NATIONAL BANK OF GREECE

Group and Bank

Six-month Financial Report

for the period ended 30 June 2024

August 2024

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National Bank of Greece S.A.

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 183 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 Exposures 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 has significant banking activities in Cyprus and North Macedonia. 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.

About our **Purpose, Vision and Values**

The NBG Group's purpose statement is formulated in the single phrase: **"Together we create future"**. Our Vision is to be the **"Bank of First Choice"** for customers, talent and investors. A **Human, Trustworthy, Responsive** Bank, that acts as a **Catalyst for sustainable growth** and unlocks potential for households, businesses, communities and our people. In line with its purpose, vision and values, the Group is committed to embedding ESG considerations into its strategy, business and operating model, and corporate culture.

Our **Values**

Throughout our history, from 1841 until today, we recognize that our successful business activity is based and driven 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**
			
We place the needs and choices of our customers at the center of everything we do.	*We operate with transparency, knowledge, and experience.*	*We provide flexible solutions tailored to the needs of our customers.*	*We accelerate sustainable growth and prosperity.*

In January 2024, we launched our new corporate identity, with a new logo and a comprehensive visual ecosystem, which reflects our position as the most trustworthy Bank in Greece, our increased responsiveness and efficiency, as a result of our successful transformation efforts, as well as our orientation towards building a more prosperous and sustainable future together with our customers.

About Environment, Society and Governance

Since 2021 NBG has embarked on a holistic approach to ESG, defining its ESG strategy in three pillars, which are closely aligned with the Bank's purpose to create a more prosperous and sustainable future together with its customers, people and shareholders. Our Environment ('E'), Society ('S') and Governance ('G') strategy is articulated in nine themes. These themes stem from and reflect our revamped value system, align with selected Sustainable Development Goals ("SDGs") and complement the Bank's overall business strategy and transformation, as well as our vision to become the undisputed Bank of First Choice in Greece.

Our strategic approach also aims to ensure compliance with the evolving regulatory framework, fulfilment of our 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, disclosures and reporting, as well as efforts to reduce NBG's direct and indirect emissions footprint).

Environment

In 2023 we joined the Partnership for Carbon Accounting Financials ("PCAF") and the Net-Zero Banking Alliance ("NZBA"), aiming to work together with financial institutions across the globe to drive forward ambitious climate action. In this respect, we were the first Greek bank to set and disclose science-based financed emission targets in the context of the NZBA for notably six of the most carbon-intensive portfolios in our books. During 1H.24, we have worked towards further enhancing carbon footprint measurements, including measuring our financed emissions for 100% of relevant exposures according to the PCAF methodology, as well as capturing the impact of key NBG subsidiaries for the first time.

The implementation of our ESG strategy is also evident in our business achievements. As of 1H.24, we maintained our strong market position in Greece in renewable energy sources ("RES") financing, with €2.1 billion in outstanding balances. We also expanded our retail product offering to support the transition journey of small businesses and households and in this respect during 1H.24 we have launched a series of "green" consumer loans for the energy upgrade of homes, as well as new loans for students to cover undergraduate or postgraduate studies, all guaranteed by the European Investment Fund ("EIF"). We were the first Greek bank to sign an agreement with the EIF for the financing of individuals through the Sustainability and Skills & Education Programs of the Invest EU guarantee scheme.

In the context of minimizing the environmental footprint resulting from our own operations, we implement energy efficiency actions, aiming to reduce consumption of electricity, natural gas and oil. We also source almost 100% of our electricity needs from RES, while we produce electricity from 2.0 MWp of photovoltaic capacity installed in selected NBG buildings.

Society

We aim for our social strategy and sponsorship programs to deliver positive impact for the communities in which we operate. We place significant emphasis on implementing programs and actions in the pillar of the Environment & Climate. Hence, following our €12.5 million contribution, as part of the €50 million support to be provided by the four Greek systemic banks, for the restoration of the Thessaly region after the catastrophic storm "Daniel" in 2023, we announced in May 2024 the continuation of a targeted program of supporting volunteer firefighter groups for another two years (following the first two-year phase in 2021-2023).

In addition to the pillar of the Environment, we are committed to enabling financial inclusion through products with a positive social impact. In this respect, in April 2024, we launched "My First House", a new mortgage loan supporting young people to purchase their first home with attractive commercial terms. We have also set a target to disburse €200 million of "My First House" to at least 2,000 young people by the end of 2027, in the context of our commitment to the UNEP FI and the PRB.

We also continue to invest in our people, where we have leading diversity indicators across all levels of our workforce hierarchy, with 31% of Board positions and 34% of Senior Management positions held by women. Moreover, we have completed our third bank-wide Employee Engagement Survey in 1H.24, following which we design and implement targeted actions to tackle any raised issues within each area of the Bank.

Governance

During 2023, we strengthened our ESG disclosures, as well as our ESG governance at the Board and management level. The Board Innovation and Sustainability Committee came into force in February 2022 to oversee the Group's medium-to-long-term ESG and Innovation Strategy. In addition, the Board allocated duties and tasks related to ESG risks among its seven Committees for facilitating the development and implementation of a sound internal ESG Governance Framework, while the Board Committee Charters have been updated to reflect this.

Moreover, the Bank sets the direction in terms of ESG strategy and targets and provides oversight for key business initiatives and risks through the ESG Management Committee, chaired by the Chief Executive Officer ("CEO"). Lastly, in late 2023 we proceeded with the introduction of new senior executive roles in our strategy and risk management areas, to further strengthen our ESG governance and more effectively address the business opportunities and risks stemming from the sustainability transition.

Key initiatives relevant to the implementation of the Climate & Environmental strategy (including related risk management), as well as its Social strategy are included in our Transformation Program to ensure high level of focus and execution discipline in the aforementioned critical areas (see section "Transformation Program").

Our ESG strategic themes are listed below:

ESG pillars	ESG strategic themes	ESG commitments	Our core values	UN Sustainable Development Goals (SDGs)
Environment	Lead the market in **sustainable energy financing**	Lead the development of the **renewable energy** sector	Responsive Growth catalyst	7 AFFORDABLE AND CLEAN ENERGY; 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE; 11 SUSTAINABLE CITIES AND COMMUNITIES; 12 RESPONSIBLE CONSUMPTION AND PRODUCTION; 13 CLIMATE ACTION; 14 LIFE BELOW WATER; 15 LIFE ON LAND; 17 PARTNERSHIPS FOR THE GOALS
		Pioneer **sustainable bond issuing** in the Greek market		
	Accelerate transition to a **sustainable economy**	Support **green transition** of corporates		
		Lead **green retail financing** & **sustainable investments**		
	Role-model **environmentally responsible practices**	Establish a **carbon neutral** NBG footprint		
		Protect **biodiversity** and **ecosystem health**		
Society	Champion **diversity** & **inclusion**	Establish **equality** in the workplace	Human	3 GOOD HEALTH AND WELL-BEING; 4 QUALITY EDUCATION; 5 GENDER EQUALITY; 8 DECENT WORK AND ECONOMIC GROWTH; 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE; 10 REDUCED INEQUALITIES; 11 SUSTAINABLE CITIES AND COMMUNITIES; 17 PARTNERSHIPS FOR THE GOALS
		Promote **inclusion** in the society		
	Enable **public health & well-being**	Protect the **health and family life** of our people		
		Enable **public health, well-being** and **sports**		
	Promote **Greek heritage, culture** & **creativity**	Lead the preservation of **Greek cultural heritage**		
		Promote **contemporary Greek culture** and **creativity**		
	Foster **entrepreneurship & innovation**	Foster **entrepreneurship** and **innovation**		
		Motivate **public contribution** to new projects		
	Support **prosperity through learning & digital literacy**	Encourage **lifelong learning** in and out of the workplace		
		Champion **digital literacy** across age groups		
Governance	Adhere to the **highest governance standards**	Ensure **best-in-class corporate governance**	Trustworthy	16 PEACE, JUSTICE AND STRONG INSTITUTIONS; 17 PARTNERSHIPS FOR THE GOALS
		Ensure **transparency in disclosures** and **reporting**		

For further details on ESG & Sustainability, see section "Non-Financial Statement" on the Annual Financial Report for the year ended 31 December 2023, as well as NBG's "ESG Report" for the year 2023.

Chairman’s Statement

Gikas A. Hardouvelis

Chair of the Board of Directors

The Greek economy’s positive momentum continued in the first half of 2024, following three consecutive years of over performance relative to the Euro Area. Employment, wages and non-wage income are rising while inflation is slowing, on the back of a sustained improvement in business conditions, robust tourism activity and solid domestic consumption.

The banking sector is a major contributor to economic growth. The annual growth of bank lending to the private sector exceeded the Euro Area average by a widening margin in the past two years. According to the latest data, in May 2024, loans to non-financial corporations exhibited a sharp increase of 7.6% y-o-y, compared to only 0.3% y-o-y in the Euro Area.

Fiscal credibility remains high: The government has met its primary surplus target of 2% of GDP a year-ahead of schedule. In addition, the general government debt as % of GDP is falling rapidly, having an extra 15% of GDP cash buffer cushion.

For the medium term, key growth drivers are: a strong pipeline of private and public investment projects and other Recovery and Resilience Fund-related spending, a revived labor market, healthy private sector entities, and sizeable liquidity buffers of the State. They are expected to cushion the downside risks associated with persistent geopolitical tensions, heightened pressures on globalization and climate-related challenges.

Nonetheless, the road to convergence towards the EU average remains long and challenging. It requires the speeding up of structural reforms and a digital transformation of the Greek economy towards the production of high valued added goods and services.

At NBG, following our successful digital and operational transformation, we continue to provide abundant financing to households and businesses, aiming to become the “Bank of First Choice”. Capitalizing on our high-quality balance sheet and the positive domestic growth environment, we delivered an outstanding financial performance in the first half of 2024.

NBG became the first Greek bank to repay its TLTRO III exposure in the beginning of 2024. This was due to its a robust liquidity position and its strong recurring core profitability. Its P&L strength and solid capital and liquidity profile were corroborated in April, when NBG became the first Greek bank to regain investment grade status since the onset of the Greek financial crisis, after nearly 15 years. Meanwhile, a few weeks ago, Moody’s upgraded NBG’s senior unsecured debt ratings by two notches to Baa2 from Ba1, standing one notch above investment grade.

Another significant milestone was the return to dividend distribution following a multi-year sectoral ban by the regulator. The Bank’s Annual General Shareholders’ Meeting in July approved the distribution of a cash dividend of €332 million, equivalent to €0.36 per share, corresponding to a 30% payout ratio out of the FY.23 Attributable Profit.

Our strategic decision to invest in cutting-edge technology and the unwavering commitment of our people have been the catalysts behind NBG’s remarkable financial performance. Through NBG’s successful Transformation Program, we continue to improve our commercial and operating model. Our recent accomplishments include inter alia:

- *Enhancement of customer experience in Corporate & Investment Banking, through the new centralized Corporate Service Unit.*
- *Improvement of customer experience in Retail Banking, through the introduction of new sales and service roles for individual customers in our branches, as well as through services offered on our digital channels (internet and mobile banking).*
- *Significant upgrades to our technology infrastructure, including the ongoing replacement of our Core Banking System, and the development of applications leveraging artificial intelligence (AI).*
- *Further incorporation of ESG in the Bank’s business strategy, risk management practices, and corporate culture.*

NBG continues to register notable improvements across ESG topics. In 2023, we became the first bank in Greece to commit towards a set of ambitious and specific 2030 targets for financed emissions, participating in world-class organizations, such as the Partnership for Carbon Accounting Financials (PCAF) and the Net-Zero Banking Alliance (NZBA). NBG’s targets, disclosures, and business value-creation initiatives for the climate and the *environment have been recognized by significant rating agencies, including MSCI, ISS ESG, Sustainalytics, S&P Global and Fitch, which have upgraded our ESG ratings.*

Looking ahead, NBG remains committed to staying at the forefront of banking developments. We leverage our expertise and resources to provide seamless banking experience that meets the evolving needs of our clients. We continue to invest in talent acquisition and development, as well as in innovative technologies and digital solutions to accelerate our own transformation. Through our unwavering dedication to customer-centricity, community engagement, and financial inclusion, we continue to adapt and evolve, keep creating added value and having a positive impact on the lives of our clients and the Greek economy.

Athens, 31 July 2024

Gikas A. Hardouvelis
Chair of the Board of Directors

Chief Executive Officer's Statement

Pavlos K. Mylonas

Chief Executive Officer

The second quarter was positive on many fronts. The Greek economy gathered pace during the period on the back of improved business and labor market conditions and the strengthening in fixed capital investment. Moreover, forward-looking indicators point to a continued strength in activity. Fiscal credibility and the ongoing risk-re-rating of Greek assets provide a further cushion to exogenous risks.

In this supportive macroeconomic backdrop, we delivered another strong P&L performance in 1H.24. Indeed, 1H.24 Core PAT increased by +27% y-o-y to €646 million, translating into a Core RoTE of 17.4%. The positive momentum in core operating profitability reflects NII resilience to lower market rates and fee income growth, arising from accelerating activity. It also reflects prudent cost management and gradually normalizing credit risk charges on the back of insignificant organic NPE flows.

Our strong profitability further enhanced our sector high capital buffers, leading CET1 and Total Capital ratios c. 50bps and c. 70bps higher y-t-d to 18.3% and 20.9%, respectively. The excess capital provides us with significant strategic flexibility, including with regards to returning capital to shareholders.

The distinct strength of our balance sheet continues to stand out. Loan disbursements picked-up sharply to a multi-year high of €2.8 billion in 2Q.24. Moreover, 1H.24 excess liquidity increased by €1.1 billion y-t-d to €9.1 billion, despite the large increase in loans, providing solid support to our NII, and underlining NBG's unique liquidity advantage.

The delivery of our strong and sustainable financial results is supported by our Transformation Program, focusing on i) growth and customer experience, ii) upgrades in digital, technology and the operating model as well as ESG efforts. Key highlights of 1H.24 achievements include:

- *Increased focus on top-line expansion and service quality both for Retail (as part of our new mass service model) and for Corporate (completing the transition to our new corporate service model and introducing innovative offerings)*
- *Progress in the replacement of our Core Banking System, with Corporate and Small Business loan modules being "live"*
- *Broadening our leadership in digital banking with our active users reaching the 3 million mark. Our digital offering is continuously evolving and being tailored to our client needs (e.g. new 'Business Mobile Banking' app for our business clients and new 'Next by NBG' app for Youth)*
- *Continuing the simplification and automation of our processes, including further centralizations, the expansion of paperless, the use of OCR but also the preparation of GenAI use cases*

Another major milestone in early 2024 was the introduction of our new corporate identity, visualizing what NBG is today and reflecting all changes and successes achieved during the past years.

The consistent delivery of our achievements and change management would not be feasible without the support of our HR, whose goals are the development, specialization and incentivization of our People.

Sustainability and inclusive growth are an integral part of our strategy. We remain committed and on track to meet our ambitious plan for net zero financed emissions targets, measuring and reporting our progress towards that direction. Additionally, NBG maintained its leading position in Renewable Energy Sources financing and expanded its retail product offering, including financing solutions for small-scale RES, home energy upgrades, and hybrid/electric vehicles.

Looking ahead, our strategic focus on technologized and digital excellence will enable us to support the Greek economy's growth trajectory, empowering our customers' ambitions and customer experience and provide them with innovative financial solutions. With the trust and dedication of our people, who are the backbone of our organization, we will continue to deliver value to our shareholders while fostering a culture of excellence and customer-centricity.

Athens, 31 July 2024

Pavlos Mylonas

Chief Executive Officer

Certification of the Board of Directors
on the six-month Financial Report as at 30 June 2024

Certification of Chairman, Chief Executive Officer and a member of the Board of Directors pursuant to Article 5 of Greek Law 3556/2007, as in force.

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 Interim Financial Statements for the six-month period ended 30 June 2024 have been prepared in accordance with the applicable accounting standards and present a true and fair view of the Statement of Financial Position, Income Statement, Statement of Comprehensive Income, Statement of Changes in Equity and Cash Flow Statement of the Bank and of the companies included in the consolidation.

(2) The Board of Directors Report for the six-month period ended 30 June 2024 truly and fairly presents all information required by Article 5, Para 6 of Greek Law 3556/2007, as in force.

Athens, 31 July 2024

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

Board of Directors Report

First half 2024

For the six months period ended 30 June 2024

Key Highlights

First half 2024

Group Financial Results

Group Core PAT for the six-month period at €646 million

Group Core PAT for the six-month period

€646 million for the six-month period ended 30 June 2024 (30 June 2023: €508 million).

Bank's new loan disbursements

Bank's loan disbursements reach €3.6 billion for the six-month period ended 30 June 2024, driven mainly by corporates.

Non-Performing Exposures ("NPEs")

Group NPE stock amounted to €1.2 billion, with NPE ratio at 3.3%.

Liquidity

Group deposits as at 30 June 2024 at €57.1 billion while Liquidity Coverage Ratio ("LCR") and Net Stable Funding Ratio ("NSFR") stand comfortably above regulatory requirements.

Capital Adequacy

The Group's Common Equity Tier 1 ("CET1") and Total Capital ratios as at 30 June 2024 were 18.3% and 20.9% respectively, including profit for the period, post dividend accrual, comfortably above the respective regulatory capital requirements for 2024.

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 3.0 million (+6.2% y-o-y).
- 21.2% y-o-y increase in transactions via digital channels.
- 35.7% y-o-y increase in sales via digital channels.

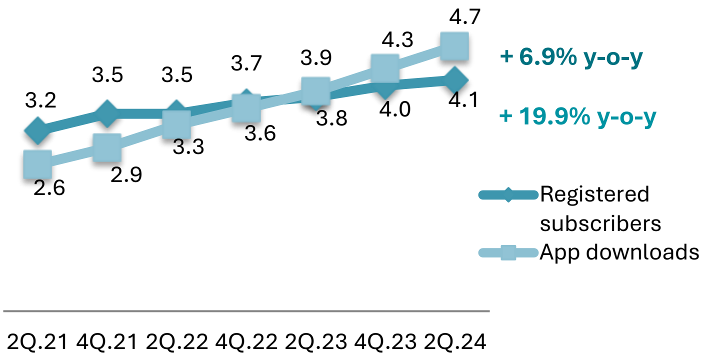
Acceleration of digital transformation and new digital functionalities

A digital leap forward creating a new competitive advantage

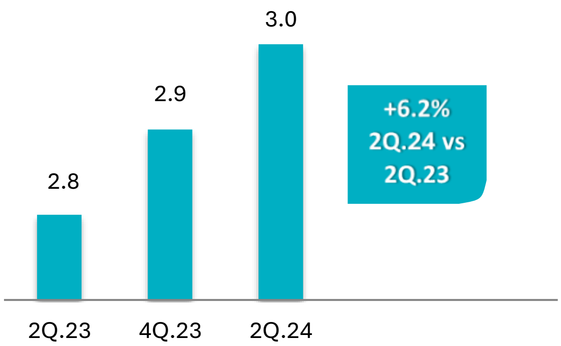
	Key digital metrics	New digital functionalities
Onboard	– **Digital subscribers:** 4.1 million (+6.9% y-o-y). – **Mobile app downloads** 4.7 million (+19.9% y-o-y).	• Onboarding new customers to the Bank via the new app, Next by NBG, especially designed to meet the needs of the youth segment (18-30 years old).
Engage	– **Digital active users (12 months)** 3.0 million (+6.2% y-o-y). – **Digital active users (1 month)** 2.5 million (+6.8% y-o-y).	• New app Next by NBG, designed for the needs of the youth audience, combining banking & lifestyle elements (rewards). • Insights & Promotion tool, providing statistical data and enabling the creation of promotional campaigns for businesses that want to understand market trends and boost their sales. • Online repayment of business loans via NBG Business Mobile Banking. • Current account opening via NBG Business Mobile Banking. • Registration to IRIS Payment via Internet Banking for sole Proprietorships and free-lancers. • New transaction approval service in Digital Banking using biometric data/Fast login PIN for greater transaction security.
Cross-sell	– **Digital sales** more than 246 thousand items (+35.7% y-o-y).	• New products added in the digital sales portfolio (DUAL card issuance (debit and credit option), current account opening, etc).

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

Digital subscribers (in millions)



Digital active users (in millions)



Key achievements and significant developments of NBG Group in the first half of 2024

Large scale Transformation Program

Building upon its long-lasting tradition of trust and contribution to the Greek economy and society, the Bank 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. Since its inception, the Transformation Program has delivered impressive results in terms of core profitability – fully in line with the Bank's financial and business targets and tangible improvements to the business and operating model. These results are delivered through discrete workstreams encompassing c.35+ initiatives and involving 1,500+ employees of the Bank.

NPE reduction plan

From December 2015 to June 2024, the Group achieved a decrease of €23.1 billion of the NPE stock through a combination of organic and inorganic actions, with Group NPE stock as of 30 June 2024 at €1.2 billion (Bank: €1.0 billion). Similarly, the NPE ratio dropped from 46.8% in 2015 to 3.3% post to the projects "Frontier" and "Frontier II" derecognition and project "Frontier III" classification as 'Held for Sale'. More specifically, NPE's balance further declined in 1H.24, with the stock of domestic NPEs amounting to €1.1 billion.

Domestic NPE ratio decreased by c. 40 basis points ("bps") to 3.3% in 2Q.24, with NPE coverage at 84.3%. International NPE ratio and NPE coverage in 2Q.24 settled at 4.3% and 103.9%, respectively.

Furthermore, as per the regular European Central Bank ("ECB") calendar, the revised NPE targets for the 2024-2026 period were submitted to the Single Supervisory Mechanism ("SSM") on 29 March 2024. The objective of the revised NPE targets is to actively pursue a credible NPE ratio improvement, leading to a level aligned with the EU average (~3%) by 2026.

Disposal of NPE portfolios

Project "Frontier II"

On 16 February 2024, the Bank proceeded with the disposal of a portfolio of Greek Non-Performing Exposures in the form of a rated securitization utilising the provisions of the Hellenic Asset Protection Scheme ("HAPS") also known as the "Hercules III" scheme (see below for the abovementioned scheme).

Funds managed by Bracebridge Capital LLC acquired 95% of the Mezzanine and Junior notes, while NBG retained 100% of the Senior notes and 5% of the Mezzanine and Junior notes. 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).

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. leasing portfolio, with a total gross book value of €33 million as of 30 June 2024.

The transaction is estimated to be completed within the second half of 2024, subject to required approvals.

Project "Solar"

In December 2021, the Bank decided to launch the divestment of the secured portfolio of SMEs (project "Solar") with a gross book value c. €170 million (as of the cut-off date 30 September 2021), through a joint transaction with the other Greek systemic banks in a form of a rated securitisation under HAPS.

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

In June 2024, the Systemic Banks submitted to the Greek Ministry of Finance a joint application for the inclusion of the senior notes to be issued in the Hercules III scheme.

The transaction is expected to be completed within the second half of 2024, subject to required approvals.

Project "Frontier III"

In September 2023, the Bank decided the disposal of a portfolio of Greek Non-Performing Exposures in the form of a rated securitization aiming to utilize the provisions of Hercules III. The portfolio consists of predominantly secured Large Corporate, SMEs, SBL, Mortgage Loans and Consumer Loans with a total gross book value of c. €0.7 billion (as of the cut-off date, 30 June 2023).

In May 2024, the Bank submitted to the Greek Ministry of Finance an application for the inclusion of the senior notes to be issued in the context of the Frontier III Securitization in the Hercules III scheme.

The transaction is estimated to be completed within the second half of 2024, subject to required approvals.

Hellenic Republic Asset Protection Scheme

In December 2019, the Greek parliament voted for the creation of a 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.

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.

Moreover, in December 2023, following the approval from the European Commission on 28 November 2023 and based on the Greek Law 5072/2023, the "Hercules Scheme" (named also as "Hercules III") was extended by 12 months.

Under the Hercules III Scheme, the Hellenic Republic will provide guarantees up to €2.0 billion on the senior bonds of securitizations of NPEs. The Hercules Scheme will become effective only when the originator has sold at least 50% plus one of junior tranches (and mezzanine if any) and the notes are of such amount that allows the derecognition and the Significant Risk Transfer ("SRT") of the securitized receivables.

Other transactions

Strategic Partnership of NBG with Epsilon Net S.A.

On 16 November 2022, the Bank announced the signing of memorandum of understanding ("MoU") with Epsilon Net S.A. ("Epsilon Net" or the "Company") and its main shareholder. Subsequently, on 4 May 2023, the Bank announced the signing of a binding agreement for the purchase of 7.5% of the total share capital of Epsilon Net held by the main shareholder (the "Initial Transaction"), as well as the possibility of acquiring a further 7.5% from the main shareholder three years after the completion of the Initial Transaction. The agreement with the main shareholder also provides for the execution of a long-term, exclusive partnership agreement between Epsilon Net and NBG for the joint design, development, and distribution of products and services focusing on strengthening and supporting entrepreneurship in Greece. The Initial Transaction was consummated on 9 June 2023.

The founder and main shareholder Mr. Ioannis Michos, NBG and General Atlantic, a growth equity Private Equity fund that focuses on technological investments (the "Parties"), decided to acquire for €12/share the entire free float of the Company not already held directly or indirectly by any of the Parties (i.e. 20,100,000 shares, or 37.08% of the share capital of the Company) via a mandatory tender offer (the "Tender Offer") and to subsequently delist the Company. The Offeror is Ginger Digital BidCo S.A., a newly incorporated société anonyme governed by the laws of Greece. The Tender Offer was announced on 26 April 2024. The acceptance period of the Tender Offer commenced on 1 July 2024 and is expected to be completed on 2 August 2024. As of 8 July 2024, the Offeror and the Parties own 81.31% of the Epsilon Net's share capital.

Financial highlights

Group Core profit after tax ("PAT") at €646 million

Group Core PAT reached €646 million for the six months period ended 30 June 2024, with Core Operating Profit up by €159 million y-o-y from €710 million to €869 million, reflecting core income growth of 13.6%, while operating expenses were kept contained y-o-y (up by 5.5% y-o-y).

More specifically, Group's Net Interest Income ("NII") increased by 13.4% y-o-y to €1,192 million, reflecting base rate repricing and strong loan disbursements, offsetting higher deposit and wholesale funding costs and hedging cost carry.

Net fee and commission income reached €205 million, demonstrating an impressive growth of 15.2% y-o-y, driven by retail fees, with double digit growth across products, which benefitted from higher new production volumes.

Operating expenses were kept contained y-o-y

Operating expenses for the six months period ended 30 June 2024, increased by 5.5% y-o-y to €421 million, reflecting collectively agreed wage rises in December 2023 and variable pay accruals, as well as abating inflation impacting administrative expenses ("G&As").

Bank's performing loans in 1H.24

Group's performing loan portfolio continued to expand in 1H.24 reaching €31.4 billion, increased by €0.9 billion y-o-y. Bank's disbursements in 1H.24 amounted to €3.6 billion, driven by a sharp pick up in corporates.

ECB funding under targeted longer-term refinancing operations ("TLTROs") fully repaid in 1H.24, while Group deposits remained high

The Bank fully repaid its participation to the ECB TLTRO III refinancing operations within 1H.24, achieving full disengagement from ECB funding (€1.9 billion as at 31 December 2023). The Bank's ample liquidity buffer (HQLAs) at cash values amounting to €20.1 billion of high-quality liquid assets and Liquidity Coverage Ratio ("LCR") and Net Stable Funding Ratio ("NSFR)" well above 100%.

Group's customer deposit balance stood at €57.1 billion, ending flat in 1H.24, increased by €1.4 billion y-o-y.

Regulatory developments

MREL Requirements

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

Other developments

NBG received ECB's approval for a profit distribution following a multi-year sectoral ban

The Bank announced the receipt of the ECB's approval on 5 June 2024 for profit distribution of €332 million, or €0.36 per share. The amount corresponds to a 30% payout ratio of the Net Profit for 2023.

NBG's return to profit distributions constitutes a significant milestone for the Bank and is tangible confirmation of the robustness of our balance sheet, our strong recurring profitability and our sustained organic capital generation.

On 25 July 2024, the Annual Shareholders Meeting approved the profit distribution following the Board of Director's proposal.

NBG rating upgrade

In 2023, the significant progress of the Greek economy fundamentals and debt sustainability resulted in the restoration of the Greek sovereign rating back to investment grade status after more than 13 years. On the back of the positive developments in the economic backdrop and solid profitability outlook, on 30 April 2024, NBG became the first Greek bank to regain an Investment Grade rating by Morningstar DBRS to BBB (low) pari-passu with the Greek sovereign, after nearly 15 years since the onset of the Greek Financial Crisis.

On 4 July 2024, S&P upgraded by one notch NBG to BB+ with a positive outlook, one notch below the Investment Grade status, while Fitch has maintained its rating to the bank to BB with a positive outlook since December 2023. More recently, on 8 July 2024 Moody's proceeded with a two-notch upgrade of the long-term senior unsecured rating of NBG to Baa2 (BBB), a rating which stands one notch above Investment Grade, being the first major rating agency to re-assign to Greek banks with an investment grade rating.

NBG's ratings are best-in-class in the sector, reflective of its leading franchise in Greece, strengthened balance sheet, core earnings power, sustained organic capital build-up, as well as strong funding and liquidity position.

Reward program for Performing Mortgage Loan Borrowers

On 11 April 2023, the Bank announced the launch of the Reward Program for Consistent Mortgage Loan Customers by placing a cap on any variable interest rates for the next 12 months, thus protecting borrowers against future increases in reference rates. As the first 12 months of the Program were completed in April 2024, NBG continued to support reliable borrowers by offering an extension of a further 12 months on loans that are being regularly paid off under the Program, at the same terms.

Transformation Program

Following a clear mandate from NBG's Board of Directors, the Bank launched a rigorous Transformation Program in the second half of 2018, committing to the delivery of aspiring financial and operational targets.

Since its inception, 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 and is closely monitored by the Strategy & Transformation Committee.

Delivering the Transformation

The Transformation Program was initially 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 program-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 1H.24

During 1H.24, more than 1,500 staff have been involved in the Transformation Program in at least one of the ~35+ initiatives and ~80+ sub-initiatives, achieving significant tangible results across all Workstreams:

Workstreams	Key achievements in 1H.24
Best Bank for our Clients	**Corporate & Investment Banking:** • Completion of client migration to new, centralized Corporate Service Unit ("CSU") to further enhance customer experience and efficiency in the servicing of corporate clients. • Enhancement of the product offering to support Greece's sustainability transition, introducing specialized, innovative solutions for the renewable energy market. **Retail Banking:** • Operationalization of Mass segment service model, including the introduction of new branch sales roles and the centralization/migration of branch non-sales activities (e.g., KYC/AML) to alternative channels (Call Center, CX Hub). • Enhancement of Wealth Management offering through the launch of three new Mutual Fund products, and the implementation of discretionary mandate. • Enhancement of embedded banking offering, including the initiation of partnership with PPC for home energy upgrades. • Acceleration of branch network transformation, including paperless adoption, enhancements in customers' appointments booking functionality, branch queuing system, tellerless branches expansion, and the launch of a new platform for the management of electronic and paper confiscations. **Digital Business:** • Acceleration of customers' migration to digital channels, through the offering of novel solutions and customer experience enhancements: – For individuals: new transactions and products available on internet and mobile banking including flexy card (Buy now, pay later); further boost of digital engagement for the Youth segment through the recently launched Next app. – For businesses/ corporates: enhancements in online legalisation services; continued digital migration to online platforms and development of innovative solutions via Application Programming Interfaces (APIs).
Technology & Processes	• Core Banking System ("CBS") replacement program in progress, with successful rollout for corporate, SB and consumer loans underway. • Expansion of usage of new technologies, incl. Robotics Process Automation ("RPAs"), and Optical Character Reader, and continued migration to cloud; introduction of a bank-wide GenAI framework with strategic roadmap underway. • Continued reengineering of core processes, through centralizations and automations (e.g., launch of new wave of corporate loan admin optimization and mortgage admin centralization). • Transition to a paperless operating model across Branches through gradual incorporation of paperless capabilities across all our products and services (e.g., KYC, customer onboarding & basic client relationship management, cards, consumer loans, investment products, bancassurance etc.).
ESG	• Measurement of financed & non-financed emissions baseline for 2023, and assessment of progress towards medium-term net-zero targets. • Preparation of EU Taxonomy and Sustainable Financing Framework adoption. • Enhancement of Climate-related & Environmental ("C&E") Risk Identification and Materiality Assessment approach and ESG qualitative customer level assessment. • Ongoing enhancement of NBG's social strategy through implementation of high-impact social initiatives (including actions to improve accessibility of special groups such as impaired clients).
Special Projects	• Operationalization of the Bank's strategic partnership with Epsilon Net with the acceleration of Small Business lending referrals and the launch of jointly developed and marketed products (e.g., "Epsilon All-in-One" POS product). • Ongoing implementation of end-to-end optimization for key customer journeys (e.g., new customer onboarding, new Premium customer onboarding) and revamp of Customer Experience (CX) measurement to boost CX actionability across products/services and channels.

Economic and Financial Review

Key developments in the Macroeconomic and Financial environment

Global Economy & Financial Environment

The global economic recovery continues

In the United States, economic activity has moderated from robust levels.

Euro area economic activity showed signs of revival after stagnating in the course of 2023.

Monetary policy continued to be restrictive as inflation remained above medium-term targets.

The European Central Bank

Lowered the three key policy interest rates by 25 basis points ("bps") in June 2024.

Reduced the size of its balance sheet by €0.4 trillion to €6.5 trillion.

The Federal Reserve

Has maintained the target range for the federal funds rate at 5.25% to 5.50% since July 2023.

Reduced the size of its balance sheet by USD 0.5 trillion to USD 7.2 trillion.

The global economic recovery has proven more resilient than expected

The global economy has demonstrated resilience, albeit activity remains subdued relative to historical mean growth rates, with real gross domestic product ("GDP") increasing by +3.1% in 2023 from +3.5% in 2022 as monetary policy tightened further to stem elevated inflation. In addition, increased geopolitical uncertainty took its toll on households' spending intentions and businesses' investment decisions. Economic conditions in the first six months of 2024 have sent divergent signals across countries and sectors. At the same time, global inflation (OECD) has decelerated to +5.9% year-over-year ("y-o-y") in May 2024 from a multi-year peak of +10.7% in October 2022 due to the downturn in energy prices, with underlying inflation also slowing down, albeit at a slower pace.

Regarding majors, United States ("US") real GDP is expected to have increased by +1.6% six-month annualized rate in 1H.24, a resilient outcome albeit significantly lower compared to a robust pace of +4.1% recorded in the second half of 2023. Households' excess savings have declined considerably, and the labour market is rebalancing, with the unemployment rate increasing slightly to 4.1% in June 2024 from 3.7% in December 2023. Residential investment has rebounded slightly in the past nine months due to rising construction, following nine consecutive quarters of contracting activity, while business fixed investment has increased at a moderate pace mainly due to intellectual property investments. Inflation, after increasing by +3.0%, on average, over the second half of 2023, has slowed down to +2.6% y-o-y in May 2024, based on the personal consumption expenditures index.

The euro area economy continues to operate in an environment of heightened geopolitical-related uncertainty, as military conflicts in the Ukraine and the Middle East weigh on consumer and business confidence. Having said that, after remaining broadly stagnant in the second half of 2023, real GDP growth is expected to have increased by +1.3% six-month annualized rate in 1H.24. Private consumption has picked up pace gradually, albeit from low levels, as real disposable income rose due to higher nominal compensation per employee and lessening price pressures. Indeed, euro area inflation (CPI) has decelerated to +2.5% y-o-y in June 2024, after averaging +3.8% over the second half of 2023.

Finally, in China, economic activity remained broadly resilient. Indeed, real GDP growth increased by +5.0% y-o-y on average in

1H.24, from +5.1% in the second half of 2023, mainly driven by private consumption, with lukewarm business and real estate investment. Inflation (CPI) increased by +0.3% y-o-y in May, from a mean value of -0.2% over the second half of 2023.

Monetary policy has remained tight to ensure that inflation will return sustainably toward the target of two percent. The Federal Reserve ("Fed"), after increasing its main policy interest rate by 100 bps in 2023, retained the target policy rate to the range of 5.25% to 5.50% in 1H.24. According to the June 2024 Summary of Economic Projections ("SEP"), participants in the Federal Open Market Committee expect a decline in the Federal Funds rate to 5.10% by the end of 2024. In addition, the Fed continues the process of significantly reducing its holdings of US Treasury and agency Mortgage-Backed securities, albeit at a slower pace since June 2024. Overall, the balance sheet of the Federal Reserve has declined to USD 7.2 trillion in June 2024 or 26% of 2023 GDP from USD 7.7 trillion in December 2023. Finally, the Fed ceased extending new loans of the Bank Term Funding Program ("BTFP") in March 2024, a key policy measure that provided loans to eligible depository institutions with favourable terms, in response to the regional banking crisis in March 2023.

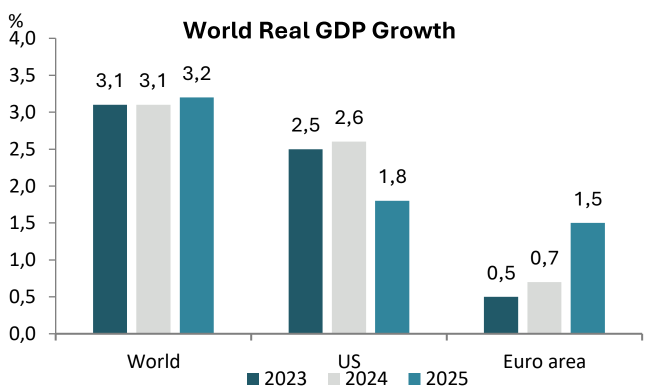
The ECB lowered the three key policy interest rates by -0.25% in June (4.25% Main Refinancing Operations, 4.50% Marginal Lending Facility and 3.75% Deposit Facility Rate) for the first time since September 2019. According to the ECB, the top level of rate restriction could be removed gradually, without jeopardizing the medium-term trajectory of inflation towards the target of two percent. Regarding large-scale asset purchases, the ECB confirmed in June 2024 that it will reduce the Pandemic Emergency Purchase Program ("PEPP") portfolio by circa €45 billion in the second half of 2024 and that it will discontinue reinvestments at the end of 2024. Moreover, the Asset Purchase Program ("APP") portfolio has declined by €190 billion in the first semester. In addition, euro area banks have made sizable repayments of borrowed funds under the targeted longer-term refinancing operations. As a result, the balance sheet of the Eurosystem has decreased to €6.5 trillion in June or 45% of 2023 GDP from €6.9 trillion in December 2023.

Financial market conditions improved overall in 1H.24 as the global economy was poised for a "soft-landing". Global equities recorded strong gains, with the Morgan Stanley Capital International All Country World Index ("MSCI ACWI") increasing by +10.3% in USD terms, recording new all-time highs, as the outlook for corporate profitability has brightened. In a similar vein, speculative grade corporate bond spreads narrowed both in the USD and the € spectrum by 16 bps to 318 bps and by 47 bps to 348 bps, respectively, amid lessening risks to the economic outlook. Nominal long-term Government bond yields increased in the US, with the US Treasury 10-Year yield rising by +49 bps to 4.4%, amid a repricing of the expected monetary policy path. The yield curve remained inverted (-36 bps) with short term interest rates remaining above long-term bond interest rates since July 2022. On the other side of the Atlantic, German 10-Year nominal Government bond yields increased by 47 bps to 2.5%, with euro area periphery Government bond spreads recording mixed changes. Volatility in euro area fixed income markets was elevated, inter alia due to heightened political uncertainty in France ahead of the snap legislative elections in July 2024. The euro depreciated by -3.0% against the US Dollar to €/USD 1.07, but in nominal trade-weighted terms it appreciated by +0.4%. Finally, the Standards & Poor's ("S&P")/ Goldman Sachs ("GS") Commodities Index increased by +8.0% in 1H.24. In the details, the energy complex rose by +10%, as geopolitical concerns in the Middle East supported oil prices (Brent: +12.2% to $86.4/barrel). Industrial metals' prices increased by +8.8%, with copper leading the increase (+11.9%) due to elevated demand, as the metal has a pivotal role in climate transition and new technologies, although some profit-taking took place since mid-May 2024. Lastly, precious metals increased significantly by +13.8% due to increased geoeconomic uncertainty and elevated central bank purchases, particularly in emerging market and developing economies.

2024 outlook

Looking forward, the growth rate of the global economy is expected to remain broadly unchanged at a subpar +3.1% in 2024, according to the Organization for Economic Co-operation and Development ("OECD") due to the cumulative tightening of financial conditions. Risks are broadly balanced. On the downside, monetary policy rates could remain higher-for-longer-than-anticipated due to a pause in progress of inflation moving down sustainably to 2.0%, jeopardizing 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. In addition, the Middle East and Red Sea conflicts have heightened geopolitical risks, with potential adverse implications for global growth via commodity prices and trade channels. Finally, additional trade restrictive measures amid increasing geoeconomic fragmentation could hurt economic growth. 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 of 2007-2008. Meanwhile, Chinese authorities plan to bolster residential and financial markets in order to support the economy.

World Economic Growth



Source: OECD, May 2024

Greek Economy

GDP growth gained traction in 1H.24 on strong business activity and robust demand for services despite elevated geopolitical risks

Greece's GDP growth accelerated to 2.1% y-o-y in 1Q.24 from 1.3% in 4Q.23, regaining momentum after a subdued 2H.23, due to a temporary weakening in fixed capital investment and flood-related agricultural production losses.

Private consumption increased at a steady pace of 2.2% y-o-y in 1Q.24, on the back of supportive labor market conditions, rising non-labor income and accelerating consumer credit.

Fixed capital investment rebounded in 1Q.24 (+2.9% y-o-y and +7.1% q-o-q, seasonally adjusted ("s.a.")), as spending on equipment and non-residential construction rebounded strongly. Investment-related forward-looking indicators point to a further strengthening in 2Q.24.

The unemployment rate declined to 11.2% in 1Q.24 and a major part of economic indicators outperformed the euro area average in 6M.24, showing signs of further strengthening in the same period.

Solid fiscal performance in 2023 and 4M.24 with a primary surplus of 1.9% of GDP achieved in 2023 and public debt remains on a steep downward trend.

House prices surged by 10.4% y-o-y in 1Q.24, posting a cumulative appreciation of circa 66%, from their lowest point, during the 10-year crisis (3Q.17).

Bank lending to the private sector continued to outpace the euro area average with credit to non-financial corporations up by 7.6% y-o-y in May 2024 (0.3% y-o-y on average in the euro area).

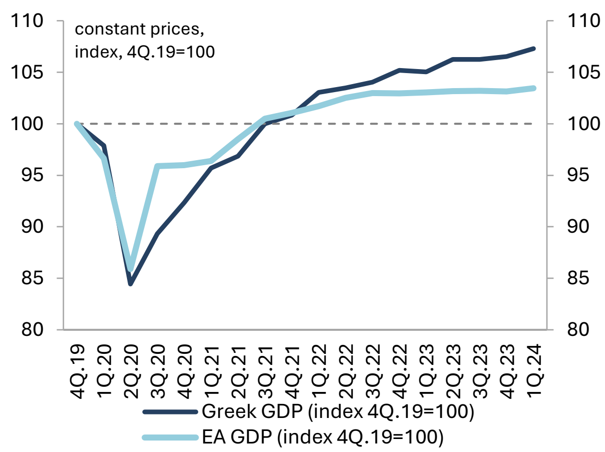
Economic growth in Greece is expected to continue exceeding the euro area average in 2024-25, on the back of resilient tourism and domestic demand combined with rising fixed capital investment by the private and the public sector, in a more supportive monetary policy environment.

Greece's GDP growth accelerated to 2.1% y-o-y in 1Q.24 (+0.7% q-o-q, s.a.) from 1.3% in 4Q.23 (+0.3% q-o-q s.a.), indicating that economic activity has regained momentum, following a temporary slowdown in 2H.23[1], mainly due to a weakening in fixed capital investment (partly attributed to delayed PIB ("Public Investment Budget") payments in 2023) and flood-related agricultural production losses.

Private consumption increased at a steady pace of 2.2% y-o-y in 1Q.24 (+0.2% q-o-q, s.a.), on the back of: i) supportive labor market conditions (total nominal compensation of employees was up by 5.6% y-o-y and by 2.5% y-o-y in CPI-deflated terms in 1Q.24)[2], ii) rising non-labor income (rents, interest, and dividends), and iii) accelerating consumer credit (4.5% y-o-y in March 2024, from 3.4% in December 2023)[3].

Regarding the composition of private consumption, the estimated growth of spending on services, in constant price terms, outpaced consumption of goods (approximated by retail trade volume) by a wide margin of circa 17.0pps in 1Q.24; the highest since 3Q.22 when Covid19-related restrictions on tourism were lifted[4]. The deviation between the two consumption categories reflects significant differences in the consumption patterns and the spending power between specific population groups, with non-income constrained households spending more on services, combined with negative base effects from the surge in demand for durables and discretionary consumer goods between 2021 and early-2023, when supply side tensions and inflation spiked.

GDP cumulative growth: Greece vs Euro area



Sources: ELSTAT, European Commission

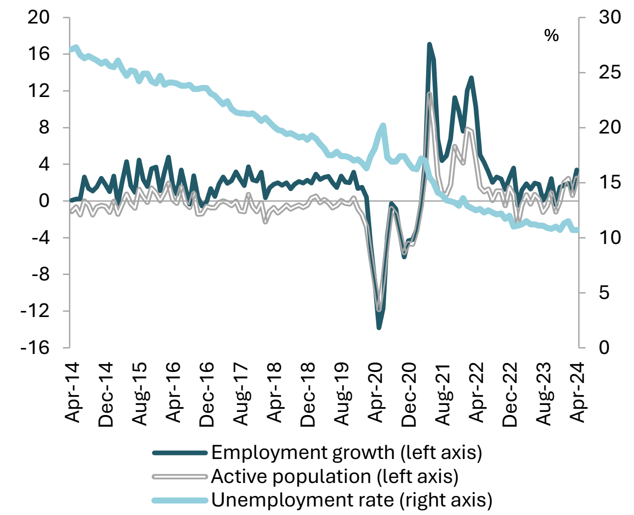
Private consumption is set to remain a major growth driver, increasing by an estimated 1.5% y-o-y in FY.24, on the back of robust real disposable income growth for households, which is projected at circa 3.5% y-o-y in 2024, from an estimated 3.8% y-o-y in 2023[5]. Steady employment growth, increasing participation in the labor force and an ongoing wage adjustment, following a new 6.4%[6] increase in the minimum wage since April 2024 continue to support household spending.

Gross Fixed Capital Formation ("GFCF") increased by 2.9% y-o-y and by 7.1% q-o-q s.a. in 1Q.24, regaining traction after a 5.5% y-o-y decline in 4Q.23, due to PIB deferrals from 2023 and negative base effects on residential investment, compared with a spike

[1] Source: ELSTAT, Gross domestic product, 1st Quarter 2024
[2] Sources: ELSTAT, Gross domestic product, 1st Quarter 2024 & ELSTAT Consumer Price Index database, June 2024
[3] Source: Bank of Greece, Monetary and Banking Statistics, May 2024
[4] Sources: ELSTAT, Retail trade (Turnover & Volume Index), March 2024 & NBG Economic Analysis Estimates
[5] Source: NBG Economic Analysis Estimates
[6] Source: Greek Ministry of Labor and Social Security, March 2024

recorded in 1Q.23. Increasing spending on machinery and transport equipment – up by 6.8% and 7.8% y-o-y, respectively in 1Q.24 – was the main driver of GFCF growth, which added 0.4pps in GDP growth in this period[7].

Labor market trends



Source: ELSTAT

Total construction activity grew by only 1.4% y-o-y, as the positive impact from rising non-residential construction (10.6% y-o-y from 9.6% y-o-y in FY.23) was offset by a significant drop in residential investment (-14.0% y-o-y), for a second consecutive quarter, due to adverse base effects from surging building activity in 4Q.22 and 1Q.23[8].

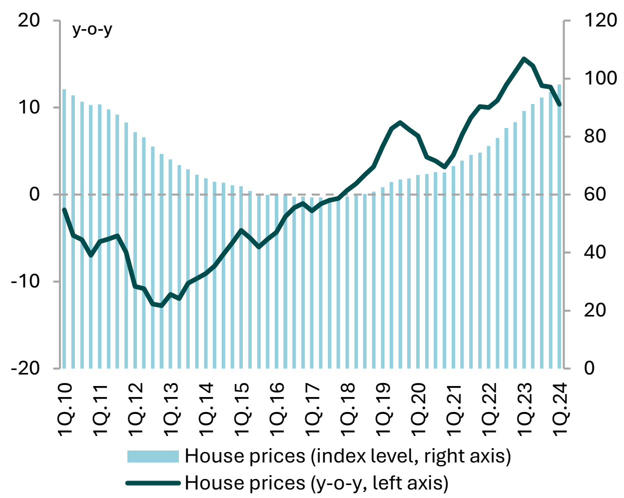
However, the increasing supply-demand gap in the residential market sets the stage for higher investment during the remaining course of the year, as is also indicated by the increasing issuance of residential building permits (82.1% y-o-y in 1Q.24 as regards the number of permits)[9].

Tight supply conditions led to further increases in the economy-wide average of apartment prices by 10.4% in 1Q.24 y-o-y – posting double-digit annual growth for a 10th consecutive quarter – following average annual increases of 13.8% and 11.9% in 2023 and 2022, respectively. In 1Q.24, the level of the house price index was only 4.1% lower than its all-time high of 102.2 in 3Q.08 (circa -28.0% when adjusting for the CPI in the same period[10]) and the cumulative appreciation of residential valuations, from their lowest point during the 10-year crisis, recorded in 3Q.17, reached 66.4%[11].

Public investment activity seems to have gained traction, with PIB expenditure (including Recovery and Resilience Fund ("RRF")) up by 38.5% y-o-y in 1Q.24 (+€0.8 billion above its 1Q.23 level) and by +13.8% y-o-y in 5M.24 (+€0.5 billion)[12].

The surge in inventory accumulation in 1Q.24 reflects solid business prospects and stronger-than-expected demand. Inventories increased to the highest level since 1Q.21 when the impulse from Covid-19-related base effects had peaked and contributed 4.4pps to annual GDP growth in 1Q.24[13].

Residential real estate prices



Source: Bank of Greece

Net exports weighed heavily on 1Q.24 performance (subtracting 3.6pps from GDP, compared with 0.5pps in FY.23). However, a significant part of import demand is related to increasing production needs and capacity expansion prospects, while exports are expected to recover in parallel with activity in the euro area as well as with the envisaged strong performance of tourism[14].

In this vein, the current account deficit widened to -3.1% of GDP in 4M.24, compared with -1.9% in 1Q, as the increased trade deficit (mainly as regards non-energy goods) exceeded the rise in the services balance surplus. Indeed, tourism arrivals and revenue remained on a strong upward trend (+20.0% and +22.0% y-o-y respectively in 4M.24)[15]. Similarly, arrivals at the Athens International Airport rose by 19.8% y-o-y in 2Q.24, from 19.4% in 1Q.24, underlying that tourism activity is heading towards a new all-time high[16].

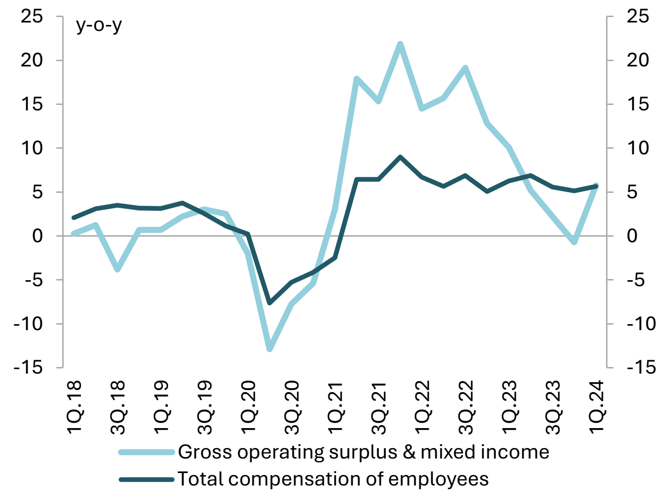
Profits from entrepreneurial activity and non-labor income – approximated by the economy-wide gross operating surplus and mixed income – rebounded to +5.8% y-o-y in 1Q.24 from -0.7% in 4Q.23. The resilience of business profits reflects the adaptability of the competitive corporate sector to rising production costs,

[7] Source: ELSTAT, Gross fixed capital formation, 1st Quarter 2024
[8] Source: ELSTAT, Gross fixed capital formation, 1st Quarter 2024
[9] ELSTAT, Building Activity database, March 2024
[10] Source: ELSTAT Consumer Price Index database, May 2024
[11] Source: Bank of Greece, Indices of residential property prices, 1st Quarter 2024
[12] Source: Greek Ministry of Finance, Monthly State Budget execution, May 2024
[13] Source: ELSTAT, Gross domestic product, 1st Quarter 2024
[14] Source: ELSTAT, Gross domestic product, 1st Quarter 2024
[15] Sources: Bank of Greece, Current account balance (monthly data), April 2024 & Bank of Greece, Balance of travel services (monthly data), April 2024
[16] Source: Athens International Airport (AIA), Facts & Figures, May 2024

combined with robust pricing power and favorable demand conditions[17].

Indeed, business sales and production data showed additional signs of dynamism in 2Q.24, with business turnover (firms subject to double entry bookkeeping) surging by 16.1% y-o-y in April, the strongest annual pace since January 2023, from +1.8% y-o-y in 1Q.24 and -3.8% in FY.23. The start of 2Q.24 is also encouraging even when adjusting for the positive seasonality due to the timing of the Orthodox Easter in 2024[18]. Similarly, the manufacturing production index posted a 10.3% y-o-y increase in April, compared with a 1.6% y-o-y increase in 1Q.24, with the manufacturing Purchasing Managers' Index ("PMI") remaining significantly above 50.0 in June 2024, for a 17th consecutive month, strongly outperforming the euro area average[19].

Gross operating surplus & total compensation of employees (y-o-y)

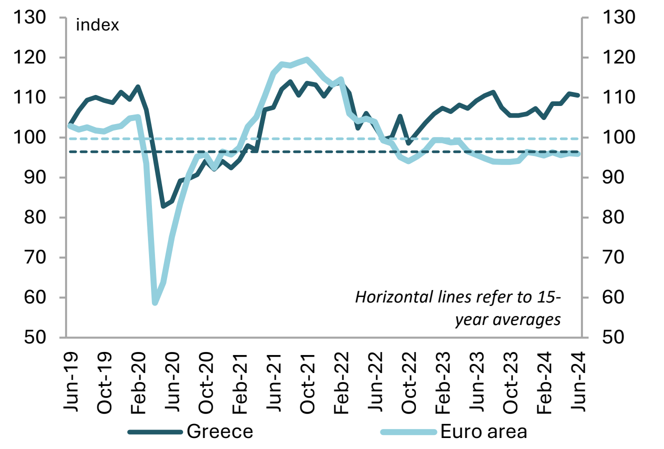


Source: ELSTAT, NBG Economic Analysis Estimates

The economy-wide compensation of employees grew by a solid 5.6% y-o-y in 1Q.24 (+5.1% y-o-y in 4Q.23), reflecting an average employment growth of 1.6% y-o-y in the same period, according to Labor Force Survey ("LFS") data, combined with an unemployment rate of 11.2%. Data for April and May 2024 have been particularly encouraging as employment growth further accelerated to +2.3% y-o-y on average, while the unemployment rate continued its downward trend (10.7% on average in the same period)[20].

The Economic Sentiment Indicator ("ESI") edged further upwards to 110.0 in 2Q.24, compared with 106.9 in 1Q.24, and a FY.23 average of 107.6. The improvement in sectoral confidence, as regards ESI components, was broad-based reflecting a positive assessment of current demand conditions, in most sectors, as well as prospects of higher business activity and export levels in the coming months[21].

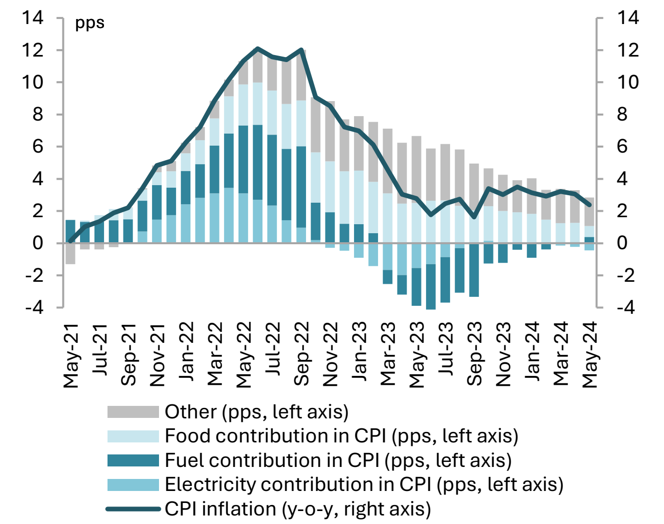
Economic sentiment indicator



Source: European Commission

The annual growth of the Consumer Price Index ("CPI") slowed to 2.4% in May from 3.1% y-o-y in 1Q.24 and 3.5% y-o-y in FY.23. Goods inflation (excluding energy and food) has decelerated markedly, energy prices remain broadly stable on an annual basis and food inflation further decreased in May to the slowest pace since January 2022, compensating for the inertia of services inflation especially in tourism related segments[22]. This improvement is going to support the real disposable income growth of households and is compounded by favorable labor market conditions. Nonetheless, persistent geopolitical tensions and climate risks complicate the convergence process of inflation to the monetary policy target of the ECB, of circa 2%, both in Greece and the euro area as a whole during the course of 2024.

CPI growth and key component contributions (y-o-y)



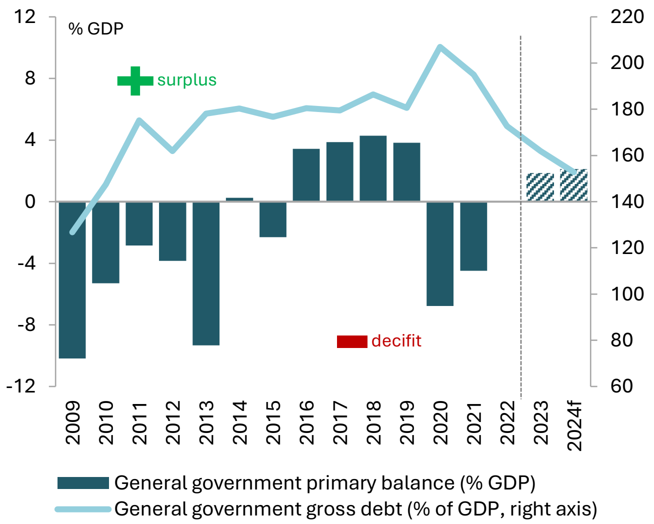
Source: ELSTAT

[17] Source: ELSTAT, Gross domestic product (income approach), 1st Quarter 2024
[18] Source: ELSTAT, Evolution of Turnover of Enterprises, April 2024 and 1st Quarter 2024
[19] Sources: Source: ELSTAT, Industrial Production Index, April 2024 & S&P Global, Greece and Euro area Manufacturing Purchasing Managers' Index, June 2024
[20] Sources: ELSTAT, Gross domestic product (income approach), 1st Quarter 2024 and ELSTAT, Labour Force Survey (monthly estimates), May 2024
[21] Source: EU Commission, Business, and consumer survey database, June 2024
[22] Source: ELSTAT Consumer Price Index database, May 2024

Strong cyclical tailwinds and sustained efficiency gains bolstered the fiscal performance in 2023 and give rise to positive carryover effects for 2024. Greece outperformed its fiscal targets for a third consecutive year in 2023, according to the fiscal data announced by ELSTAT, in April 2024, as the General Government primary surplus reached 1.9% of GDP (€4.1 billion), from a balanced position in 2022, compared with a Budget target for a primary surplus of 1.1%, with Greece recording the fourth highest surplus in the EU. For 2024, Greece's Stability Program for 2024-2025 envisages an even higher primary surplus of 2.1% of GDP. Fiscal trends remained strong in 5M.24 with the surplus in the General Government balance on a modified-cash basis reaching 1.0% of GDP in 5M.24, compared with 0.6% in 5M.23.

Moreover, the Hellenic Republic's gross General Government debt as per cent of GDP recorded, for a third consecutive year, an outstanding annual decline in 2023, dropping to 161.9% of GDP from 172.7% in 2022 and an all-time high of 207.0% in 2020, and is expected to decrease further, to circa 153.0% of GDP, in 2024 and to circa 146.0% in 2025. Furthermore, the debt level (in € billion) also declined slightly in 2023, compared with 2022, and is expected to contract further based on the higher fiscal surplus and the use of a part of the State cash buffer for early repayments of higher cost loans from the first support program[23]. In 1H.24, €8.5 billion have been raised by the Hellenic Republic through the issuance of medium and long-term bonds, corresponding to nearly circa 85% of the annual issuance plan[24].

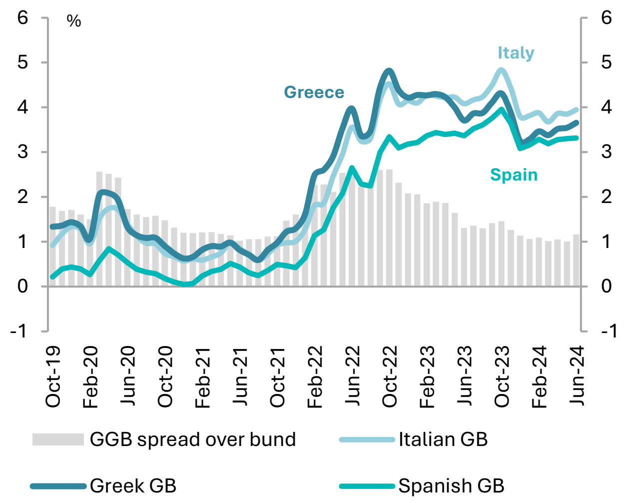
Primary and total general government balance (ESA 2010)



Sources: ELSTAT, Hellenic Ministry of Finance, Eurostat

The above described macroeconomic and fiscal performance, along with improving banking-system conditions, and political stability and continuity, helped Greece to regain investment grade status in the second half of 2023 – after more than 13 years – according to the evaluation of five out of six major international rating agencies (except Moody's)[25]. On 19 April 2024 the S&P revised the credit outlook to positive from neutral indicating that a new upgrade could be considered in the next 12-months if macroeconomic conditions continue to improve and structural reforms advance further in the near-term[26].

10-year government bond yields & GGB's spread over bund



Sources: Bank of Greece, ECB

Against this backdrop, the yield of the 10-year Greek Government Bond ("GGB") slightly increased to 3.6% in 2Q.24 from 3.4% in 1Q.24, with the spread over the German bund at 110 bps, in an environment of rising government bond yields globally, in response to expectations of a longer-than-previously expected period of high interest rates and a gradual reduction in major central banks' holdings of government bonds, purchased during the monetary expansion period. A negative spread vs the Italian 10-year bond is recorded since May 2023, reaching -31.0 bps in 2Q.24 from -41.0 bps in 1Q and -25 bps on average in FY.23[27].

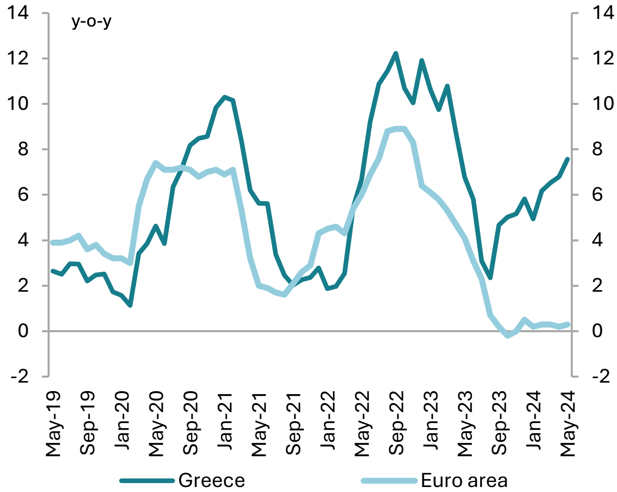
The tightening of monetary policy, reflected in the 450.0 bps hikes in policy rates by the ECB between July 2022 and September 2023 which was followed by the first rate cut of 25 bps in June 2024, continued to weigh on bank credit growth[28]. Nonetheless, bank lending to the domestic corporate sector, continued to exceed the euro area average with loans to non-financial corporations ("NFCs") posting an annual increase of 7.6% in May, compared with 0.3% in the euro area. Total credit to the private sector stood at 4.8% y-o-y in May 2024, from 3.6% y-o-y in December 2023, with credit to NFCs and consumer loans posting the strongest increases[29].

Private sector deposits remained broadly unchanged at circa €191.0 billion (+2.5% y-o-y) in 5M.24 – close to a 13-year high despite some outflows in the first months of 2024 – with a stabilization in time deposits (following a nearly 2-year period of

[23] Sources: ELSTAT, Fiscal data for the years 2020-2023 (provisional data), April 2024 & Hellenic Ministry of Finance, Greek Budget 2024, November 2023 & Eurostat, Government finance statistics database & Greek Stability Program 2024, April 2024
[24] Source: Public Debt Management Agency, June 2024
[25] Sources: Fitch Ratings Press Releases, January 2023 & December 2023; S&P Press Releases, April 2023; R&I Press Releases July 2023; Scope Press Releases, August 2023; DBRS Press Releases, September 2023; Moody's Press Releases, September 2023
[26] Source: S&P Press Releases, April 2024
[27] Sources: Bank of Greece, Financial markets and interest rates, June 2024 & European Central Bank
[28] Source: European Central Bank, Key Interest Rates, June 2024
[29] Source: Bank of Greece, Monetary and Banking Statistics (MFI credit to the Greek economy), May 2024

increases due to higher interest rates) and a pick-up in sight and savings deposits[30].

Loans to NFCs (Greece vs Euro area)



Sources: ELSTAT, Eurostat

The combined impact of the above-described supportive factors underpinned Greece's resilient growth performance in 2023, with the 1Q.24 growth outcome boding well for an annual GDP growth of circa 2.1% y-o-y in 2024 and circa 2.3% in 2025, according to the average of latest available official sector and private consensus estimates[31].

Greece's macroeconomic outlook remains resilient despite geopolitical tensions and elevated climate risks

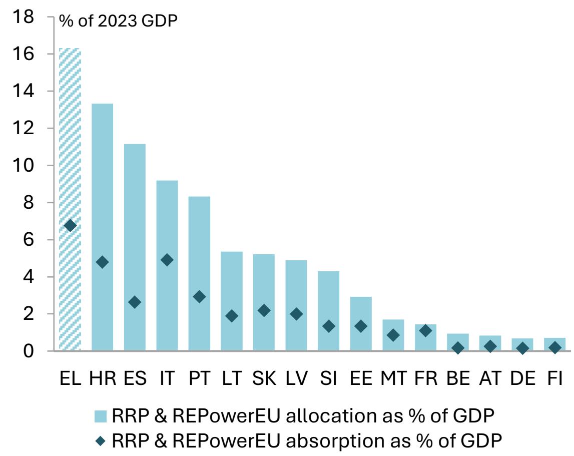
Greece's growth performance in FY.24, but also in the medium term, is expected to be supported by the following factors:

Solid fixed capital investment growth, on the back of a strong pipeline of private investment and increasing impact of the RRF, as less than 15.0% of related spending has been realized despite the high nominal absorption rate (circa 50.0% of available funding until 1Q.24). Gross fixed capital formation is expected to rise, at a nearly double-digit pace, bolstered by positive demand prospects, high capacity-utilization rates, and resilient profitability.

Supportive labor market conditions, with employment growth and participation rates showing signs of further strengthening during 1H.24. Moreover, solid hiring trends, increased job vacancies and rising minimum wages bode well for a healthy increase in real disposable income of households. Indeed, households with positive net saving and stock of financial wealth also enjoy higher non-wage income flows, including revenue from entrepreneurial activity as well as dividend and interest payments. Similarly, the business sector remains confident regarding the strength of domestic and external demand, supporting its pricing power, which is also combined with increased production cost efficiency.

Tourism is headed for a new record in 2024, according to arrivals data available for the first six months of 2024 and preliminary information on early bookings from major global tour operators.

RRF funds allocation per country



Source: European Commission

Nonetheless, the above estimates are subject to some considerable downside risks, such as:

A potential recurrence of the energy market tensions or permanent disruptions in important sea trade routes (e.g., Suez Canal), resulting in a new spike in energy or other commodity prices due to continuing geopolitical frictions (Ukraine, Middle East, Red Sea) could weigh on export performance, inflation trends and GDP outcomes. Moreover, important challenges surrounding the implementation of the ambitious EU climate agenda and the acceleration of energy transition, could entail more persistent inflation effects, applying downward pressures on economic growth, given the decreasing capacity for large scale fiscal interventions and the relatively high energy costs for the corporate sector in Greece.

The inflation drag on disposable income (including lagged effects from 2023) will continue to adversely affect the spending of low-income population groups – mainly due to sluggish services inflation and significant food and basic goods price increases – despite the moderation in headline inflation. The new increase of the minimum wage and the expected slowing in inflation will help cushion these adverse effects during the remainder of the year.

Accordingly, a slower-than-currently expected easing of inflation pressures globally, could lead to high interest rates for longer, giving rise to stronger recessionary and financial headwinds, weighing on fiscal capacity, financial conditions and private investment, and lead to lower than currently expected demand for credit.

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 previous years. Moreover, the return to investment grade and a prospective reversal of the monetary policy tightening cycle, starting in 2024, could support a faster

[30] Source: Bank of Greece, Monetary and Banking Statistics (Bank deposits), May 2024

[31] Sources: European Commission, European Central Bank, International Monetary Fund and Focus Economics-Consensus Forecasts Euro Area, July 2024

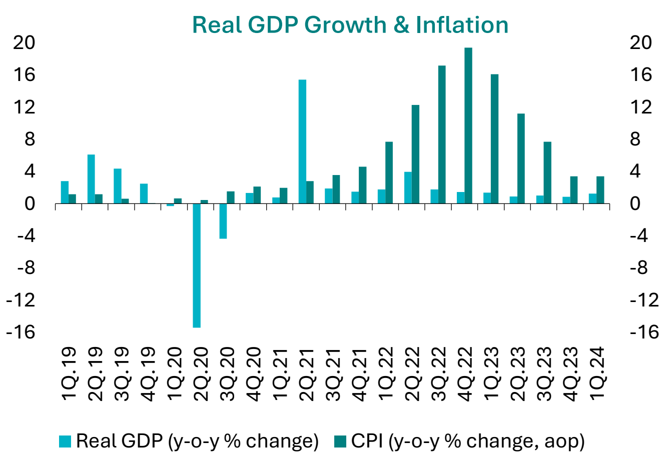
improvement in liquidity conditions and higher asset valuations, attracting new inflows of growth enhancing foreign investment.

The Macroeconomic Environment and the Banking Sector in North Macedonia[32]

The economy remained on a weak footing in the first quarter of 2024

GDP growth picked-up to a still lackluster 1.2% y-o-y in the first quarter of 2024 from 0.9% in the previous quarter (with full year 2023 GDP growth having come in at a mere 1.0%), lagging the regional average. A rebound in gross capital formation, driven by higher public investment, following construction of the Corridor 8/10d (road and rail) highway, as well as replenishment of inventories, which were depleted in the past year, amid disruptions in global supply chains, was the main driver of economic expansion. At the same time, households appeared to be erring on the side of caution, with private consumption growth moderating, despite double-digit real (*ex-post*) wage growth in overall economy. Reflecting weak economic growth in North Macedonia's key trade partners, especially Germany (which absorbs circa 45% of the country's exports), net exports also dragged overall growth lower in 1Q.24.

GDP Growth & Inflation



Source: National Statistical Agency of North Macedonia

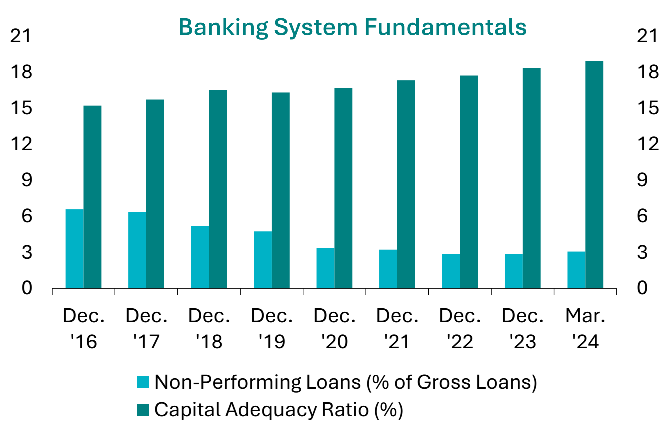
Following a sizeable (yet temporary) improvement in 2023, external accounts started to deteriorate in 1Q.24, with the current account turning into a deficit of 1.3% of GDP, on a 4-quarter rolling basis, from a surplus of 0.7% in the previous quarter. Despite solid non-debt generating foreign direct investment inflows, net external borrowing fell somewhat short of closing the external financing gap, leading FX reserves to decline by €251 million between March 2024 and December 2023 to a still comfortable €4.3 billion (covering circa 4.5 months of imports of goods and non-factor services).

Bank profitability hits new record-high in the first quarter of 2024, amid elevated interest rates

Released figures show that the banking sector's profits increased to €283 million (annualised) in the first quarters of 2024 from €232 million in 2023, with the (annualised) return-on-average-equity ratio firming to 18.2%, at the same time, on stronger net interest income. Indeed, the continuing repricing of banks' loan portfolio, in an environment of elevated interest rates (with the central bank's key policy rate standing at 6.3%, unchanged from September 2023, when the 525-bps hiking cycle - initiated in early 2022 - was completed), lifted further the net interest margin to 391 bps in 1Q.24 - more than double that of EU banks - from 365 bps in 2023. At the same time, the pace of credit expansion to the private sector accelerated (to 6.9% y-o-y in March from 5.2% in December 2023).

Stronger net operating income was only partly offset by higher provisioning charges for non-performing loans. Indeed, given asset quality challenges from elevated interest rates and weak economic growth, banks accelerated the pace of provisioning in the first quarter of 2024, with the cost of risk (92 bps, annualized) remaining below pre-pandemic standards, nonetheless. Note that the ratio of non-performing loans to total gross loans inched-up to 3.1% in March from a low of 2.8% in December 2023. Importantly, the sector remained well-capitalised, with the capital adequacy ratio improving further to 18.9% in March, well above the minimum regulatory threshold of 8.0%.

Banking System Fundamentals



Source: National Bank of the Republic of North Macedonia

Economic activity should firm gradually through the remainder of 2024, driven by wage-driven private consumption and public investment, with full-year GDP growth projected at a modest 2.1%.

With inflation consolidating at lower levels (projected at 3.6% on average in FY.24, down from 9.5% in FY.23, though still well above the past decade's average of circa 1.0%), private consumption growth is set strengthen, underpinned by solid real (ex-post) wage growth, on the back of a loose incomes policy and its spillover to the private sector. Note that labour market

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

conditions have been tightening, but mostly due to falling participation and shrinking labour force (with the latter largely associated to immigration) rather than rising employment. At the same time, fixed investment is set to gain momentum, with public sector holding the lead role, as construction of the Corridor 8/10d project accelerates. Private investment (including from FDI, which has proven resilient so far, thanks to the growing nearshoring trend) is also set to add to overall growth, albeit modestly. Worryingly, amid sluggish growth in the EU and with firming domestic demand, especially gross capital formation, feeding into imports, net exports should turn into a drag on overall growth.

All said, economic activity is set to gain steam gradually, with full-year growth projected to reach 2.1% against 1.0% in FY.23, below the regional average of circa 3.0% and its long-term potential of 3¼%. Assuming a normalization in agricultural output as well as stronger external demand and looser monetary policy conditions, GDP growth is seen firming to 3.3% in FY.25. Should the Corridor 8/10d project face implementation delays or price pressures re-emerge (due to repercussions from geopolitical tensions and/or a price-wage spiral), GDP growth could come in lower than projected. In contrast, inflow of funds under the EU's Growth Plan for Western Balkans (potentially amounting to up to circa 6.0% of GDP by end-2027) could lift economic growth upwards. Note that the output gap is projected to remain negative throughout the forecast period, largely due to the significant output losses recorded during the pandemic and the subsequent energy crisis.

Worryingly, unlocking the country's path to the EU bloc would be a complicated exercise for the recently installed Government, backed by a coalition, led by the right-wing nationalist VMRO-DPMNE, and also comprising the ethnic-Albanian VREDI/VLEN alliance and the left-wing nationalist ZNAM. Recall that, in a bid to unlock EU membership talks, North Macedonia reached a compromise deal with Bulgaria in mid-2022, settling the two countries' long-standing dispute. According to the deal, North Macedonia's Parliament should endorse constitutional changes, providing, among others, for the recognition of a Bulgarian minority in the country, with Bulgaria lifting, in exchange, its veto blocking North Macedonia's EU accession path. Although the VMRO-DPMNE officially supports EU integration, its hard-line stance against the required constitutional amendments lays a stumbling block on North Macedonia's way to the EU. The VMRO-DPMNE has been hinting at a possible renegotiation of the EU accession framework, a prospect, however, which appears unlikely, meaning that further progress clearly hinges on incoming authorities watering down their stance. At the same time, failure to meet the obligations resulting from the 2018 Prespa agreement with Greece, providing for the change of the country's official name, could further complicate North Macedonia's path to the EU.

Group Financial Results of 1H.24

1H.24 Group Core PAT at €646 million with Group Core Operating Profit at €869 million, reflecting the following key Income Statement movements:

- **NII up by 13.4% y-o-y to €1,192 million**, reflecting base rate repricing and strong loan disbursements, offsetting higher deposit and wholesale funding costs and hedging cost carry.
- **Net fee and commission income at €205 million, up by 15.2% y-o-y**, driven by retail fees, with double digit growth across products, which benefitted from higher new production volumes.
- **Trading and Other Income at €64 million, up by 13.9%,** benefited mainly from gains on disposal of debt securities.
- **Adjusted Operating expenses up by 5.5% y-o-y,** reflecting collectively agreed wage rises in December 2023 and variable pay accruals, as well as abating inflation impacting G&As.
- **Loan impairments at €93 million from €109 million in 1H.23,** down by 15.1%.
- **Cost: Core Income** dropped to 30.1% from 32.5% in 1H.23, driven by strong core income and operating expenses base discipline despite sustained inflationary pressures.
- **Cost of Risk normalisation at 55bps** from 68bps in 1H.23.

NPE performance

- **NPE balance** as at 30 June 2024 declined at €1.2 billion (31 December 2023: €1.3 billion), mainly attributed to write-offs and inorganic actions.
- **NPE ratio** settled to 3.3% as at 30 June 2024, compared to 3.7% as at 31 December 2023.
- **NPE coverage ratio** stood at 85.6% as at 30 June 2024, from 87.5% as at 31 December 2023.

Group deposits flat in 1H.24

- **Group deposits** at €57.1 billion as at 30 June 2024, ending flat in 1H.24 y-t-d, increased by a solid €1.4 billion y-o-y.

Capital Adequacy

- **1H.24 CET1 and Total Capital ratio** including the period PAT post dividend accrual at 18.3% and 20.9% respectively, comfortably above the regulatory capital requirements of 9.62% for CET1 and 14.32% for Total Capital, for 2024.

Income Statement

€ million	1H.24	1H.23	Y-o-Y
Net interest income	1,192	1,052	13.4%
Net fee and commission income	205	178	15.2%
Core Income	**1,397**	**1,230**	**13.6%**
Trading and Other Income	64	56	13.9%
Adjusted Total income	**1,461**	**1,286**	**13.6%**
Adjusted Operating Expenses	(421)	(399)	5.5%
Core PPI	**976**	**830**	**17.5%**
PPI	**1,040**	**887**	**17.3%**
Adjusted Loan and other impairments	(107)	(121)	(11.3)%
Core Operating Profit	**869**	**710**	**22.5%**
Operating Profit	**933**	**766**	**21.8%**
Adjusted Taxes	(223)	(201)	10.9%
Core PAT	**646**	**508**	**27.0%**
PAT attributable to NBG equity shareholders	**670**	**530**	**26.4%**

Note: The figures presented in the table are subject to roundings therefore, the amounts may not sum precisely to the totals provided.

Key Ratios

Profitability	**1H.24**	**1H.23**	**Δ**
NIM over average total assets (bps)	323	278	45
Cost of Risk (bps)	55	68	(13)
Cost-to-Income	28.8%	31.0%	(2.2)%
Cost-to-Core Income	30.1%	32.5%	(2.3)%
Liquidity	**30.06.24**	**31.12.23**	**Δ**
Loans-to-Deposits ratio	60.3%	58.2%	2.1%
LCR	239.7%	262.2%	(22.5)%
Capital	**30.06.24**[1]	**31.12.23**[1]	
CET1 ratio	18.3%	17.8%	
Total Capital ratio	20.9%	20.2%	
RWAs (€ billion)	38.2	37.7	

[1] including the period PAT post dividend accrual.

Note: The figures presented in the table are subject to roundings therefore, the amounts may not sum precisely to the totals provided.

Going concern

Going concern conclusion

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

a) the significant recurring profitability of the Group and the Bank which for the period ended 30 June 2024 amounted to €671 million and €630 million as well as earnings per share amounted to €0.73 and €0.69 for the Group and the Bank, respectively,

b) the significant liquidity buffer which as at 30 June 2024, at cash values amounted to €20.1 billion (HQLAs only), and the LCR and NSFR which are both well above 100%,

c) the Group's CET1 and Total Capital ratios as at 30 June 2024 were 18.3% and 20.9% respectively, exceeding the Overall Capital Requirement ("OCR") ratio of 9.62% and 14.32% for 2024, respectively (see Note 17 *"Capital Adequacy"* of the Interim Financial Statements),

d) the resilient economic growth year to date, and the prospects for a positive rate of growth of the GDP in the medium term, which is expected to remain above the euro area average, mainly driven by the implementation of the National Recovery and Resilience Plan ("RRP") as described in the *"Macroeconomic developments"* section of the Interim Financial Statements,

e) the upgrade of NBG by S&P by one notch to BB+ on 4 July 2024 with a positive outlook and the two-notch upgrade of the long-term senior unsecured rating of NBG to Baa2 (BBB) by Moody's on 8 July 2024, a rating which stands one notch above Investment Grade,

f) the Group and the Bank's insignificant exposure to Russia, Ukraine and the Middle East.

Events after the reporting period

Distribution of profits

On 25 July 2024, the Annual General Meeting of the Bank's shareholders approved the distribution of profits of €332 million to shareholders and €21 million to eligible personnel of the Bank, through a partial resolution of taxed reserve formed, in accordance with Article 48 of Law 4172/2013.

Amendment of the Share-buy back program

On 25 July 2024, the Annual General Meeting of the Bank's shareholders approved the amendment of the Share-buy back program. For further information, please see Note 14 "*Share capital, share premium and treasury shares*" of the Interim Financial Statements.

Redemption of remaining of €400 million Subordinated Fixed Rate Resettable Tier 2 Notes due 2029

On 26 June 2024, the Bank proceeded with exercising its option to redeem the remaining of the €400 million Subordinated Fixed Rate Resettable Tier 2 Notes due 2029. On 18 July 2024, all the current outstanding principal amount of the Notes of €80 million was redeemed at par. For further information, please see Note 12 *"Debt securities in issue"* of the Interim Financial Statements.

Trend information

The growth rate of the global economy is expected to remain broadly unchanged at a subpar +3.1% in 2024, according to the OECD due to the cumulative tightening of financial conditions. Risks are broadly balanced. On the downside, monetary policy rates could remain higher-for-longer-than-anticipated due to a pause in progress of inflation moving down sustainably to 2.0%, jeopardizing a soft landing for the global economy. The prolonged war in Ukraine remains a source of concern, whereas the Middle East and Red Sea conflicts have heightened geopolitical risks, with potential adverse implications for global growth via commodity prices and trade channels. Finally, additional trade restrictive measures amid increasing geoeconomic fragmentation could hurt economic growth.

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. Meanwhile, Chinese authorities plan to bolster residential and financial markets in order to support the economy.

In Greece, economic growth is expected to continue exceeding the euro area average in 2024-25, on the back of resilient tourism and domestic demand combined with rising fixed capital investment by the private and the public sector, in a more supportive monetary policy environment. The Greek economy seems well positioned to deal with challenges and continue outperforming its euro area peers, capitalizing on sustainable growth catalysts and the strong momentum built in previous years. Moreover, the return to investment grade and a prospective reversal of the monetary policy tightening cycle, starting in 2024, could support a faster improvement in liquidity conditions and higher asset valuations, attracting new inflows of foreign investment. For further details, see section *"Key developments in the Macroeconomic and Financial environment - Greek Economy"*.

In this supportive macroeconomic backdrop, the Group delivered another strong P&L performance in 1H.24. In more detail, 1H.24 core PAT increased by +27% y-o-y, translating into a core RoTE of 17.4%. The positive momentum in core operating profitability reflects NII resilience to lower market rates and fee income growth, arising from accelerating activity. It also reflects prudent cost management and gradually normalizing credit risk charges. These solid results lead us to revise upwards our 2024-2026 guidance.

Our strong profitability further enhanced our sector high capital buffers, leading CET1 and Total Capital ratios to 18.3% and 20.9%, respectively. The excess capital provides us with significant strategic flexibility, including with regards to returning capital to shareholders.

The distinct strengths of our balance sheet continue to stand out. Loan disbursements picked-up sharply in 1H.24 while excess liquidity provides solid support to our NII, further enhancing the Bank's unique liquidity advantage.

Looking ahead, our strategic focus on technologized and digital excellence will enable us to support the Greek economy's growth trajectory, empowering our customers' ambitions and customer experience and provide them with innovative financial solutions. With the trust and dedication of our people, who are the backbone of our organization, we will continue to deliver value to our shareholders while fostering a culture of excellence and customer-centricity.

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 21 December 2023, the Bank received the SRB's decision, via the Bank of Greece, requiring it to meet the following targets by 31 December 2025: MREL of 24.22% plus CBR of TREA and LRE (leverage ratio exposure) of 5.91%. Both targets should be calculated on a consolidated basis. The interim annual targets until 31 December 2025 are informative and are calculated through linear interpolation/build-up between the two binding targets of 1 January 2022 and 31 December 2025. Therefore, the interim non-binding MREL target, which stood at 22.73% including CBR of 3.57% of TREA for 1 January 2024, moves to 25.26% including CBR of 3.57% of TREA for 1 January 2025.

As at 30 June 2024, the Bank's MREL ratio at consolidated level stands at 25.9% of TREA (including profit for the period), which is significantly above the interim non - binding MREL target of 1 January 2024 and continues meeting the LRE requirement.

Moreover, in the context of the implementation of NBG's strategy to ensure ongoing compliance with its MREL requirements, the Bank has successfully completed the below transactions in 2024:

- On 22 January 2024, the Bank completed the placement of €600 million senior preferred bond in the international capital markets with a yield of 4.5%. The bond matures in five years and is callable in four years.
- On 20 March 2024, the Bank completed the placement of €500 million Subordinated Tier II bonds in the international capital markets with a yield of 5.875%. The bond matures in 11.25 years and is callable in 6.25 years.
- On 27 March 2024, the Bank announced the results of the Tender Offer in respect of €400 million Subordinated Fixed Rate Resettable Tier 2 Notes due 2029 issued by the Bank. The Bank accepted for purchase all validly tendered Notes and the Acceptance Amount was equal to €320 million.
- On 30 April 2024, the Bank announced the commencement of the call option exercise process with respect to €150 million Fixed Rate Resettable Unsubordinated MREL Notes due 25 May 2025 (XS2560090214) issued on 25 November 2022 under the €5 billion Global Medium Term Note Program of the Bank. All of the outstanding Notes with principal amount of €150 million were called and redeemed at par on 27 May 2024.
- On 26 June 2024, the Bank announced the commencement of the call option exercise process with respect to €400 million Subordinated Fixed Rate Resettable Tier 2 Notes due 2029 (XS2028846363) issued on 18 July 2019 under the €5 billion Global Medium Term Note Program of the Bank. All of the outstanding Notes with principal amount of €80 million were called and redeemed at par on 18 July 2024.

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 six-month period ended 30 June 2024. 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 other material transactions or balances exist with HFSF. The following table presents the transactions between the Bank and its subsidiaries.

For further details, see Note 16 of the Interim Financial Statements *"Related party transactions"*.

Subsidiaries

(€ million)	Assets	Liabilities	Income	Expenses	Off Balance Sheet (net)
National Securities Single Member S.A.	7	54	1	1	5
NBG Asset Management Mutual Funds S.A.	3	7	6	-	-
Ethniki Leasing S.A.	757	16	20	-	305
NBG Property Services Single Member S.A.	-	1	-	-	-
Pronomiouhos Single Member S.A. Genikon Apothikon Ellados	-	36	-	1	102
KADMOS S.A.	-	2	-	-	-
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.	-	13	-	-	-
Ethniki Factors S.A.	578	3	16	-	545
Probank Leasing S.A.(1)	33	12	1	-	-
NBG Insurance Brokers S.A.	-	2	-	-	-
NBG Malta Ltd(2)	-	4	-	-	-
ARC Management Two EAD (Special Purpose Entity)	-	-	-	-	-
Bankteco E.O.O.D.	-	-	-	-	-
NBG Leasing S.R.L.	-	-	-	-	-
ARC Management One SRL (Special Purpose Entity)	-	-	-	-	-
Stopanska Banka A.D.-Skopje	18	4	2	-	-
Stopanska Leasing DOOEL Skopje	-	-	-	-	-
NBG Greek Fund Ltd	-	-	-	-	-
National Bank of Greece (Cyprus) Ltd	362	19	6	1	304
National Securities Co (Cyprus) Ltd(2)	-	-	-	-	-
NBG Management Services Ltd	-	-	-	-	-
NBG Asset Management Luxemburg S.A.	-	-	-	-	-
NBG International Ltd	-	27	-	-	-
NBGI Private Equity Ltd(2)	-	-	-	-	-
NBG Finance Plc	-	50	-	-	-
NBG Finance (Dollar) Plc(2)	-	1	-	-	-
NBG Finance (Sterling) Plc(2)	-	1	-	-	-
NBG International Holdings B.V.	-	237	-	-	-
Total	**1.758**	**491**	**52**	**3**	**1.261**

(1) Probank Leasing S.A. has been reclassified as non-current assets held for sale (See Note 9 "Assets and liabilities held for sale").

(2) Companies under liquidation.

Risk Management

Management of Risks

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

Credit Risk

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 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, and renewal of existing credits.

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

- documented credit risk policies (Credit Policy & Credit Sanctioning Guidelines);
- internal risk rating systems;
- information systems and analytical techniques that enable measurement of credit risk inherent in all relevant activities.

The Group's internal 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 and the Bank Internal Audit Function, covering in particular the credit risk systems/models employed by the Group.

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 Policy, along with the Credit Sanctioning Guidelines for the Corporate and the Retail Banking Portfolios of the Bank, as well as the policies for the Bank's subsidiaries set the minimum credit criteria, present the fundamental policies, procedures and guidelines for the identification, measurement, approval, monitoring and management of credit risk undertaken in Corporate and Retail Banking Portfolios respectively, both at the Bank and Group level.

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

The Credit Policy of each subsidiary is approved by the competent local boards or committees, following a recommendation by the responsible officers or subsidiaries' bodies. 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 Group Credit Risk Control Division ("GCRCD") for issues falling under their responsibility. The subsidiaries' Credit Policies are reviewed on an annual basis and revised whenever deemed necessary and in any case every two years.

Concentration Risk

The Bank manages the extension of credit, controls its exposure to credit risk and ensures its regulatory compliance based on an internal limits system. 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 Risk Appetite Framework ("RAF") and are revised annually. Excesses of the Industry Concentration Limits should be approved by the BRC, following a proposal of the CRO. Any risk exposure in excess of the authorized internal obligor limits must be approved by a higher-level authority, based on 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 2 capital adequacy is adjusted to ultimately take into account such concentration risks.

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, 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 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. Interest rate risk ("IRR") mainly stems from the Bank's interest rate, derivative transactions, as well as from the Trading and the Hold to Collect and Sell ("HTCS") bond portfolios.

More specifically, the Bank maintains a material derivatives portfolio, mainly comprising of vanilla interest rate swaps (IRSs), which are mostly cleared in Central Counterparties ("CCPs") or managed through bilateral ISDA ("International Swaps and Derivatives Association") agreements and CSAs ("Credit Support Annexes"). Their main function is to hedge the IRR of the fixed-rate bonds classified in the HTCS and Hold 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 EU periphery sovereign bonds, which is primarily held in the Banking Book and predominantly in the HTC portfolio. Furthermore, NBG holds a portfolio of Greek and international bank bonds and limited positions in corporate issues.

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 classified in the HTCS and HTC portfolios.

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 on 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 HTCS (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.

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 2023 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. The VaR limits refer not only to specific types of market risk, such as IRR, 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 in the Trading Book, on an overall basis and per risk type.

Furthermore, VaR and stressed VaR limits are defined in the Group's RAF, which are monitored daily and reported to the BRC on a monthly basis.

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. Additionally, the VaR model as well as the processes followed by the Group Financial & Liquidity Risk Management Division ("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"). Furthermore, the Bank's independent MVU assesses the validity of the VaR model, on an annual basis, while the Internal Audit Function 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 Market Risk Management Framework came into force for reporting purposes in 3Q.21.

Interest Rate Risk in the Banking Book

Interest Rate Risk in the Banking Book ("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. 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 expenses. It is therefore important to 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 amortized 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 and other borrowed funds that are measured at amortized 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 and NII sensitivity measures and in alignment with the limits prescribed in the Supervisory Outlier Test of the latest IRRBB Regulatory Guidelines. 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 moderate levels of IRRBB, which remain within the limit structure prescribed in the Regulatory Guidelines.

Counterparty Credit Risk

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

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

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

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

- CCR measurement systems and methodologies that aim to capture and quantify all material sources of CCR, in ways that are consistent with the scope of the Group's activities.
- The calculation of the key CCR metrics, namely the Exposure at Default ("EAD"), the Potential Future Exposure ("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.
- Establishment of a robust reporting framework. Relevant reports are 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 Financial Institutions ("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.

Furthermore, 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

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 FI, 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 FIs that operate abroad;
- loans and advances to corporations or FIs 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

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. Furthermore, it 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 reporting Liquidity Risk, consistent with the nature and complexity of the Bank's activities. The Bank's management is informed of the Bank's Liquidity Risk position daily by Liquidity Risk management, through the Internal

Liquidity Report and the LCR Internal Report, ensuring that the Group's Liquidity Risk remains within approved levels.

Additionally, Liquidity Risk Management reports monthly to ALCO, all approved liquidity metrics and indicators, as well as liquidity stress testing outcomes and cost of funding evolution.

The Group's subsidiaries measure, report and manage their own individual Liquidity Risk, in line with the Bank's overarching framework, ensuring they are self-sufficient in a liquidity stress (i.e., not reliant to the Parent entity).

Current Liquidity Status

NBG's liquidity position remains robust, supported by the stability of its funding sources and the high level of its liquidity buffer, making the Bank very resilient to a potential liquidity stress event.

The Bank's principal sources of liquidity are its customer deposits, wholesale funding through the issuance of (MREL-eligible) securities and repurchase agreements ("repos") with FIs. 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 issues of covered bonds.

At the end of the first half of 2024, the Bank' s liquidity profile remains robust, deriving from its strong customer deposit balance, which stood at €55.4 billion.

Moreover, the Bank's participation to the ECB TLTRO III refinancing operations was fully repaid, achieving full disengagement from ECB funding. Secured interbank funding transactions amounted to €0.2 billion as of 30 June 2024 as well.

Additionally, the Bank issued in January 2024, €600 million of MREL-eligible, Senior Preferred bonds, calling the existing €150 million Senior Unsecured bond, which matured in May 2025. Furthermore, in March 2024, the Bank successfully issued €500 million of a new Tier II bond to refinance the existing €400 million issuance (of which €320 million were bought back in March and the remaining €80 million were redeemed on 18 July 2024), further diversifying its funding structure.

As a result, the Bank's LCR continues to stand significantly above the regulatory and internal limits, notwithstanding TLTRO III repayments. More specifically, on 30 June 2024 the Banks's LCR stood at 237.0% (Group: 239.7%) and on 31 March 2024 the Bank's NSFR reached the highest historical level and stood at 149.9% (Group: 149.6%). Finally, Loan-to-Deposit ratio stood at 59.7% and 60.3% as of 30 June 2024, on a domestic (Greece) and on a Group level, respectively.

Finally, the Bank's ample Liquidity Buffer (HQLAs) stood at €20.1 billion as at 30 June 2024. More specifically, it comprises of €7.6 billion in the form of cash deposited with the Bank of Greece and other cash deposited in nostro accounts, €12.3 billion of high-quality liquid assets (HQLA) eligible for ECB funding and €0.1 billion of other unencumbered HQLA that could be used for secured interbank funding with FIs.

Operational Risk

Operational Risk is 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 ("GORMD") 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.

NBG has established a Group-wide Operational Risk Management Framework ("ORMF") that provides the foundations, principles and governance arrangements for designing, implementing, monitoring, reviewing and continually strengthening operational risk management throughout the Group. GORMD regularly reviews the Group's ORMF to ensure that all relevant regulatory requirements are met.

In particular, under the 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 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 Executive Committee. ORCO, that has the overview of the ORMF implementation, meets on a quarterly basis, providing a semi-annual report to the Executive Committee. In addition, the Outsourcing Committee 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 year ended 31 December 2023 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 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 managed 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 with the aim to also fulfill the models' lifecycle needs, 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 assessment, the MVU formulates its concerns and crucial conclusions as 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 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 MRM Framework as is in force. Based on them, relevant controls have been designed and an issue and action plan management scheme has been inaugurated. The MVU has compiled a set of business processes in the form of workflows, which serve the management of models' lifecycle and has also developed a Model Risk Quantification Methodology, utilized for ICAAP reporting purposes.
- *Model Risk Management Tools and Platform:* The MVU has put in effect automation tools, developed in-house processes, created libraries containing internally built code following best practices and software engineering standards to effectively perform all quantitative validation tasks and is participating in the Governance, Risk & Compliance ("GRC") platform's implementation team.

MVU has undertaken further initiatives towards the above two directions. An update of the Model Validation Policy and its Annexes is currently in progress, mainly focusing on their alignment with the Bank's internal control mechanisms, their enhanced integration with the MRM Framework's recent developments and their compliance with the latest regulatory requirements. Additionally, MVU plans to formulate processes to accomplish the existing functional requirements concerning the adoption of MRM module's use and the broadened introduction of the workflows serving the models' lifecycle needs.

The key aspects of the Model Risk Management Framework are:

- *Policies and Processes:* To ensure the accurate, timely and robust Model Risk quantification process and to enhance the mentioned risk's efficient management, a comprehensive set of guidelines regarding the specified models' lifecycle needs as well as specific Policy and methodology documents relevant to the model's governance, management and validation have been elaborated.

- *Model Materiality Tiering and Model Risk Assessment:* As required by the regulator, the level of scrutiny under which each model is validated, monitored and managed along with all related processes, is proportional to the model's materiality. For the purpose of assessing the significance of each model, the MVU has introduced a materiality tiering procedure, with the explicit intent to ascertain the level of each model's importance and criticality for the Bank. Furthermore, the inputs for the mentioned classification and the outcomes of the validation assessment of each model are combined using an internally developed approach, explicitly aimed at determining the risk rating for each model.
- *Issues and Action Plans:* The MVU has formalized a specific issue tracking process, implemented in the GRC platform which constitutes the Bank's new workflow management system for the purpose of communicating model issues to the model owners, monitoring their statuses, approving plans regarding the necessary remedial actions, keeping track of their accomplishment and finally reporting the completion of their resolution to the Bank's Senior Executive Committee and the BRC.
- *Model Inventory and Model Risk Management Module:* The Group's Risk Units have worked extensively towards the adoption of the new workflow management system which aims among other purposes, to automate most of the procedures being pertinent to the models' lifecycle requirements. This effort will be further enhanced by the integration of the Model Risk management module into the hosting platform, which also incorporates a self-contained model inventory constituting the Bank's thorough and concise model registry serving as a unique point of reference in terms of models' attributes. The latter can provide the required supportive evidence for Model Risk management purposes, which remains available within the platform's infrastructure. Additionally, they are utilized as a pool of necessary inputs for Model Risk estimation purposes.

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 has been decided and approved, the model must be registered in the Bank's Model Inventory by its owner. To uphold an effective Model Risk Management framework requires maintaining a complete and regularly updated model inventory, so that the prioritization of the validation process in adherence to the determined model's validation cycle, and in turn the rating and the monitoring of the resulting relative risk, can be seamlessly accomplished. Upon model development completion, the Bank's Model Inventory is updated by the model owner with the essential material needed to conclude the model materiality tiering, the Model Risk assessment, the model review sequential list of checks, and finally, the completion of the validation process in its entirety.

After a new model has been registered, the model's Initial Validation follows as required. As part of its Initial Validation, the model is examined by executing a series of controls that cover a wide range of qualitative and quantitative aspects, principally intended to mitigate specific areas of concern recognized as potential 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. The outcome of the model validation process is a combined assessment regarding the classification of the model's risk rating, the confirmation of the model's approval type and an ensuing list of RAIs if crucial deficiencies are identified and need to be remediated.

Following the finalization of model's approval by the Bank's competent management level or governing committee, the model is implemented in the appropriate Bank's system. The implementation phase potentially constitutes an additional source of Model Risk. The MVU subsequently conducts a review to assess if the implementation process and all available reports covering the IT actions and UAT tests were suitably performed, compiled and signed-off, with the aim to determine if the deployed model is fit for the intended purpose and functions as expected. Deployed models and their proper use are regularly monitored by their owners, while they are also revisited by the MVU through the execution of regular ongoing validation exercises, mainly focusing on evaluating the models' quantitative performance comprising the estimation of their discriminatory power, accuracy and stability. Any validation assessment's outcome could lead to the issuance of RAIs and could possibly trigger the necessity of developing a new model version if material model changes are required, hence triggering a new maintenance cycle.

Strategic/ Business Model Risk

Strategic/ Business Model Risks are defined as the current or prospective risks on the viability and sustainability of the Group's Business model, 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. 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/Business Model Risks is demonstrated through:

- failure to deliver the expected results, i.e. material deviations from a defined business plan in terms of Profitability, Capital and/or Franchise (Brand) perception;
- long-term deterioration of Competitiveness, i.e. worsening relative position 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.

Acknowledging the increasing importance of the business model viability and sustainability risks, the Bank introduced strategic focus within the Risk Management organization (dedicated function of Group Strategic Risk Management has been established) and active participation in the Business and Capital planning cycles (including a CRO opinion).

The objective is to strengthen the interlink between risk management and strategy, establishing a regular and active involvement of the former in the strategy formulation and execution processes and providing the risk perspective during the definition of overarching business and strategic objectives. The development of Strategic Risk Management Framework is part of the Bank's Enterprise Risk Management ("ERM").

NBG's strategic objectives and priorities are identified through the Business and Capital Plan and the description of Business strategies set therein, in order to enable the realization of the Group's Strategy. The risk identification and materiality assessment process is conducted by associating NBG's current business model with business strategy and the external economic environment outlook (forward-looking perspective).

The business model aspects which are considered for risk identification and materiality assessment are set out and mapped to specific Key Performance Indicators ("KPIs") which the Bank considers as most relevant and indicative to formulate its business profile (current status and forward-looking perspective). The identification of material business risk sources forms the basis for impact quantification, through Scenario Analysis and Stress Testing complemented with single-factor risk impact analysis. This process aims to assess the core profitability resilience and thus, the capital generation capacity and provide insights regarding potential vulnerabilities and key threats to NBG's business model going forward.

Climate & Environmental ("C&E") Risks

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

Specifically, NBG has implemented the following actions:

- Incorporated ESG-related risks in its Risk Taxonomy Framework and Risk Identification processes, by recognizing them as transversal and considering them as drivers of existing types of financial and non-financial risks.
- Assigned clear responsibilities for the management of C&E risks within its organizational structure, cascading down through the three lines of defence, including dedicated Committees at the Board and management level (respectively, the Board Innovation and Sustainability Committee and the ESG Management Committee). Focusing on the Risk Management function:
  - The CRO is accountable for the supervision of C&E risks and closely collaborates with the General Manager of Transformation, Strategy and International Activities and the General Manager of Group Compliance and Corporate Governance for all major C&E topics.
  - C&E risks are integrated in the existing risk identification, measurement, and assessment processes per primary risk type, therefore each Risk Division (Credit Risk, Market & Liquidity Risk, Operational Risk, Strategic/Business Risk):
    - Measures, controls and monitors C&E risks/drivers and their impact on the existing financial & non-financial risk types.
    - Incorporates C&E risks/drivers in their internal frameworks, policies, procedures and reporting framework and implements enhancements as needed.
  - The Group Chief Credit Officer and Credit Divisions ensure incorporation of ESG assessments within lending policies and processes.
  - The Assistant General Manager responsible for Group Strategic, ESG and Operational Risks and the Group Strategic Risk Management Division exercise the holistic overview on C&E risk management activities, being the central reference point within Risk Management and the primary liaison between Risk Management and Business Strategy stakeholders for ESG matters. The aim is to align C&E risk management processes involving the different Risk Divisions/experts across risk types, including the execution of C&E Stress Testing, in line with NBG's ERM concept. The above setup is supported in terms of coordination by the Risk Culture and Risk PMO Unit.
- Incorporated ESG risks/drivers in the Risk Management Framework and implemented enhancements per primary risk area, as follows:
  - Developed a dedicated C&E Risk Identification and Materiality Assessment, including:
    - description of the methodological approach to identify C&E risks and assess their materiality across portfolios/segments, regions and time horizons, with reference to the existing (primary) risk types;
    - a distinct mapping of C&E risk drivers and transmission channels, and distinctly address the impact of environmental risk drivers, beyond climate;
    - incorporation of forward-looking assessments.
  - Enhanced the incorporation of ESG risks in Credit Risk Management Framework. In summary NBG:
    - has enhanced its 2024 RAF Dashboard with the inclusion of credit related metrics and introduced a dedicated C&E exclusion list and an updated sectoral limits' methodology, aligning its risk appetite accordingly; the exclusion list also considers elements beyond climate (e.g., related to the nature and biodiversity preservation).

- thoroughly analysed and approved specific policy actions connected with the ESG credit risk assessment and classification;
- performed a prototype deep-dive analysis to incorporate C&E risks in Credit Rating.
- enhanced the risk pricing framework for the incorporation of C&E risks.
- reviewed its collateral policies to improve C&E risk mitigation measures, taking into account the most recent C&E RIMA.
- focused on the development of monitoring and reporting capabilities for the credit portfolio, having established a large set of credit risk related KRIs at various levels (aggregate, sectoral, portfolio/business line etc.) as part of an enterprise wide ESG reporting mechanism.

– Enhanced the RAF through the inclusion of additional ESG related metrics with threshold (limit), covering all material risk areas, and of supplementary KRIs set for monitoring purposes, hence covering ESG credit and strategy-related considerations.
– Aligned the Operational Risk Taxonomy and all other Operational Risk Programs with the inclusion of ESG risks based on the requirements set by the competent authorities.
– Incorporated C&E risks in the Stress Testing Framework to assess vulnerabilities related to climate risk drivers, through the selection and examination of appropriate scenarios.
– Performed an assessment and considered the outcome of stress test scenario analysis for the capital assessment in ICAAP.
– Initiated actions in relation to combined C&E risk data, analytics and monitoring setup, aiming to enhance the C&E risk control and monitoring capabilities and regular reporting. Specifically, an extensive set of key C&E metrics has been identified for internal monitoring and reporting (further to the ones defined in the RAF), establishing an enhanced and comprehensive C&E Risk reporting dashboard.
– Disclosed ESG quantitative and qualitative information according to the phase-in process described in the relevant regulatory requirements, through the Pillar III disclosures on a consolidated basis.
– Introduced a dynamic and comprehensive Action Plan in relation to the ESG agenda, aiming to accelerate the business model adaptation and successful management of ESG risks, with a focus on C&E risks, while meeting all relevant regulatory requirements.

Going forward, NBG is planning to continue the enhancement of its Risk Management Framework towards the incorporation of ESG factors in all relevant activities. Relevant initiatives are largely included in the Transformation Program, which is monitored by the Board of Directors and the Transformation Committee, ensuring execution in a timely and disciplined manner.

The Transformation Program initiatives are also complemented with tactical and interbank initiatives, streamlining the execution of C&E risk management processes with the regular, business-as-usual, activities.

Other Risk Factors

Cyber security

The Group is increasingly dependent on information and communication technologies to achieve its strategy 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 subsidiaries, 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 increasing trend in the use of new technologies and digital applications to serve citizens and businesses, as a result of critical events that occurred in previous years such as the pandemic (COVID-19).
- Information security risks faced by suppliers and affecting the banking sector, given the continuous expansion of interconnected information systems.

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 Group and the Bank have 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 Board Risk Committee among others has continuous oversight of Cybersecurity, with the Chief Information Security Officer ("Group CISO") providing regular reports to the said Committee as regards the Cybersecurity Posture of the Bank and subsidiaries.

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

- NBG Group has a 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, based on international standards, compliance regulations and best practices.
- The Bank has attained the ISO 27001 certification and ISO 27017 attestation for its Information Security Management System.
- 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.
- 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 30 June 2024, the Group's DTAs, amounted to €4.1 billion (31 December 2023: €4.3 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 Group and 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 30 June 2024, the Group's DTAs eligible for conversion to Tax Credit amounted to €3.6 billion (31 December 2023: €3.7 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 30 June 2024, 51.6% of the Group's CET1 capital (including the profit for the period post dividend accrual) 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.

Corporate Governance

Annual General Meeting of Shareholders

Our Annual General Meeting of Shareholders took place remotely, in real-time via teleconference, on 25 July 2024.

For further information please refer to our site https://www.nbg.gr/en/the-group/investor-relations/general-assemblies.

Constitution into a body of the new Board of Directors

The Board of Directors of the Bank has been elected by the Annual General Meeting of Shareholders held on 25 July 2024, with a term of three (3) years, i.e., until the 2027 Annual General Meeting of Shareholders. On the same day, the Board of Directors convened and decided on its constitution into a body, in line with the applicable law and the Bank's Articles of Association, as follows:

Board of Directors composition	
Executive Members:	Mr. Pavlos Mylonas, Chief Executive Officer
	Ms. Christina Theofilidi, Executive Member
Non - Executive Members:	Mr. Gikas Hardouvelis, Chair of the Board of Directors
	Mr. Periklis Drougkas, Member, Hellenic Financial Stability Fund Representative, in accordance with Greek Law 3864/2010
Independent Non-Executive Member:	Ms. Aikaterini Beritsi, Member
	Mr. Jayaprakasa (JP) Rangaswami, Member
	Mr. Claude Piret, Member
	Mr. Avraam Gounaris, Senior Independent Director
	Mr. Wietze Reehoorn, Member
	Ms. Elena Ana Cernat, Member
	Ms. Anne Marion - Bouchacourt, Member
	Mr. Matthieu Kiss, Member
	Mr. Athanasios Zarkalis, Member

Secretary of the Board of Directors and its Committees is Mr. Panos Dasmanoglou, General Manager of Group Compliance and Corporate Governance.

According to the legal and regulatory framework, as in force, Board members undergo the fit and proper assessment of the Single Supervisory Mechanism ("SSM"). Any re-assessment, when required, is carried out in accordance with the provisions of Bank of Greece Executive Committee Act No 224/21.12.2023.

Audit Committee

Following the Board of Directors session held on 25 July 2024, during which the members of the Audit Committee were appointed in accordance with Article 44 par. 1 case (c) of Greek Law 4449/2017, based on the relevant decision of the Annual General Meeting of 25 July 2024 and following recommendation of the Corporate Governance & Nominations Committee, the Audit Committee, in accordance with Article 44 par. 1 case (e) of Greek Law 4449/2017 and its Charter, convened on the same day and constituted into a body, appointing its Chair and Vice – Chair as follows:

Audit Committee	
Chair:	Mr. Matthieu Kiss
Vice-Chair:	Mr. Claude Piret
Members:	Mr. Avraam Gounaris
	Mr. Jayaprakasa (JP) Rangaswami
	Mr. Periklis Drougkas (Member, Hellenic Financial Stability Fund Representative, in accordance with Greek Law 3864/2010)

As resolved upon by the Annual General Meeting, the term of office of the Audit Committee members shall follow their term of office as Board members, i.e. until the Annual General Meeting of year 2027.

Athens, 31 July 2024

THE CHAIRMAN OF THE BOARD OF DIRECTORS

GIKAS A. HARDOUVELIS

THE CHIEF EXECUTIVE OFFICER

PAVLOS K. MYLONAS

Important Information

European Securities and Markets Authority ("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 six months period ended 30 June 2024 and for the year ended 31 December 2023, which have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" and 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 Loan and other impairments		The sum of (i) Credit provisions and (ii) other impairment charges.
Adjusted Operating Expenses		The sum of (i) Personnel expenses, (ii) Administrative and other operating expenses, (iii) depreciation and amortisation on investment property, property & equipment and software; excluding, for the six months period ended 30 June 2024 personnel expenses related to defined contributions for LEPETE to e-EFKA of €18 million and other one-off costs of €12 million. For the six months period ended 30 June 2023, adjusted operating expenses exclude personnel expenses of €18 million related to defined contributions for LEPETE to e-EFKA and other one off-costs of €2 million.
Adjusted Taxes		Tax benefit/(expense).
Adjusted Total Income		The sum of (i) Core Income and (ii) Trading and Other Income.
Balance Sheet		Statement of Financial Position.
Common Equity Tier 1 ratio	CET1	CET1 capital as defined by Regulation No 575/2013, over RWAs.
Core Income		The sum of (i) Net Interest Income ("NII") and (ii) Net fee and commission income.
Core Operating Profit/ (Loss)		Core income less adjusted operating expenses and adjusted loan and other impairments.
Core Profit for the period after Tax	Core PAT	The sum of (i) Core Operating Profit/ (Loss) and (ii) Adjusted Taxes.
Core Pre-Provision Income	Core PPI	Core Income less adjusted operating expenses.
Core return on Tangible Equity	Core RoTe	Core Operating Profit / (Loss) for the period/ year + Adjusted 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 €1.0 billion as at 31 December 2023.
Cost-to-Core Income ratio	C:CI	Adjusted operating expenses over core income.
Cost-to-Income ratio		Adjusted operating expenses over adjusted total income.
Deposits		Due to customers.
Depreciation		Depreciation and amortisation on investment property, property & equipment and software & other intangible assets
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.

Name	Abbreviation	Definition
International operations		International operations refers to the Group's banking business in North Macedonia (Stopanska Banka, Stopanska Leasing) and Cyprus (NBG Cyprus).
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		Credit provisions.
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 €1.0 billion as at 31 December 2023.
Net cash position		Cash and balances with central banks + Due from banks, excluding Due to Banks.
Net Interest Margin over average total assets	NIM	Net interest income over average total assets, with average total assets calculated as the sum of the monthly average total assets.
Net NPEs		NPEs less ECL allowance on loans and advances to customers at amortised cost.
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.
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 mandatorily measured at FVTPL at the end of the period, excluding the short-term reverse repo facility of €1.0 billion as at 31 December 2023.
Operating Profit / (Loss)		Adjusted Total Income less Adjusted Operating Expenses and Adjusted Loan and other impairments.
PAT attributable to NBG equity shareholders		Core PAT (continuing operations) + Net trading income / (loss), net other income/(loss) and Share of profit / (loss) of equity method investments + Discontinued Operations, Restructuring costs, other & Non-controlling interest.
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 six months period ended 30 June 2024, personnel expenses exclude defined contributions to LEPETE to e-EFKA of €18 million and other one off-costs of €5 million. For the six months period ended 30 June 2023, personnel expenses exclude defined contributions for LEPETE to e-EFKA of €18 million.
Tangible Equity / Book Value		Equity attributable to NBG shareholders less goodwill, software and other intangible assets.
Trading and Other Income		The sum of (i) Net trading income / (loss) and results from investment securities, (ii) Gains / (losses) arising from the derecognition of financial assets measured at amortised cost, (iii) Net other income/(expense) and (iv) Share of profit / (loss) of equity method investments, excluding other one-off costs of €12 million for the six months period ended 30 June 2023.
Total Capital Ratio		Total capital as defined by Regulation No 575/2013, over RWAs.

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 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" and 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 persisting inflationary pressures and 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. Energy-related risks and a new upsurge of inflation pressures, in the event of a new escalation of Ukraine crisis or a stronger-than-expected increase in global demand and/or supply cuts by major energy producers, represent the key risk factors in view of the limited margins for new fiscal interventions. The delayed drag on activity and financial conditions from the ongoing monetary policy tightening could also affect business and banking activity. The Middle East and Red Sea conflicts could have adverse implications for global growth via commodity prices and trade channels. Moreover, uncertainty over the scope of actions that may be required by us, governments, and others to achieve goals relating to climate, environmental and social matters, as well as the evolving nature of underlying technological and industrial and governmental standards and regulations. Therefore, these events constitute additional factors 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, and the effect of such outcomes on the Group's financial condition. There can be no assurance that any 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.

[Translation from the original text in Greek]

Report on Review of Interim Financial Information

To the Board of directors of National Bank of Greece S.A.

Introduction

We have reviewed the accompanying company and consolidated statement of financial position of National Bank of Greece S.A (Bank and/or Group), as of 30 June 2024 and the related company and consolidated statements of income, comprehensive income, changes in equity and cash flow statements for the six-month period then ended, and the selected explanatory notes that comprise the interim financial statements for the Group and the Bank (hereafter “interim financial information”) and which form an integral part of the six-month financial report as required by L.3556/2007.

Management is responsible for the preparation and presentation of this interim financial information in accordance with International Financial Reporting Standards as they have been adopted by the European Union and applied to interim financial reporting (International Accounting Standard “IAS 34”). Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, as they have been transposed into Greek Law and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with IAS 34.

Report on other legal and regulatory requirements

Our review has not revealed any material inconsistency or misstatement in the statements of the members of the Board of Directors and the information of the six-month Board of Directors Report, as defined in articles 5 and 5a of Law 3556/2007, in relation to the accompanying interim financial information.

Athens, 1 August 2024

PricewaterhouseCoopers S.A.
Certified Auditors
260 Kifissias Avenue
152 32 Halandri

Soel Reg. No. 113

The Certified Auditor

Evangelos Venizelos
Reg. No. 39891

NATIONAL BANK OF GREECE

Group and Bank

Interim Financial Statements

As at and for the period ended 30 June 2024

First half

2024

Statement of Financial Position
as at 30 June 2024

		Group		Bank	
€ million	Note	30.06.2024	31.12.2023	30.06.2024	31.12.2023
ASSETS					
Cash and balances with central banks		8,356	9,015	7,852	8,615
Due from banks		2,573	2,793	2,848	2,779
Financial assets at fair value through profit or loss		716	707	645	643
Derivative financial instruments		1,771	2,074	1,771	2,074
Loans and advances to customers	8	34,419	34,223	32,019	32,219
Investment securities		17,003	16,494	16,632	16,170
Investment property		65	60	1	1
Current tax asset		250	220	249	220
Deferred tax assets		4,129	4,346	4,118	4,335
Equity method investments		194	175	190	171
Investments in subsidiaries		-	-	837	779
Property and equipment		1,328	1,339	1,098	1,105
Software		560	524	552	516
Other assets		1,878	1,919	1,760	1,804
Non-current assets held for sale	9	411	695	360	638
Total assets		**73,653**	**74,584**	**70,932**	**72,069**
LIABILITIES					
Due to banks	10	1,840	3,800	1,866	3,832
Derivative financial instruments		1,312	1,414	1,312	1,413
Due to customers	11	57,073	57,126	55,356	55,582
Debt securities in issue	12	2,961	2,323	2,961	2,323
Other borrowed funds		92	96	-	-
Current income tax liabilities		6	6	-	-
Deferred tax liabilities		24	15	8	-
Retirement benefit obligations		233	248	231	246
Other liabilities		1,801	1,876	1,640	1,702
Liabilities associated with non-current assets held for sale	9	30	28	-	-
Total liabilities		**65,372**	**66,932**	**63,374**	**65,098**
SHAREHOLDERS' EQUITY					
Share capital	14	915	915	915	915
Treasury shares	14	(24)	(2)	(24)	(2)
Share premium	14	3,542	3,542	3,539	3,539
Reserves and retained earnings		3,821	3,171	3,128	2,519
Equity attributable to NBG shareholders		**8,254**	**7,626**	**7,558**	**6,971**
Non-controlling interests		27	26	-	-
Total equity		**8,281**	**7,652**	**7,558**	**6,971**
Total equity and liabilities		**73,653**	**74,584**	**70,932**	**72,069**

Athens, 31 July 2024

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 58 to 96 form an integral part of these Interim Financial Statements

Income Statement
for the period ended 30 June 2024

		Group		Bank	
		6-month period ended		6-month period ended	
€ million	Note	30.06.2024	30.06.2023	30.06.2024	30.06.2023
Interest and similar income		1,555	1,215	1,471	1,149
Interest expense and similar charges		(363)	(163)	(355)	(167)
Net interest income		**1,192**	**1,052**	**1,116**	**982**
Fee and commission income		243	216	215	189
Fee and commission expense		(38)	(38)	(30)	(30)
Net fee and commission income		**205**	**178**	**185**	**159**
Net trading income / (loss) and results from investment securities	4	2	26	-	25
Gains / (losses) arising from the derecognition of financial assets measured at amortised cost	4	57	49	57	49
Net other income / (expense)		5	(32)	-	(36)
Total income		**1,461**	**1,273**	**1,358**	**1,179**
Personnel expenses		(247)	(227)	(227)	(209)
Administrative and other operating expenses		(112)	(99)	(96)	(84)
Depreciation and amortisation on investment property, property & equipment and software		(91)	(93)	(87)	(85)
Credit provisions	5	(93)	(109)	(76)	(99)
Other impairment charges	5	(15)	(12)	(15)	(11)
Restructuring costs		(9)	(2)	(9)	(2)
Share of profit / (loss) of equity method investments		-	1	-	
Profit before tax		**894**	**732**	**848**	**689**
Tax benefit / (expense)	6	(223)	(201)	(218)	(195)
Profit for the period		**671**	**531**	**630**	**494**
Attributable to:					
Non-controlling interests		1	1	-	-
NBG equity shareholders		**670**	**530**	**630**	**494**
Earnings per share (Euro) - Basic and diluted	7	**€0.73**	**€0.58**	**€0.69**	**€0.54**

Athens, 31 July 2024

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 58 to 96 form an integral part of these Interim Financial Statements

Statement of Comprehensive Income
for the period ended 30 June 2024

		Group		Bank	
		6-month period ended		6-month period ended	
€ million	Note	30.06.2024	30.06.2023	30.06.2024	30.06.2023
Profit for the period		**671**	**531**	**630**	**494**
Other comprehensive income / (expense):					
Items that will be reclassified to the Income Statement:					
Investments in debt instruments measured at fair value through other comprehensive income ("FVTOCI"), net of tax		(23)	49	(23)	49
Currency translation differences, net of tax		(16)	(20)	(16)	(9)
Cash flow hedge, net of tax		(1)	1	(1)	1
Total of items that will be reclassified to the Income Statement		**(40)**	**30**	**(40)**	**41**
Items that will not be reclassified to the Income Statement:					
Investments in equity instruments measured at FVTOCI, net of tax		26	5	25	5
Total of items that will not be reclassified to the Income Statement		**26**	**5**	**25**	**5**
Other comprehensive income / (expense) for the period, net of tax	15	**(14)**	**35**	**(15)**	**46**
Total comprehensive income / (expense) for the period		**657**	**566**	**615**	**540**
Attributable to:					
Non-controlling interests		1	1	-	-
NBG equity shareholders		656	565	615	540

Athens, 31 July 2024

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 58 to 96 form an integral part of these Interim Financial Statements

Income Statement
for the period ended 30 June 2024

€ million	Group 3-month period ended 30.06.2024	Group 3-month period ended 30.06.2023
Interest and similar income	768	646
Interest expense and similar charges	(182)	(91)
Net interest income	**586**	**555**
Fee and commission income	124	110
Fee and commission expense	(19)	(19)
Net fee and commission income	**105**	**91**
Net trading income / (loss) and results from investment securities	4	6
Net other income / (expense)	-	(12)
Total income	**695**	**640**
Personnel expenses	(124)	(112)
General, administrative and other operating expenses	(56)	(50)
Depreciation and amortisation on investment property, property & equipment and software & other intangible assets	(45)	(47)
Credit provisions	(47)	(53)
Other impairment charges	(6)	(3)
Restructuring costs	(1)	(2)
Profit before tax	**416**	**373**
Tax benefit / (expense)	(104)	(103)
Profit for the period	**312**	**270**
Attributable to:		
Non-controlling interests	-	-
NBG equity shareholders	**312**	**270**
Earnings per share (Euro) - Basic and diluted	**€0.34**	**€0.30**

Athens, 31 July 2024

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 58 to 96 form an integral part of these Interim Financial Statements

Statement of Comprehensive Income
for the period ended 30 June 2024

€ million	Group 3-month period ended 30.06.2024	Group 3-month period ended 30.06.2023
Profit for the period	**312**	**270**
Other comprehensive income / (expense):		
Items that will be reclassified to the Income Statement:		
Investments in debt instruments measured at fair value through other comprehensive income ("FVTOCI"), net of tax	(21)	16
Currency translation differences, net of tax	-	2
Cash flow hedge, net of tax	(1)	-
Total of items that will be reclassified to the Income Statement	**(22)**	**18**
Items that will not be reclassified to the Income Statement:		
Investment in equity instruments at FVTOCI, net of tax	18	5
Total of items that will not be reclassified to the Income Statement	**18**	**5**
Other comprehensive income/(expense) for the period, net of tax	**(4)**	**23**
Total comprehensive income/(expense) for the period	**308**	**293**
Attributable to:		
NBG equity shareholders	**308**	**293**

Athens, 31 July 2024

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 58 to 96 form an integral part of these Interim Financial Statements

Statement of Changes in Equity - Group

for the period ended 30 June 2024

€ 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 2022 and at 1 January 2023	**915**	**3,542**	**-**	**(273)**	**(56)**	**(1)**	**-**	**(155)**	**1,187**	**1,293**	**6,452**	**23**	**6,475**
Other Comprehensive Income/ (expense) for the period	-	-	-	61	(20)	-	1	-	-	11	**53**	-	**53**
Gains/(losses) from equity instruments at FVTOCI reclassified to retained earnings	-	-	-	(7)	-	-	-	-	-	7	**-**	-	**-**
Profit for the period	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**530**	**530**	1	**531**
Total Comprehensive Income / (expense) for the period (see Note 15)	**-**	**-**	**-**	**54**	**(20)**	**-**	**1**	**-**	**-**	**548**	**583**	**1**	**584**
Balance at 30 June 2023	**915**	**3,542**	**-**	**(219)**	**(76)**	**(1)**	**1**	**(155)**	**1,187**	**1,841**	**7,035**	**24**	**7,059**
Movements to 31 December 2023	-	-	(2)	30	(1)	-	2	(12)	11	563	**591**	2	**593**
Balance at 31 December 2023 and at 1 January 2024	**915**	**3,542**	**(2)**	**(189)**	**(77)**	**(1)**	**3**	**(167)**	**1,198**	**2,404**	**7,626**	**26**	**7,652**
Other Comprehensive Income/ (expense) for the period	-	-	-	(3)	(16)	-	(1)	-	-	-	**(20)**	-	**(20)**
Gains/(losses) from equity instruments at FVTOCI reclassified to retained earnings	-	-	-	6	-	-	-	-	-	(6)	**-**	-	**-**
Profit for the period	-	-	-	-	-	-	-	-	-	670	**670**	1	**671**
Total Comprehensive Income / (expense) for the period (see Note 15)	**-**	**-**	**-**	**3**	**(16)**	**-**	**(1)**	**-**	**-**	**664**	**650**	**1**	**651**
(Purchases)/ disposals of treasury shares	-	-	(22)	-	-	-	-	-	-	-	**(22)**	-	**(22)**
Balance at 30 June 2024	**915**	**3,542**	**(24)**	**(186)**	**(93)**	**(1)**	**2**	**(167)**	**1,198**	**3,068**	**8,254**	**27**	**8,281**

The notes on pages 58 to 96 form an integral part of these Interim Financial Statements

Statement of Changes in Equity - Bank

for the period ended 30 June 2024

€ million	Share capital	Share premium	Tresaury Shares	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 2022 and 1 January 2023	**915**	**3,539**	**-**	**(281)**	**(64)**	**-**	**(154)**	**1,105**	**823**	**5,883**
Other Comprehensive Income/ (expense) for the period	-	-	-	61	(9)	1		-	-	**53**
Gains/(losses) from equity instruments at FVTOCI reclassified to retained earnings	-	-	-	(7)	-	-	-	-	7	**-**
Profit for the period	-	-	-	-	-	-	-	-	494	**494**
Total Comprehensive Income / (expense) for the period (see Note 15)	**-**	**-**	**-**	**54**	**(9)**	**1**	**-**	**-**	**501**	**547**
Balance at 30 June 2023	**915**	**3,539**	**-**	**(227)**	**(73)**	**1**	**(154)**	**1,105**	**1,324**	**6,430**
Movement to 31 December 2023	-	-	(2)	28	1	2	(13)	8	517	**541**
Balance at 31 December 2023 and 1 January 2024	**915**	**3,539**	**(2)**	**(199)**	**(72)**	**3**	**(167)**	**1,113**	**1,841**	**6,971**
Other Comprehensive Income/ (expense) for the period	-	-	-	(4)	(16)	(1)		-	-	**(21)**
Gains/(losses) from equity instruments at FVTOCI reclassified to retained earnings	-	-	-	6	-	-	-	-	(6)	**-**
Profit for the period	-	-	-	-	-	-	-	-	630	**630**
Total Comprehensive Income / (expense) for the period (see Note 15)	**-**	**-**	**-**	**2**	**(16)**	**(1)**	**-**	**-**	**624**	**609**
(Purchases)/ disposals of treasury shares	-	-	(22)	-	-	-	-	-	-	**(22)**
Balance at 30 June 2024	**915**	**3,539**	**(24)**	**(197)**	**(88)**	**2**	**(167)**	**1,113**	**2,465**	**7,558**

The notes on pages 58 to 96 form an integral part of these Interim Financial Statements

Statement of Cash Flows
for the period ended 30 June 2024

	Group		Bank	
	6-month period ended		6-month period ended	
€ million	30.06.2024	30.06.2023	30.06.2024	30.06.2023
Cash flows from operating activities				
Profit before tax	**894**	**732**	**848**	**689**
Adjustments for:				
Non-cash items included in income statement and other adjustments:	**172**	**244**	**168**	**184**
Depreciation and amortisation on investment property, property & equipment and software	91	93	87	85
Amortisation of premiums /discounts of investment securities, debt securities in issue and other borrowed funds	(33)	17	(32)	13
Credit provisions and other impairment charges	112	126	91	85
Provision for employee benefits	5	5	5	5
Share of (profit) / loss of equity method investments	-	(1)	-	-
Result from fair value and cash flow hedges	2	(6)	2	(6)
Dividend income from investment securities	(1)	(2)	(1)	(2)
Net (gain) / loss on disposal of property & equipment and investment property	(9)	(4)	-	-
Net (gain) / loss on disposal of investment securities	(59)	(68)	(59)	(68)
Accrued interest from financing activities and results from repurchase of debt securities in issue	37	41	36	43
Accrued interest of investment securities	37	36	36	36
Other non-cash operating items	(10)	7	3	(7)
Net (increase) / decrease in operating assets:	**(318)**	**(41)**	**(121)**	**(13)**
Mandatory reserve deposits with Central Bank	40	(25)	9	(19)
Due from banks	330	57	131	19
Financial assets at fair value through profit or loss	(7)	(271)	(2)	(261)
Derivative financial instruments	316	60	316	60
Loans and advances to customers	(1,018)	319	(608)	335
Other assets	21	(181)	33	(147)
Net increase / (decrease) in operating liabilities:	**(2,071)**	**(5,798)**	**(2,250)**	**(5,830)**
Due to banks	(1,960)	(6,437)	(1,965)	(6,442)
Due to customers	19	479	(154)	416
Derivative financial instruments	(70)	(38)	(70)	(38)
Retirement benefit obligations	(20)	(28)	(20)	(28)
Income taxes (paid) / received	(36)	(18)	-	1
Other liabilities	(4)	244	(41)	261
Net cash from / (for) operating activities	**(1,323)**	**(4,863)**	**(1,355)**	**(4,970)**
Cash flows from investing activities				
Participation in share capital (increase)/decrease of subsidiaries	-	-	(60)	(10)
Disposals of subsidiaries, net of cash disposed	-	-	-	2
(Acquisition) / disposal of equity method investments	(19)	-	(19)	-
Dividends received from investment securities & equity method investments	1	2	1	1
Purchase of investment property, property & equipment & software	(151)	(247)	(146)	(243)
Proceeds from disposal of property & equipment and investment property	9	7	-	-
Purchase of investment securities	(5,251)	(4,707)	(5,028)	(4,486)
Proceeds from redemption and sale of investment securities	4,580	2,904	4,378	2,767
Net cash (used in) / provided by investing activities	**(831)**	**(2,041)**	**(874)**	**(1,969)**
Cash flows from financing activities				
Proceeds from debt securities in issue and other borrowed funds	1,100	6	1,100	25
Repayments of debt securities in issue, other borrowed funds and preferred securities	(480)	22	(476)	(3)
Principal elements of lease payments	(22)	(33)	(23)	(28)
Proceeds from disposal of treasury shares	7	6	-	-
Repurchase of treasury shares	(28)	(6)	(22)	-
Net cash from/ (for) financing activities	**577**	**(5)**	**579**	**(6)**
Effect of foreign exchange rate changes on cash and cash equivalents	(17)	(9)	(18)	(10)
Net increase / (decrease) in cash and cash equivalents	**(1,594)**	**(6,918)**	**(1,668)**	**(6,955)**
Cash and cash equivalents at beginning of period	9,788	17,212	9,524	16,997
Cash and cash equivalents at end of period	**8,194**	**10,294**	**7,856**	**10,042**

The notes on pages 58 to 96 form an integral part of these Interim Financial Statements

NOTE 1 General information

National Bank of Greece S.A. (hereinafter "NBG" or the "Bank") was founded in 1841 and its shares have been listed on the Athens Exchange since 1880. The Bank's headquarters are located at 86 Eolou Street, 10559 Athens, Greece (Register number G.E.MH. 237901000), tel. (+30) 210 334 1000, www.nbg.gr. By resolution of the Board of Directors, the Bank can establish branches, agencies and correspondence offices in Greece and abroad. In its 183 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 exposures management, transactional banking, leasing, factoring, brokerage, asset management, real estate management and insurance services. The Group operates mainly in Greece but also through 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. Also, in April 2024, the Cyprus Branch transferred its operations to NBG Cyprus Ltd. Therefore, the NBG Egypt Branch, the NBG London Branch, the Cyprus 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 Hardouvelis

Executive members
Pavlos Mylonas
Christina Theofilidi

Independent Non-Executive Members
Avraam Gounaris - Senior Independent Director
Anne Clementine Marcelle Marion-Bouchacourt
Claude Edgard Louis Ghislain Piret
Wietze Reehoorn
Matthieu Joseph Kiss
Elena Ana Cernat
Aikaterini Beritsi
Jayaprakasa (JP) Rangaswami
Athanasios Zarkalis

Non-Executive Representative of the Hellenic Financial Stability Fund (Greek Law 3864/2010)
Periklis Drougkas

Board and Board Committees' Secretary
Panos Dasmanoglou

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 above members were elected by the Annual General Meeting of 25 July 2024. The term of the above Members expires at the Annual General Meeting of the Bank's Shareholders in 2027.

These Interim Financial Statements have been approved for issue by the Bank's Board of Directors on 31 July 2024.

NOTE 2 Basis of preparation and material accounting policies

2.1 Basis of preparation

The condensed consolidated and separate Interim Financial Statements as at and for the six-month period ended 30 June 2024 (the "Interim Financial Statements") have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting". These Interim Financial Statements include selected explanatory notes and do not include all the information required for the full set of Annual Financial Statements. Therefore, the Interim Financial Statements should be read in conjunction with the consolidated and separate Annual Financial Statements for the Group and the Bank as at and for the year ended 31 December 2023, which have been prepared in accordance with International Financial Reporting Standards ("IFRSs") as endorsed by the European Union (the "EU").

These Interim 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 risk being hedged. In accordance with the transitional provisions provided by IFRS 9, the Group has elected to continue accounting for hedging transactions under IAS 39 as adopted by the EU, including the provisions related to macro-fair value hedge accounting (IAS 39 "carve-out"). Certain provisions of IAS 39 on hedge accounting have been excluded (see *Note 2.7.6 "Portfolio Hedges (Macro Hedge)"* of the Annual Financial Statements for the Group and the Bank as at and for the year ended 31 December 2023).

The accounting policies used in the preparation of these Interim Financial Statements have been consistently applied with those in the consolidated and separate Annual Financial Statements for the year-ended 31 December 2023. Where necessary, comparative figures have been adjusted to conform to changes in the current period's presentation.

These Interim 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 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 the following:

(a) The significant recurring profitability of the Group and the Bank which for the period ended 30 June 2024 amounted to €671 million and €630 million as well as an earnings per share amounted to €0.73 and €0.69 for the Group and the Bank, respectively,

(b) the significant liquidity buffer which as at 30 June 2024, at cash values amounted to €20.1 billion (HQLAs only), and the Liquidity Coverage Ratio ("LCR") and Net Stable Funding Ratio ("NSFR") which are both well above 100%,

(c) the Group's Common Equity Tier 1 ("CET1") and Total Capital ratios as at 30 June 2024 were 18.3% and 20.9% respectively, exceeding the OCR ratio of 9.62% and 14.32% for 2024, respectively (see *Note 17 "Capital Adequacy"*),

(d) the resilient economic growth year to date, and the prospects for a positive rate of growth of the Gross Domestic Product ("GDP") in the medium term, which is expected to remain above the euro area average, mainly driven by the implementation of the National Recovery and Resilience Plan ("RRP") as described below in the "Macroeconomic developments" section,

(e) the upgrade of NBG by S&P by one notch to BB+ on 4 July 2024 with a positive outlook and the two-notch upgrade of the long-term senior unsecured rating of NBG to Baa2 (BBB) by Moody's on 8 July 2024, a rating which stands one notch above Investment Grade,

(f) the Group and the Bank's insignificant exposure to Russia, Ukraine and the Middle East,

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 Interim Financial Statements is appropriate.

Macroeconomic developments

Greece's Gross Domestic Product ("GDP") growth accelerated to 2.1% y-o-y in 1Q.24 (+0.7% q-o-q, s.a.) from 1.3% in 4Q.23 (+0.3% q-o-q s.a.), and monthly activity indicators available for 2Q.24 remained in healthy expansion territory, confirming that economic activity has regained momentum, following a temporary slowdown in 2H.23 caused by a weakening in fixed capital investment (partly attributed to delayed PIB payments) and flood-related agricultural production losses.

Private consumption increased at a steady pace of 2.2% y-o-y in 1Q.24, on the back of supportive labor market conditions, rising non-labor income and accelerating consumer credit. Regarding the composition of private consumption, the estimated growth of spending on services, in constant price terms, outpaced consumption of goods (approximated by retail trade volume) by a wide margin of c. 17.0 pps in 1Q.24; the highest since 3Q.2022 when Covid19-related restrictions on tourism were lifted. Private consumption is set to remain a major growth driver, on the back of increasing real disposable income growth for households, supported by steady employment growth, increasing participation in the labor force and an ongoing wage adjustment (following a new 6.4% increase in the minimum wage from April 2024).

Fixed capital investment has picked up in 1Q.24 (+2.9% y-o-y and +7.1% q-o-q, s.a.), as spending on equipment and non-residential construction rebounded strongly. Investment-related forward-looking indicators point to a further strengthening in 2Q.24, with capacity utilization rates in industry at multi-year highs in most sectors and issuance of new building permits accelerating by 82.1% y-o-y in 1Q.24, pointing to an imminent strengthening in residential construction activity. Public investment activity seems to have gained traction, with PIB expenditure (including RRF) up by +13.8% y-o-y in 5M.24 (+€0.5 billion).

House prices surged by 10.4% y-o-y in 1Q.24, recording a cumulative appreciation of c. 66.0%, from their lowest point, during the 10-year crisis (3Q.2017). In 1Q.24, the level of the house price index was still 4.1% lower than its all-time high of 102.2 in 3Q.2008. Tight supply conditions in both residential and commercial RE markets point to further appreciation in the coming quarters.

The surge in inventory accumulation in 1Q.24 reflects solid business prospects and stronger-than-expected demand. Inventories increased to their highest level since 1Q.2021, when the impulse from Covid-19-related base effects had peaked and contributed 4.4 pps to annual GDP growth in 1Q.24.

Net exports weighed heavily on 1Q.24 performance (subtracting 3.6 pps from GDP, compared with 0.5 pps in FY.23), dragged down by weak demand conditions in Greece's major export markets (especially euro area economies). However, a significant part of import demand is related to increasing production needs and capacity expansion prospects and points to favorable business conditions, at least for the near term. Export growth is expected to recover during the remainder of the year, in parallel with activity in the euro area as well as with the strong performance of tourism.

Business sales and production data showed additional signs of dynamism in 2Q.24, with business turnover (firms subject to double entry bookkeeping) surging by 16.1% y-o-y in April, the strongest annual pace since January 2023, from +1.8% y-o-y in 1Q.24 and -3.8% in FY.23. Similarly, the manufacturing production index posted a 10.3% y-o-y increase in April 2024, compared with a 1.6% y-o-y increase in 1Q.24, with the manufacturing PMI remaining significantly above 50.0 in 2Q.24 (54.0), strongly outperforming the euro area average.

The Economic Sentiment Indicator ("ESI") edged further upwards to 110.0 in 2Q.24, compared with 106.9 in 1Q.24, and a FY.23 average of 107.6. The improvement in sectoral confidence, as regards ESI components, was broad-based reflecting a positive assessment of current demand conditions, in most sectors, as well as prospects of higher business activity and export levels in the coming months.

The annual growth of the Consumer Price Index (CPI) slowed to 2.4% in May, from 3.1% y-o-y in 1Q and 3.5% y-o-y in FY.23. Goods inflation (excluding energy and food) has decelerated markedly, energy prices remain broadly stable on an annual basis and food inflation further decreased in May 2024 to the slowest pace since January 2022, compensating for the inertia in services inflation.

Solid fiscal performance continued in 5M.24, with the surplus in the General Government balance on a modified-cash basis reaching 1.0% of GDP in 5M.24, compared with 0.6% in 5M.23. Moreover, the annual release of fiscal data for 2023 in April 2024, showed that the general government primary surplus reached 1.9% of GDP, against a target of 1.1%. Furthermore, the Hellenic Republic's gross General Government debt (as per cent of GDP) recorded, for a third consecutive year, an outstanding annual decline in 2023, decreasing to 161.9% of GDP from 172.7% in 2022 and an all-time high of 207.0% in 2020, and is expected to decline further, to c. 154.0% of GDP, in 2024 according to the European Commission.

Markets adopted a more cautious stance as regards their expectations on the pace of reduction in policy rates by the ECB in the near term, whereas political and fiscal risks in some euro area countries increased, in the run-up to the elections for the EU parliament. Against this backdrop, the average yield of the 10-year Greek Government Bonds ("GGB") slightly increased to 3.6% in 2Q.24, from 3.4% in 1Q.24, with similar trends observed in other euro area bonds along with a small widening in the spread over bund to 125.0 bps in end June 2024, from 106.0 bps on average in 1Q.24 and 155.0 bps in FY.23.

Greece's growth overperformance against the euro area envisaged by NBG, official sector and consensus estimates for the remainder of the year, as well as in 2025, is expected to be supported by the following factors:

- Solid fixed capital investment growth, on the back of a strong pipeline of private investment and increasing impact of the RRF, as less than 15.0% of related spending has been realized despite the high nominal absorption rate (c. 50.0% of available funding until 1Q.24). Moreover, high-capacity utilization rates in the industry and services sectors and the expected gradual normalization of monetary policy are expected to support private sector's investment decisions.

- Supportive labor market conditions – with employment growth and participation rates showing signs of further strengthening during 1H.24. Moreover, solid hiring trends, increased job vacancies and rising minimum wages bode well for a healthy increase in real disposable income of households in conjunction with the observed slowing in inflation.
- Tourism is headed for a new record in 2024, according to arrivals data available for the first 6 months of 2024 and existing bookings and flight planning data point to a sustained upward momentum in arrivals and a prolongation of the tourism season.

However, a potential recurrence of the energy market tensions or permanent disruptions in important sea trade routes (e.g., Suez Canal), resulting in a new spike in energy or other commodity prices due to continuing geopolitical frictions (Ukraine, Middle East, Red Sea) could weigh on export performance, inflation trends and GDP outcomes. Moreover, important challenges surrounding the implementation of the ambitious EU climate agenda and the acceleration of energy transition, could entail more persistent inflation effects, applying downward pressures on economic growth, disproportionately affecting energy intensive sectors. Moreover, climate risks for agricultural production remain substantial both domestically as well as globally, entailing risk for higher food inflation as well as higher industrial input prices.

Accordingly, a slower-than-currently expected easing of inflation pressures globally, could lead to high interest rates for longer, giving rise to stronger recessionary and financial headwinds, weighing on fiscal capacity, financial conditions and private investment, and lead to lower than currently expected demand for credit.

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 previous years. Moreover, the return to investment grade and a prospective reversal of the monetary policy tightening cycle, starting in 2024, could support a faster improvement in liquidity conditions and higher asset valuations, attracting new inflows of growth-enhancing foreign investment.

2.3 New and Amended Standards and Interpretations

Amendments to existing standards effective from 1 January 2024

- IAS 1 (Amendment): Classification of liabilities as current or non-current (effective for annual periods beginning on or after 1 January 2024). The amendment clarifies 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 amendment also clarifies that the classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability and makes clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services. There was no impact on the consolidated and separate Interim Financial Statements from the adoption of this amendment.

- IAS 1 (Amendments): 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), these amendments 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. There was no impact on the consolidated and separate Interim Financial Statements from the adoption of these amendments.

- 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. There was no impact on the consolidated and separate Interim Financial Statements from the adoption of this amendment.

- IAS 7 and IFRS 7 (Amendments) - Disclosures: Supplier Finance Arrangements (effective for annual periods beginning on or after 1 January 2024). The amendments require companies to disclose information about their Supplier Finance Arrangements such as terms and conditions, carrying amount of financial liabilities that are part of such arrangements, ranges of payment, due dates and liquidity risk information. There was no impact on the consolidated and separate Interim Financial Statements from the adoption of these amendments.

The amendments to existing standards effective from 1 January 2024 have been endorsed by the EU.

New Standards and Amendments to existing standards effective after 2024

- IAS 21 (Amendments): The effects of Changes in Foreign Exchange Rates - Lack of Exchangeability (effective for annual periods beginning on or after 1 January 2025). The amendments specify when a currency is exchangeable into another currency and when it is not and clarify how an entity determines the exchange rate to apply when a currency is not exchangeable. A currency is not exchangeable into the other currency if an entity can only obtain an insignificant amount of the other currency. When a currency is not exchangeable at the measurement date, an entity estimates the spot exchange rate as the rate that would have applied to an orderly transaction between market participants at the measurement date and that would faithfully reflect the economic conditions prevailing. Additionally, the amendments require disclosure of information that enables users of financial statements to understand the impact of a currency not being exchangeable. The Group and the Bank do not expect any material impact on the consolidated and separate Interim Financial Statements from the adoption of these amendments.

- IFRS 9 and IFRS 7 (Amendments): Classification and Measurement of Financial Instruments (effective for annual periods beginning on or after 1 January 2026). The amendments issued in May 2024, clarify that a financial liability is derecognized on the settlement date and introduce an accounting policy choice to derecognize financial liabilities settled using an electronic payment system before the settlement date. Other clarifications include the classification of financial assets (adding further guidance for assessing whether a financial asset meets the SPPI criterion) with ESG linked features via additional guidance on the assessment of contingent features, while clarifications have been made to non-recourse loans and contractually linked instruments. Additionally, the amendments add new disclosures for financial instruments with contingent features (e.g., features linked to the achievement ESG targets) and equity instruments classified at fair value through other comprehensive income (FVTOCI).

- IFRS 18 (New Standard): Presentation and Disclosure in Financial Statements (effective for annual periods beginning on or after 1 January 2027). IFRS 18 was issued in April 2024 to improve reporting on financial performance and will replace IAS 1 Presentation of Financial Statements. It sets out general and specific requirements for the presentation and disclosure of information in general purpose financial statements to help ensure they provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses. The new Standard has retrospective application.

- IFRS 19 (New Standard) - Disclosures: Subsidiaries without Public Accountability (effective for annual periods beginning on or after 1 January 2027). IFRS 19 was issued in May 2024 and will allow subsidiaries with a parent that applies IFRS in its consolidated financial statements to apply IFRS with reduced disclosure requirements. Subsidiaries are eligible to apply IFRS 19 if they do not have public accountability and their parent company applies IFRS in their consolidated financial statements. A subsidiary does not have public accountability if it does not have equities or debt listed on a stock exchange and does not hold assets in a fiduciary capacity for a broad group of outsiders.

The amendments to existing standards effective after 2024 and the new standards have not yet been endorsed by the EU.

No new standard or any amendments have been early adopted by the Group and the Bank.

2.4 Critical judgments and estimates

In preparing these Interim Financial Statements for the six-month period ended on 30 June 2024, the critical judgments and estimates made by Management in applying the Group's accounting policies and the key sources of estimation uncertainty were similar to those applied to the consolidated and separate Annual Financial Statements as at and for the year ended on 31 December 2023, except for:

Forward-looking information

Greece's GDP recorded an accelerating growth rate of 2.1 y-o-y in 1Q.24 from 1.3% in 4Q.23, regaining momentum after a subdued second half of 2023, due to a temporary weakening in fixed capital investment and flood-related agricultural production losses.

Private consumption increased at a steady pace of 2.2% y-o-y in 1Q.24 (+0.2% q-o-q, s.a.), on the back of: i) supportive labor market conditions (total compensation of employees was up by 5.6% y-o-y), with employment growth accelerating to 2.3% y-o-y in April-May, from 1.6% in 1Q.24, and the labor force participation rate climbing at all-time highs in the first months of the year, ii) rising non-labor income (rents, interest, and dividends), and iii) accelerating consumer credit. Private consumption is set to remain a major growth driver in FY.24, on the back of robust household real disposable income growth and slowing consumer price ("CPI") inflation (at 2.6% y-o-y in 2Q.24 from 3.1% in 1Q.24 and 3.5% in FY.23). Fixed capital investment rebounded in 1Q.24 (+2.9% y-o-y and +7.1% q-o-q, s.a.) on higher spending on equipment and rising non-residential construction, with investment-related indicators and business turnover pointing to a further strengthening in 2Q.24. Similarly, the surge in inventory accumulation in 1Q.24 – to the highest level since 1Q.21, when the impulse from Covid-19-related base effects had peaked – reflects solid business prospects and stronger-than-expected demand. Net exports weighed heavily on 1Q.24 performance as goods exports declined on an annual basis, due to weak conditions in major export markets (especially in the euro area), combined with solid demand for imports. However, a significant part of import spending is related to increasing production needs and capacity expansion prospects, while exports should recover, in parallel with activity in the euro area, as well as, with the envisaged strong performance of tourism.

The economic performance of Greece in 2024 and in the medium term is expected to be supported by several factors that seem sufficient to warrant a sustained outperformance against the euro area and provide a credible cushion against potential downside risks. The most important growth drivers for the near and medium term include: i) a revived labor market entailing healthy employment growth, increasing participation in the labor force and an ongoing wage adjustment, following a new 6.4% increase in the minimum wage since April 2024, are expected to provide further impetus to support household spending, ii) high capacity utilization rates in industry and services and accelerating credit growth to non-financial corporations ("NFCs"), combined with a pick-up in investment activity related to the Recovery & Resilience Facility ("RRF"), which bode well for a further acceleration in gross fixed capital formation ("GFCF"), and iii) strong tourism prospects, with tourist arrivals and revenue rising by 20.0% and 22.0% y-o-y, respectively, in 4M.24 and international arrivals at Athens Airport increasing by 19.5% y-o-y in 2Q.24, presaging a new record year for Greek tourism against a backdrop of steadily rising global demand for services which is expected to continue in the coming years.

House prices surged by 10.4% y-o-y in 1Q.24, from 13.8% y-o-y in FY.23, leading to higher issuance of building permits (+82.1% y-o-y in 1Q.24) as supply shortages persist and both demand for property acquisition and rental yields remain strong.

Forward-looking indicators point to a steady pace of GDP growth for 2Q.24, in q-o-q terms, boding well for a FY.24 growth higher than 2.0% y-o-y:

- The Economic Sentiment Indicator ("ESI") edged further upwards to a 2-year high of 110.0 in 2Q.24 – with a broad-based improvement in sectoral confidence reflecting positive demand and activity prospects – compared with 106.9 in 1Q.24 and a FY.23 average of 107.6.
- Services activities continued to outperform, while capacity utilization rates in industry and services rose to multi-year highs in 2Q.24.
- Industrial and manufacturing production increased by 9.2% y-o-y and 7.8% y-o-y, respectively, in April-May, from 3.5% and 1.5% in 1Q.24, while business turnover surged by 8.5% y-o-y in April-May from 1.8% y-o-y in 1Q.24.
- PIB expenditure (incl. RRF) increased by 13.8% (+€0.5 billion) y-o-y in 5M.24.
- Credit to the non-financial corporate sector accelerated at 7.6% y-o-y in May from 5.8% y-o-y in December 2023.

Strong cyclical tailwinds and sustained efficiency gains bolstered the fiscal performance in 2023 and give rise to positive carryover effects for 2024. Greece outperformed its fiscal targets for a 3rd consecutive year in 2023, according to the fiscal data announced by the Hellenic Statistical Authority ("ELSTAT") in April 2024, as the General Government primary surplus reached 1.9% of GDP (€4.1 billion), from a balanced position in 2022, compared with a Budget target for a primary surplus of 1.1% of GDP. For 2024, Greece's Stability Program for 2024-25 envisages an even higher primary surplus of 2.1% of GDP. Fiscal trends remained strong in 5M.24, with the surplus in the General Government balance on a modified-cash basis reaching 1.0% of GDP, compared with 0.6% in 5M.23. Moreover, the Hellenic Republic's gross General Government debt as per cent of GDP recorded, for a third consecutive year, an outstanding annual decline in 2023, dropping to 161.9% of GDP from 172.7% in 2022 and an all-time high of 207.0% in 2020, and is expected to decrease further, to c. 153.0% of GDP in 2024 and to c. 146.0% of GDP in 2025.

The tightening of monetary policy, reflected in the 450.0 bps hikes in policy rates by the ECB between July 2022 and September 2023, which was followed by the first rate cut of 25 bps in June 2024, continued to weigh on bank credit growth. Nonetheless, bank lending to the domestic corporate sector continued to exceed the euro area average, with bank credit to the private sector edging up to c. 5.0% y-o-y in May 2024 from 3.6% y-o-y in December 2023, compared with 1.0% y-o-y in the euro area.

Against this backdrop, Greece's GDP is estimated by the Bank to increase by 2.1% y-o-y, on average, in 2024-28 in the baseline scenario, whereas the optimistic and the adverse scenarios envisage average annual GDP changes of 3.5% and -0.4%, respectively, over the same period. All three scenarios represent an informed assessment of the macroeconomic outlook, on the basis of the latest available information on economic conditions and relevant risk factors. The corresponding weighted average forecasts derived from the above paths are in line with the latest available official and private sector consensus forecasts of GDP growth for Greece. The probability weighting of the three forward-looking macroeconomic scenarios, i.e. baseline, optimistic and adverse, remained identical to those of 31 December 2023. Specifically, a probability weighting of 55%, 20% and 25% was assigned, respectively.

The macroeconomic variables utilized by the Bank relate to Greek economic factors, while the ECL allowance is mainly driven by the changes in GDP and House Price Index ("HPI"). GDP growth, directly or indirectly, affects the whole spectrum of the projected macro variables which are conditioned on the GDP path, including the HPI. The annual GDP growth in the baseline scenario is projected at 2.4%, on average, in FY.24 and 2.3% in FY.2025 from 2.0% in FY.23. For the HPI, the values corresponding to the optimistic scenario are exogenously assumed to be equal to those of the baseline over the projection period, in view of the uncertainty and the idiosyncratic non-modelled drivers of this market under the current juncture. The annual HPI growth in the baseline and the optimistic scenarios over the 2024-28 period is projected at 4.6%, on average, compared with 2.4% in the same period under the adverse scenario.

A multiplicity of factors continues to affect the ECL allowance, with the main risks related to: i) a potential recurrence or further escalation of geopolitical tensions, with adverse implications for energy prices, world trade and economic sentiment, as well as a significant negative drag on economic performance, ii) persistent inflation-related uncertainty, especially for low-income population groups – mainly due to sluggish CPI components related to food and some services – along with withdrawal of fiscal support to households, weighing on private consumption, iii) a sharper pressure of firms' profit margins if production cost pressures intensify, given the limited fiscal capacity for new support measures and a cooling off in domestic demand for goods, iv) a slower-than-currently-expected easing of inflation pressures globally, leading to high interest rates for longer, giving rise to stronger recessionary and financial headwinds, weighing on fiscal capacity, weakening private investment spending, and lowering credit demand, and v) increasing political uncertainty in major EU countries following the outcome of elections for the EU Parliament in June 2024, as well as the snap election in France and the outcome of the forthcoming US elections which could also weigh on global economic conditions and on EU policies. Overall, the Greek economy seems well positioned to deal with the above challenges and carry on outperforming its euro area peers. The Group will continue to evaluate the ECL allowance and the related economic conditions each quarter, in order to timely capture any changes arising from uncertainty on macroeconomic trends.

NOTE 3 Segment reporting

The Group manages its business through the following business segments:

Retail Banking

Retail Banking includes all individual customers, professionals, small-medium and small-sized companies (companies with annual turnover of up to €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")

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 (the SAU) for the Bank's corporate delinquent exposures, which have the overall responsibility for the management of such loans (end-to-end responsibility) collectively TAU. In the Financial Statements for the six-month period ended 30 June 2023, Specialised Asset Solutions ("SAS") were included in the TAU & SAS segment. In 2024, following internal reorganization, SAS activities have been transferred to Retail and Corporate & Investment Banking Segments. Thus, the comparative figures of the Financial Statements for the six-month period ended 30 June 2023 have been restated. The impact of the restatement is disclosed at the end of this note in the table "Restatement".

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.

International banking operations

The Group's International Banking Operations 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 subsidiaries.

Other

Includes proprietary real estate management, warehousing business as well as unallocated income and expense of the Group.

Breakdown by business segment

6-month period ended

30.06.2024	Retail Banking	Corporate & Investment Banking	TAU	Global markets & Asset Management	International Banking Operations	Other	Group
Net interest income	881	348	35	(127)	54	1	**1,192**
Net fee and commission income	96	71	4	15	8	11	**205**
Other	-	(3)	(2)	55	20	(6)	**64**
Total income	**977**	**416**	**37**	**(57)**	**82**	**6**	**1,461**
Direct costs	(166)	(22)	(3)	(12)	(34)	(45)	**(282)**
Allocated costs and provisions(1)	(101)	(38)	(98)	(10)	(14)	(24)	**(285)**
Profit / (loss) before tax	**710**	**356**	**(64)**	**(79)**	**34**	**(63)**	**894**
Tax benefit / (expense)							**(223)**
Profit for the period							**671**
Non-controlling interests							**(1)**
Profit attributable to NBG equity shareholders							**670**
Depreciation and amortisation(1)	25	2	1	1	3	59	**91**
Credit provisions and other impairment charges	(7)	3	84	(3)	14	17	**108**

(1) Includes depreciation and amortisation on investment property, property & equipment and software.

Breakdown by business segment

6-month period ended

30.06.2023	Retail Banking	Corporate & Investment Banking	TAU	Global markets & Asset Management	International Banking Operations	Other	Group As restated
Net interest income	719	329	49	(96)	48	3	**1,052**
Net fee and commission income	88	58	4	13	8	7	**178**
Other	(10)	(12)	(3)	118	12	(62)	**43**
Total income	**797**	**375**	**50**	**35**	**68**	**(52)**	**1,273**
Direct costs	(164)	(20)	(3)	(11)	(26)	(38)	**(262)**
Allocated costs and provisions(1)	(103)	27	(163)	9	(11)	(39)	**(280)**
Share of profit of equity method investments	-	-	-	-	-	1	**1**
Profit / (loss) before tax	**530**	**382**	**(116)**	**33**	**31**	**(128)**	**732**
Tax benefit / (expense)							**(201)**
Profit for the period							**531**
Non-controlling interests							**(1)**
Profit attributable to NBG equity shareholders							**530**
Depreciation, amortisation(1)	23	2	1	-	2	65	**93**
Credit provision and other impairment charges	3	(55)	150	(18)	11	30	**121**

(1) Includes depreciation and amortisation on investment property, property & equipment and software.

Breakdown by business segment

	Retail Banking	Corporate & Investment Banking	TAU	Global Markets & Asset Management	International Banking Operations	Other	Group
Segment assets as at 30 June 2024							
Segment assets	8,010	23,402	1,557	29,709	2,717	3,468	**68,863**
Current income tax advance and deferred tax assets	-	-	-	-	-	-	**4,379**
Non-current assets held for sale	-	-	360	-	-	51	**411**
Total assets							**73,653**
Segment liabilities as at 30 June 2024							
Segment liabilities	47,886	5,351	197	7,359	2,083	2,436	**65,312**
Current income and deferred tax liabilities	-	-	-	-	-	-	**30**
Liabilities associated with non-current assets held for sale	-	-	-	-	-	30	**30**
Total liabilities							**65,372**

	Retail Banking	Corporate & Investment Banking	TAU	Global Markets & Asset Management	International Banking Operations	Other	Group As restated
Segment assets as at 31 December 2023							
Segment assets	7,734	23,167	1,885	30,244	2,567	3,726	**69,323**
Current income tax advance and deferred tax assets	-	-	-	-	-	-	**4,566**
Non-current assets held for sale	-	-	638	-	-	57	**695**
Total assets							**74,584**
Segment liabilities as at 31 December 2023							
Segment liabilities	47,491	5,916	194	8,789	1,822	2,671	**66,883**
Current income and deferred tax liabilities	-	-	-	-	-	-	**21**
Liabilities associated with non-current assets held for sale	-	-	-	-	-	28	**28**
Total liabilities							**66,932**

Commission Income breakdown by business segment

6-month period ended

30.06.2024	Retail Banking	Corporate & Investment Banking	TAU	Global markets & Asset Management	International Banking Operations	Other	Group
Custody, brokerage & investment banking	2	-	-	8	-	-	**10**
Retail lending fees	50	1	1	-	6	-	**58**
Corporate lending fees	9	56	1	-	1	1	**68**
Banking fees & similar charges	56	15	2	2	7	13	**95**
Fund management fees	-	-	-	12	-	-	**12**
Total Commisions Income	**117**	**72**	**4**	**22**	**14**	**14**	**243**

30.06.2023	Retail Banking	Corporate & Investment Banking	TAU	Global markets & Asset Management	International Banking Operations	Other	Group As restated
Custody, brokerage & investment banking	1	-	-	8	-	-	**9**
Retail lending fees	48	-	2	-	6	1	**57**
Corporate lending fees	8	46	-	-	1	3	**58**
Banking fees & similar charges	51	15	3	1	7	7	**84**
Fund management fees	-	-	-	8	-	-	**8**
Total Commisions Income	**108**	**61**	**5**	**17**	**14**	**11**	**216**

Restatement

Breakdown by business segment

6-month period ended

30.06.2023	Retail Banking	Corporate & Investment Banking	TAU	Global markets & Asset Management	International Banking Operations	Other	Group
Net interest income	-	3	(3)	-	-	-	-
Net fee and commission income	-	1	(1)	-	-	-	-
Total income	**-**	**4**	**(4)**	**-**	**-**	**-**	**-**
Allocated costs and provisions	-	(2)	2	-	-	-	-
Profit / (loss) before tax	**-**	**2**	**(2)**	**-**	**-**	**-**	**-**
Credit provisions and other impairment charges	-	1	(1)	-	-	-	-

Breakdown by business segment

	Retail Banking	Corporate & Investment Banking	TAU	Global Markets & Asset Management	International Banking Operations	Other	Group
Segment assets as at 31 December 2023							
Segment assets	2	365	(367)	-	-	-	-

Commission Income breakdown by business segment

6-month period ended

30.06.2023	Retail Banking	Corporate & Investment Banking	TAU	Global markets & Asset Management	International Banking Operations	Other	Group
Corporate lending fees	-	1	(1)	-	-	-	-
Total Commisions Income	**-**	**1**	**(1)**	**-**	**-**	**-**	**-**

NOTE 4 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	
	6-month period ended		6-month period ended	
	30.06.2024	30.06.2023	30.06.2024	30.06.2023
Net trading result and other net unrealized gains / (losses) from financial assets or liabilities at fair value through profit or loss ("FVTPL")	-	41	(2)	40
Net gain / (loss) from disposal of financial assets measured at fair value through other comprehensive income	2	20	2	20
Net trading result and other net unrealized gains / (losses) from financial assets or liabilities mandatorily measured at fair value through profit or loss	-	(35)	-	(35)
Total net trading income / (loss) and results from investment securities	**2**	**26**	**-**	**25**

	Group		Bank	
	6-month period ended		6-month period ended	
	30.06.2024	30.06.2023	30.06.2024	30.06.2023
Gains / (losses) arising from the derecognition of financial assets measured at amortised cost	57	49	57	49
Total	**57**	**49**	**57**	**49**

NOTE 5 Credit provisions and other impairment charges

		Group		Bank	
		6-month period ended		6-month period ended	
	Note	30.06.2024	30.06.2023	30.06.2024	30.06.2023
Impairment charge for ECL on loans and advances to customers	8	66	105	49	95
Net modification (gain)/loss	8	27	4	27	4
Credit Provisions		**93**	**109**	**76**	**99**

Net modification (gain)/loss for the 6-month period ended on 30 June 2024 mainly incorporates the modification loss from the Reward Program for performing mortgage loan borrowers that was extended for further 12 months.

	Group		Bank	
	6-month period ended		6-month period ended	
	30.06.2024	30.06.2023	30.06.2024	30.06.2023
a. Impairment charge for securities				
Investment in debt instruments	(3)	(19)	(3)	(19)
	(3)	**(19)**	**(3)**	**(19)**
b. Other provisions and impairment charges				
Impairment of investment property, property and equipment, software & other intangible assets and other assets	(3)	1	-	-
Impairment of investment in subsidiaries and equity method investments	-	-	1	1
Legal and other provisions	21	30	17	29
	18	**31**	**18**	**30**
Other impairment charges	**15**	**12**	**15**	**11**

NOTE 6 Tax benefit /(expense)

	Group		Bank	
	6-month period ended		6-month period ended	
	30.06.2024	30.06.2023	30.06.2024	30.06.2023
Current tax	(6)	(4)	-	1
Deferred tax	(217)	(197)	(218)	(196)
Tax benefit / (expense)	**(223)**	**(201)**	**(218)**	**(195)**

The nominal corporation tax rate for the Bank is 29%. The withholding tax on dividends distributed is 5%. The corporate income tax rate for legal entities, other than credit institutions, is 22%.

The unaudited tax years of the Group's investments accounted for by applying the equity method of accounting and subsidiaries are presented in Note 20 "*Group companies*".

Pillar II disclosures

The Group has adopted the amendments to IAS 12. The International Accounting Standards Board ("IASB") amends the scope of IAS 12 to clarify that the Standard applies to income taxes arising from tax law enacted or substantively enacted to implement the Pillar II model rules published by the Organisation for Economic Co-operation and Development ("OECD"). The amendments introduce a temporary exception to the accounting requirements for deferred taxes in IAS 12, so that an entity would neither recognize nor disclose information about deferred tax assets and liabilities related to Pillar II taxes. The Group applied the temporary exception at 30 June 2024.

Pillar II legislation has been enacted in certain jurisdictions in which the Group operates, including Greece. The legislation is effective for the Group's financial year beginning 1 January 2024. The Group has performed an assessment of the Group's potential exposure to Pillar II taxes. This assessment is based on the most recent information available regarding the financial performance of the constituent entities in the Group. Based on the assessment, most of the jurisdictions in which the Group operates are expected to qualify for the transitional safe harbour relief. There are a limited number of jurisdictions where the transitional safe harbour relief is not expected to apply. No potential exposure to Pillar II top-up taxes is expected for these jurisdictions on the basis that their effective tax rates for Pillar II purposes will be higher than 15%. Therefore, the Group does not expect a potential exposure to Pillar II top-up taxes.

NOTE 7 Earnings per share

	Group		Bank	
	6-month period ended		6-month period ended	
	30.06.2024	30.06.2023	30.06.2024	30.06.2023
Profit for the period attributable to NBG ordinary shareholders	**670**	**530**	**630**	**494**
Weighted average number of ordinary shares outstanding for basic and diluted EPS	**912,938,446**	**914,657,642**	**912,986,056**	**914,715,153**
Earnings per share (Euro) - Basic and diluted	**0.73**	**0.58**	**0.69**	**0.54**

NOTE 8 Loans and advances to customers

	Group		Bank	
	30.06.2024	31.12.2023	30.06.2024	31.12.2023
Loans and advances to customers at amortised cost				
Mortgage loans	7,059	7,254	6,706	6,917
Consumer loans	1,618	1,601	977	964
Credit cards	509	488	463	440
Small business lending	1,564	1,503	1,394	1,341
Retail lending	**10,750**	**10,846**	**9,540**	**9,662**
Corporate and public sector lending	24,250	24,061	22,966	23,155
Gross carrying amount of loans and advances to customers at amortised cost	**35,000**	**34,907**	**32,506**	**32,817**
ECL allowance on loans and advances to customers at amortised cost	(967)	(1,083)	(873)	(997)
Net carrying amount of loans and advances to customers at amortised cost	**34,033**	**33,824**	**31,633**	**31,820**
Loans and advances to customers mandatorily measured at FVTPL	**386**	**399**	**386**	**399**
Total Loans and advances to customers	**34,419**	**34,223**	**32,019**	**32,219**

As at 30 June 2024, the gross carrying amount of loans and advances to customers at amortised cost in Corporate and public sector lending includes the Frontier I & II senior notes of €2,811 million (31 December 2023: €2,553 million). As at 31 December 2023, it also included a short-term reverse repo of €1,000 million.

The amounts relating to Small business lending as well as Corporate and public sector lending as at 31 December 2023 have been restated, to align with the list published by the Hellenic Ministry of the Interior that includes the Greek organizations/entities considered as Public Sector Entities.

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

As at 30 June 2024	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Credit impaired Lifetime ECL	Total
Loans and advances to customers at amortised cost				
Mortgage loans [1]				
Gross carrying amount	5,403	1,419	237	7,059
ECL allowance	(19)	(60)	(53)	(132)
Net carrying amount	**5,384**	**1,359**	**184**	**6,927**
Consumer loans				
Gross carrying amount	1,402	134	82	1,618
ECL allowance	(29)	(26)	(51)	(106)
Net carrying amount	**1,373**	**108**	**31**	**1,512**
Credit cards				
Gross carrying amount	462	23	24	509
ECL allowance	(4)	(2)	(21)	(27)
Net carrying amount	**458**	**21**	**3**	**482**
Small business lending				
Gross carrying amount	1,248	201	115	1,564
ECL allowance	(16)	(36)	(50)	(102)
Net carrying amount	**1,232**	**165**	**65**	**1,462**
Corporate lending [2]				
Gross carrying amount	22,535	785	704	24,024
ECL allowance	(142)	(72)	(375)	(589)
Net carrying amount	**22,393**	**713**	**329**	**23,435**
Public sector lending				
Gross carrying amount	189	29	8	226
ECL allowance	(3)	-	(8)	(11)
Net carrying amount	**186**	**29**	**-**	**215**
Total loans and advances to customers at amortised cost				
Gross carrying amount	31,239	2,591	1,170	35,000
ECL allowance	(213)	(196)	(558)	(967)
Net carrying amount of loans and advances to customers at amortised cost	**31,026**	**2,395**	**612**	**34,033**
Loans and advances to customers mandatorily measured at FVTPL				**386**
Total loans and advances to customers				**34,419**

(1) Stage 1 mortgage exposures include mortgage loans of €259 million, guaranteed by the Hellenic Republic
(2) The senior notes relating to the Frontier I and Frontier II securitizations are included in Stage 1 of Corporate lending

As at 31 December 2023	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Credit impaired Lifetime ECL	Total
Loans and advances to customers at amortised cost				
Mortgage loans (1)				
Gross carrying amount	5,290	1,664	300	7,254
ECL allowance	(21)	(76)	(94)	(191)
Net carrying amount	**5,269**	**1,588**	**206**	**7,063**
Consumer loans				
Gross carrying amount	1,352	153	96	1,601
ECL allowance	(28)	(29)	(63)	(120)
Net carrying amount	**1,324**	**124**	**33**	**1,481**
Credit cards				
Gross carrying amount	451	17	20	488
ECL allowance	(3)	(2)	(18)	(23)
Net carrying amount	**448**	**15**	**2**	**465**
Small business lending				
Gross carrying amount	1,124	246	133	1,503
ECL allowance	(15)	(34)	(67)	(116)
Net carrying amount	**1,109**	**212**	**66**	**1,387**
Corporate lending (2)				
Gross carrying amount	22,090	1,039	724	23,853
ECL allowance	(144)	(85)	(393)	(622)
Net carrying amount	**21,946**	**954**	**331**	**23,231**
Public sector lending				
Gross carrying amount	178	22	8	208
ECL allowance	(3)	-	(8)	(11)
Net carrying amount	**175**	**22**	**-**	**197**
Total loans and advances to customers at amortised cost				
Gross carrying amount	30,485	3,141	1,281	34,907
ECL allowance	(214)	(226)	(643)	(1,083)
Net carrying amount of loans and advances to customers at amortised cost	**30,271**	**2,915**	**638**	**33,824**
Loans and advances to customers mandatorily measured at FVTPL				**399**
Total loans and advances to customers				**34,223**

(1) Stage 1 mortgage exposures include mortgage loans of €304 million, guaranteed by the Hellenic Republic
(2) The senior notes relating to the Frontier I securitization and the short-term reverse repo are included in Stage 1 of Corporate lending

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

As at 30 June 2024	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Credit impaired Lifetime ECL	Total
Loans and advances to customers at amortised cost				
Mortgage loans [1]				
Gross carrying amount	5,090	1,386	230	6,706
ECL allowance	(19)	(60)	(49)	(128)
Net carrying amount	**5,071**	**1,326**	**181**	**6,578**
Consumer loans				
Gross carrying amount	829	90	58	977
ECL allowance	(18)	(20)	(37)	(75)
Net carrying amount	**811**	**70**	**21**	**902**
Credit cards				
Gross carrying amount	419	21	23	463
ECL allowance	(3)	(2)	(20)	(25)
Net carrying amount	**416**	**19**	**3**	**438**
Small business lending				
Gross carrying amount	1,107	179	108	1,394
ECL allowance	(15)	(36)	(47)	(98)
Net carrying amount	**1,092**	**143**	**61**	**1,296**
Corporate lending [2]				
Gross carrying amount	21,668	527	602	22,797
ECL allowance	(147)	(64)	(325)	(536)
Net carrying amount	**21,521**	**463**	**277**	**22,261**
Public sector lending				
Gross carrying amount	161	-	8	169
ECL allowance	(3)	-	(8)	(11)
Net carrying amount	**158**	**-**	**-**	**158**
Total loans and advances to customers at amortised cost				
Gross carrying amount	29,274	2,203	1,029	32,506
ECL allowance	(205)	(182)	(486)	(873)
Net carrying amount of loans and advances to customers at amortised cost	**29,069**	**2,021**	**543**	**31,633**
Loans and advances to customers mandatorily measured at FVTPL				**386**
Total loans and advances to customers				**32,019**

(1) Stage 1 mortgage exposures include mortgage loans of €259 million, guaranteed by the Hellenic Republic
(2) The senior notes relating to the Frontier I and Frontier II securitizations are included in Stage 1 of Corporate lending

As at 31 December 2023	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Credit impaired Lifetime ECL	Total
Loans and advances to customers at amortised cost				
Mortgage loans (1)				
Gross carrying amount	5,000	1,626	291	6,917
ECL allowance	(21)	(76)	(89)	(186)
Net carrying amount	**4,979**	**1,550**	**202**	**6,731**
Consumer loans				
Gross carrying amount	792	103	69	964
ECL allowance	(20)	(22)	(49)	(91)
Net carrying amount	**772**	**81**	**20**	**873**
Credit cards				
Gross carrying amount	406	16	18	440
ECL allowance	(3)	(2)	(17)	(22)
Net carrying amount	**403**	**14**	**1**	**418**
Small business lending				
Gross carrying amount	1,000	215	126	1,341
ECL allowance	(14)	(34)	(65)	(113)
Net carrying amount	**986**	**181**	**61**	**1,228**
Corporate lending (2)				
Gross carrying amount	21,531	819	627	22,977
ECL allowance	(149)	(78)	(347)	(574)
Net carrying amount	**21,382**	**741**	**280**	**22,403**
Public sector lending				
Gross carrying amount	170	-	8	178
ECL allowance	(3)	-	(8)	(11)
Net carrying amount	**167**	**-**	**-**	**167**
Total loans and advances to customers at amortised cost				
Gross carrying amount	28,899	2,779	1,139	32,817
ECL allowance	(210)	(212)	(575)	(997)
Net carrying amount of loans and advances to customers at amortised cost	**28,689**	**2,567**	**564**	**31,820**
Loans and advances to customers mandatorily measured at FVTPL				**399**
Total loans and advances to customers				**32,219**

(1) Stage 1 mortgage exposures include mortgage loans of €304 million, guaranteed by the Hellenic Republic
(2) The senior notes relating to the Frontier I securitization and the short-term reverse repo are included in Stage 1 of Corporate lending

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

Group	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Credit impaired Lifetime ECL	Total ECL allowance
ECL allowance at 1 January 2024	**214**	**226**	**643**	**1,083**
Transfers between Stages	81	(74)	(7)	-
Impairment charge for ECL (Note 5)	(82)	44	104	66
Modification impact on ECL	-	-	(2)	(2)
Write-offs	-	-	(127)	(127)
Change in the present value of the ECL allowance	-	-	(1)	(1)
Foreign exchange differences and other movements	-	-	(16)	(16)
Reclassified as Held for Sale	-	-	(36)	(36)
ECL allowance at 30 June 2024	**213**	**196**	**558**	**967**

Group	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Credit impaired Lifetime ECL	Total ECL allowance
ECL allowance at 1 January 2023	**212**	**294**	**987**	**1,493**
Transfers between Stages	84	(82)	(2)	-
Impairment charge for ECL	(82)	15	336	269
Modification impact on ECL	-	-	5	5
Write-offs	-	-	(252)	(252)
Change in the present value of the ECL allowance	-	-	(12)	(12)
Foreign exchange differences and other movements	-	(1)	(23)	(24)
Reclassified as Held for Sale	-	-	(396)	(396)
ECL allowance at 31 December 2023	**214**	**226**	**643**	**1,083**

Total impairment charge for ECL on loans and advances to customers measured at amortised cost for the six-month period ended on 30 June 2024 for the Group amounts to €93 million, including a net modification loss of €27 million mainly relating to the modification loss from the Reward Program for performing mortgage loan borrowers and to the modification loss of loans and advances to customers with lifetime ECL whose cash flows were modified during the period, as disclosed in Note 5 "*Credit provisions and other impairment charges*". The respective figures for the year ended on 31 December 2023 are an impairment charge of €268 million, including a net modification gain of €1 million. The impact of modification on the ECL allowance associated with these assets was a gain of €2 million (31 December 2023: loss of €5 million) for the Group, as disclosed in the Movement of the ECL allowance on loans and advances to customers at amortised cost presented above.

Bank	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Credit impaired Lifetime ECL	Total ECL allowance
ECL allowance at 1 January 2024	**210**	**212**	**575**	**997**
Transfers between Stages	77	(69)	(8)	-
Impairment charge for ECL (Note 5)	(82)	39	92	49
Modification impact on ECL	-	-	(2)	(2)
Write-offs	-	-	(114)	(114)
Change in the present value of the ECL allowance	-	-	(1)	(1)
Foreign exchange differences and other movements	-	-	(20)	(20)
Reclassified as Held for Sale	-	-	(36)	(36)
ECL allowance at 30 June 2024	**205**	**182**	**486**	**873**

Bank	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Credit impaired Lifetime ECL	Total ECL allowance
ECL allowance at 1 January 2023	**215**	**276**	**902**	**1,393**
Transfers between Stages	79	(77)	(2)	-
Impairment charge for ECL	(84)	14	322	252
Modification impact on ECL	-	-	5	5
Write-offs	-	-	(212)	(212)
Change in the present value of the ECL allowance	-	-	(12)	(12)
Foreign exchange differences and other movements	-	(1)	(29)	(30)
Reclassified as Held for Sale	-	-	(399)	(399)
ECL allowance at 31 December 2023	**210**	**212**	**575**	**997**

Total impairment charge for ECL on loans and advances to customers measured at amortised cost for the six-month period ended on 30 June 2024 for the Bank amounts to €76 million, including a net modification loss of €27 million mainly relating to the modification loss from the Reward Program for performing mortgage loan borrowers and to the modification loss of loans and advances to customers with lifetime ECL whose cash flows were modified during the period, as disclosed in Note 5 "*Credit provisions and other impairment charges*". The respective figures for the year ended on 31 December 2023 are an impairment charge of €252 million and a net modification gain of €1 million. The impact of modification on the ECL allowance associated with these assets was a gain of €2 million (31 December 2023: loss of €5 million) for the Bank, as disclosed in the Movement of the ECL allowance on loans and advances to customers at amortised cost presented above.

Management adjustments in the ECL measurement of loans and advances to customers

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, resulting in either an increase or a decrease in the total ECL allowance. Management adjustments 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 as well as to in-model adjustments to model inputs.

More specifically, the Group, in the context of its provisional framework, may occasionally make use of 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 30 June 2024, PMAs include adjustments relating to the still prevailing economic uncertainty resulting from the persistence of financial market volatility and geopolitical uncertainty, the increased interest rates, higher oil prices, supply chain disruptions, weak external demand for goods exports and persistent components of inflation. The above factors continue to weigh on economic growth and financial conditions, taking into consideration the still considerable sources of uncertainty and downside risks associated with the current economic environment, and 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 relate to risk sensitive segments considering their respective risk profiles, which are more exposed 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 2023, PMAs included similar adjustments relating to the economic uncertainty resulting from the aforementioned factors and had been applied on exposures of retail and corporate obligors that related to risk sensitive segments, considering their respective risk profiles. Other PMAs performed related to recovery strategies to be pursued for NPEs.

NOTE 9 Assets and liabilities held for sale

Non-Current Assets classified as held for sale

Non-current assets held for sale as at 30 June 2024 comprise of Probank Leasing S.A. (part of Project "Pronto", see below), as well as loan portfolio disposals mainly relating to Project "Frontier III", Project "Solar" and Project "Pronto" whereas as at 31 December 2023 in addition to the above it was also included the Project" Frontier II".

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

Project "Pronto"

The Bank decided the disposal of the Non-Performing leasing exposures through: i) the sale of the shares of the Probank Leasing S.A. and ii) the sale of the Bank's leasing portfolio (ex-FBB) and NBG Leasing S.A. ("NBGL") leasing portfolio, with a total gross book value of €33 million as of 30 June 2024.

The transaction is estimated to be completed within the second half 2024, subject to required approvals.

Project "Solar"

In December 2021, the Bank decided to launch the divestment of the secured portfolio of SMEs (Project "Solar") with a gross book value c. €170 million (as of the cut-off date 30 September 2021), through a joint transaction with the other Greek systemic banks in a form of a rated securitisation under HAPS.

On 1 November 2023, NBG together with the other Greek systemic banks entered into a definitive agreement with funds managed by Waterwheel Capital Management, L.P. for the sale of 95% of the Mezzanine and Junior notes. The banks will retain 100% of the Senior notes and 5% of the Mezzanine and Junior notes for risk retention purposes. In June 2024, the Systemic Banks submitted to the Greek Ministry of Finance a joint application for the inclusion of the senior notes to be issued in the Hercules III scheme.

The transaction is expected to be completed within the second half of 2024, subject to required approvals.

Project "Frontier III"

In September 2023, the Bank decided the disposal of a portfolio of Greek Non-Performing Exposures in the form of a rated securitization aiming to utilize the provisions of HAPS. The portfolio consists of predominantly secured Large Corporate, SMEs, SBL, Mortgage Loans and Consumer Loans with a total gross book value of c. €0.7 billion (as of the cut-off date, i.e., 30 June 2023). In May 2024, the Bank submitted to the Greek Ministry of Finance an application for the inclusion of the senior notes to be issued in the context of the Frontier III Securitization in the Hercules III scheme.

The transaction is estimated to be completed within the second half of 2024, subject to required approvals.

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

	Group(1)		Bank	
ASSETS	30.06.2024	31.12.2023	30.06.2024	31.12.2023
Loans and advances to customers	410	694	360	638
Other assets	1	1	-	-
Total assets	**411**	**695**	**360**	**638**
LIABILITIES				
Other liabilities	30	28	-	-
Total liabilities	**30**	**28**	**-**	**-**

(1) Includes Probank Leasing S.A.

NOTE 10 Due to banks

During the six-month period ended 30 June 2024, the Bank repaid balance of €1.9 billion TLTROs. For more information regarding TLTRO III transactions please refer to Note 30 "Due to Banks" of the Annual Financial Statements as at and for the year ended 31 December 2023.

As at 30 June 2024, at a Group level, "Due to Banks" also include other deposits with financial institutions of €1.7 billion (31 December 2023: €1.8 billion) and securities sold under agreements to repurchase with financial institutions of €0.2 billion (31 December 2023: €0.1 billion).

NOTE 11 Due to customers

	Group		Bank	
€ million	30.06.2024	31.12.2023	30.06.2024	31.12.2023
Deposits:				
Individuals	44,763	44,606	43,064	43,036
Corporate	10,631	11,028	10,664	11,062
Government and agencies	1,679	1,492	1,628	1,484
Total	**57,073**	**57,126**	**55,356**	**55,582**

	Group		Bank	
	30.06.2024	31.12.2023	30.06.2024	31.12.2023
Deposits:				
Savings accounts	30,133	30,312	29,867	30,037
Current & Sight accounts	14,113	13,858	13,539	13,274
Time deposits	10,966	11,147	10,097	10,472
Other deposits	1,861	1,809	1,853	1,799
Total	**57,073**	**57,126**	**55,356**	**55,582**

Included in time deposits are deposits which contain one or more embedded derivatives. The Group has designated such deposits as financial liabilities at fair value through profit or loss. As at 30 June 2024, these deposits amounted to €772 million (31 December 2023: €806 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 during the six months ended 30 June 2024 had remitted to the Greek State €3 million with respect to dormant account balances (31 December 2023: €4 million).

The Group and the Bank are exposed to changes in the economic value of its demand deposits, and more specifically to a sub-segment referred to as Core Deposits, due to changes in benchmark interest rates. Although the total balance of such deposits may vary in any given time, the Group and the Bank can typically determine, the level of Core Deposits that is expected to be maintained for a specific period of time and the level of their sensitivity to changes in benchmark interest rates. This hedging objective is consistent with the Group's overall interest rate risk management strategy (see "Board of Directors Report" section "Risk Management - Management of Risks- Market Risk").

The repricing characteristics and the expected maturity of Core Deposits are subject to behavioural modelling since these characteristics are not contractually defined and a relevant statistical analysis has been conducted to identify the expected maturity and the sensitivity of these Core Deposits to interest rate changes.

Based on the outcome of this statistical analysis the Group and the Bank have identified the level of Core Deposits expected to be maintained for a long period of time and thus unlikely to reprice even under significant changes in the interest rate environment. Therefore, the Group and the Bank determined that the behaviour of this specific segment of its Core Deposits behaves like a fixed interest rate deposit, for a specific period of time (i.e. its expected maturity).

Based on the above, the Group and the Bank hedged against this fixed interest rate exposure by entering into interest rate swaps. This strategy is designated as a fair value hedge, under the IAS 39 as adopted by the EU (Using the IAS 39 carve-out) and its effectiveness is assessed by comparing changes in the fair value of the designated hedged item, attributable to changes in the benchmark interest rate, with the respective changes in the fair value of the interest rate swaps used as hedging instruments.

As of 30 June 2024 the Group and the Bank has entered into €10 billion interest rate swaps in order to hedge an equivalent amount of Core deposits. As of 30 June 2024 the fair value of these interest rate swaps is €(37) million and included in "Due from banks" and the accumulated change in clean price of those derivatives as of 30 June 2024 is €(10) million.

The carrying amount of the Core deposits being hedged, as of 30 June 2024 amounts to €9,982 million, the accumulated hedge adjustment on the hedged item amounts to €18 million included in "Due to customers" and the accumulated change in fair value for the risk being hedged amounts to €11 million.

As of 31 December 2023, the Group and the Bank had entered into €5 billion interest rate swaps in order to hedge an equivalent amount of Core deposits. As of 31 December 2023, the fair value of these interest rate swaps was €52 million included in "Due from banks" and the accumulated change in the clean price of those derivatives as of 31 December 2023 was €55 million.

The carrying amount of the Core deposits being hedged, as of 31 December 2023 amounted to €5,054 million included in "Due to customers", the accumulated hedge adjustment on the hedged item amounted to €(54) million and the accumulated change in fair value for the risk being hedged amounts to €(54) million.

Hedge ineffectiveness recognized in the Income Statement amounted to €1 million for the period ended 30 June 2024 and for the year ended 31 December 2023, for the Group and the Bank.

NOTE 12 Debt securities in issue

Issuance of €600 million senior preferred bond with a yield of 4.5%

On 22 January 2024, the Bank issued a €600 million senior preferred bond in the international capital markets with a yield of 4.5%. The bond matures in five years and is callable in four years. The issuance is part of the Bank's strategy to increase its Minimum Required Eligible Liabilities (MREL), which is a supervisory requirement for all banks.

Tender Offer in respect of €400 million Subordinated Fixed Rate Resettable Tier 2 Notes due 2029 subject to New Issue Condition

On 19 March 2024, the Bank announced the launch of a voluntary cash tender offer in respect of its €400 million Subordinated Fixed Rate Resettable Tier 2 Notes due in 2029.

The completion of the Tender Offer was conditional, without limitation, on the successful completion of the issuance of the new notes.

On 27 March 2024, the Bank, pursuant to Regulation (EU) 596/2014 and Greek Law 3556/2007, announced that will accept for purchase all validly tendered Notes and that the Acceptance Amount is equal to notional €320 million. The settlement date for the Offer was the 28 March 2024.

Issuance of €500 million Subordinated Tier II bonds with a yield of 5.875%

On 20 March 2024, the Bank issued a €500 million Subordinated Tier II bonds in the international capital markets with a yield of 5.875%. The bond matures in 11.25 years and is callable in 6.25 years.

The issuance is part of the Bank's strategy to optimize its capital structure and increase its MREL, which is a supervisory requirement for all banks, as well as in light of the tender offer launched by the Bank on 19 March 2024 as mentioned above.

Redemption of €150 million Unsubordinated Fixed Rate MREL Notes

On 30 April 2024, the Bank proceeded with exercising its option to redeem the €150 million Fixed Rate Resettable Unsubordinated MREL Notes (XS2560090214) under the Global Medium Term Note ("GMTN") program.

On 27 May 2024, all of the outstanding Notes were redeemed at par.

Redemption of remaining of €400 million Subordinated Fixed Rate Resettable Tier 2 Notes due 2029

On 26 June 2024, the Bank proceeded with exercising its option to redeem the remaining of the €400 million Subordinated Fixed Rate Resettable Tier 2 Notes due 2029.

On 18 July 2024, all the current outstanding principal amount of the Notes of €80 million were redeemed at par.

NOTE 13 Contingent liabilities, pledged assets and credit 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 which are generally based on alleged violations of consumer protection, banking, employment and other laws. None of these actions and proceedings is individually material. Neither the Bank nor any other Group member is involved in any governmental, legal or arbitration proceedings (including proceedings that are pending or threatened of which the Bank is aware) that may have a significant impact on the financial position or profitability of the Group.

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 Management's opinion, 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. As at 30 June 2024 the Group and the Bank have provided for cases under litigation the amount of €26 million and €16 million respectively (31 December 2023: €26 million and €16 million respectively).

b. Pending tax audits

Tax authorities have not yet audited all of the Group's entities 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 Statement of Financial Position.

The years 2017, 2018, 2019, 2020, 2021 and 2022 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, 27 October 2022 and 30 November 2023, respectively. The year 2023 is currently being audited for tax compliance purposes by PwC S.A., however it is not expected to have a material effect on the Group's Statement of Financial Position.

On 31 December 2023, the right of the tax authorities to issue a deed for re-calculation of income tax for the years up to and including year 2017 expired. For the years 2018 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 Statement of Financial Position or Income Statement.

For the subsidiaries and associates regarding unaudited tax years refer to Note 20 "*Group companies*".

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	
	30.06.2024	31.12.2023	30.06.2024	31.12.2023
Standby letters of credit and financial guarantees written	5,162	5,176	5,699	5,483
Commercial letters of credit	996	850	516	848
Total credit related commitments	**6,158**	**6,026**	**6,215**	**6,331**

In addition to the above, credit commitments also include commitments to extend credit which as at 30 June 2024 amounted to €13,638 million for the Group (31 December 2023: €12,070 million) and to €12,384 million for the Bank (2023: €10,900 million). Commitments to extend credit 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.

d. Assets pledged

	Group		Bank	
	30.06.2024	31.12.2023	30.06.2024	31.12.2023
Assets pledged as collateral	**368**	**3,768**	**368**	**3,768**

As at 30 June 2024, the Group and the Bank have pledged mainly for funding and collateral purposes with financial institutions and clearing houses, investment debt securities of €368 million (31 December 2023: €311 million).

As at 31 December 2023, the Group and the Bank have pledged loans and advances to customers at amortised cost amounting to €3,457 million for funding purposes with ECB.

In addition to the pledged items presented above, as at 30 June 2024, the Group and the Bank have pledged an amount of €318 million (31 December 2023: €315 million) included in "Due from banks" with respect to a guarantee for the non-payment risk of the Hellenic Republic, as well as Greek Government bond of €460 million (31 December 2023: €463 million) for trade finance transactions.

NOTE 14 Share capital, share premium and treasury shares

Share Capital – Ordinary Shares

The total number of ordinary shares as at 30 June 2024 and 31 December 2023 was 914,715,153, with a nominal value of 1.00 Euro per share.

Treasury shares

Treasury shares transactions are conducted by the Group subsidiary, NBG Securities S.A.

In addition, on 28 July 2023, the Annual General Meeting of the Bank's shareholders decided:

a) The buy-back by the Bank of own shares (treasury stock) as per the terms and conditions under Article 49 of Law 4548/2018 as amended. The proposed maximum buy-back of own shares was up to 1.5% of the total outstanding shares, i.e. a maximum of 13,720,727 shares, to be acquired over a period of 24 months as from the day of the AGM, i.e. through to 28/07/2025. The suggested price range for the purchase of own shares was €1.00 - €15.00 and the total cost of own shares buy-backs should not exceed €30 million. Share buy-backs would be carried out as long as current economic conditions permit and always within the framework of the directives and recommendations issued by the Greek and European Supervisory Authorities and acquiring all the necessary regulatory approvals and especially HFSF's and ECB's approval in accordance with article 16C of L. 3864/2010 and article 77 of Regulation (EU) No 575/2013.

On 25 July 2024, the AGM approved, following the BoD's proposal, the increase of the total cost of the buy-back of own shares from €30 million to €40 million i.e., an increase of €10 million. The rest of the terms of the buy-back of own shares program will remain unchanged. The amendment is subject to approval by the regulatory authorities.

b) The establishment of a Program for the free distribution of shares (Stock Award Program) to Senior Management executives, and/or staff of the Bank and to Group companies. The maximum total nominal value of the common registered voting shares to be available through the Stock Award Program would correspond to up to 1.5% of the paid-up share capital at the day of the decision of the General Meeting. The Program would be implemented in compliance with the legal and regulatory framework applying and the Bank's respective policies. On 24 August 2023, the buy back of the Bank's own shares and the Stock Award Program were approved by the regulatory authorities. The own shares purchased in 4Q.2023 and 6M.2024 in the context of the said Program shall be offered as free distribution to the Senior Management executives, and/or staff of the Bank and to Group companies.

	Group		Bank	
	No of shares	€ million	No of shares	€ million
At 1 January 2023	-	-	-	-
Purchases	3,062,601	17	1,200,000	7
Sales	(2,699,378)	(15)	(882,576)	(5)
At 31 December 2023 and at 1 January 2024	**363,223**	**2**	**317,424**	**2**
Purchases	3,806,243	29	2,957,506	22
Sales	(889,244)	(7)	-	-
At 30 June 2024	**3,280,222**	**24**	**3,274,930**	**24**

NOTE 15 Movements in other comprehensive income / (expense)

Group	6-month period ended 30.06.2024			6-month period ended 30.06.2023		
	Gross	Tax	Net	Gross	Tax	Net
Items that will be reclassified subsequently to profit or loss:						
Unrealised gains/(losses) on investments in debt instruments measured at FVTOCI	(20)	-	(20)	71	-	71
Losses/(Gains) on investments in debt instruments measured at FVTOCI reclassified to profit or loss on disposal	(2)	-	(2)	(19)	-	(19)
ECL impairment recognised to profit or loss	(1)	-	(1)	(3)	-	(3)
Investments in debt instruments	**(23)**	**-**	**(23)**	**49**	**-**	**49**
Currency translation differences	**(16)**	**-**	**(16)**	**(20)**	**-**	**(20)**
Cash flow hedge	**(1)**	**-**	**(1)**	**1**	**-**	**1**
Total of items that will be reclassified subsequently to profit or loss	**(40)**	**-**	**(40)**	**30**	**-**	**30**
Items that will not be reclassified subsequently to profit or loss:						
Gains/(losses) on investments in equity instruments measured at FVTOCI	20	-	20	12	-	12
(Gains)/losses on investments in equity instruments designated as at FVTOCI transferred to retained earnings upon disposal	6	-	6	(7)	-	(7)
Total of items that will not be reclassified subsequently to profit or loss	**26**	**-**	**26**	**5**	**-**	**5**
Other comprehensive income/(expense) for the period	**(14)**	**-**	**(14)**	**35**	**-**	**35**

Bank

	6 month period ended 30.06.2024			6 month period ended 30.06.2023		
	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	(20)	-	(20)	71	-	71
(Gains)/losses on investments in debt instruments measured at FVTOCI reclassified to profit or loss on disposal	(2)	-	(2)	(19)	-	(19)
ECL impairment recognised to profit or loss	(1)	-	(1)	(3)	-	(3)
Investments in debt instruments	**(23)**	**-**	**(23)**	**49**	**-**	**49**
Currency translation differences	**(16)**	**-**	**(16)**	**(9)**	**-**	**(9)**
Cash flow hedge	**(1)**	**-**	**(1)**	**1**	**-**	**1**
Total of items that may be reclassified subsequently to profit or loss	**(40)**	**-**	**(40)**	**41**	**-**	**41**
Items that will not be reclassified subsequently to profit or loss:						
Gains/(losses) on investments in equity instruments measured at FVTOCI	19	-	19	12	-	12
(Gains)/losses on investments in equity instruments designated as at FVTOCI transferred to retained earnings upon disposal	6	-	6	(7)	-	(7)
Total of items that will not be reclassified subsequently to profit or loss	**25**	**-**	**25**	**5**	**-**	**5**
Other comprehensive income/(expense) for the period	**(15)**	**-**	**(15)**	**46**	**-**	**46**

NOTE 16 Related party transactions

The nature of the significant transactions entered into by the Group with related parties during the 6-month period ended 30 June 2024 and 30 June 2023 and the significant balances outstanding as at 30 June 2024 and 31 December 2023 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 Senior Executive Committees of the Bank, the key management of other Group companies, as well as with the close members of family and entities controlled or jointly controlled by those persons.

All loans granted to related parties (i) were made in the ordinary course of business, (ii) were made on substantially the same terms, including interest rates and collaterals, as those prevailing at the time for comparable transactions with other persons, and (iii) did not involve more than the normal risk of collectability or present other unfavourable features.

The members of the Board of Directors of the Bank are disclosed in Note 1 “General Information”.

As at 30 June 2024, loans and advances to customers, deposits/liabilities and letters of guarantee, at Group level, amounted to €4 million, €6 million and NIL respectively (31 December 2023: €4 million, €7 million and NIL respectively), whereas the corresponding figures for the Bank amounted to €4 million, €5 million and NIL respectively (31 December 2023: €4 million, €6 million and NIL respectively)

Total compensation to related parties for the period ended 30 June 2024, amounted to €5 million for the Group (30 June 2023: €5 million) and to €5 million for the Bank (30 June 2023: €4 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	
	30.06.2024	31.12.2023
Assets	84	66
Liabilities	235	125
Letters of guarantee, contingent liabilities and other off balance sheet accounts	3	3
	6-month period ended	
	30.06.2024	30.06.2023
Interest, commission and other income	7	7
Interest, commission and other expense	4	3

	Bank					
	30.06.2024			31.12.2023		
	Subsidiaries	Associates & Joint Ventures	Total	Subsidiaries	Associates & Joint Ventures	Total
Assets	1,758	60	1,818	1,409	41	1,450
Liabilities	491	235	726	510	124	634
Letters of guarantee, contingent liabilities and other off balance sheet accounts	1,261	3	1,264	874	3	877
	6-month period ended 30.6.2024			6-month period ended 30.6.2023		
Interest, commission and other income	52	7	59	37	6	43
Interest, commission and other expense	3	4	7	3	3	6

c. Transactions with other related parties

The total receivables of both, the Group and the Bank, from the employee benefits related funds as at 30 June 2024, amounted to €743 million (31 December 2023: €746 million). For these receivables the Group and the Bank recognized a provision of €739 million (31 December 2023: €738 million).

The total payables of both the Group and the Bank, to the employee benefits related funds as at 30 June 2024, amounted to €52 million (31 December 2023: €51 million).

d. Transactions with Hellenic Financial Stability Fund

Taking into consideration the Hellenic Financial Stability Fund ("HFSF") Law, the Relationship Framework Agreement ("RFA") between the Bank and the HFSF that was signed in December 2015, the reduction of HFSF voting rights after the divestment through an International and a Greek Public Offering on 21.11.2023 through which the HFSF reduced from 40.39% to 18.39% the possession 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 other material transactions or balances exist with the HFSF.

NOTE 17 Capital adequacy

In June 2013, the European Parliament and the Council of Europe issued Directive 2013/36/EU and Regulation (EU) No 575/2013 (known as Capital Requirements Directive IV ("CRD IV") and Capital Requirements Regulation ("CRR") respectively), which incorporate the key amendments that have been proposed by the Basel Committee for Banking Supervision (known as ("Basel III")). Directive 2013/36/EU has been transported into Greek Law by virtue of Greek Law 4261/2014 and Regulation (EU) No 575/2013 has been directly applicable to all EU Member States since 1 January 2014 and certain changes under CRD IV were implemented gradually.

Regulation (EU) No 575/2013, as amended by Regulation (EU) No 876/2019 (CRR2), defines the minimum capital requirements (Pillar 1 requirements) and Directive 2013/36/EU, as amended by Directive 2019/878/EU (CRD V), defines the combined buffer requirements for EU institutions. In addition, Directive 2013/36/EU provides (Art. 97 et seq.) that Competent Authorities regularly carry out the Supervisory Review and Evaluation process ("SREP"), to assess and measure risks not covered, or not fully covered, under Pillar 1 and determine additional capital and liquidity requirements (Pillar 2 requirements). SREP is conducted under the lead of the ECB. The SREP decision is tailored to each bank's individual profile. The Pillar 1 (minimum regulatory requirement) and Pillar 2 requirements form the Total SREP Capital Requirement (TSCR).

NBG Group is required to meet its Overall Capital Requirements (OCR) that consists of the Total SREP Capital Requirement (TSCR) and the Combined Buffer Requirement (CBR) as defined in point (6) of Article 128 of Directive 2013/36/EU.

The table below presents the breakdown of the Group's CET1 and Total Capital regulatory requirements:

	CET1 Capital Requirements		Overall Capital Requirements	
	2024	**2023**	**2024**	**2023**
Pillar 1 (minimum regulatory requirement)	4.50%	4.50%	8.00%	8.00%
Pillar 2 (P2R)	1.55%	1.69%	2.75%	3.00%
Total SREP Capital Requirement (TSCR)	**6.05%**	**6.19%**	**10.75%**	**11.00%**
Capital conservation buffer (CCoB)	2.50%	2.50%	2.50%	2.50%
Countercyclical capital buffer (CCyB)	0.07%	0.07%	0.07%	0.07%
O-SII Buffer	1.00%	1.00%	1.00%	1.00%
Combined Buffer Requirement (CBR)	**3.57%**	**3.57%**	**3.57%**	**3.57%**
Overall Capital Requirement (OCR)	**9.62%**	**9.76%**	**14.32%**	**14.57%**

The aim of the Group is to maintain a strong capital basis, well above regulatory requirements ensuring the execution of Group's business plan and the achievement of its strategic goals.

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

	Group		Bank	
	30.06.2024 (1),(2)	31.12.2023(1)	30.06.2024 (1),(2)	31.12.2023(1)
Common Equity Tier 1	**18.3%**	**17.8%**	**17.9%**	**17.3%**
Tier 1	**18.3%**	**17.8%**	**17.9%**	**17.3%**
Total capital adequacy ratio	**20.9%**	**20.2%**	**20.8%**	**19.9%**

(1) Including profit for the period, post dividend accrual.
(2) Including prudential treatment (in line with relevant supervisory guidance regarding the application of the minimum NPE coverage level in accordance with the SREP recommendation on the coverage of the NPE stock and the Addendum to the ECB Guidance to banks on non-performing loans) accrual of c.€0.2 billion on State Guaranteed Loans granted to special social groups under specific Ministerial Decisions. This prudential treatment is temporary, subject to the repayments from the Greek State and obligors and does not have any impact on the respective accounting treatment.

On 30 June 2024, Group's CET1 and Total Capital ratios stood at 18.3% and 20.9% respectively, well above the required capital requirement of 9.62% for CET1 and of 14.32% for Total Capital.

DTC Law

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

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

Furthermore, Greek Law 4465/2017 amended article 27 "Carry forward losses" by introducing an amortization period of 20 years for losses due to loan write offs as part of a settlement or restructuring and losses that crystallize as a result of a disposal of loans. In addition, in 2021 Greek Law 4831 further amended article 27 of Greek Law 4172/2013 (see Note 27 "Deferred tax assets and liabilities" of the Annual Financial Report for the year ended 31 December 2023).

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

As of 30 June 2024, the amount of DTAs that were eligible for conversion to a receivable from the Greek State subject to the DTC Law was €3.6 billion (31 December 2023: €3.7 billion). The conditions for conversion rights were not met in the year ended 31 December 2023 and no conversion rights are deliverable in 2024.

One-off Fit-for-55 Climate Risk Scenario Analysis

NBG participated in the One-off Fit-for-55 climate risk scenario analysis which aims at assessing the resilience of the financial sector in line with the Fit-for-55 package and to gain insights into the capacity of the financial system to support the transition to a lower carbon economy under conditions of stress. This exercise is part of the new mandates received by the European Supervisory Authorities in the scope of the European Commission's Renewed Sustainable Finance Strategy. Given its cross-sectoral and system-wide nature, this exercise is conducted jointly by the European Supervisory Authorities (ESAs), the European Central Bank (ECB), and the European Systemic Risk Board (ESRB).

2024 SSM cyber resilience stress test

In 2024, NBG participated in ECB's annual supervisory stress test which consisted of a thematic exercise assessing the digital operational resilience of Significant Institutions (SIs) to withstand a severe but plausible cybersecurity event. Under the stress test scenario, the hypothetical cyberattack succeeds in disrupting the bank's daily business operations; the supervisory assessment intended to evaluate how banks respond to and recover from a cyberattack (rather than their ability to prevent it), including their ability of activating emergency procedures and contingency plans and restoring normal operations. The exercise will inform and complement the SREP in a predominantly qualitative manner, without capital impact through the Pillar 2 guidance.

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 21 December 2023, the Bank received the SRB's decision, via the Bank of Greece, requiring it to meet the following targets by 31 December 2025: MREL of 24.22% plus CBR of TREA and LRE (leverage ratio exposure) of 5.91%. Both targets should be calculated on a consolidated basis. The interim annual targets until 31 December 2025 are informative and are calculated through linear interpolation/build-up between the two binding targets of 1 January 2022 and 31 December 2025. Therefore, the interim non-binding MREL target, which stood at 22.73% including CBR of 3.57% of TREA for 1/1/2024, moves to 25.26% including CBR of 3.57% of TREA for 1/1/2025.

As at 30 June 2024, the Bank's MREL ratio at consolidated level stands at 25.9% of TREA (including profit for the period), which is significantly above the interim non - binding MREL target of 1/1/2024 and continues meeting the LRE requirement.

Moreover, in the context of the implementation of NBG's strategy to ensure ongoing compliance with its MREL requirements, the Bank has successfully completed the below transactions in 2024:

- On 22 January 2024, the Bank completed the placement of €600 million senior preferred bond in the international capital markets with a yield of 4.5%. The bond matures in five years and is callable in four years.
- On 20 March 2024, the Bank completed the placement of €500 million Subordinated Tier II bonds in the international capital markets with a yield of 5.875%. The bond matures in 11.25 years and is callable in 6.25 years.
- On 27 March 2024, the Bank announced the results of the Tender Offer in respect of €400 million Subordinated Fixed Rate Resettable Tier 2 Notes due 2029 issued by the Bank. The Bank accepted for purchase all validly tendered Notes and the Acceptance Amount was equal to €320 million.
- On 30 April 2024, the Bank announced the commencement of the call option exercise process with respect to €150 million Fixed Rate Resettable Unsubordinated MREL Notes due 25 May 2025 (XS2560090214) issued on 25 November 2022 under the €5 billion Global Medium Term Note Program of the Bank. All of the outstanding Notes with principal amount of €150 million were called and redeemed at par on 27 May 2024.
- On 26 June 2024, the Bank announced the commencement of the call option exercise process with respect to €400 million Subordinated Fixed Rate Resettable Tier 2 Notes due 2029 (XS2028846363) issued on 18 July 2019 under the €5 billion Global Medium Term Note Program of the Bank. All of the outstanding Notes with principal amount of €80 million were called and redeemed at par on 18 July 2024.

NOTE 18 Fair value of financial assets and liabilities

a. Financial instruments not measured at fair value

The table below summarises the carrying amounts and the fair values of those financial assets and liabilities that are not presented on the Group's and the Bank's Statement of Financial Position at fair value and the fair value is materially different from the carrying amount.

Group	Carrying amount 30.06.2024	Fair value 30.06.2024
Financial Assets		
Loans and advances to customers at amortised cost	34,033	34,864
Investment securities at amortised cost	14,141	13,287
Financial Liabilities		
Due to customers	56,301	56,397
Debt securities in issue	2,961	3,081

Group	Carrying amount 31.12.2023	Fair value 31.12.2023
Financial Assets		
Loans and advances to customers at amortised cost	33,824	34,964
Investment securities at amortised cost	13,363	13,010
Financial Liabilities		
Due to customers	56,320	56,420
Debt securities in issue	2,323	2,398

Bank	Carrying amount 30.06.2024	Fair value 30.06.2024
Financial Assets		
Loans and advances to customers at amortised cost	31,633	32,464
Investment securities at amortised cost	13,947	13,092
Financial Liabilities		
Due to customers	54,584	54,680
Debt securities in issue	2,961	3,081

Bank	Carrying amount 31.12.2023	Fair value 31.12.2023
Financial Assets		
Loans and advances to customers at amortised cost	31,820	32,960
Investment securities at amortised cost	13,144	12,790
Financial Liabilities		
Due to customers	54,776	54,876
Debt securities in issue	2,323	2,398

The following methods and assumptions were used to estimate the fair values of the above financial instruments on 30 June 2024 and 31 December 2023:

The carrying amount of cash and balances with central banks, due from and due to banks, other borrowed funds as well as accrued interest, approximates their fair value.

Loans and advances to customers at amortised cost: The fair value of loans and advances to customers at amortised cost is estimated using discounted cash flow models. The discount rates are based on current market interest rates offered for instruments with similar terms to borrowers of similar credit quality.

Investment securities at amortised cost: The fair value of investment securities at amortised cost is estimated using market prices or using discounted cash flow models based on current market interest rates offered for instruments with similar credit quality.

Due to customers: The fair value for demand deposits and deposits with no defined maturity is determined to be the amount payable on demand at the reporting date. The fair value for fixed-maturity deposits is estimated using discounted cash flow models based on rates currently offered for the relevant product types with similar remaining maturities.

Debt securities in issue: The fair value of debt securities in issue is estimated using market prices, or if such are not available, using a discounted cash flow analysis, based on current market rates of similar maturity and credit quality debt securities.

b. Financial instruments measured at fair value

The tables below present the fair values of those financial assets and liabilities presented on the Group's and the Bank's Statement of Financial Position at fair value by fair value measurement level on 30 June 2024 and on 31 December 2023. Other Assets include an investment in spot position for emission rights which is carried at fair value through profit or loss.

Group

As at 30 June 2024	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	254	105	-	359
Financial assets mandatorily at fair value through profit or loss	326	5	412	743
Derivative financial instruments	-	1,746	25	1,771
Investment securities at fair value through other comprehensive income	1,606	1,201	55	2,862
Other Assets	474	-	-	474
Total	**2,660**	**3,057**	**492**	**6,209**
Financial Liabilities				
Due to customers designated as at fair value through profit or loss	-	772	-	772
Derivative financial instruments	1	1,305	6	1,312
Total	**1**	**2,077**	**6**	**2,084**

As at 31 December 2023	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	303	82	-	385
Financial assets mandatorily at fair value through profit or loss	289	10	422	721
Derivative financial instruments	2	2,022	49	2,073
Investment securities at fair value through other comprehensive income	1,371	1,712	49	3,132
Other assets	425	-	-	425
Total	**2,390**	**3,826**	**520**	**6,736**
Financial Liabilities				
Due to customers designated as at fair value through profit or loss	-	806	-	806
Derivative financial instruments	-	1,407	7	1,414
Other Liabilities	1	-	-	1
Total	**1**	**2,213**	**7**	**2,221**

Bank

As at 30 June 2024

	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	227	105	-	332
Financial assets mandatorily at fair value through profit or loss	286	5	408	699
Derivative financial instruments	-	1,746	25	1,771
Investment securities at fair value through other comprehensive income	1,597	1,035	53	2,685
Other Assets	474	-	-	474
Total	**2,584**	**2,891**	**486**	**5,961**
Financial Liabilities				
Due to customers designated as at fair value through profit or loss	-	772	-	772
Derivative financial instruments	1	1,305	6	1,312
Total	**1**	**2,077**	**6**	**2,084**

As at 31 December 2023

	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	278	82	-	360
Financial assets mandatorily at fair value through profit or loss	254	10	419	683
Derivative financial instruments	2	2,023	49	2,074
Investment securities at fair value through other comprehensive income	1,362	1,618	47	3,027
Other assets	425	-	-	425
Total	**2,321**	**3,733**	**515**	**6,569**
Financial Liabilities				
Due to customers designated as at fair value through profit or loss	-	806	-	806
Derivative financial instruments	-	1,406	7	1,413
Total	**-**	**2,212**	**7**	**2,219**

There were no financial assets or liabilities classified as held-for-sale in the Group's and the Bank's Statement of Financial Position measured at fair value as at 30 June 2024 and 31 December 2023.

Transfers between Level 1 and Level 2

As at 30 June 2024, three fair value through other comprehensive income securities (two corporate securities and one issued by the European Stability Mechanism), for which the Group and the Bank determined that sufficient liquidity and trading existed as of that date, has 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 other comprehensive income securities transferred as at 30 June 2024 was €42 million.

As at 31 December 2023, a fair value through other comprehensive income security issued by the Italian Republic, for which the Group and the Bank determined that sufficient liquidity and trading existed as of that date, has 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 other comprehensive income security transferred as at 31 December 2023 was €145 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 existed as of that date, has been also 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 security transferred as at 31 December 2023 was €9 million.

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

Level 3 financial instruments

Level 3 financial instruments on 30 June 2024 and 31 December 2023 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 bilateral credit value adjustment ("BCVA") is based on significant unobservable inputs and the amount of the BCVA is significant relative to the total fair value of the derivative.

b) Securities mandatorily measured 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 resulting 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 and the Bank assess the whole receivable to be classified in the lowest level of the fair value hierarchy.

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

The table below presents the movement of all Level 3 fair value measurements for the period ended 30 June 2024 and the year ended 31 December 2023, 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 and the Bank conducts a review of the fair value hierarchy classifications on a quarterly basis.

For the period ended 30 June 2024 and the year ended 31 December 2023, transfers from Level 2 into Level 3 include derivative financial instruments for which the BCVA 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 BCVA is no longer significant to the base fair value of the respective instruments.

Movement of Level 3 financial instruments

	2024		
Group	Net derivative financial instruments	Investment securities at FVTOCI	Mandatorily at FVTPL
Balance at 1 January	**42**	**49**	**422**
Gain/(loss) included in Income Statement	(14)	-	(13)
Gain/(loss) included in OCI	-	10	-
Purchases/Additions	-	-	7
Sales	-	(4)	-
Settlements	-	-	(4)
Transfer into/(out of) level 3	(9)	-	-
Balance at 30 June 2024	**19**	**55**	**412**

	2023		
Group	Net derivative financial instruments	Investment securities at FVTOCI	Mandatorily at FVTPL
Balance at 1 January	**(37)**	**51**	**512**
Gain/(loss) included in Income Statement	53	-	(96)
Gain/(loss) included in OCI	-	(4)	-
Purchases/Additions	-	2	10
Settlements	-	-	(4)
Transfer into/(out of) level 3	26	-	-
Balance at 31 December	**42**	**49**	**422**

Bank	2024 Net derivative financial instruments	2024 Investment securities at FVTOCI	2024 Mandatorily at FVTPL
Balance at 1 January	**41**	**47**	**418**
Gain/(loss) included in Income Statement	(14)	-	(14)
Gain/(loss) included in OCI	-	10	-
Purchases/Additions	-	-	7
Sales	-	(3)	-
Settlements	-	-	(4)
Transfer into/(out of) level 3	(8)	-	-
Balance at 30 June 2024	**19**	**54**	**407**

Bank	2023 Net derivative financial instruments	2023 Investment securities at FVTOCI	2023 Mandatorily at FVTPL
Balance at 1 January	**(37)**	**49**	**508**
Gain/(loss) included in Income Statement	53	-	(95)
Gain/(loss) included in OCI	-	(4)	-
Purchases/Additions	-	2	10
Settlements	-	-	(4)
Transfer into/(out of) level 3	26	-	-
Balance at 31 December	**42**	**47**	**419**

For the period ended 30 June 2024, 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 measured at fair value through profit or loss, amounting to €(10) million for the Group and €(11) million for the Bank (31 December 2023: €(95) million for the Group and €(94) million for the Bank), while for net derivative financial instruments amounted to €(15) for the Group and the Bank (31 December 2023: €3 million for the Group and the Bank).

Valuation Process and Control Framework

The Group and the Bank have 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 and the Bank utilize 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 and the Bank 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 and the Banks's own credit risk when valuing derivatives. Bilateral credit-risk adjustments consider the expected cash flows between the Group, the Bank and their 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 and the Bank take into consideration the credit-risk mitigating arrangements, including collateral agreements and master netting arrangements, for the purpose of estimating own and counterparty credit risk valuation adjustments.

Quantitative Information about Level 3 Fair Value Measurements | 30 June 2024

Financial Instrument	Fair Value	Valuation Technique	Significant Unobservable Input	Range of Inputs Low	Range of Inputs High
Investment securities mandatorily at fair value through profit or loss	25	Income and market approach	Price	n/a[1]	n/a[1]
Interest Rate Derivatives	22	Discounted Cash Flows, Internal Model (for CVA/DVA)	Credit Spread	258 bps	258 bps
	(1)	Discounted Cash Flows	Constant Maturity Swap correlation between different tenors	72.80%	100.00%
Other Derivatives	(2)	Discounted Cash Flows, Internal Model (for CVA/DVA)	Credit Spread	258 bps	258 bps
Investment Securities at fair value through other comprehensive income	55	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	13	Discounted Cash Flows	Credit Spread	260 bps	260 bps
	374	Discounted Cash Flows	Credit Spread	n/a[2]	n/a[2]

[1] Equity securities at FVTPL and at FVTOCI include equity securities which are not traded in active markets. In the absence of an active market the fair value of these securities is estimated using a market or an income valuation approach. Given the bespoke nature of the valuation method in respect of each holding, it is not practicable to quote a range of unobservable inputs.

[2] The valuation of the contingent part of the receivables from the loan portfolio sales and other transactions, 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 2023

Financial Instrument	Fair Value	Valuation Technique	Significant Unobservable Input	Range of Inputs Low	Range of Inputs High
Investment securities mandatorily at fair value through profit or loss	22	Income and market approach	Price	n/a[1]	n/a[1]
Interest Rate Derivatives	44	Discounted Cash Flows, Internal Model (for CVA/DVA)	Credit Spread	281 bps	281 bps
	2	Discounted Cash Flows	Constant Maturity Swap correlation between different tenors	72.80%	100.00%
Other Derivatives	(4)	Discounted Cash Flows, Internal Model (for CVA/DVA)	Credit Spread	281 bps	281 bps
Investment Securities at fair value through other comprehensive income	49	Income and market approach	n/a1	n/a[1]	n/a[1]
Loans and advances to customers mandatorily at fair value through profit or loss	16	Discounted Cash Flows	Credit Spread	260 bps	260 bps
	383	Discounted Cash Flows	Credit Spread	n/a[2]	n/a[2]

[1] Equity securities at FVTPL and at FVTOCI include equity securities which are not traded in active markets. In the absence of an active market the fair value of these securities is estimated using a market or an income valuation approach. Given the bespoke nature of the valuation method in respect of each holding, it is not practicable to quote a range of unobservable inputs.

[2] The valuation of the contingent part of the receivables from the loan portfolio sales and other transactions, 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 and the Bank is long or short the exposure, among other factors. Due to the limited exposure that the Group and the Bank have to these instruments, a reasonable change in the above unobservable inputs would not be significant to the Group and the Bank. 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 change 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 change 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 fair value through profit or loss", the valuation includes a parameter which is not observable in the market, i.e., the credit spread of the customer. A reasonable change 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.

NOTE 19 Acquisitions, disposals and other capital transactions

Participation in Ginger Digital Bidco Singe Member S.A. ("Ginger S.A.")

Ginger S.A. is an entity established by General Atlantic Ginger BV as a holding company for acquiring the Epsilon Net S.A. shares. Specifically, on April 25, 2024 and after the establishment of the entity, an agreement signed between General Atlantic Ginger BV, Ioannis Michos (founder and main shareholder of Epsilon Net S.A.), the Bank, and Ginger S.A., under which the parties decided to act jointly in order to acquire, through Ginger S.A., all the shares and voting rights of Epsilon Net that are not already owned by them, by submitting a mandatory public offer. The Bank's participation in the share capital of the Ginger S.A. will be effected through a convertible bond loan gradually converted to equity and, when the delisting of Epsilon Net S.A. is completed, through contribution of its participation in Epsilon Net of 7.5%. By 30 June 2024, the Bank's participation in Ginger S.A. shares amounted to €19 million.

Strategic Partnership of NBG with Epsilon Net S.A.

On 16 November 2022, the Bank announced the signing of memorandum of understanding ("MoU") with Epsilon Net S.A. ("Epsilon Net") and its main shareholder. Subsequently, on 4 May 2023, the Bank announced the signing of a binding agreement for the purchase of 7.5% of the total share capital of Epsilon Net held by the main shareholder (the "Initial Transaction"), as well as the possibility of acquiring a further 7.5% from the main shareholder three years after the completion of the Initial Transaction. Lastly, on 9 June 2023 the Bank announced the completion of the Initial Transaction for the acquisition of a minority stake in Epsilon Net at a price of €7.49/share as well as the signing of a strategic cooperation agreement.

Acquisition of Greco Yota Property Investments S.M.S.A.

On 1 August 2023, the acquisition of 100% of the issued share capital of GRECO YOTA Property Investments S.M.S.A. which was the owner of a building at 74, Piraeus Str, was completed by NBG Group.

The transaction does not qualify as a business as defined in IFRS 3 Business Combination thus the acquisition was accounted for as acquisition of assets acquired and liabilities assumed.

The cost of the transaction amounted to €30 million. No goodwill arises on the transaction.

The Bank and the Greco Yota decided to be merged through absorption of the latter by the Bank with the merger date the 30 November 2023. On 4 July 2024, the merger was approved by the authorities.

NOTE 20 Group companies

Subsidiaries	Country	Tax years unaudited	Group 30.06.2024	Group 31.12.2023	Bank 30.06.2024	Bank 31.12.2023
National Securities Single Member S.A.	Greece	2018-2023	100.00%	100.00%	100.00%	100.00%
NBG Asset Management Mutual Funds S.A.	Greece	2018-2023	100.00%	100.00%	100.00%	100.00%
Ethniki Leasing S.A.	Greece	2018-2023	100.00%	100.00%	100.00%	100.00%
NBG Property Services Single Member S.A.	Greece	2018-2023	100.00%	100.00%	100.00%	100.00%
Pronomiouhos Single Member S.A. Genikon Apothikon Ellados	Greece	2018-2023	100.00%	100.00%	100.00%	100.00%
KADMOS S.A.	Greece	2018-2023	100.00%	100.00%	100.00%	100.00%
DIONYSOS S.A.	Greece	2018-2023	99.91%	99.91%	99.91%	99.91%
EKTENEPOL Construction Company Single Member S.A.	Greece	2018-2023	100.00%	100.00%	100.00%	100.00%
Mortgage, Touristic PROTYPOS Single Member S.A.	Greece	2018-2023	100.00%	100.00%	100.00%	100.00%
Hellenic Touristic Constructions S.A.	Greece	2018-2023	78.44%	78.44%	78.44%	78.44%
Ethniki Ktimatikis Ekmetalefsis Single Member S.A.	Greece	2018-2023	100.00%	100.00%	100.00%	100.00%
Ethniki Factors S.A.	Greece	2018-2023	100.00%	100.00%	100.00%	100.00%
Probank Leasing S.A. (1)	Greece	2018-2023	100.00%	100.00%	100.00%	100.00%
NBG Insurance Brokers S.A.	Greece	2018-2023	100.00%	100.00%	100.00%	100.00%
GRECO YOTA SINGLE MEMBER S.A	Greece	2023	100.00%	100.00%	100.00%	100.00%
NBG Malta Holdings Ltd(2)	Malta	2014-2023	100.00%	100.00%	-	-
NBG Malta Ltd(2)	Malta	2014-2023	100.00%	100.00%	-	-
ARC Management Two EAD (Special Purpose Entity)	Bulgaria	2018-2023	100.00%	100.00%	99.55%	99.55%
Bankteco E.O.O.D.	Bulgaria	2018-2023	100.00%	100.00%	100.00%	100.00%
NBG Leasing S.R.L.	Romania	2019-2023	100.00%	100.00%	100.00%	100.00%
ARC Management One SRL (Special Purpose Entity)	Romania	2013-2023	100.00%	100.00%	99.63%	99.63%
Stopanska Banka A.D.-Skopje	North Macedonia	2014-2023	94.64%	94.64%	94.64%	94.64%
Stopanska Leasing DOOEL Skopje	North Macedonia	2022-2023	94.64%	94.64%	-	-
NBG Greek Fund Ltd	Cyprus	2021-2023	100.00%	100.00%	100.00%	100.00%
National Bank of Greece (Cyprus) Ltd	Cyprus	2018-2023	100.00%	100.00%	100.00%	100.00%
National Securities Co (Cyprus) Ltd (2)	Cyprus	-	100.00%	100.00%	-	-
NBG Management Services Ltd	Cyprus	2021-2023	100.00%	100.00%	100.00%	100.00%
Merbolium Limited (Special Purpose Entity)	Cyprus	2022-2023	100.00%	100.00%	-	-
Cortelians Limited (Special Purpose Entity)	Cyprus	2022-2023	100.00%	100.00%	-	-
Ovelicium Ltd (Special Purpose Entity)	Cyprus	2022-2023	100.00%	100.00%	-	-
Pacolia Holdings Ltd (Special Purpose Entity)	Cyprus	2022-2023	100.00%	100.00%	-	-
NBG Asset Management Luxemburg S.A.	Luxembourg	2018-2023	100.00%	100.00%	94.67%	94.67%
NBG International Ltd	U.K.	2004-2023	100.00%	100.00%	100.00%	100.00%
NBGI Private Equity Ltd(2)	U.K.	2004-2023	100.00%	100.00%	-	-
NBG Finance Plc	U.K.	2004-2023	100.00%	100.00%	100.00%	100.00%
NBG Finance (Dollar) Plc(2)	U.K.	2008-2023	100.00%	100.00%	100.00%	100.00%
NBG Finance (Sterling) Plc(2)	U.K.	2008-2023	100.00%	100.00%	100.00%	100.00%
NBG International Holdings B.V.	The Netherlands	2021-2023	100.00%	100.00%	100.00%	100.00%

Notes:
(1) Probank Leasing S.A. has been reclassified as Non-current assets held for sale (See Note 9 "Assets and liabilities held for sale and discontinued operations").
(2) Companies under liquidation.

The Group's equity method investments are as follows:

Name of associate	Country	Tax years unaudited	Group 30.06.2024	Group 31.12.2023	Bank 30.06.2024	Bank 31.12.2023
Social Security Funds Management S.A.	Greece	2018-2023	20.00%	20.00%	20.00%	20.00%
Larco S.A.	Greece	2018-2023	33.36%	33.36%	33.36%	33.36%
Eviop Tempo S.A.	Greece	2018-2023	21.21%	21.21%	21.21%	21.21%
Teiresias S.A.	Greece	2018-2023	39.93%	39.93%	39.93%	39.93%
Planet S.A.	Greece	2018-2023	36.99%	36.99%	36.99%	36.99%
Pyrrichos Real Estate S.A.	Greece	2018-2023	21.83%	21.83%	21.83%	21.83%
SATO S.A.	Greece	2018-2023	23.74%	23.74%	23.74%	23.74%
Olganos S.A.	Greece	2018-2023	33.60%	33.60%	33.60%	33.60%
Perigenis Business Properties S.A.	Greece	2020-2023	28.50%	28.50%	28.50%	28.50%
NBG Pay S.A.	Greece	2022-2023	49.00%	49.00%	49.00%	49.00%
Ginger Digital BidCo Single Member S.A.	Greece	-	20.16%	-	20.16%	-

NOTE 21 Events after the reporting period

Events after the reporting period are the following:

Distribution of profits

On 25 July 2024, the Annual General Meeting of the Bank's shareholders approved the distribution of profits of €332 million to shareholders and €21 million to eligible personnel of the Bank, through a partial resolution of taxed reserve formed, in accordance with Article 48 of Law 4172/2013.

Amendment of the Share-buy back program

On 25 July 2024, the Annual General Meeting of the Bank's shareholders approved the amendment of the Share-buy back program. For further information, please see Note 14 "*Share capital, share premium and treasury shares*" of the Interim Financial Statements.

Redemption of remaining of €400 million Subordinated Fixed Rate Resettable Tier 2 Notes due 2029

On 26 June 2024, the Bank proceeded with exercising its option to redeem the remaining of the €400 million Subordinated Fixed Rate Resettable Tier 2 Notes due 2029.

On 18 July 2024, all the current outstanding principal amount of the Notes of €80 million were redeemed at par.