)**
Transfers	-	1	-	(1)	-	-	**-**
Additions	1	1	16	11	5	16	**50**
Modifications / Remeasurements / Termination	-	-	-	-	(41)	-	**(41)**
Disposals and write offs	-	-	(24)	-	(2)	(3)	**(29)**
At 31 December 2022	**382**	**179**	**795**	**12**	**1,310**	**245**	**2,923**
Accumulated depreciation & impairment							
At 1 January 2022	**(148)**	**(90)**	**(706)**	**-**	**(188)**	**(157)**	**(1,289)**
Disposals and write offs	-	-	14	-	2	4	**20**
Modifications / Remeasurements / Termination	-	-	-	-	15	-	**15**
Depreciation charge	-	(3)	(16)	-	(74)	(9)	**(102)**
Impairment charge	(2)	-	-	-	-	-	**(2)**
At 31 December 2022	**(150)**	**(93)**	**(708)**	**-**	**(245)**	**(162)**	**(1,358)**
Net book amount at 31 December 2022	**232**	**86**	**87**	**12**	**1,065**	**83**	**1,565**

Bank	Land	Buildings	Vehicles & equipment	Assets under construction	Land & buildings - RoU Asset	Vehicles - RoU Asset	Leasehold improvements	Total
Cost								
At 1 January 2021	**84**	**96**	**711**	**1**	**1,045**	**6**	**218**	**2,161**
Transfers	(9)	(14)						**(23)**
Additions		3	22		181	2	16	**224**
Modifications / Remeasurements / Termination	-	-	-	-	(102)	(1)	-	**(103)**
Disposals and write offs	(1)	(3)	(3)	-			(2)	**(9)**
At 31 December 2021	**74**	**82**	**730**	**1**	**1,124**	**7**	**232**	**2,250**
Accumulated depreciation & impairment								
At 1 January 2021	**(6)**	**(45)**	**(627)**	**-**	**(118)**	**(2)**	**(149)**	**(947)**
Transfers	2	4	-	-	-		-	**6**
Disposals and write offs	-	2	3	-	-		-	**5**
Depreciation charge	-	(1)	(13)	-	(62)	(1)	(9)	**(86)**
Modifications / Remeasurements / Termination	-	-	-	-	12		-	**12**
At 31 December 2021	**(4)**	**(40)**	**(637)**	**-**	**(168)**	**(3)**	**(158)**	**(1,010)**
Net book amount at 31 December 2021	**70**	**42**	**93**	**1**	**956**	**4**	**74**	**1,240**
Cost								
At 1 January 2022	**74**	**82**	**730**	**1**	**1,124**	**7**	**232**	**2,250**
Foreign exchange differences	-	-	(1)	-	-		-	**(1)**
Additions	1	1	13		4	2	16	**37**
Modifications / Remeasurements / Termination	-	-	-	-	(28)	(1)	-	**(29)**
Disposals and write offs			(20)	-	(2)		(3)	**(25)**
At 31 December 2022	**75**	**83**	**722**	**1**	**1,098**	**8**	**245**	**2,232**
Accumulated depreciation & impairment								
At 1 January 2022	**(4)**	**(40)**	**(637)**	**-**	**(168)**	**(3)**	**(158)**	**(1,010)**
Disposals and write offs	-		11	-	2		3	**16**
Depreciation charge	-	(1)	(15)	-	(63)	(1)	(9)	**(89)**
Modifications / Remeasurements / Termination	-	-	-	-	15		-	**15**
At 31 December 2022	**(4)**	**(41)**	**(641)**	**-**	**(214)**	**(4)**	**(164)**	**(1,068)**
Net book amount at 31 December 2022	**71**	**42**	**81**	**1**	**884**	**4**	**81**	**1,164**

During 2021 Prodea Investments S.A., the Bank's main lessor, disposed of certain buildings to a third party, and as a result the Bank, signed new lease agreements related to these buildings with the new landlord. This transaction resulted in the derecognition of these leases with Prodea Investments S.A. and the recognition of new leases. The impact of this transaction with respect to the RoU movement amounts to €139 million and €105 million for the Group and the Bank respectively and is included in Modifications / Remeasurements / Terminations. An amount of €172 million is included in "Additions" with respect to the new RoU assets for the Group and the Bank. For the effect upon the lease liability please see Note 34 "Other Liabilities".

NOTE 27 Deferred tax assets and liabilities

	Group		Bank	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Deferred tax assets:				
Unamortised PSI losses eligible for DTC	1,743	1,834	1,743	1,834
Property and equipment and intangible assets	1	1	-	-
Loan losses eligible for DTC	361	393	361	393
Unamortized debit differences relating to crystalized loan losses eligible for DTC	1,806	1,889	1,806	1,889
Loan losses created after 30 June 2015 non eligible for DTC	724	790	724	790
Unutilised tax amortization of LLP c/f to 20 years (Greek Law 4172/2013 Art.27)	58	-	58	-
Other differences on loans and advances to customers at amortised cost	-	2	-	-
Tax losses	3	3	-	-
Other temporary differences	9	-	-	-
Deferred tax assets	**4,705**	**4,912**	**4,692**	**4,906**

	Group		Bank	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Deferred tax liabilities:				
Property and equipment and intangible assets	5	5	-	-
Loans and advances to customers at amortised cost	8	8	-	-
Other temporary differences	3	2	-	-
Deferred tax liabilities	**16**	**15**	**-**	**-**

Deferred tax charge in the income statement	Group		Bank	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
PSI losses eligible for DTC	(92)	(92)	(92)	(92)
Debit differences relating to crystalized loan losses eligible for DTC	(115)	(106)	(115)	(106)
Loan losses created after 30 June 2015 non eligible for DTC	(66)	198	(66)	198
Unutilised tax amortization of LLP c/f for 20 years (Greek Tax Law 4172/2013 Art.27)	58	-	58	-
Other differences on loans and advances to customers at amortised cost	(1)	(1)	-	-
Other temporary differences	6	(1)	(2)	-
Deferred tax charge in the income statement	**(210)**	**(2)**	**(217)**	**-**
Net deferred tax movement	**(210)**	**(2)**	**(217)**	**-**

On 23 September 2021, with article 125 of Greek Law 4831 / 2021, an amendment was introduced to article 27 of Greek Law 4172/2013. According to this amendment the annual amortization / deduction of the debit difference arising from PSI losses is deducted at a priority over the debit difference arising from realized NPL losses. The amount of annual deduction of the debit difference arising from realized NPL losses is limited to the amount of the profits determined according to the provisions of the tax law as in force before the deduction of such debit differences and after the deduction of the debit difference arising from PSI losses. The remaining amount of annual deduction that has not been offset, is transferred to be utilized in the 20 subsequent tax years, in which there will be sufficient profit after the deduction of the above debit differences (PSI & NPL losses) that correspond to those years. In the order of deduction of the transferred (unutilized) amounts, older balances of debit difference have priority over newer balances. If at the end of the 20-year amortization period, there are balances that have not been offset, these qualify as tax losses which is subject to the 5-year statutes of limitation.

The Group and the Bank believe that the realization of the recognized DTA of €4,705 million and €4,692 million for the Group and the Bank, respectively, at 31 December 2022 is probable based upon expectations of the Group's and the Bank's taxable income in the future.

At 31 December 2022, cumulative Group tax losses amounted to €495 million (31 December 2021: €541 million) and were incurred in 2018 through to 2022. The amount of €391 million (2021: €406 million) relates to the Bank and was incurred in 2018 through to 2022. Management has estimated that tax losses of €30 million for the Group and Nil for the Bank (2021: €29 million and Nil) can be utilised thus a DTA of €4 million and Nil (2021: €3 million and Nil) for the Group and the Bank respectively has been recognised. The unused tax losses amounted to €465 million for the Group and €391 million for the Bank (2021: €512 million and €406 million) and the unrecognised DTA amounted to €125 million and €113 million (2021: €140 million and €118 million) for the Group and the Bank, respectively.

The following table presents the year of expiration of the unused tax losses for the Group and the Bank.

	Group	Bank
Year	31.12.2022	31.12.2022
2023	59	-
2024	196	191
2025	21	-
2026	14	
2027	205	200
	495	**391**

The Group and the Bank have offset the deferred tax assets and deferred tax liabilities on an entity by entity basis based on the legally enforceable right to set off the recognized amounts i.e. offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority.

NOTE 28 Other assets

	Group		Bank	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Accrued interest and commissions	120	179	121	179
Receivables from Greek State	803	894	803	893
Tax prepayments and other recoverable taxes	3	1	1	-
Trade receivables	20	39	8	9
Assets acquired through foreclosure proceedings	408	425	393	418
Prepaid expenses	46	34	30	30
Hellenic Deposit and Investment Guarantee Fund	343	493	343	493
Cheques and credit card transactions under settlement	10	44	6	40
Other	476	562	417	522
Total	**2,229**	**2,671**	**2,122**	**2,584**

Receivables from Greek State of €803 million and €803 million as at 31 December 2022 (31 December 2021: €894 million and €893 million) for the Group and the Bank respectively, mainly include amounts claimed or eligible to be claimed from the Hellenic Republic relating to mortgage loans guaranteed from the Hellenic Republic.

In accordance with article 9 of Greek Law 4370/07.03.2016, the upper coverage level for the amount of deposits guaranteed by the Hellenic Deposit and Investment Guarantee Fund (“HDIGF”) is €100 thousand per client. Accordingly, the contributions paid by credit institutions to HDIGF increased from 2008 onwards.

Greek Law 4370/07.03.2016 article 25 par. 8, 9 and 10 provides that the Supplementary Deposit Cover Fund (“SDCF”), is considered as a distinct group of assets which consists of the annual contributions of the credit institutions, pursuant to paragraph 2 of Article 6 of Greek Law 3714/2008 (A ‘231). The assets of the SDCF are considered to be assets of the SDCF members credit institutions, according to their participation in it and is part of the funds of and subject to management by the HDIGF, for the achievement of its objectives. In accordance with Greek Law 4972/2022, the assets of the SDCF should be refunded to the SDCF members credit institutions in 3 equal annual instalments. In this respect in December 2022, the Bank received the 1st instalment of €143 million.

In accordance with article 13 of Greek Law 4370/2016, HDIGF guarantees up to an amount of €30 thousand per client for investing activities. In 2010, the participating credit institutions paid the first contributions. The said contributions are included in a special reserve which is jointly owned by the credit institutions in proportion to their participation. Each credit institution participating in the Investment Cover Scheme (“ICS”) has an individual share in it. The individual share of each ICS member is proportional to its participation in the assets of the ICS, article 30 of the Greek Law 4370/ 2016.

In accordance with article 36 of Greek Law 4370/2016, the Resolution Scheme (“RS”) assets, as Resolution Fund for credit institutions, are from ordinary contributions paid in advance, extraordinary contributions and alternative means of funding, pursuant to the internal articles 98, 99 and 100 of article 2 of Greek Law 4355/2015. The contributions are determined in accordance with the provisions in force.

Furthermore, according to Regulation (EU) 806/2014, the Bank participates in the Single Resolution Fund (“SRB”), through predetermined regular annual contributions, set by the SRB.

Included in “Other” is an investment in a spot position for emission rights which is carried at fair value through profit or loss for the Group and the Bank of €298 million (31 December 2021: €330 million) as well as an investment in a sublease for the Group and the Bank with a carrying amount of €44 million as at 31 December 2022 (31 December 2021: €45 million).

NOTE 29 Assets and liabilities held for sale and discontinued operations

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

Non-current assets held for sale at 31 December 2022 comprise of Probank Leasing S.A. (part of Project “Pronto”, see below) while at 31 December 2021 comprised of NIC, CAC Coral Ltd and Probank Leasing S.A. Non-current assets held for sale as of 31 December 2022 and 2021 also include loan portfolio contemplated disposals mainly relating to Projects “Frontier II”, Project “Solar” and Project “Pronto”. Profit / (loss) from discontinued operations for the period ended 31 December 2022 and 2021, comprises of NIC and CAC Coral Ltd.

Disposal of subsidiaries

Ethniki Hellenic General Insurance S.A.

On 24 March 2021, NBG’s Board of Directors approved the sale of the 90.01% out of 100% stake in NIC and authorized the Bank’s Management to proceed with the signing of the Share Sale and Purchase Agreement (“SPA”) with CVC Capital Partners (“CVC”) on 26 March 2021. The transaction was approved by the Extraordinary General Meeting of NBG’s Shareholders held on 21 April 2021.

The closing of the transaction took place on 31 March 2022, following the reception of the required supervisory approvals by national and EU authorities, see Note 43 "Acquisitions, disposals and other capital transactions".

CAC Coral Ltd

On 16 October 2020, a sale and purchase agreement was signed with Bain Capital for the sale of a 100% stake in CAC Coral Ltd.

The transaction was concluded on 15 July 2022, after the approval of the competent regulatory authorities, (see Note 43 "Acquisitions, disposals and other capital transactions").

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 Non-Performing Exposures in the form of a rated securitization that will utilize the provisions of Hellenic Asset Protection Scheme ("HAPS"), known as ("Hercules II"). The portfolio includes 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 is estimated to be completed within the 2Q.23, subject to required approvals.

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 €51 million as of the 31 December 2022.

The transaction is estimated to be completed within the 2H.23, 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. In August 2022, the Bank together with the other Greek financial institutions submitted to the Greek Ministry of Finance a joint application for inclusion of the senior notes to be issued in the context of the Solar Securitization in the HAPS scheme.

The transaction is expected to be completed within the 2Q.23, subject to required approvals.

Condensed Income Statement of discontinued operations [1]	Group		Bank	
	12-month period ended		12-month period ended	
€ million	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Net interest income	8	43	-	-
Net fee and commission income	(6)	(13)	-	-
Earned premia net of claims and commissions	52	113	-	-
Net trading income / (loss) and results from investments securities	(4)	18	-	-
Other income	1	6	-	-
Total income	**51**	**167**	**-**	**-**
Operating expenses	(18)	(89)	(2)	-
Credit Provisions and other impairment charges [2]	174	24	(13)	(3)
Profit before tax	**207**	**102**	**(15)**	**(3)**
Tax benefit/(expense)	(7)	(17)	2	-
Profit for the period from discontinued operations	**200**	**85**	**(13)**	**(3)**
Profit on disposal (see Note 43)	30	-	-	-
Total profit for the period from discontinued operations (attributable to NBG equity shareholders)	**230**	**85**	**(13)**	**(3)**

[1] Includes NIC and CAC Coral Ltd.
[2] Credit provisions and other impairment charges refer mainly to remeasurement impairments of NIC.

Cash Flows from discontinued operations	Group		Bank	
	12-month period ended		12-month period ended	
€ million	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Net cash inflows/(outflows) from operating activities	-	131	-	-
Net cash inflows/(outflows) from investing activities	-	(226)	-	-
Net cash inflows/(outflows) from financing activities	-	98	-	-
Net Cash inflows /(outflows)	**-**	**3**	**-**	**-**

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

	Group		Bank	
ASSETS	31.12.2022[(1)]	31.12.2021[(2)]	31.12.2022[(1)]	31.12.2021
Due from banks	-	64	-	-
Financial assets at fair value through profit or loss	-	27	-	-
Loans and advances to customers	494	606	438	497
Investment securities	-	3,245	-	-
Investments in subsidiaries	-	-	3	352
Deferred tax assets	-	17	-	-
Insurance related assets and receivables	-	469	-	-
Other assets	1	57	-	-
Non-current assets held for sale	-	8	-	17
Total assets	**495**	**4,493**	**441**	**866**
LIABILITIES				
Insurance related reserves and liabilities	-	2,575	-	-
Deferred tax liabilities	-	(1)	-	-
Retirement benefit obligations	-	73	-	-
Current income tax liabilities	-	5	-	-
Other liabilities	25	765	-	-
Total liabilities	**25**	**3,417**	**-**	**-**

(1) Includes Probank Leasing S.A.
(2) Includes NIC, Probank Leasing S.A. and CAC Coral Ltd.

NOTE 30 Due to banks

	Group		Bank	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Demand deposits due to credit institutions	73	225	272	258
Time deposits due to credit institutions	165	156	183	295
Interbank deposits	-	3	-	-
Amounts due to ECB and Central Banks	8,100	11,600	8,100	11,600
Securities sold under agreements to repurchase	122	1,239	122	1,239
Margin Accounts	908	989	908	989
Other	443	519	442	519
Total	**9,811**	**14,731**	**10,027**	**14,900**

Targeted Longer-Term Refinancing Operations

The European Central Bank (ECB) launched in 2019 a third series of Targeted Longer-Term Refinancing Operations (TLTRO) with the aim of maintaining favourable credit conditions in the euro area. As in the two previous operations, the level of remuneration of the borrowings depends on the performance of the borrowing banking institutions in terms of loans granted to their household customers (excluding real estate loans) and business customers (excluding financial institutions). Depending on these performances, the borrowing institutions may benefit from a reduced interest rate and an additional temporary bonus applicable over the period from 24 June 2020 to 23 June 2021 (reduction by 50 basis points of the average rate of the deposit facility with a floor rate set at -1%). These TLTRO III operations are conducted on a quarterly basis between September 2019 and December 2021, for a possible total of 10 drawdowns. Each such operation has a three-year maturity and includes an early repayment option. Some terms and conditions were modified in March 2020, in particular the loan production objectives, rate conditions and drawdown limit, in order to further support the granting of loans in the face of the emergence of the COVID-19 crisis.

In January 2021, the ECB decided to extend the temporary additional bonus rate over the period from 24 June 2021 to 23 June 2022 subject to performance in terms of number of granted loans observed over a new reference period from 1 October 2020 to 31 December 2021. Once the Group has reasonable assurance of being eligible for the bonus rate (i.e., -1%) provided for, that rate is used to determine the amount of interest recognised in the Income Statement for the TLTRO loans.

In accordance with Decision (EU) 2021/124 of the ECB of 29 January 2021 amending Decision (EU) 2019/1311 on TLTROs-III (ECB/2021/3), the applicable interest rate before and after the two special interest rate periods ranging from 24 June 2020 until 23 June 2022, is linked to the deposit facility rate or the rate on the main refinancing operations over the entire life of the respective operation.

However, the rapid and unexpected rise in inflation to levels that are unprecedented since the introduction of the euro, mainly due to unexpectedly high energy costs and supply deficiencies and the substantial upward revision in the outlook for medium-term inflation since the end of 2021, called for a fundamental reassessment of the appropriate monetary policy stance.

On 27 October 2022, the Governing Council decided to adopt additional monetary policy measures aiming to ensure the timely return of inflation to the ECB's 2 % medium-term target. As part of this decision, the Governing Council decided that the interest rate to be applied to each respective outstanding TLTRO-III should be calculated as follows: starting from 23 November 2022 and until the maturity date or early repayment date of each respective outstanding TLTRO-III, the interest rate should be indexed to the average applicable key ECB interest rates over this period, as opposed to the life of each respective TLTRO-III, in order to contribute to the overall monetary policy normalisation process.

Therefore, in accordance with Decision (EU) 2022/2128 of the ECB of 27 October 2022 amending Decision (EU) 2019/1311 on TLTROs-III, (ECB/2019/21) (ECB/2022/37), the interest rates applicable to NBG under TLTROs are as follows:

- Based on the granting of loans for the years 2020 and 2021, the Group has achieved the lending objectives and is eligible to consequently benefit from the bonus rate (i.e., -1%). Therefore, during the two special interest rate periods i.e. from 24 June 2020 to 23 June 2022, the interest rate is -1%
- During the period before 24 June 2020 and after 23 June 2022 and up to 22 November 2022, the interest rate is the average deposit facility rate over that period
- During the period after 23 November 2022 until maturity of the respective TLTRO, the interest rate is the average deposit facility rate over that period.

The Group participated in TLTRO III operations and in 2022 the bank partially repaid €2.0 billion out of the €8.3 billion tranche maturing in June 2023 and repaid the €1.5 billion tranche due to its maturity in December 2022. Therefore, as at 31 December 2022 and 31 December 2021 the total TLTRO liability outstanding amounted to €8.1 billion and €11.6 billion, respectively and are presented under "Due to Banks - Amounts due to ECB and Central Banks".

Interest income recorded in 2022 and 2021 in respect of these transactions and accrued at the bonus rate is presented in Net Interest Income under "Amounts due from banks" (see Note 6: "Net Interest Income") and amounted to €19 million and €113 million respectively.

NOTE 31 Due to customers

	Group		Bank	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Deposits:				
Individuals	42,122	39,835	40,692	38,333
Corporate	11,187	11,912	11,133	12,156
Government and agencies	1,883	1,746	1,879	1,739
Total	**55,192**	**53,493**	**53,704**	**52,228**

	Group		Bank	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Deposits:				
Savings accounts	31,333	28,957	31,050	28,667
Current & Sight accounts	14,770	15,311	14,130	15,033
Time deposits	7,177	7,971	6,625	7,293
Other deposits	1,912	1,254	1,899	1,235
Total	**55,192**	**53,493**	**53,704**	**52,228**

Included in time deposits are deposits which contain one or more embedded derivatives. The Group has designated such deposits as financial liabilities at fair value through profit or loss. As at 31 December 2022, these deposits amounted to €608 million (31 December 2021: €467 million).

In accordance with Greek Law 4151/2013, all dormant deposit accounts are subject to statute of limitations of 20 years in favour of the Greek State. All banks operating in Greece are required by April of every year to remit the cash balances of such dormant accounts to the Greek State. The Bank until 31 December 2022 had remitted to the Greek State NIL in respect of dormant account balances (2021: NIL).

NOTE 32 Debt securities in issue

	Group			Bank		
	Weighted Interest rate	31.12.2022	31.12.2021	Weighted Interest rate	31.12.2022	31.12.2021
Fixed rate notes	6.31%	1,731	912	6.31%	1,731	912
Total		**1,731**	**912**		**1,731**	**912**

The movement of debt securities in issue is summarised as follows:

	Group		Bank	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Balance at 1 January	**912**	**910**	**912**	910
Additions within the period	883	-	883	-
Sold / (Buy) Backs	(22)	-	(22)	-
Accruals	6	-	6	-
Amortisation of premiums / discounts	(9)	2	(9)	2
Foreign exchange differences	(7)	-	(7)	-
Other	(32)	-	(32)	-
Balance at 31 December	**1,731**	**912**	**1,731**	**912**

In 2022, additions include the Bank's issuance of €500 million, €150 million and GBP 200 million (€233 million in Euro) Fixed Rate Resettable Unsubordinated MREL Notes (see below for the main terms).

Sold / (Buy) Backs as at 31 December 2022, include the retained amounts by the Bank of total €22 million (€17 million Fixed Rate Resettable Unsubordinated MREL Note (denominated in GBP) and €5 million Green Fixed Rate Resettable Unsubordinated MREL Note).

The main financial terms of debt securities in issue as at 31 December 2022, are as follows:

Issuer	Type	Issue date	Maturity date	Call date	Currency	Outstanding Nominal amount	Own held by the Group (nominal amount)	Interest rate
Fixed rate notes								
NBG	Tier II Notes-Global Medium Term Note Program	18 July 2019	18 July 2029	18 July 2024	EUR	400	-	Paid annually at a fixed coupon rate of 8.25%
NBG	Green Fixed Rate Resettable Unsubordinated MREL Note	8 October 2020	8 October 2026	8 October 2025	EUR	500	5	Paid annually at a fixed coupon rate of 2.75%
NBG	Fixed Rate Resettable Unsubordinated MREL Note	22 November 2022	22 November 2027	22 November 2026	EUR	500	-	Paid annually at a fixed coupon rate of 7.25%
NBG	Fixed Rate Resettable Unsubordinated MREL Note	25 November 2022	25 May 2025	25 May 2024	EUR	150	-	Paid annually at a fixed coupon rate of 6%
NBG	Fixed Rate Resettable Unsubordinated MREL Note	2 December 2022	2 June 2027	2 June 2026	GBP	200	15	Paid annually at a fixed coupon rate of 8.75%

For NBG's Covered Bonds issued under Programs I and II see *Note 21 "Loans and advances to customers"*.

NOTE 33 Other borrowed funds

	Group		Bank	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Loans-fixed rate	31	27	-	-
Loans-floating rate	32	52	-	-
Total	**63**	**79**	**-**	**-**

The movement of other borrowed funds is summarised as follows:

	Group		Bank	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Balance at 1 January	**79**	**60**	**-**	**-**
Additions within the period	24	19	-	-
Disposals (sales and redemptions) within the period	(40)	-	-	-
Balance at 31 December	**63**	**79**	**-**	**-**

In 2022, the additions include mainly the issuance of €20 million new floating rate borrowings from Ethniki Factors S.A., while disposals include the redemption of €40 million floating rate borrowings from Ethniki Factors S.A.

In 2021, the additions include the issuance of €19 million new fixed rate borrowings from Stopanska Banka A.D.

NOTE 34 Other liabilities

	Group		Bank	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Accrued interest and commissions	8	3	8	3
Creditors and suppliers	277	240	134	141
Amounts due to government agencies	31	30	31	30
Collections for third parties	638	154	638	154
Other provisions	176	198	162	202
Taxes payable - other than income taxes	28	26	35	31
Accrued expenses and deferred income	131	125	126	120
Payroll related accruals	31	34	29	33
Unsettled transactions on debt securities	7	3	7	3
Lease Liability	1,155	1,239	1,004	1,058
Other	145	198	128	181
Total	**2,627**	**2,250**	**2,302**	**1,956**

The movement of lease liability for the Group and the Bank may be summarised as follows:

	Group		Bank	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
At 1 January	**1,239**	**1,248**	**1,058**	**1,016**
Additions	5	180	6	182
Modifications / Remeasurements / Termination	(28)	(131)	(10)	(94)
Interest Expense	23	25	36	39
Lease payments during the year	(84)	(83)	(86)	(85)
Balance at 31 December	**1,155**	**1,239**	**1,004**	**1,058**

Lease liability

The lease liability amounted to €1,155 million and €1,004 million as at 31 December 2022 (31 December 2021: €1,239 million and €1,058 million) for the Group and the Bank respectively and was discounted at a weighted average discount rate of 1.91% and 3.51% (2021: 1.94% and 3.63%) for the Group and the Bank respectively. During 2021 Prodea Investments S.A., the Bank's main lessor, disposed of certain buildings to a third party, and as a result the Bank signed new lease agreements related to these buildings with the new landlord. This transaction resulted in the derecognition of lease liabilities with Prodea Investments S.A., in the amount of €142 million and €110 million for the Group and the Bank respectively which are included in Modifications / Remeasurements / Termination in the above table in 2021. The Group and the Bank recognised new lease liabilities in the amount of €172 million which are included in the line "Additions" in the above table in 2021.

Extension options

The Bank leases a number of buildings that have extension options that are exercisable solely at the option of the Bank. These are used to maximize operational flexibility in terms of managing the assets used in the Bank's operations. These leases have a weighted average non-cancellable period of 16 years and an additional weighted average maximum extension period exercisable at the option of the Bank of 10 years (excluding the flexibility and cancelation mechanism described below). The current estimated period of lease contracts to be extended on a weighted average basis is approximately 4 years (31 December 2021: 4.6 years) since the Bank only reasonably expects to exercise this option on strategic properties.

Flexibility and Cancelation mechanisms

The flexibility mechanism allows the Bank to terminate leases with Prodea Investments annually up to 0.83% of the Total Base Rent "TBR". The Bank has the right to roll over any unused percentages of the TBR to subsequent lease years for a maximum of three years for each annual unused percentage. No lease can be terminated for some of the leased space and remain in effect for the remainder.

The cancellation mechanism gives the Bank the right to terminate specific leases with Prodea Investments after 2028 and until their maturity, as long as the leases terminated do not exceed 65% of the TBR including all leases that have already been terminated with the procedure described in the preceding paragraph.

As of 31 December 2022 the percentage of the lease liability that is eligible for the flexibility and the cancelation mechanism amounted to 73% and 69% (2021: 72% and 69%) for the Group and the Bank respectively.

Other Provisions

The movement of other provisions for the Group and the Bank may be summarised as follows:

	Group							
	2022				2021			
	Litigation	LGs and LCs	Other	Total	Litigation	LGs and LCs	Other	Total
Balance at 1 January	**65**	**54**	**79**	**198**	**54**	**56**	**69**	**179**
Provisions utilized during the year	(44)	-	(80)	**(124)**	(1)	-	(64)	**(65)**
Provisions charged/ (released) to income statement during the year	10	(3)	98	**105**	12	(2)	74	**84**
Foreign exchange differences	(1)	-	(2)	**(3)**	-	-	-	-
Balance at 31 December	**30**	**51**	**95**	**176**	**65**	**54**	**79**	**198**

	Bank							
	2022				2021			
	Litigation	LGs and LCs	Other	Total	Litigation	LGs and LCs	Other	Total
Balance at 1 January	50	77	75	**202**	**41**	**105**	**56**	**202**
Provisions utilized during the year	(39)	(23)	(6)	**(68)**	(1)	(26)	(65)	**(92)**
Provisions charged/ (released) to income statement during the year	8	(4)	26	**30**	10	(2)	84	**92**
Foreign exchange differences	-	-	(2)	(2)	-	-	-	-
Balance at 31 December	**19**	**50**	**93**	**162**	**50**	**77**	**75**	**202**

Provisions for letters of guarantee (LGs) and letters of credit (LCs) relate to the credit related commitments disclosed in Note 35 "Contingent liabilities, pledged, transfers of financial assets and commitments" and in Note 4.2.13 "Credit risk concentration of loans and advances to customers at amortised cost and credit related commitments". As at 31 December 2022, provisions of €5 million relate to LGs and LCs classified in Stage 1 for the Group and the Bank (31 December 2021: €3 million for the Group and €26 million for the Bank), €7 million relate to LGs and LCs classified in Stage 2 for the Group and the Bank (31 December 2021: €4 million for the Group and the Bank) and €39 million relate to LGs and LCs classified in Stage 3 for the Group and €38 million for the Bank (31 December 2021: €47 million for the Group and the Bank).

NOTE 35 Contingent liabilities, pledged assets and commitments

a. Legal proceedings

The Bank and certain of its subsidiaries are defendants in certain claims and legal actions and proceedings arising in the ordinary course of business. These actions and proceedings are generally based on alleged violations of consumer protection, banking, employment and other laws. None of these actions and proceedings is individually material. The Group establishes provisions for all litigations, for which it believes it is probable that a loss will be incurred and the amount of the loss can be reasonably estimated. These provisions may change from time to time, as appropriate, in light of additional information. For the cases for which a provision has not been recognized, management is not able to reasonably estimate possible losses, since the proceedings may last for many years, many of the proceedings are in early stages, there is uncertainty as to the likelihood of the final result, there is uncertainty as to the outcome of pending appeals and there are significant issues to be resolved. However, in the opinion of management, after consultation with legal counsel, the final outcome of these matters is not expected to have a material adverse effect on the Group's Statement of Financial Position, Income Statement and Cash Flow Statement, taking into account that as at 31 December 2022 the Group and the Bank have provided for cases under litigation the amount of €30 million and €19 million respectively (31 December 2021: €65 million and €50 million respectively).

b. Pending tax audits

Tax authorities have not yet audited all subsidiaries for certain financial years and accordingly their tax obligations for those years may not be considered final. Additional taxes and penalties may be imposed as a result of such tax audits; although the amount cannot be determined, it is not expected to have a material effect on the Group's and the Bank's Statement of Financial Position.

The years 2011-2016 have been tax audited by Deloitte Certified Public Accountants S.A., in accordance with article 82 of Greek Law 2238/1994 and subsequently with article 65A of Greek Law 4174/2013 and the tax audit certificates which were unqualified, were issued on 27 July 2012, 27 September 2013, 10 July 2014, 30 October 2015, 30 September 2016 and 23 October 2017 respectively. The years 2017, 2018, 2019, 2020 and 2021 have been tax audited by PwC S.A. and the tax certificates, which were unqualified, were issued on 26 October 2018, 31 October 2019, 27 October 2020, 27 October 2021 and 27 October 2022, respectively. The year 2022 will be tax audited by PwC S.A., however it is not expected to have a material effect on the Group and the Bank's Statement of Financial Position.

On 31 December 2022, the right of the tax authorities to issue a deed for re-calculation of income tax for the years up to and including year 2016 expired. For the years 2017 onwards, in accordance with the Ministerial Decision 1006/2016 there is no exception from tax audit by the tax authorities for those entities that have been tax audited by an independent auditor who has issued an unqualified tax audit certificate.

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

For the subsidiaries and associates regarding unaudited tax years refer to Note 44 "Group companies" and Note 24 "Equity method investments", respectively.

c. Credit commitments

In the normal course of business, the Group enters into contractual commitments on behalf of its customers and is a party to financial instruments with off-balance sheet risk to meet the financing needs of its customers. These contractual commitments consist of commitments to extend credit, commercial letters of credit and standby letters of credit and guarantees. Commitments to extend credit are agreements to lend to a customer as long as there is no violation of the conditions established in the contract. Commercial letters of credit ensure payment by the Bank to a third party for a customer's foreign or domestic trade transactions, generally to finance a commercial contract for the shipment of goods. Standby letters of credit and financial guarantees are conditional commitments issued by the Group to guarantee the performance of a customer to a third party. All of these arrangements are related to the normal lending activities of the Group. The Group's exposure to credit loss in the event of non-performance by the other party to the financial instrument for commitments to extend credit, commercial and standby letters of credit is represented by the contractual nominal amount of those instruments. The Group uses the same credit policies in making commitments and conditional obligations as it does for on-balance sheet instruments.

	Group		Bank	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Standby letters of credit and financial guarantees written	4,657	2,960	4,907	3,224
Commercial letters of credit	1,049	1,019	1,048	1,017
Total credit related commitments (Note 4.2.13)	**5,706**	**3,979**	**5,955**	**4,241**

In addition to the above, credit commitments also include commitments to extend credit which at 31 December 2022 amounted to €13,504 million for the Group (31 December 2021: €9,225 million) and to €12,414 million for the Bank (31 December 2021: €8,242 million). Commitments to extend credit at 31 December 2022 relate to revocable commitments, as they do not include any amounts which cannot be cancelled without certain conditions being met at any time and without notice, or for which automatic cancellation due to credit deterioration of the borrower is not allowed.

In relation to the credit quality of the credit related commitments, a breakdown by range of probability of default and by stage for the Group and the Bank is summarized below:

As at 31 December 2022	Group				Bank			
12-month PD	Stage 1	Stage 2	Credit impaired	**Total**	Stage 1	Stage 2	Credit impaired	**Total**
0.01% - 2%	4,344	145	-	**4,489**	4,613	141	-	**4,754**
2.01% - 10%	986	71	-	**1,057**	983	71	-	**1,054**
10.01% - 20%	20	26	-	**46**	20	26	-	**46**
Over 20.01%	-	29	85	**114**	-	29	72	**101**
Credit related commitments	**5,350**	**271**	**85**	**5,706**	**5,616**	**267**	**72**	**5,955**

As at 31 December 2021	Group				Bank			
12-month PD	Stage 1	Stage 2	Credit impaired	**Total**	Stage 1	Stage 2	Credit impaired	**Total**
0.01% - 2%	3,071	148	-	**3,219**	3,356	129	-	**3,485**
2.01% - 10%	607	24	-	**631**	604	23	-	**627**
10.01% - 20%	1	12	-	**13**	1	12	-	**13**
Over 20.01%	3	20	93	**116**	3	20	93	**116**
Credit related commitments	**3,682**	**204**	**93**	**3,979**	**3,964**	**184**	**93**	**4,241**

d. Assets pledged

	Group		Bank	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Assets pledged as collateral	**10,956**	**16,256**	**10,956**	**16,203**

As at 31 December 2022, the Group and the Bank have pledged mainly for funding purposes with the ECB and financial institutions, the following instruments:

- trading and investment debt instruments of €3,505 million (31 December 2021: €8,824 million);
- loans and advances to customers at amortised cost amounting to €5,751 million (31 December 2021: €5,787 million); and
- covered bonds of a nominal value of €1,700 million backed with mortgage loans of total value of €3,217 million (31 December 2021: €1,645 million backed with mortgage loans of total value of €3,372 million).

In addition to the pledged items presented above, as at 31 December 2022, the Group and the Bank have pledged an amount of €312 million (31 December 2021: €313 million) included in due from banks with respect to a guarantee for the non-payment risk of the Hellenic Republic, as well as Hellenic Republic Treasury bills of €443 million (31 December 2021: €664 million) for trade finance transactions.

e. Transferred financial assets

As at 31 December 2022 and 2021 the carrying amount of transferred financial assets, which have been transferred but are subject to continued recognition in full and the associated recognized liabilities are presented in the tables below.

	Group		Bank	
	Carrying amount of transferred assets	Carrying amount of associated liabilities	Carrying amount of transferred assets	Carrying amount of associated liabilities
	31.12.2022			
Amounts due to Eurosystem				
Trading and investment securities	2,982	2,662	2,982	2,662
Loans and advances to customers at amortised cost	5,751	3,940	5,751	3,940
Securities sold under agreements to repurchase				
Trading and investment securities	136	122	136	122
Other				
Trading and investment securities	831	-	831	-
Total	**9,700**	**6,724**	**9,700**	**6,724**

	Group		Bank	
	Carrying amount of transferred assets	Carrying amount of associated liabilities	Carrying amount of transferred assets	Carrying amount of associated liabilities
	31.12.2021			
Amounts due to Eurosystem				
Trading and investment securities	7,101	6,248	7,101	6,248
Loans and advances to customers at amortised cost	5,787	3,845	5,787	3,845
Securities sold under agreements to repurchase				
Trading and investment securities	1,313	1,275	1,259	1,238
Other				
Trading and investment securities	1,074	-	1,074	-
Total	**15,275**	**11,368**	**15,221**	**11,331**

Transactions whereby financial assets are transferred, but continue to be recognized in their entirety on the Group's Statement of Financial Position relate to Eurosystem funding under the general terms applying to such agreements and securities sold under agreements to repurchase (see Note 2.13 "Sale and repurchase agreements" and Note 30 "Due to banks"), which, in general, are conducted under standard market agreements. With respect to Eurosystem funding, a haircut is generally applied to the collateral, which results in the associated liabilities having a carrying value less than the carrying value of the transferred assets. As a result of these transactions, the Group and the Bank are unable to use, sell or pledge the transferred assets for the duration of the transaction. The Group and the Bank remain exposed to interest rate risk and credit risk on these pledged instruments. The counterparty's recourse is not limited to the transferred assets.

NOTE 36 Share capital, share premium and treasury shares

Share Capital – Ordinary Shares

The total number of ordinary shares as at 31 December 2022 and 31 December 2021 was 914,715,153, with a nominal value of 1.00 Euro per share.

On 28 July 2022, the Annual General Meeting of the Bank's shareholders decided, the offsetting of (a) the special reserve of article 31, par. 2, L.4548/ 2018 (former special reserve of article 4, par. 4a, L.2190/1920) of €5,014 million and (b) part of the share premium account of €10,324 million with accumulated accounting losses €15,338 million, according to articles 31 par. 2 and 35 par. 3 of L.4548/2018, as in force. The offsetting of the special reserve and the share premium with the accumulated accounting losses serves the purpose of rationalizing the accounting and regulatory equity of the Bank and the Group and facilitating potential future dividends distribution. On 8 September 2022, the offsetting was approved by the regulatory authorities.

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

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

Treasury shares

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

	Group	
	No of shares	€ million
At 1 January 2021	**335,818**	**1**
Purchases	6,274,150	15
Sales	(6,572,455)	(16)
At 31 December 2021	**37,513**	**-**
Purchases	4,402,533	14
Sales	(4,440,046)	(14)
At 31 December 2022	**-**	**-**

NOTE 37 Tax effects relating to other comprehensive income / (expense) for the period

Group	12-month period ended 31.12.2022			12-month period ended 31.12.2021		
	Gross	Tax	Net	Gross	Tax	Net
Items that may be reclassified subsequently to profit or loss:						
Unrealised gains / (losses) on investments in available-for-sale for the period	(218)	35	(183)	(92)	28	(64)
Reclassification adjustments on investments in available-for-sale included in the income statement	(35)	8	(27)	(28)	3	(25)
Impairment loss recognized on investments in available-for-sale	2	-	2	1	-	1
Unrealised gains / (losses) on investments in debt instruments measured at FVTOCI	(298)	-	(298)	(43)	-	(43)
Losses / (Gains) on investments in debt instruments measured at FVTOCI reclassified to profit or loss on disposal	84	-	84	(98)	-	(98)
ECL impairment recognised to profit or loss	2	-	2	(4)	-	(4)
Gain reclassified to income statement on disposal of NIC	(38)	-	(38)	-	-	-
Investments in debt instruments	**(501)**	**43**	**(458)**	**(264)**	**31**	**(233)**
Currency translation differences	(129)	-	(129)	10	-	10
Loss reclassified to income statement on disposal of NIC	4	-	4	-	-	-
Currency translation differences	**(125)**	**-**	**(125)**	**10**	**-**	**10**
Cash flow hedge	**18**	**-**	**18**	**22**	**-**	**22**
Net investment hedge	**110**	**-**	**110**	**-**	**-**	**-**
Total of items that may be reclassified subsequently to profit or loss	**(498)**	**43**	**(455)**	**(232)**	**31**	**(201)**
Items that will not be reclassified subsequently to profit or loss:						
Gains / (losses) on investments in equity instruments measured at FVTOCI	1	-	1	10	-	10
(Gains)/losses on investments in equity instruments designated as at FVTOCI transferred to retained earnings upon disposal	(11)	-	(11)	1	-	1
Remeasurement of the net defined benefit liability / asset	35	-	35	9		9
Remeasurement of the net defined benefit liability / asset on disposal of NIC	9	-	9	-		-
Total of items that will not be reclassified subsequently to profit or loss	**34**	**-**	**34**	**20**	**-**	**20**
Other comprehensive income / (expense) for the period	**(464)**	**43**	**(421)**	**(212)**	**31**	**(181)**

Bank	12month period ended 31.12.2022			12month period ended 31.12.2021		
	Gross	Tax	Net	Gross	Tax	Net
Items that may be reclassified subsequently to profit or loss:						
Unrealised gains / (losses) on investments in debt instruments measured at FVTOCI	(297)	-	(297)	(43)	-	(43)
(Gains) / losses on investments in debt instruments measured at FVTOCI reclassified to profit or loss on disposal	84	-	84	(97)	-	(97)
ECL impairment recognised to profit or loss	2	-	2	(5)	-	(5)
Investments in debt instruments	**(211)**	**-**	**(211)**	**(145)**	**-**	**(145)**
Currency translation differences	**(13)**	**-**	**(13)**	**1**	**-**	**1**
Cash flow hedge	**18**	**-**	**18**	**22**	**-**	**22**
Total of items that may be reclassified subsequently to profit or loss	**(206)**	**-**	**(206)**	**(122)**	**-**	**(122)**
Items that will not be reclassified subsequently to profit or loss:						
Gains / (losses) on investments in equity instruments measured at FVTOCI	-	-	-	9	-	9
(Gains)/losses on investments in equity instruments designated as at FVTOCI transferred to retained earnings upon disposal	(11)	-	(11)	1	-	1
Remeasurement of the net defined benefit liability / asset	35	-	35	10	-	10
Total of items that will not be reclassified subsequently to profit or loss	**24**	**-**	**24**	**20**	**-**	**20**
Other comprehensive income / (expense) for the period	**(182)**	**-**	**(182)**	**(102)**	**-**	**(102)**

NOTE 38 Reserves & retained earnings

	Group		Bank	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Statutory reserve	310	310	297	297
Investments in debt and equity instruments reserve	(273)	(52)	(281)	(59)
Defined benefit obligations	(155)	(190)	(154)	(189)
Currency translation differences reserve	(56)	73	(64)	(51)
Other reserves and retained losses	2,169	(9,405)	1,631	(9,535)
Total	**1,995**	**(9,264)**	**1,429**	**(9,537)**

The Group's and the Bank's other reserves and retained earnings / (losses), which as of 31 December 2022 amounted to €2,169 million and €1,631 million from other reserves and retained (losses) €(9,405) million and €(9,535) million, respectively for 31 December 2021, include the offsetting of the special reserve and the share premium with the accumulated accounting losses (see NOTE 36 "Share capital, share premium and treasury shares") .

The movement on the investment in debt instruments reserve is as follows:

	Group		Bank	
	2022	2021	2022	2021
At 1 January	**(52)**	**82**	**(59)**	**76**
Net gains / (losses) on investments in debt instruments measured at FVTOCI	(298)	(43)	(297)	(44)
Net (gains) / losses on investments in debt instruments measured at FVTOCI reclassified to profit or loss on disposal	84	(97)	84	(97)
Impairment loss recognized on investments in debt instruments classified at FVTOCI	2	(5)	2	(5)
Net gains / (losses) in equity instruments designated at FV measured at FVTOCI	2	10	-	10
Reclassification to retained earnings due to disposal of equity secs measured at FVTOCI	(11)	1	(11)	1
At 31 December	**(273)**	**(52)**	**(281)**	**(59)**

NOTE 39 Non controlling interests

	Group 2022	Group 2021
At 1 January	**22**	**20**
(Acquisitions) /disposals	(1)	-
Share of net profit of subsidiaries	2	2
At 31 December	**23**	**22**

NOTE 40 Dividends

Greek Law 4548/2018 active from 1 January 2019, on Greek companies imposes restrictions regarding the dividend distribution. Specifically, the laws states that no distribution to the shareholders can take place, if, on the day on which the last financial year ends, the total shareholders' equity, is or, following this distribution, will be, lower than the amount of the share capital increased by the reserves the distribution of which is forbidden by law or the Articles of Association, credit balances in equity (i.e. OCI) the distribution of which is not allowed and any unrealised gains of the year. Such share capital amount is reduced by the amount for which payment has not yet been called.

In addition, the law states that any distributable amount shall not exceed the profit of the last financial year on an unconsolidated basis net of tax, plus retained earnings and reserves the distribution of which is allowed and has been approved by the General Meeting, less any unrealised gains of the year, any losses carried forward and any amounts required by law or its Articles of Association to be allocated towards the formation of reserves.

Due to the above restrictions, there were no distributable funds available by the end of 2021, therefore the Annual General Meeting of the Bank's shareholders held on 28 July 2022 took no decision on dividend distribution.

With regards to the dividend distribution out of the 2022 profits, the Bank's Board of Directors will assess its proposal to the Bank's Annual Shareholders General Meeting of 2023 on the basis of the ongoing discussions with the supervisory authorities.

Furthermore, pursuant to the Hellenic Financial Stability Fund ("HFSF") Law, and in line with the provisions of the Relationship Framework Agreement with the HFSF, the HFSF's representative who sits on the Board of Directors has a veto right over decisions regarding the distribution of dividends.

NOTE 41 Cash and cash equivalents

	Group		Bank	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Cash and balances with central banks	14,110	15,674	13,956	15,536
Due from banks	3,545	351	3,514	223
Trading securities	7	1	7	1
Investment securities	63	79	33	50
Total	**17,725**	**16,105**	**17,510**	**15,810**

For the year ended 31 December 2021, "Due from banks" of the Group include €19 million, relating to subsidiaries classified as Held for Sale.

NOTE 42 Related party transactions

The nature of the significant transactions entered into by the Group with related parties during the 12-month period ended 31 December 2022 and 31 December 2021 and the significant balances outstanding as at 31 December 2022 and 31 December 2021 are presented below.

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

The Group and the Bank entered into transactions with the members of the Board of Directors, the General Managers and the members of the Executive Committees of the Bank, the key management of other Group companies, as well as with the close members of family and entities controlled or jointly controlled by those persons.

All loans granted to related parties (i) were made in the ordinary course of business, (ii) were made on substantially the same terms, including interest rates and collaterals, as those prevailing at the time for comparable transactions with other persons, and (iii) did not involve more than the normal risk of collectability or present other unfavourable features.

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

As at 31 December 2022, loans and advances to customers, deposits/liabilities and letters of guarantee, at Group level, amounted to €4 million, €7 million and NIL respectively (31 December 2021: €4 million, €5 million and NIL respectively), whereas the corresponding figures for the Bank amounted to €4 million, €6 million and NIL respectively (31 December 2021: €4 million, €4 million and NIL respectively).

Total compensation to key management for the period ended 31 December 2022, amounted to €9 million for the Group (31 December 2021: €9 million) and to €8 million for the Bank (31 December 2021: €8 million), mainly relating to short-term benefits, in particular salaries and social security contributions.

b. Transactions with subsidiaries, associates and joint ventures

Transactions and balances between the Bank, its subsidiaries, associates and joint ventures are presented at the table below. At a Group level, only transactions and balances with associates and joint ventures are included, as transactions and balances with subsidiaries are eliminated on consolidation.

	Group	
	31.12.2022	31.12.2021
Assets	15	5
Liabilities	23	17
Letters of guarantee, contingent liabilities and other off balance sheet accounts	3	2

	12 month period ended	
	31.12.2022	31.12.2021
Interest, commission and other income	-	-
Interest, commission and other expense	2	3

	Bank					
	31.12.2022			31.12.2021		
	Subsidiaries	Associates & Joint Ventures	Total	Subsidiaries	Associates & Joint Ventures	Total
Assets	1,318	6	1,324	1,367	5	1,372
Liabilities	560	23	583	1,221	17	1,238
Letters of guarantee, contingent liabilities and other off balance sheet accounts	569	3	572	516	2	518
	12 month period ended 31.12.2022			12 month period ended 31.12.2021		
Interest, commission and other income	46	-	46	55	-	55
Interest, commission and other expense	8	2	10	13	3	16

c. Transactions with other related parties

The total receivables of both, the Group and the Bank, from the employee benefits related funds as at 31 December 2022, amounted to €746 million (31 December 2021: €747 million). For these receivables the Group and the Bank recognized a provision of €739 million (31 December 2021: €739 million).

The total payables of both the Group and the Bank, to the employee benefits related funds as at 31 December 2022, amounted to €41 million (31 December 2021: €112 million and €32 million respectively). The decrease of total payables is due to the disposal of Ethniki Hellenic General Insurance S.A, and its related employee benefits funds which was completed on 31 March 2022.

d. Transactions with Hellenic Financial Stability Fund

Taking into consideration the Hellenic Financial Stability Fund ("HFSF") Law, the Relationship Framework Agreement ("RFA") between the Bank and the HFSF that was signed in December 2015, the fact that the HFSF holds 40.39% of the Bank's ordinary shares and that the HFSF has representation in the Bank's Board of Directors and other Board Committees of the Bank, the HFSF is considered a related party of the Group. Other than the ordinary shares issued by the Bank and held by the HFSF, no material transactions or balances exist with the HFSF.

NOTE 43 Acquisitions, disposals and other capital transactions

Sale of Ethniki Hellenic General Insurance S.A.

On 24 March 2021, the Bank's Board of Directors approved the sale of the 90.01% out of 100.00% stake in NIC and authorized the Bank's Management to proceed with the signing of the SPA with CVC on 26 March 2021.

On 31 March 2022, the Bank lost control of NIC and proceeded with the derecognition of its assets and liabilities due to the fact that at that date all the conditions agreed between NBG and CVC were fulfilled. The consideration, less costs to sell plus the fair value of investment retained in NIC, amounted to €314 million.

	As at 31 March 2022
Assets	
Due from banks	93
Financial assets at FVTPL	25
Loans and advances to customers	16
Investment securities	3,031
Deferred tax assets	53
Insurance related assets and receivables	702
Other assets	114
Total assets	4,034
Liabilities	
Debt securities in issue	175
Retirement benefit obligations	66
Insurance related liabilities	2,905
Other liabilities	573
Total liabilities	3,719
Net Assets derecognized	315

Gain on disposal of NIC

	As at 31 March 2022
Consideration less costs to sell	288
Fair value of 9.99% investment retained in NIC	26
Net assets derecognized	(315)
Non-controlling interests	1
Cumulative exchange loss in respect of the net assets of NIC reclassified from equity to profit or loss	(4)
Cumulative gain on financial assets measured at FVTOCI in NIC reclassified from equity to profit or loss	38
Gain on disposal	**34**

The gain on disposal of €34 million at Group level is included in the profit/(loss) for the period from discontinued operations (see Note 29 "*Assets and liabilities held for sale and discontinued operations*").

Net cash inflow on disposal of NIC amounted to €142 million.

Sale of CAC Coral Ltd

On 16 October 2020, a sale and purchase agreement was signed with Bain Capital for the sale of a 100% stake in CAC Coral Ltd, which contains a portfolio of non-performing corporate, SME and consumer and mortgage loans.

On 15 July 2022, the transaction was concluded, after approval of the competent regulatory authorities. The consideration less costs to sell amounted to €73 million.

	As at 15 July 2022
Assets	
Due from banks	1
Loans and advances to customers	77
Total assets	**78**
Liabilities	
Other borrowed funds	70
Other liabilities	1
Total liabilities	**71**
Net Assets derecognized	**7**

Loss on disposal of CAC Coral Ltd

	As at 15 July 2022
Consideration less costs to sell	73
Net assets derecognized	(7)
Transfer of loan to Bain Capital	(70)
Loss on disposal	**(4)**

The loss on disposal of €4 million at Group level is included in the profit/(loss) for the period from discontinued operations (see Note 29 "*Assets and liabilities held for sale and discontinued operations*").

Net cash inflow on disposal of CAC Coral Ltd amounted to €72 million.

Spin-off of NBG's Merchant Acquiring Business and sale of 51% of NBG Pay SA's share capital to EVO Payments, Inc

On 17 December 2021 NBG announced that it has entered into a long-term strategic marketing alliance with the EVO Payments, Inc. ("EVO"), a leading global provider of payment technology integrations and acquiring solutions, to provide merchant acquiring and payment processing services.

Under the terms of the agreement, NBG and EVO will form a merchant acquiring joint venture. NBG will spin off its merchant acquiring business into a new entity called NBG Pay S.A., and EVO will acquire a 51% interest in this entity. This transaction includes a marketing alliance whereby NBG will exclusively refer customers to the joint venture, and EVO will manage the joint venture and provide its market leading card acceptance solutions through its proprietary products and processing platforms. EVO has agreed to pay €158 million for its ownership interest in the joint venture. Under the joint venture agreement, the parties will have joint control and rights to the net assets of the joint venture.

On 23 May 2022, a wholly owned subsidiary of the Bank, under the name of NBG Pay S.A. was established. The initial paid-in share capital amounted to €125 thousand. On 7 December 2022, according to the agreement, NBG spun off its card payments acceptance business line and transferred it to NBG Pay S.A., and on 8 December 2022, following the receipt of all required regulatory approvals, NBG completed the sale of 51% of NBG Pay S.A.'s share capital to EVO for a consideration of €158 million. The fair value of the sector spun off was estimated to €308 million. This was accounted for as a loss of control of NBG Pay S.A. where NBG;

i. Derecognised the assets and liabilities of NBG Pay S.A. from the consolidated statement of financial position.

ii. Recognised the retained investment in NBG Pay S.A., at fair value at the date that control was lost.

iii. Recognised a gain associated with the loss of control attributable to the former controlling interest. (The calculation of the gain is shown below).

At Group and Bank level the gain from the transaction amounted to €294 million and was determined as follows:

Group

	Period ended 31 December 2022
Consideration received	158
Fair value of 49% investment retained in NBG Pay S.A.	155
Costs to sell	(8)
Net assets derecognised	(11)
Gain on disposal	**294**

Bank

	Period ended 31 December 2022
Fair value of sector spun off	308
Initial cost of investment including establishment costs	8
Total cost of investment before the transfer of 51%	**316**
Gain from the spin off and the transfer of acquiring business sector to NBG Pay S.A.	
Fair value of sector spun off	308
Less: Net assets spun off	(11)
Gain from the spin off (A)	**297**
Consideration received from the disposal of 51%	158
Carrying amount of the investment disposed of	(161)
Loss from the sale of 51% of the investment to EVO (B)	**(3)**
Total gain from the spin off and the Sale of 51% of the investment to EVO (A+B)	**294**

The total gain from the spin off and the Sale of 51% of the investment to EVO of €294 million at Group and Bank level is included in Net other income / (expense) (see Note 9 "Net other income) / (expense).

NBG accounts for its investment in the joint venture in the Consolidated and Separate Financial Statements using the equity method and the cost method, respectively.

Under the equity method in future periods the carrying amount would be increased or decreased to recognize NBG's share of the profit or loss from NBG Pay S.A. after the date of acquisition. After application of the equity method NBG determines whether there is objective evidence that the joint venture is impaired. As at 31 December 2022 there was no such evidence. Included in the Joint Venture investment is goodwill of EUR 145 million.

Under the cost method the investment is kept at cost and tested for impairment.

Other transactions

Establishment of Stopanska Leasing DOOEL - Skopje

On 24 February 2022, a wholly owned subsidiary of Stopanska Banka A.D. – Skopje, under the name of Stopanska Leasing DOOEL - Skopje was established. The total paid-in share capital amounted to MKD 15 million.

The movement of the Bank's investments in subsidiaries is presented below:

	Bank	
	2022	2021
Balance at the beginning of the period	**1,133**	**1,166**
Acquisition of additional interest/ share capital increase in existing subsidiaries	55	26
Share capital decrease in existing subsidiaries	-	(7)
Interim distribution	(397)	-
Impairment charge	(32)	(32)
Non-Current Assets held for sale	-	(20)
Balance at the end of the period	**759**	**1,133**

The impairment charge recognized in 2022 mainly relates to the cost of investment in ARC Management One SRL of €5 million, ARC Management Two EAD of €5 million, NBG Finance Plc of €5 million and in NBG Leasing S.R.L. of €18 million.

The interim distribution is the context of the liquidation process of NBG Finance (Dollar) Plc, and NBG Finance (Sterling) Plc with the amounts of €280 million and €117 million respectively.

In 2021, share capital decrease in existing subsidiaries of amount €7 million related to NBG Greek Fund Ltd.

The impairment charge recognized in 2021 mainly relates to the cost of investment in National Bank of Greece (Cyprus) Ltd of €6 million, and in NBG Leasing S.R.L. of €26 million.

Transferred to non-current assets held for sale in 2021 include the acquisition cost of Probank Leasing S.A. (see Note 29 "Assets and liabilities held for sale and discontinued operations").

The acquisition of additional interest / share capital increase in existing subsidiaries includes the following:

	Bank	
	2022	2021
Share capital increase of NBG Leasing S.R.L.	21	26
Share capital increase in ARC Management One S.R.L.	9	-
Share capital increase in ARC Management Two EAD	11	-
Share capital increase in National Bank of Greece (Cyprus) Ltd	12	-
Share capital increase in Mortgage, Touristic PROTYPOS S.A.	1	-
Share Capital Increase in several entities	1	-
Total	**55**	**26**

NOTE 44 Group companies

Subsidiaries	Country	Tax years unaudited	Group 31.12.2022	Group 31.12.2021	Bank 31.12.2022	Bank 31.12.2021
National Securities Single Member S.A.	Greece	2017-2022	100.00%	100.00%	100.00%	100.00%
NBG Asset Management Mutual Funds S.A.	Greece	2017-2022	100.00%	100.00%	100.00%	100.00%
Ethniki Leasing S.A.	Greece	2012-2022	100.00%	100.00%	100.00%	100.00%
NBG Property Services Single Member S.A.	Greece	2017-2022	100.00%	100.00%	100.00%	100.00%
Pronomiouhos Single Member S.A. Genikon Apothikon Ellados	Greece	2012-2022	100.00%	100.00%	100.00%	100.00%
Ethniki Hellenic General Insurance S.A. [3]	Greece	-	-	100.00%	-	100.00%
KADMOS S.A.	Greece	2012-2022	100.00%	100.00%	100.00%	100.00%
DIONYSOS S.A.	Greece	2012-2022	99.91%	99.91%	99.91%	99.91%
EKTENEPOL Construction Company Single Member S.A.	Greece	2012-2022	100.00%	100.00%	100.00%	100.00%
Mortgage, Touristic PROTYPOS Single Member S.A.	Greece	2012-2022	100.00%	100.00%	100.00%	100.00%
Hellenic Touristic Constructions S.A.	Greece	2012-2022	78.34%	78.24%	78.34%	78.24%
Ethniki Ktimatikis Ekmetalefsis Single Member S.A.	Greece	2012-2022	100.00%	100.00%	100.00%	100.00%
Ethniki Factors S.A.	Greece	2017-2022	100.00%	100.00%	100.00%	100.00%
I-Bank Direct S.A.[1]	Greece	2017-2022	100.00%	100.00%	99.90%	99.90%
Probank Leasing S.A. [2]	Greece	2012-2022	100.00%	100.00%	100.00%	100.00%
NBG Insurance Brokers S.A.	Greece	2017-2022	100.00%	100.00%	100.00%	99.90%
NBG Malta Holdings Ltd[4]	Malta	2012-2022	100.00%	100.00%	-	-
NBG Malta Ltd[4]	Malta	2012-2022	100.00%	100.00%	-	-
ARC Management Two EAD (Special Purpose Entity)	Bulgaria	2016-2022	100.00%	100.00%	99.55%	-
Bankteco E.O.O.D.	Bulgaria	2016-2022	100.00%	100.00%	100.00%	100.00%
NBG Leasing S.R.L.	Romania	2017-2022	100.00%	100.00%	100.00%	100.00%
S.C. Garanta Asigurari S.A.[3]	Romania	-	-	94.96%	-	-
ARC Management One SRL (Special Purpose Entity)	Romania	2013-2022	100.00%	100.00%	99.51%	-
Stopanska Banka A.D.-Skopje	North Macedonia	2014-2022	94.64%	94.64%	94.64%	94.64%
Stopanska Leasing DOOEL Skopje[5]	North Macedonia	2022	94.64%	-	-	-
NBG Greek Fund Ltd	Cyprus	2019-2022	100.00%	100.00%	100.00%	100.00%
National Bank of Greece (Cyprus) Ltd	Cyprus	2012-2022	100.00%	100.00%	100.00%	100.00%
National Securities Co (Cyprus) Ltd [1]	Cyprus	-	100.00%	100.00%	-	-
NBG Management Services Ltd	Cyprus	2019-2022	100.00%	100.00%	100.00%	100.00%
Ethniki Insurance (Cyprus) Ltd[3]	Cyprus	-	-	100.00%	-	-
Ethniki General Insurance (Cyprus) Ltd[3]	Cyprus	-	-	100.00%	-	-
National Insurance Agents & Consultants Ltd[3]	Cyprus	-	-	100.00%	-	-
CAC Coral Limited[6]	Cyprus	-	-	100.00%	-	100.00%
Merbolium Limited (Special Purpose Entity)[7]	Cyprus	2022	100.00%	-	-	-
Cortelians Limited (Special Purpose Entity)[7]	Cyprus	2022	100.00%	-	-	-
Ovelicium Ltd (Special Purpose Entity)[7]	Cyprus	2021-2022	100.00%	-	-	-
Pacolia Holdings Ltd (Special Purpose Entity)[7]	Cyprus	2022	100.00%	-	-	-
NBG Asset Management Luxemburg S.A.	Luxembourg	2021-2022	100.00%	100.00%	94.67%	94.67%
NBG International Ltd	U.K.	2003-2022	100.00%	100.00%	100.00%	100.00%
NBGI Private Equity Ltd[1]	U.K.	2003-2022	100.00%	100.00%	-	-
NBG Finance Plc	U.K.	2003-2022	100.00%	100.00%	100.00%	100.00%
NBG Finance (Dollar) Plc[1]	U.K.	2008-2022	100.00%	100.00%	100.00%	100.00%
NBG Finance (Sterling) Plc[1]	U.K.	2008-2022	100.00%	100.00%	100.00%	100.00%
NBG International Holdings B.V.	The Netherlands	2021-2022	100.00%	100.00%	100.00%	100.00%

Notes:

(1) Companies under liquidation.
(2) Probank Leasing S.A., has been reclassified as Non-current assets held for sale (See Note 29 "Assets and liabilities held for sale and discontinued operations").
(3) The disposal of Ethniki Hellenic General Insurance S.A. and its subsidiaries, was completed on 31 of March 2022.
(4) In October 2021, the Bank decided to cease its operation in Malta through its subsidiary NBG Bank Malta Ltd and from 31 August 2022, the subsidiaries are under liquidation. NBG Malta Limited, formerly known as NBG Bank Malta Limited surrendered its banking licence on 11 August 2022 and subsequently placed into liquidation.
(5) Entity was established on 24 February 2022.
(6) The disposal of CAC Coral Ltd, was completed on 15 of July 2022.
(7) Entities are 100% subsidiaries of National Bank of Greece (Cyprus) Ltd from November 2022.

Furthermore, in December 2022, the Bank disposed the 51% of NBG Pay .S.A. The wholly owned subsidiary of the Bank was established on 23 May 2022 (see NOTE 43 "Acquisitions, disposals and other transactions").

The table below provides details of the significant subsidiaries of the Group:

Name of subsidiary	Principal Activity	Voting power held by the Group	
		31.12.2022	31.12.2021
National Securities Single Member S.A.	Brokerage services	100.00%	100.00%
Ethniki Leasing S.A.	Leasing	100.00%	100.00%
Ethniki Factors S.A.	Factoring services	100.00%	100.00%
National Bank of Greece (Cyprus) Ltd.	Credit Institution	100.00%	100.00%
Stopanska Banka A.D. - Skopje	Credit Institution	94.64%	94.64%

The table below provides details of non-wholly -owned subsidiaries of the Group that have material non-controlling interests:

Name of subsidiary	Place of incorporation and operation	Proportion of ownership interest and voting rights held by non-controlling interests		Total comprehensive income allocated to non-controlling interests		Accumulated non-controlling interests	
		31.12.2022	31.12.2021	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Individually subsidiaries immaterial with non-controlling interests	-	-	-	2	2	23	22
Total		-	-	**2**	**2**	**23**	**22**

NOTE 45: Independent auditor's fees

On 28 July 2022, the Annual General Meeting of the Shareholders appointed PricewaterhouseCoopers S.A. as the principal independent auditor of the Group and the Bank for the year ended 31 December 2022. The following table presents the aggregate fees for professional audit services and other services rendered for the years ended 31 December 2022 and 31 December 2021 by the Group's principal independent auditor PricewaterhouseCoopers S.A., which is a member firm of PwC Network, other member firms of the Network and their respective affiliates (collectively, "PwC").

	Group		Bank	
	2022	2021	2022	2021
Audit fees	3	3	2	2
All other fees	1	1	1	1
Total	**4**	**4**	**3**	**3**

It is noted that a) audit fees include the fees for tax audit and b) all other fees include the fees of the statutory auditor "PricewaterhouseCoopers Greece" for non-audit services that in 2022 and 2021 amounted to €0.4 million for the Group and €0.3 million for the Bank.

NOTE 46 Restructuring Plan

The 2019 Revised Restructuring Plan

The Group was subject to European Commission rules on EU State aid in light of the aid received from the HFSF and the Hellenic Republic. These rules were administered by the DG Competition. Under these rules, the Bank's operations were monitored and limited to the operations included in the 2019 Revised Restructuring Plan, which aimed to ensure the Bank's return to long term viability.

The 2019 Revised Restructuring Plan was approved on 10 May 2019 by the European Commission.

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

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

- A further reduction of the number of branches in Greece to 420 (by the end of 2019) and 390 (by the end of 2020). As at 31 December 2020, the Bank had reduced its branches to 365. The Commitment has been attained.
- A further reduction of the number of employees in Greece to 8,600 as at 31 December 2019 and 8,000 as at 31 December 2020. As at 31 December 2020, the Bank had reduced the number of employees at domestic level to 7,621 (excluding NIC). The Commitment has been attained.
- A further reduction of total operating expenses in Greece to €845 million as at 31 December 2019 and €800 million as at 31 December 2020. As at 31 December 2020 such costs amounted to €768 million(excluding NIC). The Commitment has been attained.
- Divestment of domestic non-banking activities: In May 2019 the Bank had completed the sale of its remaining stake in NBG Pangaea REIC (currently Prodea Investments S.A.) Regarding the NIC, the transaction was closed on 31 March 2022. The Commitment has

been attained.

- Divestment from international operations: The Bank reduced its international activities, by disposing certain subsidiaries in the years 2016 - 2019. The only non-complete divestment from international operations, since the Bank complied with its commitments with the run-off of NBG Cyprus assets, relates to the Bank's branch network in Egypt. In May 2021, an official approval was received by the Central Bank of Egypt for the downsize and ultimately cease of operations in Egypt.

As communicated by DG Competition in June 2022, the restructuring period and the mandate of the Monitoring Trustee for NBG has ended, as NBG complied with its commitments with the exception of the run-off of NBG Egypt. It is noted, that the size of asset deleveraging remaining in NBG Egypt is very limited compared to the overall assets NBG deleveraged, and that NBG exceeded the overall level of deleveraging required by the commitments of its Restructuring Plan. The effort to complete the wind-down of NBG Egypt is in progress and NBG Egypt Branch is currently under liquidation.

NOTE 47 Ukraine crisis

On 24 February 2022, Russia invaded Ukraine where in addition to the humanitarian crisis it has caused in the region, it has had negative economic consequences for the global economy mainly through higher energy and commodity prices that have fuelled higher inflation which has produced weaker confidence in households and business. The extent of these effects will depend to a great extent on how the conflict evolves. The invasion also escalated tensions between Russia and the U.S., NATO, the EU and the U.K. The US has imposed and is likely to impose material additional, financial and economic sanctions and export controls against certain Russian organizations and/or individuals, with similar actions implemented by the EU and the U.K. and other jurisdictions. In 2022 the U.S., the EU and the U.K., each imposed packages of financial and economic sanctions that, in various ways, constrain transactions with numerous Russian entities and individuals; transactions in Russian sovereign debt; investment, trade and financing to and from certain regions of Ukraine.

The Group has taken all necessary measures to comply with sanctions imposed by the competent authorities. Management is closely monitoring the developments and assessing periodically the impact that these may have on the Group's operations and financial position. The Group has an insignificant exposure in any positions in securities, interbank transactions (secured or unsecured), derivatives, or commercial transactions, related to Russia or Ukraine, or to the Ruble, or with any Bank or subsidiary that is domiciled in these countries.

The Group also examined indirect exposure through its corporate loan portfolio. Corporate clients that were analysed had one of the following characteristics:

- Business Activity: Companies that sell their products/services in the affected countries or have local presence through subsidiaries/ branches
- Suppliers: Companies with key suppliers in the affected countries
- Shareholders: Key shareholders or final beneficiary or other key stakeholder is of Russian nationality/citizenship

As a result of the Ukrainian crisis, the expected impact from first order effects on the underlying obligors, that meet the above criteria, was deemed immaterial.

The Group also continuously invests in infrastructure to prevent, detect, and mitigate cyber threats. NBG already has in place a robust framework supported by experienced staff and appropriate IT infrastructure to minimize the probability of a cyber intrusion. From the onset of the crisis, NBG has proactively augmented this framework with a significant number of preparedness and security enhancement actions which will help reduce the impact of any such attacks.

NOTE 48 Events after the reporting period

There are no events after the reporting period.

Disclosures of Greek Law 4261/2014 Art. 81

Country-by-country reporting in accordance with article 81 of Greek Law 4261/2014 for the year ended 31 December 2022

	Turnover[(1)] € in million	Profit before tax € in million	Income tax € in million	Employees number	Subsidies € in million
Greece [(2)]	2,193	1,213	(264)	7,430	1
Malta	4	3	-	15	-
Bulgaria	3	-	-	32	-
Romania [(2)]	-	(2)	-	50	-
North Macedonia	82	42	(4)	956	-
Cyprus [(2)]	14	(7)	-	141	-
Luxembourg	1	-	-	4	-
UK	113	110	-	8	-
The Netherlands	-	-	-	-	-
Egypt	28	33	(2)	127	-
Total	**2,438**	**1,392**	**(270)**	**8,763**	**1**

[(1)] Turnover: Includes a) net interest income, b) net fee and commission income, c) earned premia net of claims and commissions, d) net trading income / (loss) and results from investment securities, e) net other income / (expense) and f) share of profit / (loss) of equity method investments

[(2)] Including discontinued operations

Country-by-country reporting in accordance with article 81 of Greek Law 4261/2014 for the year ended 31 December 2022

Company	Country	Business activities
National Bank of Greece S.A. (Parent Company)	Greece	Banking institution
National Securities Single Member S.A.	Greece	Capital Markets & Investment Services
NBG Asset Management Mutual Funds S.A.	Greece	Mutual Fund Management
Ethniki Leasing S.A.	Greece	Leasing
NBG Property Services Single Member S.A.	Greece	Property Services
Pronomiouhos Single Member S.A. Genikon Apothikon Ellados	Greece	Warehousing services
Ethniki Hellenic General Insurance S.A. [(1)]	Greece	Insurance Services
KADMOS S.A.	Greece	Real Estate Services
DIONYSOS S.A.	Greece	Real Estate Services
EKTENEPOL Construction Company Single Member S.A.	Greece	Construction Company
Mortgage, Touristic PROTYPOS Single Member S.A.	Greece	Real Estate Services
Hellenic Touristic Constructions S.A.	Greece	Real Estate Services
Ethniki Ktimatikis Ekmetalefsis Single Member S.A.	Greece	Real Estate Services
Ethniki Factors S.A.	Greece	Factoring
i-Bank Direct S.A. [(2)]	Greece	Financial Services
Probank Leasing S.A.[(3)]	Greece	Leasing
NBG Insurance Brokers S.A.	Greece	Insurance Brokerage
NBG Malta Holdings Ltd [(4)]	Malta	Holding Company
NBG Malta Ltd [(4)]	Malta	Banking institution
ARC Management Two EAD (Special Purpose Entity)	Bulgaria	Special Purpose Entity
Bankteco E.O.O.D	Bulgaria	Information Technology Services
NBG Leasing S.R.L.	Romania	Leasing
S.C. Garanta Asigurari S.A. [(1)]	Romania	Insurance - Reinsurance Services
ARC Management One SRL (Special Purpose Entity)	Romania	Special Purpose Entity
Stopanska Banka A.D.-Skopje	North Macedonia	Banking institution
Stopanska Leasing DOOEL Skopje [(5)]	North Macedonia	Leasing
NBG Greek Fund Ltd	Cyprus	Fund Investment Company
National Bank of Greece (Cyprus) Ltd	Cyprus	Banking institution
National Securities Co (Cyprus) Ltd [(2)]	Cyprus	Capital Markets Services
NBG Management Services Ltd	Cyprus	Management Services
Ethniki Insurance (Cyprus) Ltd [(1)]	Cyprus	Insurance Services
Ethniki General Insurance (Cyprus) Ltd [(1)]	Cyprus	Insurance Services
National Insurance Agents & Consultants Ltd [(1)]	Cyprus	Insurance Brokerage
CAC Coral Limited [(6)]	Cyprus	Credit Acquiring Company
Merbolium Limited (Special Purpose Entity) [(7)]	Cyprus	Special Purpose Entity
Cortelians Limited (Special Purpose Entity) [(7)]	Cyprus	Special Purpose Entity
Ovelicium Ltd (Special Purpose Entity) [(7)]	Cyprus	Special Purpose Entity
Pacolia Holdings Ltd (Special Purpose Entity) [(7)]	Cyprus	Special Purpose Entity
NBG Asset Management Luxemburg S.A.	Luxembourg	Asset Management Company
NBG International Ltd	U.K.	Financial Services
NBGI Private Equity Ltd [(2)]	U.K.	Private Equity

Disclosures of Greek Law 4261/2014

Company	Country	Business activities
NBG Finance Plc	U.K.	Financial Services
NBG Finance (Dollar) Plc [2]	U.K.	Financial Services
NBG Finance (Sterling) Plc [2]	U.K.	Financial Services
NBG International Holdings B.V.	The Netherlands	Holding Company
NBG London Branch [8]	U.K.	Branch of Greek banking Institution
NBG Cyprus Branch	Cyprus	Branch of Greek banking Institution
NBG Cairo Branch	Egypt	Branch of Greek banking Institution

(1) The disposal of Ethniki Hellenic General Insurance S.A. and its subsidiaries, was completed on 31 March 2022.

(2) Companies under liquidation.

(3) Probank Leasing S.A. has been reclassified as Non-current assets held for sale.

(4) In October 2021, the Bank decided to cease its operation in Malta through its subsidiary NBG Bank Malta Ltd and from 31 August 2022, the subsidiaries are under liquidation. NBG Malta Limited, formerly known as NBG Bank Malta Limited surrendered its banking licence on 11 August 2022 and subsequently placed into liquidation.

(5) The entity was established on 24 February 2022.

(6) The disposal of CAC Coral Ltd, was completed on 15 July 2022.

(7) The entities are 100% subsidiaries of National Bank of Greece (Cyprus) Ltd from November 2022.

(8) NBG London Branch closed on 31 July 2022.

Disclosures of Greek Law 4261/2014 Art. 82

Greek Law 4261/5.5.2014 article 82, which incorporated into Greek legislation the article 90 of Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013, established the requirement to disclose the total return on assets. This ratio for the Group and the Bank for the year ended 31 December 2022 amounted to 1.4% and 1.1%, respectively (2021: 1.1% and 1.0% respectively).

Disclosures on a group level of article 6 of Greek Law 4374/2016

TABLE 1: PAYMENTS FOR PROMOTION AND ADVERTISING EXPENSES TO MEDIA ENTITIES (ACCORDING TO PAR. 1 ARTICLE 6 OF LAW 4374/2016)

Name of Media entity	Net amount 2022 (in €)
1984 INDEPENDENT JOURNALISM	8.700,00
24 MEDIA S.A.	41.088,00
A.S.M. PUBLICATIONS P.C.	3.500,00
ABP P.C.	10.500,00
ADWEB LTD	11.000,00
AGRO BROKERS LTD	6.500,00
AIRLINK S.A.	13.917,60
ALPHA SATELLITE TELEVISION S.A.	362.960,44
ALPHA RADIO S.A.	15.000,00
AMOS INTERNATIONAL P.C.	1.500,00
ART SAVY P.C.	1.500,00
BANKINGNEWS S.M. S.A.	75.100,00
BETTERMEDIA P.C.	3.500,00
BRAINBUZZ MEDIA CONSULTING P.C.	1.300,00
BRAINFOOD PUBLISHING S.P. LTD	1.000,00
CRISIS MONITOR	11.800,00
DARKPONY INTERNET SERVICES P.C.	750,00
DEMO POWER P.C.	1.500,00
DG NEWSAGENCY S.A.	6.700,00
DIGIKA P.C.	2.500,00
DPG DIGITAL MEDIA S.A.	23.750,00
ENERGYCOMM LTD	3.700,00
ENIGMA M.G. S.P. P.C.	3.500,00
ETHOS MEDIA S.A	8.750,00
EUROMEDIA ACTION S.A.	2.500,00
FAQ PUBLISHING S.P. P.C.	7.100,00
FAROSNET S.A.	4.400,00
FAST RIVER CREATIVE CONCEPT PUBLISHING LTD	35.910,00
FINANCIAL MARKETS VOICE S.A.	14.800,56
FORWARD MEDIA P.C.	13.700,00
FREED S.A.	9.800,00
FRONTSTAGE ENTERTAINMENT S.A.	49.775,20
FUTURE ASSET S.P. P.C.	2.500,00
GRATIA PUBLISHING LTD	1.500,00
GURU PUBLISHING	1.000,00
HAZLIS AND RIVAS COMMUNICATIONS LTD	35.000,00
HT PRESS ONLINE S.P. P.C.	12.000,00
CONGRESS LINE	4.838,71
ICAP GROUP S.A.	13.250,00
INFINITAS P.C.	700,00
INSOMNIA P.C.	1.400,00
INTELLIGENT MEDIA LTD	34.500,00
INTERNATIONAL RADIO NETWORKS S.A.	17.556,60
ISERVICES KAPSALIS GEORGIOS	1.000,00
JP COMMUNICATIONS L.P.	2.000,00
K.E.D. HEALTH G.P.	49.666,66
KDB P.C.	7.500,00
KEYWE BUSINESS SOLUTIONS	5.000,00
KISS MEDIA S.A.- KISS ENTERPRISES	10.918,16
KONTRA P.C.	4.000,00
KONTRA MEDIA S.A.	3.185,00
KOOLWORKS S.A.	8.500,00
KYRTSOS GROUP L.P.	20.300,00
LIQUID MEDIA S.A.	53.500,00
MARKETING AND MEDIA SERVICES S.P. P.C.	2.000,00
MEDIA MATRIX S.M.P.C	4.500,16
MEDIA2DAY PUBLISHING S.A.	81.050,00
MINDSUPPORT P.C.	9.500,00
MONOCLE MEDIA LAB - MONONEWS P.C.	86.608,00
MORAX MEDIA PUBLISHING S.A.	3.504,00
MPAM MEDIA P.C.	4.000,00

Disclosures on a group level of article 6 of Greek Law 4374/2016

Name of Media entity	**Net amount 2022 (in €)**
MY RADIO S.P. LTD	9.864,78
NEW MC & Co L.P.	4.250,00
NEW MEDIA NETWORK SYNAPSIS S.A.	109.500,00
NEW TIMES PUBLISHING P.C.	2.000,00
NEWPOST PRIVATE COMPANY	8.650,00
NEWSIT LTD	65.000,00
NEWSROOM S.P. P.C.	3.400,00
NK MEDIA GROUP LTD	18.700,00
NOTICE CONTENT AND SERVICES S.M. P.C.	1.700,00
NOVA BROADCASTING S.P. S.A.	22.475,53
ON ACTIVE L.P.	2.700,00
ONE BRAND STUDIO P.C.	3.000,00
ONE DIGITAL SERVICES S.A.	39.000,00
PERFECT MEDIA ADVERTISING S.P. P.C.	63.000,00
POLITICAL PUBLISHING P.C.	1.000,00
POWERGAME MEDIA P.C.	10.250,00
PREMIUM S.A.	25.300,00
PREMIUMMEDIA P.C.	2.500,00
PRESSROOM MEDIA S.P. P. C.	5.500,00
PRIME APPLICATIONS S.A.	54.600,00
PRIME ONE LTD	5.605,20
PRODUCT GREEK P.C.	500,00
R MEDIA PUBLISHING LTD	8.000,00
RADIO PLAN BEE P.C.	4.042,69
REAL MEDIA S.A.	116.400,00
REPORT PRIVATE COMPANY	5.000,00
SABD PUBLISHING S.A.	87.750,00
SATCO MEDIA TV	2.000,00
SFERA RADIO BROADCASTING S.A.	16.006,00
SOLAR MEDIA S.A.	3.695,00
SPORT TV- RADIOTELEVISION BROADCASTING S.A.	7.118,35
SPORTDOG P.C.	850,00
SPORTNEWS INTERNET SERVICES S.A.	7.900,00
TELIA COMMUNICATIONS S.A.	2.800,00
TELIA INTERNET P.C.	1.000,00
THE TOC DIGITAL MEDIA SERVICES S.A.	54.550,00
THESSALONIKI 89 RAINBOW S.P. LTD	7.747,60
TLIFE LTD	12.750,00
TYPOS MEDIA LTD	7.200,00
VITO PR & EVENTS	2.500,00
VOTE POSITIVE CRITERION COMMUNICATIONS LTD	7.000,00
W.S.F. WALL STREET FINANCE P.C.	12.300,00
WAVE MEDIA OPERATIONS P.C.	800,00
ZOFRANK HOLDINGS CO. LIMITED	67.300,04
ZOUGLA.GR S.A.	37.803,86
ADESMEFTI ENIMEROSI P.C.	2.200,00
ATHANASIOS DOUNIAS & Co G.P.	3.000,00
ATHENS VOICE PUBLISHING S.A.	45.250,00
ATHENS NEWS AGENCY - MACEDONIAN PRESS AGENCY S.A.	24.400,00
AKOH S.A.	2.354,00
REALFM S.A.	100.200,00
ALTER EGO MEDIA S.A.	947.801,99
INDEPENDENT MEDIA S.A.	51.000,00
ANTENNA TV S.A.	438.647,27
NEW TECHNOLOGIES & INTERNET APPLICATIONS R&D S.A.	66.855,00
ARGO PUBLISHING AND ADVERTISING CO LTD	1.700,00
ATTICA DEPARTMENT STORES S.A.	5.000,00
BARMAZH N. GLYKERIA	856,80
VASILEIOS LIATSOS & Co L.P.	500,00
VERGINA TELEVISION	2.500,00
VORIA INFORMATIVE SA	2.250,00
G. SIMANTONIS & CO G.P.	750,00
GENERAL RADIOTELEVISION ENTERPRISES S.A.	6.498,25
D. ROUCHOTAS & CO G.P.	3.326,62
DESMI PUBLISHING ADVERTISING RADIO & INTERNET APPLICATIONS S.A.	5.800,00
DIMITRIADIS TH. & CO P.C.	2.800,00
JUDICIAL NEWS AGENCY P.C.	6.500,40
DIOGENIS NPO	3.000,00
DIONISIOS MPOURAS & Co L.D.	4.000,00

Disclosures on a group level of article 6 of Greek Law 4374/2016

Name of Media entity	Net amount 2022 (in €)
DOUSIS ANASTASIOS & CO L.P.	1.300,00
DYADIKH INFORMATION L.D.	24.700,00
DIO DEKA PUBLISHING COMPANY S.A.	51.400,00
E.SPYROU-G.K.SPYROU G.P.	4.838,71
THE NATIONAL HERALD OF NEW YORK HELLAS LTD	1.300,00
DOT COM NEWS S.A.	519.326,29
PUBLICATIONS INFONEWS P.C.	7.500,00
MOTORI PUBLICATIONS LTD	500,00
AGRIMANAKH PUBLICATIONS S.A.	6.000,00
KARAMANOGLOU PRINTING MATERIAL PUBLICATIONS L.T.D.	3.800,00
INVESTMENT PUBLISHING S.A.	13.700,00
NEO CHRIMA PUBLISHING S.A.	62.333,30
PROTO THEMA PUBLISHING S.A.	430.183,33
ELEFTHERIA TIPOU PUBLISHING S.A.	80.500,00
GREEK SHIPPING PUBLISHING LTD	1.000,00
AMERICAN HELLENIC CHAMBER OF COMMERCE	2.400,00
GERMAN HELLENIC CHAMBER OF COMMERCE AND INDUSTRY	1.000,00
ENIKOS S.A.	30.000,00
ENTYPOEKDOTIKI INDUSTRIAL & COMMERCIAL S.A.	29.300,00
EXPLORER S.A.	20.000,00
EPILOGOS N.P.C.P.	6.000,00
ERINYA NEWS S.P P.C.	500,00
ERMIDI GEORGIA	1.125,00
ESTIA MEDIA INVESTMENTS SA	65.250,00
EVAGGELOS SPYROU LTD	605,00
ESTIA NEWSPAPER S.A.	77.800,00
ZOUGRIS DIMITRIOS & CO L.P.	500,00
AVGI PUBLISHING S.A.	4.500,00
HLIAS KANELLIS & Co. L.D.	4.000,00
HERODOTUS RADIO P.C.	1.308,00
ICHOS & RITHMOS S.A.	17.452,85
THEMA RADIO S.P S.A.	11.220,80
IASO HEALTHCARE SERVICES S.A.	1.000,00
IATRONET INTENET APPLICATIONS LTD	1.500,00
IKAROS RADIOTELEVISION COMPANY S.A.	14.871,50
INSTITUTE OF RESEARCH & STUDIES OF CENTRAL UNION OF HELLENIC CHAMBERS OF COMMERCE	2.000,00
I. DIONATOS & CO L.P.	12.000,00
IOANNIS KIRIAKOPOULOS & CO L.P.	2.000,00
K.M. CHATZIILIADIS & CO L.P.	10.954,67
KATHIMERINES PUBLICATIONS S.P. S.A.	596.725,04
INNOVATIVE ALTERNATIVE & SOCIAL ACTIONS	1.500,00
KALOPOULOU G. MARIA	300,00
KANTZIOS GR S.A.	2.000,00
CAPITAL.GR S.A.	121.400,00
KARAHALIOS ANTONIOS	3.500,00
KATSATOU PINELOPI & CO S.A.	15.000,00
SOCIAL COOPERATIVE ENTERPRISE	1.600,00
COSMORADIO L.P.	6.366,80
CRETAN NEWS PAPADAKIS MICHALIS	1.000,00
KYRIAKOPOULOS IOANNIS F.	2.500,00
LAMPSI RADIO & PUBLISHING COMPANIES S.A.	17.447,60
LEFKOFRIDOU ZOI P.C.	4.000,00
LEOTSAKOS-BOUSBOURELIS G.P.	6.900,00
LYKAVITOS PUBLICATIONS S.P. P.C.	10.000,00
MACEDONIA TV SA	10.155,75
MACEDONIA MEDIA S.A.	500,00
MALTEZOS DIMITRIOS	295,00
MAMA 365 INTERNET COMPANIES LTD	37.650,00
MANESIOTIS NIK-PSOMIADIS CON. G.P.	7.301,06
MARIA VASILAKI PUBLICATIONS S.P.C.	13.500,00
ME ODIGO TO DIABHTH NPO	800,00
MESSAROPOULOU CONSTANTINA	18.000,00
METRODEAL S.P.C.	22.435,20
MIHELAKIS IOANNIS & Co L.D.	3.000,00
BOUSIAS COMMUNICATIONS LTD	7.800,00
NEA TELEORASI S.A.	279.876,33
NIKOLAOS KOSMOPOULOS	1.000,00
NOISIS P.C.	12.000,00
OKTAS MEDIA P.C.	28.500,00

Disclosures on a group level of article 6 of Greek Law 4374/2016

Name of Media entity	Net amount 2022 (in €)
OPINION POST DIGITAL PUBLICATIONS S.A.	8.000,00
MASS MEDIA ORGANISATION S.A.	3.556,80
OTE S.A.	17.555,01
P.D. PUBLICATIONS L.TD.	13.000,00
PANCRETAN RADIOTELEVISION S.A.	3.319,93
PALO LTD – DIGITAL TECHNOLOGIES	4.500,00
PANAGIOTIS DOUKAS	700,00
PAPADOGIANNH MARIA	1.500,00
PAPALIOS CONSTANTINOS & CO L.P. "DIRECTION BUSSINESS NETWORK"	11.140,00
PAPATRIANTAFYLLOU GEORGIOS	4.500,00
PARA ENA INTERNET SERVICES S. LTD	149.746,55
PARAPOLITIKA PUBLISHING S.A.	15.500,00
PAVLOPOULOS S. - INTERNET & SOCIALMEDIA	5.000,00
PELOPONNESE PATRON EDITIONS S.A.	1.800,00
PROTAGON S.A.	21.300,00
RADIO ATHENS S.P. LTD	2.654,40
RADIO THESSALONIKI S.A.	15.512,00
RADIOPLIROFORIKI MASS MEDIA S.A.	450,00
RADIOTELEVISION GREEK PUBLISHING MEDIA S.A.	6.000,80
BROADCASTING ENTERPRISES S.A.	10.498,85
RADIOTELEVISION S.A.	145.889,47
RADIO NORTH 98 FM P.C. LTD	24.300,00
RADIO PRODUCTIONS SA	11.299,80
RADIO COMMUNICATION S.P. S.A.	15.464,00
SELANA S.A.	5.000,00
SIMOUSI L.P.	9.800,00
CINE NEWS S.A.	47.563,00
SICHRONI EPOCHI PUBLISHING I.C.S.A.	2.800,00
ALLIANCE FOR GREECE	4.900,00
SIRGANI LAM. PARASKEVI	300,00
TO MANIFESTO P.C.	15.300,00
TRAPEZIKOS AGONAS TOMELITOU I. KASTORINI	900,00
FELNIKOS S.P LTD	4.650,00
PHILELEFTHEROS TYPOS S.A.	114.750,00
FOTAGOGOS LTD	1.500,00
FOTINOS FOTIOS	2.000,00
CHRISTOS DIMOU & Co L.P. DMG	849,30
XRISI EFKERIA S.A.	4.500,00
TOTAL	**7.363.900,61**

Note:

Additional disbursements related to the above payments have been made, in compliance with the existing legislative, fiscal and regulatory framework, for VAT, tax and levies on TV and radio advertisements and other charges, amounting to €1,898,989.51.

TABLE 2: PAYMENTS FOR DONATIONS, GRANTS AND SPONSORSHIPS (ACCORDING TO PAR. 2 ARTICLE 6 OF LAW 4374/2016)

Legal Entities

Beneficiary	Net amount 2022 (in €)
"MELISSA" FEMALE ORPHANAGE	2.173,68
3D PRIMARY SCHOOL OF MAGOULA	1.390,00
APOLYTO CREATIVE SPOT	535,50
ATHENS DEMOCRACY FORUM	10.000,00
AVADAR ΜΟΝΟΠΡΟΣΩΠΗ P.C.	20.000,00
B & P P.C., ENERGYPRESS	5.000,00
CAPITAL LINK	22.500,00
COEURS POUR TOUS HELLAS	10.000,00
CYBERMEDIA S.A.	10.000,00
DELPHI ECONOMIC FORUM NPO	20.000,00
EKI ENERGY SERVICES LTD	1.742,17
EXCELLENSEAS: «SEAS OF EXCELLENCE OF PASTRA CRETONAXIOSA NPO»	12.000,00
FINANCE CLUB UNIVERSITY OF MACEDONIA	1.000,00
FLOWER POWER JOINT VENTURE	2.950,00
GEO ROUTES CULTURAL INSTITUTE	17.000,00
GET INVOLVED	7.000,00
HAZLIS & RIVAS COMMUNICATIONS LTD	50.000,00
Institute of Finance and Financial Regulation (IFFR) & EBRD	3.000,00
MINDVIEW FINANCIAL AND RESEARCH CONSULTANTS	8.000,00
NB EVENTS	2.000,00
PALLADIAN COMMUNICATION SPECIALISTS	7.000,00
PROGAME S.A.	110.000,00
WAVE MEDIA OPERATIONS P.C. - RED BUSINESS FORUM	3.000,00
WORLD HUMAN FORUM	10.000,00
WWF	10.000,00
ZOFRANK HOLDINGS CO. LIMITED	12.000,00
ACADEMY OF ATHENS	5.000,00
AXANA	3.000,00
APOSTOLI NON-PROFIT ORGANIZATION	40.000,00
POLICE DEPARTMENT OF MANDRA	44,56
PATTAS VASILEIOS S.A.	11.952,00
GENERAL HOSPITAL OF PATRAS "AGIOS ANDREAS"	4.443,00
GENERAL HOSPITAL "IPPOKRATEIO"	10.000,00
GENERAL HOSPITAL OF NIKAIA-PIRAEUS " AGIOS PANTELEHMON"	7.600,00
GENERAL HOSPITAL OF LAKONIA	8.500,00
GENERAL HOSPITAL OF ATHENS EVAGGELISMOS	392.722,00
GYMNASIUM OF AETOS MUNICIPALITY OF AMYNTAIO FLORINAS	2.000,00
GYMNASTIC AND ATHLETIC ASSOCIATION OF CHOLARGOS	10.000,00
DESMOS NON-PROFIT FOUNDATION	90.000,00
MUNICIPALITY OF MINOA PEDIADOS	18.816,00
PRIMARY SCHOOL OF ASVESTOPETRA MUNICIPALITY OF AORDEA KOZANIS	2.000,00
PRIMARY SCHOOL OF NESTORIO KASTORIAS	2.000,00
THESSALONIKI INTERNATIONAL FAIR S.A.	150.000,00
PIRAEUS LAWYER ASSOCIATION	5.000,00
SPECIAL ACCOUNT FOR RESEARCH FUNDING TECHNICAL UNIVERSITY OF CRETE	6.000,00
GREEK NATIONAL OPERA	70.000,00
NATIONAL TECHNICAL UNIVERSITY OF ATHENS	4.747,20
SPECIAL ACCOUNT FOR RESEARCH FUNDING UNIVERSITY OF THESSALY iGem Thessaly	2.000,00
SPECIAL ACCOUNT FOR RESEARCH FUNDING UNIVERSITY OF IOANNINA	4.000,00
ELETEAN MAKE	1.500,00
HELLENIC POLICE	867,07
HELLENIC ASSOCIATION FOR ENERGY ECONOMICS (HAEE)	22.000,00
SOCIETY FOR THE ENVIRONMENT AND CULTURAL HERITAGE	5.000,00
ELEPAP-GREEK REHABILITATION FOR THE DISABLED	7.000,00
AMERICAN HELLENIC CHAMBER OF COMMERCE	9.000,00
General Philoptochos of the Holy Metropolis AGIOU GEORGIOU ELEFSINAS	3.000,00
TOGETHER FOR CHILDREN	10.000,00
HELLENIC CHAMBER OF ATHENS	12.000,00
EPOMEA GREECE	2.571,87
OPA PROPERTY UTILIZATION AND MANAGEMENT COMPANY	1.500,00
SPASTICS SOCIETY ATHENS	2.204,41
ETAM CONSULTING COMPANY	120.000,00
LYCEUM OF KARPEROU DESKATI GREVENON	1.500,00

Disclosures on a group level of article 6 of Greek Law 4374/2016

Beneficiary	Net amount 2022 (in €)
"PAMMAKARISTOS" FOUNDATION	884,13
FULBRIGHT FOUNDATION	10.000,00
FOUNDATION OF GEORGIOS AND AIKATERINH XATZHKONSTA	3.622,81
SIMITIS FOUNDATION	3.000,00
FOUNDATION FOR ECONOMIC AND INDUSTRIAL RESEARCH	6.000,00
HOME SHELTER FOR FEMALES "AGIOS ALEXANDROS"	3.000,00
HOLY METROPOLIS OF PATRAS	5.000,00
ST. MAXIM THE GREEK INSTITUTE	5.000,00
INSTITUTE AGAINST FRAUD	1.500,00
UNIVERSITY OF PIRAEUS RESEARCH CENTER	6.000,00
RECEPTION & SOLIDARITY CENTER OF THE MUNICIPALITY OF ATHENS	1.425,00
ARK OF THE WORLD NPO	4.000,00
ATHENS COLLEGE	6.000,00
LYCEUM GYMNASIUM OF NESTORIO KASTORIAS	2.000,00
NATIONAL BANK OF GREECE CULTURAL FOUNDATION	2.208.000,00
BENAKI MUSEUM	75.000,00
MPOUSIAS COMMUNICATIONS LTD	10.000,00
GENERAL HOSPITAL "MHTERA"	2.000,00
VOLUNTEER SUPPORT GROUP "STIRIXI"	6.000,00
MEGARON OF ATHENS CONCERT HALL	943,39
PANARCADIAN GENERAL HOSPITAL	707,55
PANHELLENIC ASSOCIATION OF CHILDREN WITH AUTISM AND DOWN SYNDROM " POWER OF LIFE"	1.000,00
PANHELLENIC EXPORTERS ASSOCIATION	5.000,00
PANHELLENIC ASSOCIATION OF INSURANCE ADVISORS (PSSAS)	1.000,00
CULTURAL COMPANY PROMHTHEAS	5.000,00
ASSOCIATION OF PARENTS "SYZOI"	150,04
FOREST FIREFIGHTERS’ VOLUNTEERS OF ATTICA	651,02
ASSOCIATION OF APPRECIATORS OF GREECE	3.000,00
KETHEA STROFI	3.000,00
ASSOCIATION OF FRIENDS OF PATRIARCHAL GREAT SCHOOL OF THE NATION	16.793,00
TSOMOKOS SYMEON S.A.	25.000,00
HELLENIC THERAPEUTIC EQUESTRIAN ASSOCIATION	2.000,00
SCOUTS OF GREECE	2.760,00
JUNIOR ACHIEVEMENT GREECE	3.000,00
FUND OF ARCHAELOGICAL MEANS AND EXPROPRIATIONS (TAPA)	154.848,36
MUTUAL HEALTH FUND OF NATIONAL BANK OF GREECE PERSONNEL	106.731,00
TECHNICAL CHAMBER OF GREECE (TCG) Vertical Solutions SA	12.000,00
UNITED NATIONS HIGH COMMISSIONER	10.000,00
FRAGKAKIS KIMON " NEW RUN"	5.000,00
TOTAL	**4.123.275,76**

Individuals

Number of individuals	Net amount 2022 (in €)
3	**285.000,00**

Note:

Additional disbursements related to the above payments have been made, in compliance with the existing legislative, fiscal and regulatory framework, for VAT and other charges, amounting to €425.038,69.

Availability of the Annual Financial Report

The Annual Financial Report, which includes:

- Certifications by the Members of the Board of Directors
- The Board of Directors' Report
- The Audit Committee Report
- The Supplementary Report
- The Independent Auditor's Report
- The Annual Financial Statements of the Group and the Bank
- Disclosures of Greek Law 4261/2014 Art. 81
- Disclosures of Greek Law 4261/2014 Art. 82
- Disclosures on a Group level of Greek Law 4374/2016 Art. 6

is available on the website address: http://www.nbg.gr

The website paths for the Annual Financial Statements, the Independent Auditors' report and the Board of Directors' Report of consolidated companies are summarised below:

Subsidiaries	Country	URL
National Securities Single Member S.A.	Greece	http://www.nbgsecurities.com/about-us/financial-reports
NBG Asset Management Mutual Funds	Greece	www.nbgam.gr
Ethniki Leasing S.A.	Greece	http://www.ethnolease.gr/Financial.aspx
NBG Property Services Single Member	Greece	ΓΕΜΗ :: Υπηρεσίες Δημοσιότητας (businessportal.gr)
Pronomiouhos Single Member S.A.	Greece	https://paegae.gr/oikonomika-stoixeia/
KADMOS S.A.	Greece	ΓΕΜΗ :: Υπηρεσίες Δημοσιότητας (businessportal.gr)
DIONYSOS S.A.	Greece	ΓΕΜΗ :: Υπηρεσίες Δημοσιότητας (businessportal.gr)
EKTENEPOL Construction Company	Greece	ΓΕΜΗ :: Υπηρεσίες Δημοσιότητας (businessportal.gr)
Mortgage, Touristic PROTYPOS Single	Greece	ΓΕΜΗ :: Υπηρεσίες Δημοσιότητας (businessportal.gr)
Hellenic Touristic Constructions S.A.	Greece	ΓΕΜΗ :: Υπηρεσίες Δημοσιότητας (businessportal.gr)
Ethniki Ktimatikis Ekmetalefsis Single	Greece	ΓΕΜΗ :: Υπηρεσίες Δημοσιότητας (businessportal.gr)
Ethniki Factors S.A.	Greece	ΟΙΚΟΝΟΜΙΚΕΣ ΚΑΤΑΣΤΑΣΕΙΣ (nbgfactors.gr)
Probank Leasing S.A.	Greece	https://www.nbg.gr/el/omilos/drasthriothtes/etairies/pbleasing
NBG Insurance Brokers S.A.	Greece	https://www.nbg.gr/el/omilos/drasthriothtes/etairies/nbginsurancebrokers
ARC Management Two EAD (Special	Bulgaria	https://portal.registryagency.bg/CR/en/Reports/ActiveConditionTabResult?uic=202565274
Bankteco E.O.O.D.	Bulgaria	https://portal.registryagency.bg/CR/en/Reports/ActiveConditionTabResult?uic=204125829
NBG Leasing S.R.L.(1)	Romania	https://mfinante.gov.ro/domenii/informatii-contribuabili/persoane-juridice/info-pj-selectie-dupa-cui
ARC Management One SRL (Special Purpose Entity)	Romania	https://mfinante.gov.ro/domenii/informatii-contribuabili/persoane-juridice/info-pj-selectie-dupa-cui
Stopanska Banka A.D.-Skopje	North Macedonia	https://www.stb.com.mk/en/the-bank/data-and-reports/#Financial_Reports
Stopanska Leasing DOOEL Skopje	North Macedonia	https://www.stopanskaleasing.mk/
NBG Greek Fund Ltd	Cyprus	https://www.companies.gov.cy/en/company-lifecycle/search-for-company-information
National Bank of Greece (Cyprus) Ltd	Cyprus	https://www.nbg.com.cy/i-trapeza-mas/ikonomiki-pliroforisi/
NBG Management Services Ltd	Cyprus	https://www.companies.gov.cy/en/company-lifecycle/search-for-company-information
NBG International Ltd	U.K.	https://find-and-update.company-information.service.gov.uk/
NBG Finance Plc	U.K.	https://find-and-update.company-information.service.gov.uk/
NBG International Holdings B.V.	The Netherlands	www.kvk.nl

Notes:

(1) Entity has no obligation by the law to publish the Financial Statements. The obligation is to submit the Financial Statements to the Ministry of Finance and the Ministry of Finance makes public, on short, the financial position of the company.