NATIONAL BANK OF GREECE

Pillar III Disclosures on a consolidated basis

September 2021

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1 INTRODUCTION & GENERAL INFORMATION

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

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

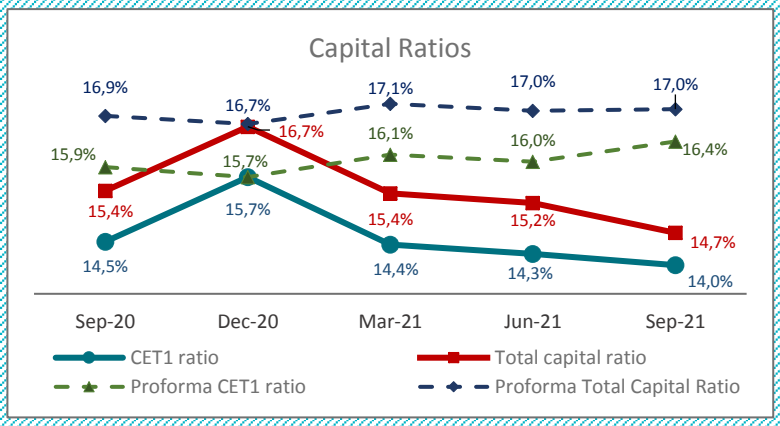
NBG Group offers a wide range of financial services, including retail and corporate banking, asset management, real estate management, financial, investment and insurance services. The Group operates in Greece, the United Kingdom, South-eastern Europe (including Cyprus and Malta) and Egypt.

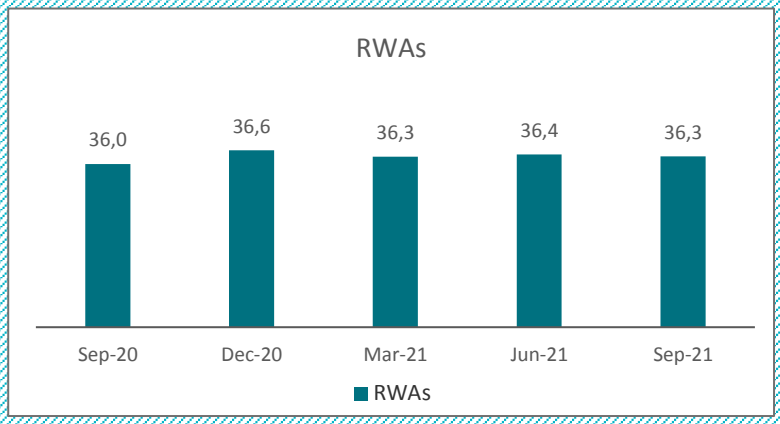
The Bank, as an international organization operating in a rapidly growing and changing environment, acknowledges its Group's exposure to banking risks and the need for these risks to be managed effectively. Risk management forms an integral part of the Group's commitment to pursue sound returns for its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

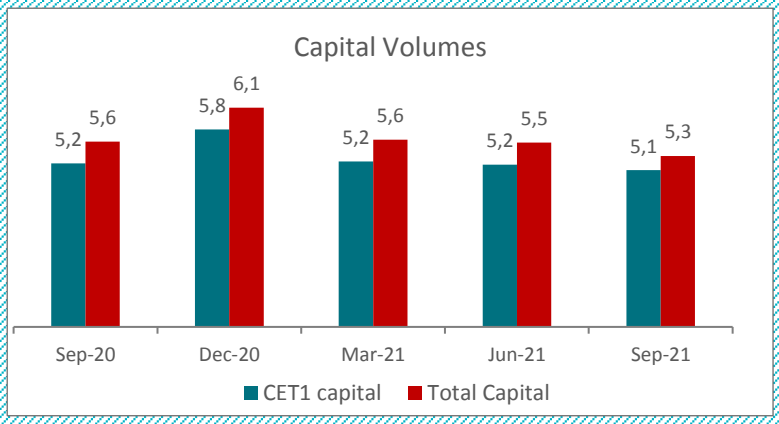
Highlights

- CET1 ratio and Total Capital ratio at 14.0% and 14.7% respectively, slightly decreased compared to the respected figures as of June 2021. Nevertheless, proforma CET1 ratio and Total Capital ratio (including profit for the period) at 16.4% and 17.0% respectively mainly due to gains in September 2021.

  RWAs slightly dropped to €36.3Bn.







1.1 Pillar III Disclosure Policy

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

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

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

The objectives of the Pillar III Disclosures are:

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

The Pillar III Disclosures Policy:

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

2 REGULATORY FRAMEWORK & RECENT DEVELOPMENTS

2.1 Regulatory Framework

2.1.1 The Main Pillars

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

A. The ***Single Supervisory Mechanism*** that places the ECB as the central prudential supervisor of financial institutions in the euro area. Since November 2014 NBG Group's supervision is assigned directly to the ECB, as NBG is classified as one of the significant banking groups of the Eurozone;

B. The ***Single Resolution Mechanism ("SRM")*** that implements the EU-wide Bank Recovery and Resolution Directive (BRRD – *see next paragraph*) in the euro area. The centralized decision-making is built around the Single Resolution Board ("SRB") and the relevant National Resolution Authorities;

C. The ***Single Rulebook***, a single set of harmonized prudential rules for institutions throughout the EU. Its three basic legal documents are:

- **CRD IV:** Directive 2013/36/EU of the European Parliament and Council *"on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms"*, transposed into Greek legislation by virtue of Law 4261/2014;
- **CRR** (Capital Requirements Regulation): Regulation (EU) No. 575/2013 of the European Parliament and Council *"on prudential requirements for credit institutions and investment firms"*, which is legally binding and directly applicable in all Member States; and
- **BRRD**: Directive 2014/59/EU of the European Parliament and Council *"establishing a framework for the recovery and resolution of credit institutions and investment firms"*, transposed into Greek legislation by virtue of article 2 of Law 4335/2015.

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

D. ***Deposit Guarantee Schemes***: Directive 2014/49/EU of the European Parliament and Council "on deposit guarantee schemes" (DGSD), transposed into Greek legislation by virtue of Law 4370/2016. A common European Deposit Insurance Scheme (EDIS) is intended to be a pillar of the Banking Union. The EC put forward a relevant proposal in November 2015. However, a common system for deposit protection has not yet been established. Work has started on a roadmap for beginning political negotiations. In December 2018, the European Council stated that it will establish a High-level working group with a mandate to work on next steps. The High-level group should report back by June 2019. On 8 August 2019, EBA published its opinion on the implementation of the Deposit Guarantee Schemes Directive (DGSD) in the EU. The opinion proposes changes in relation to the current provisions on transfers of DGS contributions between DGSs, DGSs' cooperation with various stakeholders, the current list of exclusions from eligibility, current provisions on eligibility, depositor information, the approach to third country branches' DGS membership, the implications of the recent review of the three European Supervisory Authorities (ESAs), and cross-references to other EU regulations and EU directives. The opinion proposed no changes, for example, to the current coverage level of EUR 100,000, provisions on home-host cooperation, cooperation agreements, or the cooperation between the EBA and the European Systemic Risk Board (ESRB).

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

On November 23rd, 2016, the EC presented a comprehensive package of reforms aimed at amending CRR, CRD IV, as well as the BRRD and the SRM. The package, known as "CRR2/CRD5", was submitted to the European Parliament and the Council for their consideration and adoption. The Banking Package includes prudential standards adopted by the Basel Committee on Banking Supervision and by the Financial Stability Board (FSB), while its main objective is to reduce risk in the EU banking system.

The Banking Package comprises two regulations and two directives, relating to:

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

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

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

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

In 20th May 2019 the relevant legislation 2019/876 was published, and entered into force on 27 June 2019.

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

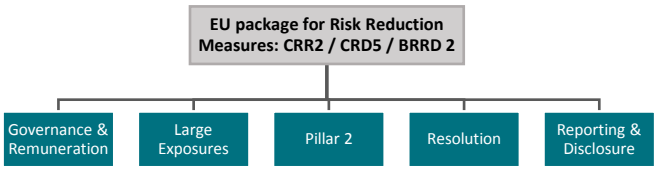


Figure 1: EU package of Risk Reduction Measures

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

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

However, it excludes the package of Basel reforms that was agreed on 7 December 2017 by the Basel Committee on Banking Supervision (BCBS) often referred to as 'Basel IV'.

On May 19th, 2021 the above proposals on CRD 5 and BBRD 2 were transposed into Greek legislation by virtue of Law 4799/2021 published in Government Gazette 78/A/18.05.2021 amending L.4335/2015.

2.2 Recent Regulatory Developments 2021

Supervisory Priorities for 2022

In October 2021, the European Banking Authority published its annual work program.
For 2022, the EBA has set five vertical priorities:
i) monitoring and updating the prudential framework for supervision and resolution;
ii) revisiting and strengthening the EU-wide stress-testing framework;
iii) leveraging the European centralised infrastructure for supervisory data (EUCLID);
iv) deepening analysis and information-sharing in the areas of digital resilience, fintech and innovation; and
v) fighting AML/CFT and contributing to a new EU infrastructure.

Moreover, the EBA has set two horizontal priorities:
a) providing tools to measure and manage environmental, social and corporate governance (ESG) risks; and
b) monitoring and mitigating the impact of COVID-19.

Reporting & Disclosure

The EBA works on harmonizing and improving the reporting framework since its inception in 2011 with the first reporting framework to be published in 2013. Since then, the EBA reporting framework has evolved over the years with its latest release to have been published on 22 December 2020 (reporting framework 3.0).

In August 2021 the EBA published an updated tool, which specifies the mapping between quantitative disclosure data points and the relevant supervisory reporting data points. This tool aims at facilitating institutions' compliance with disclosure requirements and improving the consistency and quality of the information disclosed. The updated mapping tool applies to the reporting framework 3.0 and the ITS on institutions' Pillar 3 public disclosures. The updates included in this version are mainly driven by changes during the adoption process of the ITS on supervisory reporting and the ITS on public disclosures.

In November 2021 the EBA published its first draft implementing technical standards (ITS) on Pillar 3 disclosure of institutions' exposures to interest rate risk on positions not held in the trading book (IRRBB). The final draft ITS put forward comparable disclosures that will help stakeholders assess institutions' IRRBB risk management framework as well as the sensitivity of institutions' economic value of equity and net interest income to changes in interest rates. The standards will amend the comprehensive ITS on institutions' public disclosures, in line with the strategic objective of developing a single and comprehensive Pillar 3 package that should facilitate implementation by institutions and further promote market discipline. In addition, given the ongoing EBA work on the policy framework for IRRBB, the standards also include transitional provisions that should facilitate institutions' disclosures while the policy framework is being finalised.

In November 2021, the Basel Committee on Banking Supervision issued revisions to its market risk disclosure requirements to reflect changes to the Minimum capital requirements for market risk published in January 2019. The Basel Committee also finalised standards for the voluntary disclosure of sovereign exposures. The final standards comprise three templates covering disclosure of sovereign exposures and risk-weighted assets by jurisdictional

breakdown; currency breakdown; and according to the accounting classification of the exposures. The implementation of these templates are only mandatory when required by national supervisors.

Risk assessment indicators

On 7th October 2021, the EBA published an updated list of indicators for risk assessment and risk analysis tools, together with the accompanying methodological guide. Without adding any reporting burden neither on reporting institutions nor on competent authorities, this guidance describes how risk indicators are computed in EBA publications and allows competent authorities and users of EBA data to interpret key bank figures in a consistent fashion when conducting their risk assessments and analyses.

This update is based on the EBA reporting framework version 3.0 and includes the review of indicators on institutions' profitability, exposures to sovereign counterparties and own funds requirements for operational risk, among others. Moreover, other indicators to assess the use of external ratings and monitor the use of the Standardised Approach (SA) in the credit risk framework were added to the list. The accompanying EBA Guidance Note on how to compile the financial soundness indicators (FSIs) of the International Monetary Fund (IMF) has also been updated following the release 3.0 of the EBA reporting framework.

Monetary Policy

On 9th September 2021 the Governing Council of the ECB based on a joint assessment of financing conditions and the inflation outlook, judged that favourable financing conditions can be maintained with a moderately lower pace of net asset purchases under the pandemic emergency purchase programme (PEPP) than in the previous two quarters. The Governing Council also confirmed its other measures, namely the level of the key ECB interest rates, its forward guidance on their likely future evolution, its purchases under the asset purchase programme (APP), its reinvestment policies and its longer-term refinancing operations.

On 28th October 2021 the Governing Council of the ECB prolonged the above judgement for the fourth quarter of this year and reaffirmed its other measures.

2021 EU-Wide Transparency Exercise

On September 24th, 2021 the EBA launched its regular EU-wide transparency exercise, whose results are expected to be published in December. As in the past, the exercise is exclusively based on supervisory reporting data, which will keep the burden for the banks to a minimum. Transparency exercises are conducted on an annual basis and are part of the EBA's efforts to monitor risks and vulnerabilities and to reinforce market discipline. The EBA will release nearly 2 million data points, on average more than 16,000 data points per bank, with about 120 participating banks. As in the previous years, the data will cover capital positions, profitability, financial assets, risk exposure amounts, sovereign exposures and asset quality. This year the EBA will provide additional pieces of information on the exposures under EBA compliant moratoria and public guarantee schemes, which will allow public to have more comprehensive assessment of the impact of the COVID-19 crisis on the banking sector.

The EBA has initiated the interaction with banks for supervisory reporting, data population and verification and expects to publish the results of the exercise at the beginning of December, together with the annual Risk Assessment Report (RAR).

ESG Risks

A big concern has been raised in terms of sustainability, green banking and ESG risks measures. In particular, the Publications Office of the European Union has developed tools and mechanisms for the integration of ESG factors into the EU banking prudential framework and into banks' business strategies and investment policies. The study, conducted on behalf of the European Commission, explores the integration of ESG factors into banks' risk management processes, business strategies and investment policies, as well as into prudential supervision. It provides a comprehensive overview of current practices and identifies a range of best practices for the integration of ESG risks within banks' risk management processes and prudential supervision. It outlines challenges and enabling factors associated with the development of a well-functioning EU market for green finance and sustainable investment. The study is based on the collection and aggregation of information from a wide range of representative stakeholders, in order to reflect a full spectrum of views. Findings show that ESG integration is at an early stage, and the pace of implementation needs to be accelerated in order to achieve effective ESG integration into banks' risk management and business strategies, as well as prudential supervision. To support this acceleration, enhancements are particularly required on ESG definitions, measurement methodologies, and associated quantitative indicators. A lack of adequate data and common standards remain key challenges to be overcome to drive ESG integration. Cross-stakeholder collaboration, as well as supervisory initiatives and guidance, will be critical in tackling this global and pervasive topic.

Moreover, in September 2021, the ECB published the results of its economy-wide climate stress test. The exercise tested the impact of climate change on more than four million firms worldwide and 1,600 euro area banks under three different climate policy scenarios.
The results show that firms and banks clearly benefit from adopting green policies early on to foster the transition to a zero-carbon economy. The exercise also reveals that the impact of climate risk is concentrated in certain regions and sectors of the euro area. In particular, firms located in regions most exposed to physical risk could face very severe and frequent natural disasters, which would in turn affect their creditworthiness.

Climate risk includes both physical risk and transition risk. Physical risk is the economic impact of an expected increase in the frequency and magnitude of natural disasters. In Europe, physical risks are unevenly distributed, with northern regions being more prone to floods and southern regions more exposed to heat stress and wildfires. Transition risk is the cost of introducing policies to reduce CO2 emissions, particularly for certain high-emitting industries. For example, carbon-intense industries, such as mining or electricity, would incur considerable costs to reduce CO2 emissions, which would increase their probability of default over the short to medium term. That said, the transition to a greener economy is also a golden opportunity. The exercise shows that the advantages of taking action early on outweigh the initial costs over the medium to longer term, also as a result of energy efficiency gains for firms and cheaper energy prices overall.

In October 2021, the ECB launched the SSM Climate Strees Test for 2022 and published the methodological note. The draft EBA Guidelines on institutions' stress testing leave room for competent authorities to follow various approaches. The methodological requirements described are to be considered as a uniform methodology for conducting a bottom-up exercise and are not intended to form the basis of any future regulations.

EU implementation of outstanding Basel III reforms

The European Banking Authority and the European Central Bank have consistently affirmed the importance of timely and faithful implementation of the outstanding Basel III reforms in the European Union. This is essential to ensure banks can withstand future crises and a necessary condition for the proper functioning of the European and global financial systems. The COVID-19 pandemic created the need for exceptional measures. Both the EBA and the ECB supported the decision of the Basel Committee to delay the implementation date of the final Basel III reforms by two years to 2025. Nevertheless, these reforms remain critically important for addressing shortcomings in the existing framework.

3 REGULATORY OWN FUNDS & PRUDENTIAL REQUIREMENTS

The revised rules on capital and liquidity (CRR2 and CRDV) and resolution (BRRD2 and SRMR2) were published in the Official Journal on 7 June 2019, following a legislative process which began at the end of 2016. Most changes apply from June 2021. The Banking Package includes prudential standards adopted by the Basel Committee on Banking Supervision and by the Financial Stability Board (FSB), while its main objective is to reduce risk in the EU banking system.

The Banking Package comprises two regulations and two directives, relating to:

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

Table 1: EU KM1 – Key metrics template

€ mio

	Key Metrics	Q3 21	Q2 21	Q1 21	Q4 20	Q3 20
	Available capital (amounts)					
1	Common Equity Tier 1 (CET1) capital	5,102	5,191	5,240	5,750	5,209
2	Tier 1 capital	5,102	5,191	5,240	5,750	5,209
3	Total capital	5,326	5,540	5,589	6,098	5,557
	Risk-weighted assets (amounts)					
4	Total risk-weighted assets	36,346	36,433	36,322	36,617	35,984
	Capital ratios					
5	Common Equity Tier 1 ratio (%)	14.04%	14.25%	14.43%	15.70%	14.48%
6	Tier 1 ratio (%)	14.04%	14.25%	14.43%	15.70%	14.48%
7	Total capital ratio (%)	14.65%	15.21%	15.39%	16.65%	15.44%
	Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount)					
EU 7a	Additional own funds requirements to address risks other than the risk of excessive leverage (%)	3.00%	3.00%	3.00%	3.00%	3.00%
EU 7b	*of which: to be made up of CET1 capital (percentage points)*	*1.69%*	*1.69%*	*1.69%*	*1.69%*	*1.69%*
EU 7c	*of which: to be made up of Tier 1 capital (percentage points)*	*2.25%*	*2.25%*	*2.25%*	*2.25%*	*2.25%*
EU 7d	Total SREP own funds requirements (%)	11.00%	11.00%	11.00%	11.00%	11.00%
	Combined buffer requirement (as a percentage of risk-weighted exposure amount)					
8	Capital conservation buffer (%)	2.50%	2.50%	2.50%	2.50%	2.50%
EU 10a	Other Systemically Important Institution buffer	0.50%	0.50%	0.50%	0.50%	0.50%
11	Combined buffer requirement (%)	3.00%	3.00%	3.00%	3.00%	3.00%
EU 11a	Overall capital requirements (%)	14.00%	14.00%	14.00%	14.00%	14.00%
12	CET1 available after meeting the total SREP own funds requirements (%)	3.65%	4.21%	4.39%	5.65%	4.44%
	Leverage Ratio					
13	Leverage ratio total exposure measure	78,047	80,246	73,354	72,095	67,515
14	Leverage ratio	6.54%	6.47%	7.14%	7.98%	7.72%
	Additional own funds requirements to address the risk of excessive leverage (as a percentage of total exposure measure)					
EU 14a	Additional CET1 leverage ratio requirements (%)	0.00%	0.00%	0.00%	0.00%	0.00%
EU 14b	Additional AT1 leverage ratio requirements (%)	0.00%	0.00%	0.00%	0.00%	0.00%
EU 14c	Total SREP leverage ratio requirements (%)	3.00%	3.00%	3.00%	3.00%	3.00%
	Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)					
EU 14d	Leverage ratio buffer requirement (%)	0.00%	0.00%	0.00%	0.00%	0.00%
EU 14e	Overall leverage ratio requirements (%)	3.00%	3.00%	3.00%	3.00%	3.00%
	Liquidity Coverage Ratio					
15	Total high-quality liquid assets (HQLA) (Weighted value - average)	19,960	18,511	16,909	15,444	14,330
16	Total net cash outflows (adjusted value)	8,089	7,910	7,846	7,716	7,401
17	Liquidity coverage ratio (%)	246.46%	234.03%	215.50%	200.17%	193.61%
	Net Stable Funding Ratio[1]					
18	Total available stable funding	61,033	60,685	59,223	58,496	55,242
19	Total required stable funding	45,117	45,235	48,232	48,336	47,669
20	NSFR ratio (%)	135.28%	134.16%	122.79%	121.02%	115.89%

1 *NSFR calculation for Q2 and Q3 2021 is updated as per CRR2 (effective from 30 June 2021).*

3.1 Structure of own funds

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

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

The following items are deducted from the above:

- positive or negative adjustments in the fair value of financial derivatives used for cash flow hedging;
- fair value gains and losses arising from the institution's own credit risk related to derivative liabilities;
- prudent valuation adjustment calculated according to article 105 of Regulation (EU) No 575/2013;
- goodwill and intangibles;
- deferred tax assets not arising from temporary differences;
- deferred tax assets arising from temporary differences; and significant investments that exceed 10%/17.65% of CET1 filter.

Tier 2 capital includes the issuance of a Tier 2 note, totalling €398 million.

NBG Group's regulatory capital structure is presented in the following table.

In Q3 2021 CET1 capital decreased to €5,102 million compared to Q2 2021 CET1 capital, mainly due to deductions relating to deferred tax assets arising from temporary differences and intangibles. Total Capital decreased to €5,326 million compared to Q2 2021 Total Capital, due to the above and the increase of subordinated loans to significant investments in financial sector entities.

Table 2: Own Funds Structure

Group's Own Funds Structure *(€ mio)*	*Q3 21*	*Q3 21**	*Q2 21*	*Q2 21**
Shareholders' Equity per balance sheet	**5,692**	5,692	**5,490**	5,490
Non-controlling interests	**11**	11	**10**	10
Non-controlling interests per balance sheet	*21*	*21*	*20*	*20*
Non-controlling interests not recognized in CET1	*(10)*	*(10)*	*(10)*	*(10)*
Regulatory Adjustments	**63**	830	**264**	839
Profit for the period	*(767)*		*(575)*	
IFRS9 transitional arrangements	*873*	*873*	*879*	*879*
Own credit risk	*(34)*	*(34)*	*(32)*	*(32)*
Prudent valuation adjustment	*(12)*	*(12)*	*(12)*	*(12)*
Cash flow hedging reserve	*22*	*22*	*23*	*23*
Other	*(19)*	*(19)*	*(19)*	*(19)*
Deductions	**(664)**	(528)	**(573)**	(471)
Goodwill and intangibles	*(220)*	*(220)*	*(190)*	*(190)*
Significant Investments	*(72)*	*(44)*	*(68)*	*(46)*
Deferred tax assets that rely on future profitability (excluding those arising from temporary differences)	*(2)*	*(2)*	*(2)*	*(2)*
Deferred tax assets that rely on future profitability and arise from temporary differences	*(370)*	*(262)*	*(313)*	*(233)*
Common Equity Tier 1 Capital (CET1)	**5,102**	6,005	**5,191**	5,868
Additional Tier 1 Capital (AT1)	**0**	0	**0**	0
Total Tier 1 Capital	**5,102**	6,005	**5,191**	5,868
Capital instruments and subordinated loans eligible as Tier 2 Capital	**399**	399	**399**	399
Deductions	**(175)**	(175)	**(50)**	(50)
Subordinated loans of financial sector entities where the institution has a sign. Inv. in those entities	*(175)*	*(175)*	*(50)*	*(50)*
Tier 2 Capital	**224**	224	**349**	349
Total Regulatory Capital	**5,326**	6,229	**5,540**	6,217

** including profit for the period*

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

Table 3: EU CCA - Capital Instruments main features

Capital instruments' main features template			*€ mio*
1	Issuer	National Bank of Greece, S. A. (Greece)	National Bank of Greece S.A.
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement	GRS003003035	XS2028846363
2a	Public or private placement	Public	Public
3	Governing law(s) of the instrument	Greek	English law, save that subordination provisions applicable to the Notes and provisions on statutory loss absorption powers will be governed by, and construed in accordance with, the laws of the Hellenic Republic
3a	Contractual recognition of write down and conversion powers of resolution authorities	N/A	Yes
	Regulatory treatment		
4	Transitional CRR rules	Common Equity Tier 1	Tier2
5	Post-transitional CRR rules	Common Equity Tier 1	Tier2
6	Eligible at solo/(sub-)consolidated/solo & (sub-)consolidated	Solo & Consolidated	Solo & Consolidated
7	Instrument type (types to be specified by each jurisdiction)	Ordinary Shares	Tier 2
8	Amount recognized in regulatory capital (currency in million, as of most recent reporting date)	2,744	400
9	Nominal amount of instrument	2,744 (914,715,153 shares @ €3.00 each)	400
9a	Issue price	-	100%
9b	Redemption price	-	100%
10	Accounting classification	Share Capital	Liability
11	Original date of issuance	Various	18/07/2019
12	Perpeptual or dated	Perpetual	Dated
13	Original maturity date	-	18/07/2029
14	Issuer call subject to prior supervisory approval	N/A	Yes
15	Optional call date, contingent call dates, and redemption amount	N/A	18/07/2024
16	Subsequent call dates, if applicable	N/A	No. Call date is one-off
	Coupons / dividends		
17	Fixed or floating dividend/coupon	N/A	Fixed Coupon
18	Coupon rate and any related index	N/A	8.25%. MS (-0.214%) + Reset Margin (+8.464%)
19	Existence of a dividend stopper	N/A	No
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	partially discretionary	Mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	partially discretionary	Mandatory
21	Existence of step up or other incentive to redeem	No	No
22	Noncumulative or cumulative	Non cumulative	Non-Cumulative
23	Convertible or non-convertible	Non convertible	Non-Convertible
24	If convertible, conversion trigger (s)	N/A	N/A
25	If convertible, fully or partially	N/A	N/A
26	If convertible, conversion rate	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A
28	If convertible, specifiy instrument type convertible into	N/A	N/A
29	If convertible, specifiy issuer of instrument it converts into	N/A	N/A
30	Write-down features	No	No
31	If write-down, write-down trigger (s)	N/A	N/A
32	If write-down, full or partial	N/A	N/A
33	If write-down, permanent or temporary	N/A	N/A
34	If temporary write-down, description of write-up mechanism	N/A	N/A
34a	Type of subordination (only for eligible liabilities)	N/A	N/A
34b	Ranking of the instrument in normal insolvency proceedings	1	3
35	Position in subordination hierachy in liquidation (specify instrument type immediately senior to instrument)	Additional Tier 1	The Notes constitute direct, unsecured and subordinated obligations of the Issuer and rank at all times (i) pari passu without any preference among themselves and pari passu with all other present and future subordinated and unsecured obligations of the relevant Issuer which rank or are expressed to rank pari passu with the Subordinated Notes,(ii) junior to present and future obligations of the relevant Issuer in respect of Unsubordinated Notes and Unsubordinated MREL Notes (and all other present and future obligations of the relevant Issuer which rank or are expressed to rank pari passu with Unsubordinated Notes and Unsubordinated MREL Notes) and Senior Non-Preferred Notes (and all other present and future obligations of the relevant Issuer which rank or are expressed to rank pari passu with Senior Non-Preferred Notes) and any other obligations of the relevant Issuer which rank or are expressed to rank senior to the Subordinated Notes, including (where the relevant Issuer is the Bank) deposits of the Bank and (iii) in priority to present and future subordinated and unsecured obligations of the relevant Issuer (A) which rank or are expressed to rank junior to the Subordinated Notes and (B) in respect of the share capital of such Issuer.
36	Non-compliant transitioned features	No	No
37	If yes, specifiy non-compliant features	N/A	N/A
37a	Link to the full term and conditions of the intrument (signposting)	https://www.nbg.gr/english/the-group/corporate-governance/regulations-principles/Documents/ARTICLES_OF_ASSOCIATION.pdf	https://www.nbg.gr/en/the-group/investor-relations/dept-investors/globalmediumtermnoteprogramme

3.2 IFRS 9 impact on own funds

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

In particular, upon adoption of IFRS 9, credit institutions are allowed to include in the Common Equity Tier 1 capital (CET1), a portion of the increased ECL provisions over a 5-year transitional period starting in 2018. The portion of ECL provisions that can be included in CET1 should decrease over time down to zero to ensure the full implementation of IFRS 9, after the end of the transitional period.

In addition, in accordance with paragraph (4) of the Regulation, if the ECL provisions for Stages 1 and 2 incurred after the first adoption of IFRS 9 are increased, credit institutions are allowed to include the increase in the transitional arrangements.

The percentages of recognition in CET1 of the increased ECL provisions during the 5-year transition period are as follows:

- 0.95 during the period from 01/01/2018-31/12/2018
- 0.85 during the period from 01/01/2019-31/12/2019
- 0.70 during the period from 01/01/2020-31/12/2020
- 0.50 during the period from 01/01/2021-31/12/2021
- 0.25 during the period from 01/01/2022-31/12/2022

The Group has decided to apply the transitional arrangements set out in Article 1 of the aforementioned Regulation, including the provisions of paragraph (4), during the transitional period.

According to the amendments of IFRS9 transitional arrangements due to CRR II "quickfix", transitional period is extended in order to mitigate the impact on own funds from the potential sudden increase in ECL allowance. More specifically, the reference date for any increase in ECL allowance (the "dynamic component"), is moved to 1 January 2020 and the CET1 add-back percentages for the new ECL provisions recognized in 2020 are set to:

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

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

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

Table 4: IFRS 9 impact

€ mio

Comparison of own funds, capital ratios and leverage ratios with and without the application of transitional arrangements for IFRS 9 or analogous ECLs	Q3 21	Q2 21	Q1 21	Q4 20	Q3 20
Available capital (amounts)					
Common Equity Tier 1 (CET1) capital	5,102[1]	5,191[2]	5,240[3]	5,750	5,209[4]
Common Equity Tier 1 (CET1) capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	4,229[1]	4,312[2]	4,387[3]	4,611	4,082[4]
Tier 1 capital	5,102	5,191	5,240	5,750	5,209
Tier 1 capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	4,229	4,312	4,387	4,611	4,082
Total capital	5,326[1]	5,540[2]	5,589[3]	6,098	5,557[4]
Total capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	4,453[1]	4,661[2]	4,735[3]	4,959	4,429[4]
Risk-weighted assets (amounts)					
Total risk-weighted assets	36,346	36,433	36,322	36,617	35,984
Total risk-weighted assets as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	35,877	35,958	35,875	36,045	35,426
Capital ratios					
Common Equity Tier 1 (as percentage of risk exposure amount)	14.04%[1]	14.25%[2]	14.43%[3]	15.70%	14.48%[4]
Common Equity Tier 1 (as percentage of risk exposure amount) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	11.79%[1]	11.99%[2]	12.23%[3]	12.79%	11.52%[4]
Tier 1 (as percentage of risk exposure amount)	14.04%	14.25%	14.43%	15.70%	14.48%
Tier 1 (as percentage of risk exposure amount) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	11.79%	11.99%	12.23%	12.79%	11.52%
Total capital (as percentage of risk exposure amount)	14.65%[1]	15.21%[2]	15.39%[3]	16.65%	15.44%[4]
Total capital (as percentage of risk exposure amount) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	12.41%[1]	12.96%[2]	13.20%[3]	13.76%	12.50%[4]
Leverage ratio					
Leverage ratio total exposure measure	78,047	80,246	73,354	72,095	67,515
Leverage ratio	6.54%	6.47%	7.14%	7.98%	7.72%
Leverage ratio as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	5.45%	5.41%	6.02%	6.45%	6.10%

1 *including profits for the period, CET1 capital and Total Capital are 6,005mio and 6,229mio respectively, resulting to CET1 and Total Capital ratios of 16.37% and 16.98% respectively. Moreover, without the application of IFRS 9 or analogous ECLs transitional arrangements, CET1 and Total Capital stand at 5,132mio and 5,356mio respectively, resulting to 14.17% and 14.79% CET1 and Total Capital ratios.*

2 *including profits for the period, CET1 capital and Total Capital are 5,868mio and 6,217mio respectively, resulting to CET1 and Total Capital ratios of 15.99% and 16.95% respectively. Moreover, without the application of IFRS 9 or analogous ECLs transitional arrangements, CET1 and Total Capital stand at 4,989mio and 5,338mio respectively, resulting to 13.78% and 14.74% CET1 and Total Capital ratios.*

3 *including profits for the period, CET1 capital and Total Capital are 5,895mio and 6,244mio respectively, resulting to CET1 and Total Capital ratios of 16.12% and 17.08% respectively. Moreover, without the application of IFRS 9 or analogous ECLs transitional arrangements, CET1 and Total Capital stand at 5,042mio and 5,391mio respectively, resulting to 13.96% and 14.92% CET1 and Total Capital ratios.*

4 *including profits for the period, CET1 capital and Total Capital are 5,752mio and 6,100mio respectively, resulting to CET1 and Total Capital ratios of 15.89% and 16.85% respectively. Moreover, without the application of IFRS 9 or analogous ECLs transitional arrangements, CET1 and Total Capital stand at 4,624mio and 4,972mio respectively, resulting to 12.98% and 13.95% CET1 and Total Capital ratios.*

3.3 Capital requirements under Pillar I

Overview of RWAs

The next table presents the risk exposure amounts (or Risk Weighted Assets - RWAs) and the capital requirements at Group level under Pillar I as of 30.09.2021 and 30.06.2021, according to the CRR/CRD IV regulatory framework. The capital requirements under Pillar I are equal to 8% of the risk exposure amounts.

Total RWAs are broken down in 88.2% Credit (including Counterparty Credit Risk), 4.4% Market and 7.4% Operational RWAs, respectively.

On a quarterly basis total RWAs slightly dropped to €36.3Bn. Concerning Credit RWAs, reduction was encountered due to curings (-€0.13Bn) mainly in mortgages partially offset by purchase of new Bonds in Institutions (+€0.08Bn).

Table 5: EU OV1 - Overview of RWAs

	Overview of RWAs	RWAs		Minimum Capital Requirements
		30.09.21	30.06.21	30.09.21
1	**Credit risk (excluding CCR)**	**31,785**	**31,854**	**2,543**
2	*Of which the standardised approach*	*31,785*	*31,854*	*2,543*
3	*Of which the foundation IRB (FIRB) approach*			
4	*Of which: slotting approach*			
EU 4a	*Of which: equities under the simple riskweighted approach*			
5	*Of which the advanced IRB (AIRB) approach*			
6	**Counterparty credit risk – CCR**	**338**	**335**	**27**
7	*Of which the standardised approach*	215	208	17
8	*Of which internal model method (IMM)*	0	0	
EU 8a	*Of which exposures to a CCP*	10	10	1
EU 8b	*Of which credit valuation adjustment-CVA*	97	101	8
9	*Of which other CCR*	16	16	1
15	**Settlement risk**			
16	**Securitisation exposures in the non-trading book (after the cap)**			
17	*Of which SEC-IRBA approach*			
18	*Of which SEC-ERBA (including IAA)*			
19	*Of which SEC-SA approach*			
EU 19a	*Of which 1250%/ deduction*			
20	**Position, foreign exchange and commodities risks (Market risk)**	**1,528**	**1,549**	**122**
21	*Of which the standardised approach*	538	567	43
22	*Of which IMA*	990	982	79
EU 22a	**Large exposures**			
23	**Operational risk**	**2,695**	**2,695**	**216**
EU 23a	*Of which basic indicator approach*			
EU 23b	*Of which standardised approach*	2,695	2,695	216
EU 23c	*Of which advanced measurement approach*			
24	**Amounts below the thresholds for deduction (subject to 250% risk weight) (For information)**	**1,593**	**1,625**	**127**
29	**Total**	**36,346**	**36,433**	**2,908**

3.4 Leverage Ratio

Leverage ratio is calculated in accordance with the methodology set out in article 429 of the regulation (EU) No 575/2013 of the European Parliament and of the Council, as amended by European Commission delegated Regulation 62/2015 of 10 October 2014. It is defined as an institution's capital measure divided by that institution's total leverage exposure measure and is expressed as a percentage. The Group submits to the competent authority the leverage ratio on a quarterly basis. The following table includes the summary of the Group's leverage ratio with reference dates 30.09.2021 and 30.06.2021 (amounts in € mio):

Table 6: Leverage ratio

Leverage Ratio	Q3 21	Q2 21
Tier I	5,102	5,191
Total Exposure Measure	78,047	80,246
Leverage Ratio	**6.54%**	**6.47%**

As of 30 September 2021, Group leverage ratio, according to the transitional definition of Tier I and the EU Regulation 62/2015, remained stable at the area of 6.5% (6.54% vs 6.47% as of 30 June 2021) still exceeding the proposed minimum threshold of 3%. The total leverage exposures reduction by €2,2Bn mainly due to decline in leverage exposure of Securities Financing transactions and Derivatives was fully counterbalanced by Tier 1 capital (regulatory excluding proforma) decrease by €0.09Bn.

4 MARKET RISK

The main changes in the Market Risk RWAs under the internal model approach are presented in the table below:

Table 7: EU MR2-B – RWA flow statements of market risk expsoures under the IMA (€ mio) 30.09.2021

		VaR	SVaR	IRC	Comprehensive risk measure	Other	Total RWAs	Total own funds requirements
1	**RWAs as of June 30, 2021**	**170**	**812**	**-**	**-**	**-**	**982**	**79**
1a	*Regulatory adjustment*	101	513	-	-	-	614	49
1b	*RWAs at the previous quarter-end (end of the day)*	68	300	-	-	-	368	29
2	Movement in risk levels	(5)	(16)	-	-	-		
3	Model updates/changes			-	-	-		
4	Methodology and policy			-	-	-		
5	Acquisitions and disposals			-	-	-		
6	Foreign exchange movements			-	-	-		
7	Other	(2)	(21)	-	-	-		
8a	*RWAs at the end of the reporting period (end of the day)*	61	262	-	-	-	324	26
8b	*Regulatory adjustment*	184	483	-	-	-	666	53
8	**RWAs as of September 30, 2021**	**245**	**745**	**-**	**-**	**-**	**990**	**79**

Table 7: EU MR2-B *– RWA flow statements of market risk expsoures under the IMA (€ mio) 30.06.2021*

		VaR	SVaR	IRC	Comprehensive risk measure	Other	Total RWAs	Total own funds requirements
1	**RWAs as of March 31, 2021**	**234**	**791**				**1,025**	**82**
1a	*Regulatory adjustment*	178	509				688	55
1b	*RWAs at the previous quarter-end (end of the day)*	55	282				337	27
2	Movement in risk levels	1	(12)					
3	Model updates/changes							
4	Methodology and policy							
5	Acquisitions and disposals							
6	Foreign exchange movements							
7	Other	12	30					
8a	*RWAs at the end of the reporting period (end of the day)*	68	300				368	29
8b	*Regulatory adjustment*	101	513				614	49
8	**RWAs as of June 30, 2021**	**170**	**812**				**982**	**79**

The Market Risk RWAs, based on the Internal Model Approach, in Q3.2021, remained at the same level as at the end of the previous quarter.

5 LIQUIDITY RISK

Liquidity is defined as the capacity to obtain cash when it is needed, in order to meet bank obligations in a timely manner. Therefore, liquidity risk entails the possibility that the bank will not be able to obtain enough cash at the time required and thus will fail to meet its obligations.

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

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

In addition, top management receives, on a daily basis, a liquidity report which presents a detailed analysis of the Group's funding sources, the liquidity buffer, the cost of funding and other liquidity indicators related to the Risk Appetite Framework (RAF), the Recovery Plan (RP) and the Contingency Funding Plan. Moreover, the Asset Liability Committee (ALCO) monitors the gap in maturities between assets and liabilities, as well as the Bank's funding requirements based on various assumptions, including conditions that might have an adverse impact on the Bank's ability to liquidate investments and trading positions and its ability to access the capital markets. On a long term perspective, the Loan-to-Deposit ratio is monitored. This ratio stood at 57.3% and 58.2% as of 30 September 2021, on a domestic (Greece) and on a Group level, respectively (excluding the short term reverse repo facility of €3.0 billion).

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

Liquidity Developments in Q3 2021

During the third quarter of 2021, NBG's liquidity position remained robust under the real stressed conditions encountered due to the COVID-19 crisis. The stability of its funding sources, combined with the comfortable level of its liquidity buffer and LCR, especially during this period, further underpin the quality, as well as the resilience of the Bank's overall liquidity profile.

Sources of liquidity

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

Following a remarkable year for the Bank's liquidity in 2020, despite the Covid-19 pandemic and its unprecedented consequences in the financial markets and social life, the period ended 30 September 2021 further strengthened the Bank's strong liquidity profile. On 30 September 2021, the Bank's customer deposit balance stood at €50.3 billion, and the most stable deposit class, the savings deposits increased by €1.12 billion compared to 30 June 2021.

Additionally, both the LCR and the NSFR, remained strong and were steadily increasing during the third quarter of 2021, driven by the significant increase of savings deposits, reaching their highest historical level on 30 September 2021. More specifically, the Bank's LCR remained comfortably above the regulatory and internal limits, at all times, and it significantly increased reaching its highest level of 251%, on 30 September 2021. Moreover, the Bank NSFR after the application of the new CRR II framework in June 2021, further improved in Septenber 2021, standing at the highest historical level of 134% (Group 135.3%).

Moreover, the international secured financing markets continued to be open for NBG, which the Bank tapped for €1.2 billion, on 30 September 2021. Furthermore, NBG continued to benefit from the ECB temporary measures and the TLTRO-III.1, in the amount of €750mio, was rolled over in the same amount of TLTRO-III.9, while the total TLTRO funding of the Bank remained at €11.6 billion on 30 September 2021.

The Bank's funding cost stood at the historically low level of zero as of 30 September 2021 in line with the increase of low-cost savings deposits, as well as the favorable terms of the TLTROs.

Finally, the Bank's liquidity buffer stood at €22.3 billion as at 30 September 2021, of which €5.9 billion was collateral eligible for funding with the ECB, €5.4 billion pertained to the unencumbered tradable collateral that could be used for secured funding with FIs, and the remaining €11 billion was either in the form of cash, or deposited with the Bank of Greece, as well as in the form of short term unsecured interbank placements and deposited in Nostro accounts, further showing NBG's strong liquidity position.

The next tables present the key components of NBG's LCR and NSFR, as per the respective guidelines on LCR and NSFR disclosure ((EBA/ITS/2020/04).

Table 8: EU LIQ1 - Quantitative Information of Liquidity Coverage Ratio 2021

€ mio		Total unweighted value			Total weighted value		
Quarter ending on		**31.03.2021**	**30.06.2021**	**30.09.2021**	**31.03.2021**	**30.06.2021**	**30.09.2021**
Number of data points used in the calculation of averages		**12**	**12**	**12**	**12**	**12**	**12**
HIGH-QUALITY LIQUID ASSETS							
1	**Total high-quality liquid assets**				**16,909**	**18,511**	**19,960**
CASH-OUTFLOWS							
2	Retail deposits and deposits from small business customers, *of which:*	**28,183**	**29,384**	**30,756**	**1,626**	**1,696**	**1,778**
3	*Stable deposits*	*25,101*	*26,159*	*27,340*	*1,255*	*1,308*	*1,367*
4	*Less stable deposits*	*3,082*	*3,226*	*3,416*	*371*	*388*	*411*
5	Unsecured wholesale funding	**10,759**	**11,153**	**11,576**	**4,531**	**4,694**	**4,893**
6	*Operational deposits (all counterparties) and deposits in networks of cooperative banks*						
7	*Non-operational deposits (all counterparties)*	*10,759*	*11,153*	*11,576*	*4,531*	*4,694*	*4,893*
9	Secured wholesale funding						
10	Additional requirements	**1,154**	**1,155**	**1,156**	**1,154**	**1,155**	**1,156**
11	*Outflows related to derivative exposures and other collateral requirements*	*1,154*	*1,155*	*1,156*	*1,154*	*1,155*	*1,156*
13	*Credit and liquidity facilities*						
14	Other contractual funding obligations	**626**	**586**	**525**	**606**	**567**	**507**
15	Other contingent funding obligations	**8,769**	**8,675**	**8,878**	**498**	**493**	**506**
16	**TOTAL CASH OUTFLOWS**				**8,416**	**8,604**	**8,840**
CASH-INFLOWS							
18	Inflows from fully performing exposures	561	644	686	433	499	539
19	Other cash inflows	140	199	215	137	196	212
20	**TOTAL CASH INFLOWS**	**701**	**843**	**901**	**570**	**694**	**751**
EU-20c	***Inflows Subject to 75% Cap***	701	843	901	570	694	751
					TOTAL ADJUSTED VALUE		
21	**LIQUIDITY BUFFER**				**16,909**	**18,511**	**19,960**
22	**TOTAL NET CASH OUTFLOWS**				**7,846**	**7,910**	**8,089**
23	**LIQUIDITY COVERAGE RATIO (%)**				**215.5**	**234.0**	**246.5**

***Table 8: EU LIQ1** – Quantitave Information of Liquidity Coverage Ratio 2020*

€ mio		Total unweighted value				Total weighted value			
Quarter ending on		**31.03.20**	**30.06.20**	**30.09.20**	**31.12.20**	**31.03.20**	**30.06.20**	**30.09.20**	**31.12.20**
Number of data points used in the calculation of averages		**12**	**12**	**12**	**12**	**12**	**12**	**12**	**12**
HIGH-QUALITY LIQUID ASSETS									
1	**Total high-quality liquid assets**					**12,089**	**13,153**	**14,330**	**15,444**
CASH-OUTFLOWS									
2	Retail deposits and deposits from small business customers, *of which:*	25,016	25,581	26,123	26,994	1,447	1,479	1,509	1,558
3	*Stable deposits*	*22,247*	*22,760*	*23,261*	*24,050*	*1,112*	*1,138*	*1,163*	*1,203*
4	*Less stable deposits*	*2,768*	*2,821*	*2,862*	*2,944*	*335*	*341*	*346*	*355*
5	Unsecured wholesale funding	10,729	10,602	10,604	10,779	4,577	4,527	4,512	4,561
6	*Operational deposits (all counterparties) and deposits in networks of cooperative banks*								
7	*Non-operational deposits (all counterparties)*	*10,729*	*10,602*	*10,604*	*10,779*	*4,577*	*4,527*	*4,512*	*4,561*
9	Secured wholesale funding					20			
10	Additional requirements	303	574	818	1,051	312	574	818	1,051
11	*Outflows related to derivative exposures and other collateral requirements*	*303*	*574*	*818*	*1,051*	*312*	*574*	*818*	*1,051*
13	*Credit and liquidity facilities*								
14	Other contractual funding obligations	598	623	682	626	583	608	665	608
15	Other contingent funding obligations	6,894	8,998	8,998	8,998	455	511	511	511
16	**TOTAL CASH OUTFLOWS**					**7,394**	**7,699**	**8,014**	**8,289**
CASH-INFLOWS									
18	Inflows from fully performing exposures	751	645	589	565	615	534	472	436
19	Other cash inflows	200	160	144	140	177	157	141	137
20	**TOTAL CASH INFLOWS**	**951**	**805**	**733**	**705**	**792**	**692**	**613**	**573**
EU-20c	***Inflows Subject to 75% Cap***	951	805	733	705	792	692	613	573
							TOTAL ADJUSTED VALUE		
21	**LIQUIDITY BUFFER**					**12,089**	**13,153**	**14,330**	**15,444**
22	**TOTAL NET CASH OUTFLOWS**					**6,602**	**7,008**	**7,401**	**7,716**
23	**LIQUIDITY COVERAGE RATIO (%)**					**183.1**	**187.7**	**193.6**	**200.2**

Explanations on the main drivers of LCR results and the evolution of the contribution of inputs to the LCR's calculation over time

It is evident from the following tables that the Bank's LCR has been steadily increasing over the last three years, reflecting the continuous improvement of NBG's liquidity profile during this period. The key drivers for its significant improvement during the year of 2020, which continued during the period ended 30.09.2021, were the significant increase of stable retail deposits, as well as the introduction of the new Additional Credit Claims (ACC) framework by the Bank of Greece and ECB, based on which, a significant amount of additional credit claims were accepted as eligible collateral for Eurosystem funding operations, further expanding the Bank's ECB eligible collateral.

Explanations on the changes in the LCR over time

LCR level followed an upward trend over time, as unencumbered HQLAs significantly increased, in line with the growth of deposits, and the introduction of the Additional Credit Claims framework.

Explanations on the actual concentration of funding sources

NBG's high concentration on the stable long-term funding, through the cheaper TLTRO III ECB's refinancing operations, aims exclusively to maintain the Bank's funding cost at historically low levels.

High-level description of the composition of the institution`s liquidity buffer

The Bank's robust liquidity buffer is composed of cash mainly deposited with the Bank of Greece, collateral eligible for funding with the ECB and unencumbered tradable collateral that could be used for secured funding with Financial Institutions.

Derivative exposures and potential collateral calls

The Bank's derivatives portfolio is mostly used for hedging purposes. The risk associated with additional cash collateral, which the Bank could potentially post for margin calls, is captured in the LCR calculation through the input "Additional requirements" and it could also be comfortably mitigated by its robust liquidity buffer.

Currency mismatch in the LCR

The Currency mismatch risk of the Bank is low as the largest part of NBG's assets are denominated in EUR and therefore EUR is considered the only material currency for the LCR calculation.

There are no other items in the LCR calculation that are not captured in the LCR disclosure template but that the institution considers relevant for its liquidity profile.

List of abbreviations

Abbreviation	Definition	Abbreviation	Definition
AFS	Available for Sale	**GL**	Guidelines
A-IRB	Advanced Internal Ratings Based (Approach)	**IAS**	International Accounting Standards
AML	Anti-Money Laundering	**ICAAP / ILAAP**	Internal Capital / Liquidity Adequacy Assessment Process
ATHEX	Athens Exchange	**IFRS**	International Financial Reporting Standards
BAC	Board Audit Committee	**IMA**	Internal Model Approach
BCBS	Basel Committee on Banking Supervision	**IRB**	Internal Ratings Based (approach)
BoG	Bank of Greece	**ITS**	Implementing Technical Standards
BoS	Board of Supervisors (EBA)	**LR**	Leverage Ratio
bps	Basis Point	**ML**	Money Laundering
BRC	Board Risk Committee	**MREL**	Minimum Requirements for Own Funds & Eligible Liabilities
BRRD	Bank Recovery and Resolution Directive	**NBG**	National Bank Of Greece, S.A
CCR	Counterparty Credit Risk	**NCA**	National Competent Authority
CET1	Common Equity Tier 1	**NPE**	Non Performing Exposure
CRD	Capital Requirements Directive	**NPL**	Non Performing Loan
CRR	Capital Requirements Regulation	**NPV**	Net Present Value
CVA	Credit Valuation Adjustment	**OCR**	Overall Capital Requirement
DGSD	Deposit Guarantee Schemes Directive	**OR**	Operational Risk
dpd	days past due	**P2R**	Pillar 2 Requirement
DoD	Definition of Deafult	**PD**	Probability of Default
DTA	Deferred Tax Asset	**PE**	Performing Exposures
DTC	Deferred Tax Credit	**RTS**	Regulatory Technical Standards
EAD	Exposure at Default	**RWA**	Risk Weighted Assets
EBA	European Banking Authority	**SA**	Standardized Approach
EC	European Commission	**SEC**	Securities and Exchange Commission
ECAI	External Credit Assessment Institutions	**SFDR**	Sustainable Finance Disclosure Regulation
ECB	European Central Bank	**SPV**	Special Purpose Vehicle
ECL	Expected Credit Losses	**SR**	Securitization Repositories
EDIS	European Deposit Insurance Scheme	**SRB**	Single Resolution Board
EFSF	European Financial Stability Facility	**SREP**	Supervisory Review and Evaluation Process
EL	Expected Loss	**SRM**	Single Resolution Mechanism
ERBA	External Ratings Based Approach	**SSM**	Single Supervisory Mechanism
ESA	European Supervisory Authorities	**ST**	Stress Test
ESG	Environmental, Social & Governance	**STS**	Single, Transparent, Standardized (securitization)
ESM	European Stability Mechanism	**sVaR**	Stressed Value at Risk
ESMA	European Securities & Markets Authority	**TF**	Terrorist Financing
ESRB	European Systemic Risk Board	**TLAC**	Total Loss Absorbing Capacity
EU	European Union	**TLTRO**	Targeted Long-Term Refinancing Operations
FI	Financial Institution	**UTP**	Unlikeliness to Pay
F-IRB	Foundation internal ratings-based (approach)	**VaR**	Value at Risk
FRTB	Fundamental Review of the Trading Book	**WAM**	Weighted Average Maturity