COOPERATIVE BANK OF CHANIA
Cooperative of Limited Liabilities

Financial Statements in Accordance with IFRS

For the period

From 1st January

to

31st December 2020

CONTENTS

Any differences in totals are due to rounding off.

Credit Institution Name	**COOPERATIVE BANK OF CHANIA** **Cooperative of Limited Liabilities** **(distinctive title: COOPERATIVE BANK OF CHANIA)** **English: COOPERATIVE BANK OF CHANIA** **Cooperative of Limited Liabilities (SCRL)** **(distinctive title: COOPERATIVE BANK OF CHANIA)**
Legal Framework	Law 1667/1986, Law 4261/2014, EU Directive 575/2013
Operating License as a Credit Institution	Meeting resolution 560/18-09-1995 (Item 14) of the Bank of Greece's Monetary and Credit Affairs Committee
Number of Branches	23 Branches
Award Contract No.	123088758000
Website	www.chaniabank.gr
E-mail address	info@chaniabank.gr
Board of Directors' Composition	
Chairman	Michael Marakakis son of Emmanuel
Deputy Chairman	Georgios Androulakis son of Charalambos
Secretary	Kyriakos Badieritis son of Konstantinos
Treasurer	Georgios Farantakis Georgios son of Iosif
Non-Executive Member	Emmanuel Apostolakis son of Apostolos
Non-Executive Member	Anastasios Vamvoukas son of Dimitrios
Independent Non-Executive Member	Ioannis Malandrakis son of Ioannis
Independent Non-Executive Member	George Baourakis son of Michael
Executive Member	Dimitrios Dokakis son of Vasilios
Executive Member	Alexandros Perivolakis son of Vasilios
Independent Non-Executive Member	Maria Sperelaki daughter of Theodoros
Executive Member	Emmanuel Tzinakis son of Michael
Executive Member	Iosif Hiotakis son of Iosif
VAT REG. NO. - TAX OFFICE	096149662 - TAX OFFICE OF CHANIA
Year of Incorporation	1993
Address	28-32 Eleftheriou Venizelou Street
Phone	28210-25500

This Annual Financial Report includes the following sections:

- The Board of Directors Members’ Declaration
- The Audit Report by the Independent Certified Public Auditor/Accountant
- The Board of Directors’ Annual Report
- The Annual Financial Statements for the Bank and the Group for the 2020 fiscal period
- Notes to the Financial Statements

Board of Directors Members' Statement

We declare that to our knowledge:

- The annual financial statements, which were prepared in accordance with the applicable accounting standards. give a true and fair view of the assets and liabilities, the equity and the results of the "Cooperative Bank of Chania Cooperative of Limited Liabilities", as well as the companies included in the consolidation taken as a whole.
- The Board of Directors' Annual Report truthfully reflects the development, performance and position of the Bank as well as of the undertakings included in the consolidation as a whole, including a description of the main risks and uncertainties that they face.

Chania, 4 June 2021

Chairman of the BoD	Deputy Chairman of the BoD	Treasurer of the BoD
Michael Marakakis	**Georgios Androulakis**	**Georgios Farantakis**

Audit Report by the Independent Certified Public Auditor/Accountant
To the Partners of the
"Cooperative Bank of Chania Cooperative of Limited Liabilities"

Audit Report on the Corporate and Consolidated Financial Statements

Opinion

We have audited the accompanying corporate and consolidated financial statements for "**Cooperative Bank of Chania"** (the "Bank") and its subsidiaries (the "Group"), which comprise the corporate and consolidated statement of financial position as at 31st December 2020, the corporate and consolidated statements of comprehensive income, changes in equity and cash flows for the year ended on this date and the Notes that include a summary of significant accounting policies and methods and other explanatory information.

In our opinion, the accompanying corporate and consolidated financial statements fairly present, in all material respects, the financial position of the Bank and the Group as at 31st December 2020, their financial performance and their cash flows for the year then ended on this date in accordance with the International Financial Reporting Standards as adopted by the European Union.

Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as incorporated in Greek Law. Our responsibilities, according to these standards, are further described in our report under the paragraph "Auditor's responsibilities for the audit of corporate and consolidated financial statements". Throughout the term of our appointment, we have remained independent from the Bank and its consolidated subsidiaries, pursuant to the Code of Ethics for Professional Auditors of the International Ethics Standards Board of Accountants (IESBA Code) that has been adopted by Greek Law and the ethical requirements that are related to the audit of corporate and consolidated financial statements in Greece and we have fulfilled our ethical obligations pursuant to current law and the requirements of the IESBA Code. We believe that the auditing evidence that we have acquired suffices and is appropriate to base our audit opinion.

Material uncertainty related to going concern

We draw your attention to Note 2.2 on the corporate and consolidated financial statements that refer to the management of non-performing loans (NPLs) and the impact that changes in the supervisory framework for the monitoring of NPLs and the impact of the pandemic will have on it (Covid-19) in the economy and the banking sector. The above issues may adversely affect the Bank in terms of its operational profitability and capital adequacy.
As mentioned in the above note, these facts, together with the subject described in Note 22a, indicate the existence of material uncertainty which could potentially adversely affect the Bank's and the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Emphasis of subject

We draw your attention to Note 22a of the corporate and consolidated financial statements which analyzes contingent liabilities of the Bank arising out of the lawsuits of certain partners against the Bank in respect of the Contracts of the Special Account "Return". In our opinion there is no reservation on this matter.

Key audit issues

The key audit issues are those matters which, in our professional judgment, were of paramount importance in our audit of the corporate and consolidated financial statements of the audited fiscal period. These issues were addressed in the context of the audit of the corporate and consolidated financial statements as a whole in order to formulate our opinion on these and we do not express a separate opinion on these issues. In addition to the issue described in section "Material uncertainty related to going concern" of our report, we have found that the issues described below are the most important audit issues to be reported in our report.

<table>
<tr><th>Key audit issues</th><th>How it was handled</th></tr>
<tr><td colspan="2">1. Impairment of loans and receivables against customers at unamortized cost</td></tr>
<tr><td>Due to the importance of the size of loans in the financial statements, the complexity of calculating the impairment of loans and the significant degree of judgment on them as well as the assumptions-estimates of management required for this purpose, we considered that impairment of loans by customers is a important audit issue for the Bank and the Group in the current fiscal year.

Loans and other receivables to customers of the Bank and the Group amounted to EUR 390.3 million and EUR 355.3 million, respectively as at 31 December 2020 compared to EUR 371,7 million and EUR 333.8 million for the Bank and the Group as at 31 December 2019, after accumulated impairment losses of EUR 86.9 million for the Bank and the Group as at 31 December 2019, compared to EUR 81.4 million as at 31 December 2019.

From 1 January 2018, the Bank and the Group adopted IFRS 9, thus recognizing losses for credit risk when they are expected to occur and not when they have already occurred. Management has disclosed information about the application of IFRS 9, the understanding of the estimates needed to calculate the expected credit risk loss and the evaluation of the measurement of IFRS 9 in Notes 4.3 and 4.4 to the corporate and consolidated financial statements.

In order to reduce the impact of the pandemic (Covid 19) on the economy, the Bank implemented support</td><td>Based on the audit risk assessment, we assessed the methodologies, policies and judgments/assumptions adopted by Management to determine expected future credit losses in respect of loan and receivable impairment.
For this important audit issue, we performed, among other things, the following audit procedures:

We evaluated the reasonableness of the assumptions and decisions made by Management in the classification and measurement of financial instruments, the business model and the appropriateness of the classification of financial assets at amortized cost, as well as the consistency of its exposure classification methodology to the stages laid down in the standard, also in the context of the adjustments required by the impact of the pandemic (Covid 19) on the economy and the adoption of support measures for borrowers, as appropriate.

We evaluated the following items:
<u>Individually rated loans</u>
▪ We assessed the design and implementation of the audit's internal controls which are related to our audit, including internal controls that are related to the significant estimates, data, calculation and methodologies used.
▪ We assessed the appropriateness of the methodology and the provision calculation policy used by Management.
▪ We have audited and evaluated, on a sample of loans serviced basis, the completeness of the qualification of loans with signs of impairment by evaluating them in accordance with the provisions of IFRS 9, while examining</td></tr>
</table>

measures for borrowers (Moratoria, interest subsidies) in 2020, in the context set by the Greek Government, the announcements of the Hellenic Banking Association and the announcements and instructions of the European Banking Authority (EBA) adopted by the Bank of Greece. The Bank and the Group form a loan impairment provision for losses incurred both on an individual and on a collective basis. The key judgments are: ▪ The application of IFRS 9 requires significant assessments and judgments on the proper classification of loans and how they are measured, to determine the increase in credit risk, the macroeconomic criteria, and the correct design of the mathematical formulas and data to be used in calculating the expected credit loss. ▪ The methodologies and policies selected by management, valuation of collateral, assumptions/parameters, macroeconomic criteria and the range of multiple financial scenarios used to determine the discounted cash flows used for loans that are individually assessed. ▪ The methodologies and policies adopted by management, models for measuring credit risk through credit risk factors, such as loss in default, probability of default and exposure to default, and macroeconomic criteria in combination with the range of multiple economic scenarios used to calculate the amount of impairment carried out on a collective basis, taking into account the grouping of similar populations, including the probability of default, loss in the breach and the time period between the occurrence of a particular loss-making event and the date on which it becomes known. Management has provided further information on the accounting principles and policies used to determine the provision for loan	the uncertainties, suitability of the assumptions used against the value of collateral, the estimated future cash flows and the period of recovery. ▪ We recalculated the discounted cash flows by comparing the results as determined by Management and we looked into any differences. ▪ We assessed the completeness and accuracy of disclosures based on the relevant accounting standards. <u>Loans that are assessed on a collective basis:</u> ▪ We assessed the design and implementation of the audit's internal controls which are related to our audit, including internal controls that are related to the significant estimates, data, calculation and methodologies used by examining the completeness and accuracy of the data used in the impairment models, reconciling these data with the systems from which they originated. ▪ We evaluated the policy, provisions calculation methodology and the reasonableness of the impairment model methodology as well as the key judgments adopted and applied by management to the models to determine the credit risk parameters for calculating the expected credit loss. ▪ We checked on a sampling basis the main parameters used to calculate the probability of default, the loss in case of default and the exposure in default in order to calculate the expected credit risk losses at the end of the fiscal year. ▪ We assessed the reasonableness of the impairment model methodology applied by Management and the main crises adopted in the models to determine the credit risk parameters for calculating the expected credit loss.

impairment, credit risk management and the impairment review in Notes 2.7, 4.3, 4.4 and 10 of the corporate and consolidated financial statements.	

2. Recoverability of Deferred Tax Assets (DTAs)	
The Bank's and Group's "DTAs" amounted to EUR 23.7 million and EUR 23.8 million, respectively as at 31 December 2020, compared to EUR 24.8 million and EUR 24.9 million, respectively as at 31 December 2019. For the Bank (and at the Group level), temporary differences mainly relate to (€ 17.3 million) losses arising from credit risk impairment provisions and the proportion of losses from interests in subsidiaries (€ 4.3 million), which may be offset against future taxable profits in accordance with applicable law. Consequently, the recoverability of the recognized "DTAs" depends on the Bank’s ability to generate sufficient future tax profits to cover the temporary differences when they are finalized for tax purposes. At the same time, the Bank has recognized DTAs of € 2.2m in 2020 related to the unamortized debt difference of par. 3 of Article 27 of Law 4172/2013 (loan write-offs) and therefore depends on the specific tax framework of this Law. The measurement of the recoverability of deferred tax receivables is considered a key audit issue as it depends on Management's judgment and estimates of the Bank and the Group’s ability to generate future taxable profits, the assessment of the historical tax losses and the specific tax framework of the Articles 27 and 27^{A} of Law 4172/2013 which may not be appropriate under the circumstances, while the Bank and the Group’s business plan may be affected by the risks of the macroeconomic and banking environment as well as the uncertainty of the Bank continuing	In order to assess the recoverability of the Bank's and the Group's "DTAs" and based on our assessment of the audit risks, we examined the assumptions and methods used by the Bank and the Group to determine the recoverability of the “DTAs” and its assumptions about the existence of future tax profits. The assessment procedures primarily included: • The review of the Bank's business and financing plan, the strategy for the divestment of part of its subsidiaries and Management’s reasonable assumptions and expectations regarding future taxable profits of the Bank and their impact on the “DTAs” balance by assessing the historical nature of the Bank and Group's tax profits, the budget data and calculations that accompany the Bank and Group's business and financing plan provisions. • We evaluated the above assumptions and expectations of the Bank and the Group based on our own assessments and knowledge about the Bank, the Group and the industry, in general. • Assessment of Management's estimates of recent changes in tax Law and the assumptions used to calculate the amount of "DTAs" in accordance with the provisions of articles 27 and 27^{A} of Law 4172/2013 • Assessment of the adequacy and appropriateness of the relevant disclosures for concerning the "DTAs" in the corporate and consolidated Financial Statements Based on the above procedures, we considered that Management’s judgments and assumptions regarding the deferred tax assets were reasonable.

under the principle of going concern as we report in our Report. Management has provided further information on its assumptions and significant accounting estimates for deferred tax assets in notes 4.13.3 and 18 of the corporate and consolidated financial statements.	

Other information

Management is responsible for other information. Other information is included in the Board of Directors' Annual Report, for which special reference is made in "Report on Other Legal and Regulatory Requirements", the Board of Directors Members' Declarations but do not include the financial statements and the audit report thereon.

Our opinion on the corporate and consolidated financial statements does not cover other information and we do not express any form of assurance on them in our opinion.
In relation to our audit of the corporate and consolidated financial statements, it is our responsibility to read the other information and thus to consider whether the other information is materially inconsistent with the corporate and consolidated financial statements or knowledge we obtained during the audit or otherwise appear to be materially incorrect. If, on the basis of the work we have performed, we come to the conclusion that there is a material error in the other information, we are obliged to report this fact. We have nothing to report on this issue.

Responsibilities of management and those charged with governance for the corporate and consolidated financial statements

Management is responsible for the preparation and fair presentation of the corporate and consolidated financial statements in accordance with IFRS as these have been adopted by the European Union and for such internal control as management determines is necessary to enable the preparation of corporate and consolidated financial statements that are free from material misstatement, whether due to fraud or error.
In preparing the corporate and consolidated financial statements, Management is responsible for assessing the Bank and Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless Management either intends to liquidate the Bank and Group or to cease operations, or has no realistic alternative but to do so.
The Bank's Audit Committee (art. 44 4449/2017) is responsible for overseeing the financial reporting process of the Bank and the Group.

Auditor's responsibilities for the audit of corporate and consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the corporate and consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs, as these have been incorporated in Greek law, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these corporate and consolidated financial statements.
As part of an audit in accordance with ISAs, as these have been incorporated in Greek law, we exercise professional judgment and maintain professional skepticism throughout the audit. Also:

- We identify and evaluate the risks of material misstatement of the corporate and consolidated financial statements, whether due to fraud or error, by designing and conducting audit procedures that respond to those risks and obtain audit evidence that is sufficient and appropriate to provide us with a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank and Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank and Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank and the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the corporate and consolidated financial statements, including the disclosures, and whether the corporate and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the corporate and consolidated financial statements. We are responsible for the direction, supervision and performance of the Bank and its subsidiaries' audit.

  We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the corporate and consolidated financial statements of the current period and are therefore the key audit matters.

Report on Other Legal and Regulatory Requirements

1. Board of Directors' Management Report

Having regard that Management is responsible for the preparation of the Board of Directors' Report pursuant to the provisions of article 2(5) of the Law 4336/2015 (part B), we note that:

a) In our opinion, the Board of Directors' Report has been prepared in accordance with the applicable legal requirements of articles 150 and 153 of Law 4548/2018 and its content corresponds to the attached corporate and consolidated financial statements for the year ended 31/12/2020.

b) Based on the information that has been made available to us during our audit, about the Bank and the Group and its environment, we have not identified material inaccuracies in the Board of Directors' Management Report.

2. Supplementary Report to the Audit Committee

Our opinion on the accompanying corporate and consolidated financial statements is consistent with our Supplementary Report to the Bank's Audit Committee provided for in Article 11 of Regulation (EU) No. 537/2014.

3. Provision of Non-Auditing Services

We did not provide the Bank and its subsidiaries with the non-auditing services that are prohibited in accordance with Article 5 of Regulation (EU) No. 537/2014.
The permitted non-auditing services we have provided to the Bank and its subsidiaries during the period that ended on 31 December 2020 are disclosed in Note 28 of the attached corporate and consolidated Financial Statements.

4. Appointment of an Auditor

We were appointed as the Bank's Certified Public Auditor/Accountants for the first time further to a decision taken 18/06/2006 by the annual ordinary general meeting of the Bank. Since then, our appointment has been continuously renewed for a total period of 15 years pursuant to the decisions taken by the ordinary general meeting of the partners of the Bank.

Athens, 11 June 2021

The Certified Auditor-Accountant
STAVROS NIKIFORAKIS
SOEL REG. NO. 11501

AXON CERTIFIED AUDITORS SA
SOEL REG. NO. 138
75 Patission Street, 104 34, Athens

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BOARD OF DIRECTORS’ ANNUAL MANAGEMENT REPORT

On the Consolidated Financial Statements of the Cooperative Bank of Chania Cooperative of Limited Liabilities for the fiscal year 2020.

The following annual report by the Board of Directors concerns the fiscal year 2020 (01.01.2020 to 31.12.2020). The Report is harmonized with the relevant provisions of articles 150 to 153 of Law 4548/18. This report presents in a true manner all the relevant and legally necessary information about the Cooperative Bank of Chania Cooperative of Limited Liabilities (hereinafter the "Bank") and the Group.

The Report is included in the Annual Financial Report for the 2020 fiscal period, together with the financial statements of the Bank and the Group and the other statements and declarations that are required by the law.

Developments in the International and European Environment

The outbreak of the pandemic in early 2020 was a turning point for the world economy. The countries were shaken by a double, unexpected and severe health and economic crisis, and were faced with the worst, in peacetime, economic recession of the last 100 years, as the global GDP, which was already slowing down since 2019, recorded a historical decline of 3.5% compared to an increase of 2.8% in 2019, according to the latest estimates.

The coordinated response of the world’s largest central banks, by lowering interest rates to historically low levels and extending non-conventional monetary policy measures, has enabled governments in all developed, emerging and developing countries of the world, to move forward with an advanced borrowing to finance the financial support measures which helped to mitigate the economic impact of the pandemic.

The volume of world trade in goods and services decreased by 9.6%, while inflation in advanced economies decreased to 0.7% in 2020 from 1.4% in 2019, due to the weakening of global demand, the increase in the production gap due to the crisis, but also die to the fall in international fuel prices.

In the Eurozone, the pandemic caused significant financial losses, reflecting negative effects both in terms of total supply and total demand.

GDP fell by 6.6% in 2020, up from 1.3% in 2019. Employment and business support measures, the increase in the exports of goods, the strong growth of industry and the small recovery in investment from the second half of 2020 mitigated the decline in private consumption and restrained the size of the recession.

Private consumption, which has been the driving force for growth in the euro area in previous years, shrank by 8.0% in 2020 compared to 1.3% in 2019.

As a consequence, the savings rate of households for 2020 is estimated at the highest level since the creation of the eurozone, as a result of both the forced savings due to the social distancing measures and the savings for welfare reasons due to the increased uncertainty.

Total gross fixed capital investments in the euro area decreased by 8.3% in 2020 compared to an increase of 5.7% in 2019.

Inflation, at mid-year levels, fell to 0.3% in 2020 from 1.2% in 2019, as a result of falling international oil prices, the unprecedented decline in domestic demand and the appreciation of the euro.

The economic impact of the pandemic on the eurozone has led to significant job losses. Unemployment rose to 7.8% on average in the whole year compared to 7.5% in 2019

Developments in Greece

The Greek economy, being mainly a service economy with a large share of tourism and retail trade, has been hit hardest in relation to other EU countries.

As a result, the pandemic crisis has reversed the course of the mild recovery to which the Greek economy has entered since 2017. GDP decreased by 8.2% as both domestic and external demand shrank. The tourism activity has declined sharply due to the global spread of COVID-19 and the restrictive measures taken by most governments. At the same time, the suspension or limitation of the operation of enterprises due to the lockdown measures, especially in the second and fourth quarters of the year, had a negative impact mainly on services.

A crucial parameter has been the exercise by the Greek Government of the necessary fiscal policy by taking measures of unprecedented size and scope, amounting to 11.2% of GDP, to safeguard employment, protect entrepreneurship and stimulate shrinking domestic demand. Along with the credit expansion to businesses, the measures to suspend the payment of loan installments for the affected debtors and other facilities offered through State interventions for the repayment of debts, the emergency policy measures, although they had significant financial costs, mitigated the particularly negative effects of the pandemic on the available income and employment.

For the first time in several years there has been a shift in the budgetary primary result from a surplus to a deficit and a significant increase in the public debt to GDP ratio. In particular, the primary deficit is expected to be 7.0% of GDP, compared to a surplus of 3.6% of GDP in 2019.

As a result of the decrease in demand and the transfer of products to the reduced VAT rate, the average annual inflation in 2020 was negative (-1,3%).

In the labor market, the increase in total employment and the fall in the unemployment rate recorded in previous years were halted by the COVID-19 pandemic and the temporary suspension of operations in the period March-April 2020 and November-December 2020, particularly in the accommodation and food services.

2021 is expected to mark the end of the pandemic and the return to normality. The outlook for the current year is particularly positive, with estimates suggesting a strong recovery at macroeconomic level. Key sectors of the economy that have been severely affected, such as tourism and catering, are expected to gradually return to pre-Covid levels. At the same time, the exploitation of European resources (Recovery Fund, NSRF, etc.) will play a key role in this direction as of the second half of 2021 and for the next decade, in order to strengthen the development dynamics and restore the budgetary balance without the need to return to the strict austerity policies of the past.

The speed with which the Greek economy will recover depends on three main factors:

- The acceleration of the vaccination campaign not only nationally but also globally.
- Maintaining, until the end of the pandemic and until the recovery is consolidated, budgetary interventions and emergency measures by the banking system, targeted at categories of workers, as well as in productive sectors that have been hit hardest but remain economically sound.
- The speed of activation of the National Recovery and Resilience Plan for the absorption of the capital resources that Greece is entitled to from the European recovery program NGEU agreed by the European Council in order for the Member States of the European Union to deal with the consequences of the pandemic.

The effects of the pandemic created two major challenges for the Greek economy:

1. The acceleration of its overall transformation with the aim of increasing productivity and strengthening the development of the digital and green economy; and
2. The immediate and comprehensive response to the problem of non-performing loans.

The challenge for the post-Covid economic policy is therefore to record high GDP growth rates so that losses be recovered more quickly, the economy be put on a solid growth trajectory, the financial balance be quickly restored and the public debt to GDP ratio be placed on a downward path. For this to happen, however, a minimum set of basic requirements must be met, such as:

- Effective use of European funds.
- Definitive resolution of the problem of non-performing loans (NPLs).
- Completion of the tax reform.
- Restructuring of public expenditure.
- Increase in public investment.
- Completion of the digital transformation of the economy and society.
- Protection against future infectious diseases and tackling the consequences of climate change.

Greek Banking System

The ECB's package of measures, including the acceptance of Greek bonds in refinancing operations and supervisory measures, has significantly increased the liquidity of the Greek banking system.

At the same time, government interventions to mitigate the pressures on the liquidity of the affected companies, through the programs of the Hellenic Development Bank in particular, set the stage for the significant acceleration of bank financing to non-financial enterprises in 2020. The annual growth rate of bank financing to the private sector stood at 1.2% on average in 2020, compared to a negative rate of -0.4% in 2019.

Non-performing loans amounted to EUR 47.4 billion at the end of December 2020, reduced by approximately EUR 21 billion compared to the end of December 2019. The ratio of NPLs to total loans remains high, at 30,2%, compared to an average of only 2,8% in the EU. However, compared to March 2016, when the largest volume of NPL was recorded, a reduction of around EUR 60 billion has been achieved. Unfortunately, the consequences of the pandemic in the banking sector are expected to intensify in 2021, as the estimates point to the creation of new NPLs of 8-10 billion euro.

In 2020, bank deposit rates maintained their downward trend. As regards the cost of bank lending to households, mortgage rates have fallen slightly and consumer lending rates have kept up their upward trend.

The main factors that shaped the banks 'financial and supervisory figures during 2020 were:
- The significant increase in their income, but mainly from non-recurring income from financial transactions and not from interest-bearing operations.
- The formation of increased provisions for credit risk.
- The maintenance of capital adequacy at a satisfactory level.
- The reduction of the stock of non-performing loans (NPLs).
- The operating expenses decreased, mainly due to the further contraction of the staff and the consequent reduction of the relevant expenses.

The most important challenges faced by Greek banks today are summarized as follows:

1. Non-performing loans.
2. The deferred tax claims.
3. Low operating profitability due to low interest rates.
4. The growing competition from non-banking institutions.
5. Various challenges stemming from the imperfect banking union, from the effects of climate change and from cyber attacks.

The Cooperative Bank of Chania

The economic crisis and recession that have plagued the Greek economy and society for about a decade, have led to the complete restructuring of the domestic financial system. At the same time, the pandemic crisis has tested not only the country's economic and social resilience but also the global community. Our Bank managed to successfully face all challenges, acting as a stable pillar of the financial system, and guided by the relationship of trust with Customers, values, responsibility and innovation, is confidently making plans for the future to play a leading role in the recovery of the local and national economy.

Having a wide portfolio of products and services, meeting the specific and ever-increasing needs of customers and the excellent knowledge of the specific conditions of the local community, the Bank aims to expand its cooperation with households and businesses and to strengthen the size of deposits and to increase the number of depositors.

In 2020, the Bank continued dynamically to implement digital transformation projects to upgrade its telecommunication systems, to replace its ATMs with more state-of-the-art machines, to upgrade the electronic banking platform and the electronic document archiving system, to renew its website and to develop new digital applications (eg mobile transactions).

The coronavirus pandemic and its effects

During the first quarter of 2020, the new coronavirus (COVID-19) began to spread globally and was designated by the World Health Organization as a pandemic, initially causing a health crisis that quickly spread to multiple levels, with social implications and serious effects on the world economy.

The Cooperative Bank of Chania, following closely the developments since the beginning of the crisis, has taken and continues to take immediately and decisively all the necessary measures to ensure the health of its employees and customers. At the same time, it redefined its procedures by implementing a credible crisis management plan, ensuring its operational continuity and uninterrupted support to the Greek economy. At the same time it assessed the adequacy of its systemic resources and also proceeded with all the necessary actions in order to safely implement for the systems and the critical data, a teleworking program.

2021 is expected to mark the end of the pandemic and the return to normality, with particularly positive prospects. However, the banking system is called upon to play a central role in the recovery phase of the economy and in the future. Our Bank, with a sense of responsibility towards society and its customers, actively supports this effort, since the pandemic crisis finds it in a strong capital position, both in terms of liquidity and capital base. The Bank participates in the action related to the support of the companies affected by the pandemic in the form of covering the interest on the business loan liabilities, while it promotes mitigation measures for borrowers, natural and legal persons, which include moratoria for their loan liabilities from 3 to 9 months. At the same time, it participates in the programs of the Hellenic Development Bank for the lending of companies that have been affected by the health crisis, with interest-free working capital loans for the first two years and particularly favorable terms thereafter, and accepts and evaluates business applications for working capital loans with the guarantee of the COVID-19 Guarantee Fund at a rate of 80%. Finally, it participates in the Gefyra I and II programs concerning the subsidization of loan installments with a mortgage pre-notation or mortgage on the primary residence, as well as the public contribution for the repayment of business loans for borrowers affected by the adverse effects of the coronavirus, respectively.

The Bank's Network

The Bank's sales network currently has 23 branches in Crete and Attica.

The Bank's branch network in Crete consists of 16 points of sale and in particular 8 branches operate in the Prefecture of Chania, 1 branch operates in the Prefecture of Rethymno, 4 branches are located in the Prefecture of Heraklion and finally 3 branches are located in the Prefecture of Lassithi.

The branch network in Attica consists of 7 points of sale in Maroussi, Peristeri, Agia Paraskevi, Kallithea, Syggrou Avenue, Pagrati and Dragatsaniou.

Issuance of a bond loan

For the strengthening of the Bank's supervisory funds and taking into account the expiry of the first issue of the Bank's bond loan of € 9 million that was performed in 2015, a subordinated bond loan was issued in 2020 for a total amount of € 4 million.

Liquidity

In 2020, the Bank further improved its liquidity, increasing its deposits by € 77 million on 31.12.2020, marking a percentage change in its total deposits of 13.6% compared to 31.12.2019 (increase of deposits of 44.7% in 2019).

This increase in liquidity also contributed to the further strengthening of the liquidity supervisory ratios, exceeding the minimum supervisory limits by 100%. Specifically, on December 31, 2020 the Liquidity Coverage Ratio (LCR) reached 224% and 228% for the Group and the Bank respectively, while the Net Stable Funding Ratio (NSFR) amounted to 136% and 142% for the Group and the Bank respectively.

Finally, it is reported that the Bank had high levels of liquidity throughout the pandemic, and throughout 2021 until today, it maintains equally high liquidity ratios as well as a liquidity reserve, without any outflow of deposits or any other adverse effect on its liquidity due to the COVID-19 pandemic.

Capital Adequacy

The capital adequacy ratio of the Group as at 31 December 2020 appears improved, compared to 31.12.2019.

On 31.12.2020, on a consolidated basis, the Capital Adequacy Ratio stood at 14.6% (2019: 14%) and on an individual basis at 14.5% (2019: 13.8%).

According to the new provisions (Law 4261/2014 and EU Regulation 575/2013), the following capital buffers have entered into force since 01/01/2016:

Capital Conservation Buffer Expressed as a percentage of the total risk exposure amount, it will gradually rise to 2.50% from 01/01/2019 as follows: 0.625% on 01/01/2016, 1.25% on 01/01/2017, 1.875% on 01/01/2018 and 2.50% on 01/01/2019.

Countercyclical capital buffer: Expressed as a percentage of the total risk exposure amount and ranges between 0% and 2.50%, while it is also possible to increase to more than 2.50% if justified under the provisions of Article 127 (3) of Law 4261 / 2014. For 2019 and 2020, the Bank of Greece set the countercyclical capital buffer ratio at 0%.

Based on decision 353/10.04.2020 by the Credit and Insurance Committee and as part of the Supervisory Review and Evaluation Process (SREP), additional capital requirements of 2.68% were set for the Bank for the year 2020 and for the year 2021.

Based on all of the above, the minimum capital adequacy ratio that is required by the Bank for 2021 is 13.18%.

Year	Capital Adequacy Ratio	Buffer under Law 4261/2014	Additional SREP Requirements	Total Capital Adequacy Ratio
2019	8.00%	2.50%	2.60%	13.10%
2020	8.00%	2.50%	2.68%	13.18%
2021	8.00%	2.50%	2.68%	13.18%

Moreover, in accordance with the BoG's Decision 353/7/10.4.2020, it was recommended to the Bank to meet an additional margin of Pillar 2 Capital Guidance of 0.50%, in addition to the total capital requirements of the SREP and security reserves. The additional margin of Pillar 2 Capital Guidance should be held in Class 1 (CET 1) common stock. However, taking into account the exceptional circumstances created by the COVID-19 pandemic, the Bank is allowed to operate below the level of the Pillar 2 Capital Guidance, for reasons related to the financial implications and operational difficulties due to the pandemic.

In addition, it should be noted that due to the significant contribution of deferred taxation to regulatory capital, the risk associated with the recognition of deferred tax assets (DTA & DTC, Article 27 and 27a of Law 4172/2013) is significant and associated with future tax rates and any adverse changes in the legal and regulatory framework governing the handling of deferred tax assets in regulatory capital.

Handling of non-performing exposures (NPEs)

The Bank regularly adjusts its strategy for managing Non-performing exposures (NPEs) in the context of existing adverse financial conditions.

Over the past few years, the Bank has implemented a very important revision of the management and strategy infrastructures of the NPEs, by relying on the Acts of the Executive Committee and the other instructions of the Bank of Greece and the European Banking Authority.

In particular, the Bank is in the process of completing the following:

Organizational restructuring: Significant redesign with the creation of new independent administrative structures and the implementation of thoroughly documented practices and policies on its arrears portfolio.

• Development of new and flexible products for final arrangements and procedures.
• Human resources management with specialized teams and targeted training.
• Significant investment in IT equipment.

During the past years of submitting Operational Objectives under the Arrears Handling Strategy, the Bank achieved a reduction in Non-performing Exposures (NPEs) and Non-Performing Loans (NPLs) in line with its objectives, despite the adverse macroeconomic environment and the difficulties it faced in handling them.

Due to the particularly unfavorable conditions caused by the COVID-19 pandemic in 2020, the NPEs increased by € 8 209.6 million. Similarly, the amount of NPLs in 2020 increased compared to 2019, amounting to € 166,4 million.

The NPEs ratio improved and stood at 43.9% compared to 44.5% in 2019. The NPL index stood at 34.9% instead of 34.3% for 2019.

In November 2020, the Bank submitted to the Bank of Greece its strategic objectives for the NPEs/NPLs, which illustrate the Bank's targeting for the management and reduction of the NPEs by the end of 2023, foreseeing a reduction of them through the reformed Strategic Management of the NPEs of the Bank, despite the interim deterioration of their size provided for in the short term due to the current economic situation and the adoption of an even more stringent supervisory framework for default.

Specifically, the Bank's objective was to significantly reduce NPEs and to achieve an NPE ratio of 21% by 2022 and 16% by 2023.

In this direction, the Bank prepared a Recovery Plan in 2020 that sets out the stress tests scenarios, monitoring indicators for timely reporting to management and their limits, as well as the actions that can be implemented by the Bank if any of those stress scenarios comes true. Meanwhile, the policies and procedures related to its monitoring and implementation have been updated to fully incorporate all those set out in the Recovery Plan in the Bank's corporate governance.

The following Table shows the most important ratios for monitoring and managing the Bank's Loans.

Account/Ratio	**2020**	**2019**
€ / %		
Loans	477.324.132	453,173,794
Accumulated provisions	86.936.600	81,437,762
Loan Coverage Value*	460,840,240	463,320,085
Non-performing exposures (NPEs)	209,636,932	201,546,242
of which: Non-performing loans (NPLs)	166,436,391	155,586,465
of which: Definitive delays	136,752,219	130,089,209
Non-performing exposures (NPEs)/Loans	43.9%	44.5%
Non-performing loans (NPLs)/Loans	34.9%	34.3%
Definitive arrears/loans	28.6%	28.7%
Provisions/ Loans	18.2%	18.0%
Coverage of NPLs	40.2%	39.3%
Coverage of NPEs	38.6%	37.2%
Collateral / Loans	96.5%	102.2%
Collateral and provisions / Loans	114.8%	120.2%
Average loan interest rate	5.9%	5.9%

In view of implementing the operational objectives set for the management of the NPEs for 2021, the following were taken into account:

- the impact of the pandemic, despite the limitation measures of the NPEs implemented by the Bank in 2020, such as the State support programs and the special programs for the support of affected borrowers (moratoria), in line with the framework announced by the Government and the Hellenic Bank Association.
- the general forecasts for the course of the Greek economy and its key figures. Indicatively, due to the measures to halt the pandemic, a gradual improvement of the country's economic climate is expected from 2021 onwards.
- factors affecting the functioning of the banking system, such as the possibility of conducting electronic auctions, which made the process more flexible for creditors, if the process is normalized in the light of the developments with respect to the pandemic;

* In 2020, the calculation of collateral was amended.

- the impact of the current legal framework and in particular the acceleration of pending cases under L.3869, the imminent amendment to L.4224, the application of the new L.4738 on debt settlement and provision of a second chance, the adoption of Decision 185/2021 on the establishment of a framework for the obligations of financial institutions, under par. 2 and Article 209 of Law 4738/2020 etc., as well as the operation of special electronic platforms for the management of these cases
- the administrative and managerial changes that will be made to the management of the Bank's NPEs by adopting Act 175/2020 - Subject 2 on the adoption of the European Banking Authority's EBA/GL/2018/06 Guidelines, which replaced Decision 42/30.5..2014
- the implementation of the new definition of Default entered into force on 1/1/2021 had a negative impact on the size of the NPEs. The new definition is applicable for the purpose of drafting its financial statements, fully in line with the definition of NPEs as defined by the European Banking Authority, the Guidelines on the application of the definition of default pursuant to Article 178 of Regulation (EU) No 575/2013 (EBA/GL/2016/07), and in accordance with Annex V to Commission Implementing Regulation (EU) No 680/2014 of 16 April 2014, as amended by Commission Implementing Regulation (EU) 2015/227 and Regulation (EU) 2019/630 of the European Parliament and of the Council, which essentially incorporates the definition of Non-Performing Exposure pursuant to Annex V of Implementing Regulation 680/2014 to Regulation (EU) No 575/2013. The definition of default is fully harmonized with the definition of credit-impaired loan.
- other factors such as local conditions, internal infrastructures (information systems, personnel, organizational structure), as well as the experience so far from the management of the specific portfolio of the Bank's Non-Performing Loans.

The main axis for achieving the reduction of NPEs/NPLs is the scenario of the sale and/or de-recognition of loans of part of the stock of Non-Performing Exposures through securitization, in 2022.

Conversion of a deferred tax asset into a definitive and settled claim against the Greek State (Article 27a of Law 4172/2013)

The Bank, pursuant to the decision of the Extraordinary General Meeting of November 24, 2015, has been subject to the provisions of article 27A of Law 4172/2013 on the voluntary conversion of deferred tax claims, on temporary differences, into final and settled claims against the Greek State.

This guarantees the provisional tax claim (DTA) by converting it into a definitive claim (DTC), with a corresponding benefit in the calculation of regulatory capital.

The maximum amount of deferred tax assets that can be converted into a final and outstanding claim on the Greek State amounts to approximately EUR 18.5 million.

Risk Management

The purpose of the Risk Management Unit is to design and implement risk management policies in accordance with the guidelines of the BoD of the Bank and the applicable instructions of the Supervisory Authorities (Bank of Greece, European Central Bank, European Banking Authority).

The main risks to which the Bank is exposed, according to the nature of its activities, are credit and operating risks.

- For credit risk, the Standardized Approach is followed, as provided for in Regulation (EU) No 575/2013 (Articles 111-133).
- For operational risk, the Key Indicator approach is followed, in accordance with Articles 315 - 316 of Regulation (EU) No 575/2013.

In addition to the above, the Bank is exposed to the following risks:

- Interest rate risk, which relates to the possibility of unexpected changes in interest income and / or expense as a result of changes in interest rates (due to the time mismatch in the adjustment of asset and liability interest rates). The Bank's exposure to this risk is relatively small, as almost all of the interest bearing assets and liabilities are at a floating rate.
- Liquidity risk, which is related to the Bank's potential inability to find sufficient cash to meet its liabilities. In order to manage this risk, the principles of liquidity risk management, as reflected in the Management's decisions, are applied in conjunction with the Liquidity Risk Management Strategy and the current framework setting out liquidity limits.
- Technological risk, which involves insufficiency of technology and information systems and failure of either one of these systems. Because of this, it is pointed out that there is a need to protect systems both from external factors and from intrinsic difficulties. The technological risk also includes the possibility that any of the Bank's investments in an information system or technological equipment fails to deliver the expected results.
- The legal risk is due to changes in the legal framework governing the operation of a credit institution, as well as the imposition of penalties and/or fines by supervisory and/or judicial authorities that, as a consequence, affect the profitability and alter the institution's position. For example, a court ruling on a particular bank may have broader implications in resolving important banking issues throughout the banking system. Particular attention should also be paid to the thorough understanding of the international supervisory framework, as it may be interpreted in various ways and a misunderstanding could lead to substantial fines. Finally, legal risk is also linked to the institution's reputation risk.
- Reputation risk, which is considered to be of particular importance and is associated with the risk of damage to the credit institution's reputation due to negative publicity. It is mainly caused by past failures of the institution's activities, management or products. This type of risk is considered to be crucial, because the damages it may cause cannot be accurately predicted and it is therefore necessary to monitor it continuously.
- Compliance risk which means the risk of legal or supervisory penalties, financial loss or impact on the reputation of the credit institution as a result of its failure to comply with laws, regulations and/or codes of conduct. Compliance risked faced by the Bank was limited as the Bank took all measures necessary to restrain it.
- Market risk, which consists of foreign exchange risk and trading risk. With respect to this type of risk, the following apply:

(a) With respect to the currency risk, in accordance with Rule 351 of Regulation (EU) No 575/2013, as long as the sum of the Bank's equity in foreign currency and gold does not exceed 2% of its total equity, the Bank does not create a capital requirement.

(b) With respect to the trading book risk, since the volume of its activities is extremely low and never exceeds 6% of its total assets, as set out in Article 94 of Regulation (EU) No 575/2013, the capital requirements for this risk are covered by the capital requirements created for credit risk.

Group - Developments

The following are the consolidated companies of the group and their respective voting rights:

	Group Voting percentage	
Subsidiary Name	**31.12.2020**	**31.12.2019**
CRETAN REAL ESTATE SA	74.46%	74.46%
CRETAN HOLDINGS SA	100.00%	100.00%
CHANIA HOLDINGS SA	-	100.00%
BIOCHEM SA	79.88%	79.88%
ABEA	71.69%	71.69%
PRIME ENERGY GROUP OF COMPANIES SA	100.00%	100.00%

In 2020, the Bank fully absorbed its subsidiary "Chania Holdings SA".

Prospects for the Future

The main objectives of the Group for the year 2021 are the following:

- Strengthening the financial figures and the increase of the internal capital with the ultimate goal of increasing the price of the cooperative share, but also the capital strengthening of the Group.
- Establishing strategic partnerships with a view to strengthening the Bank's position against competition.
- Handling effectively the portfolio of non-performing loans, in order to reduce the relevant ratio and improve the quality of the Bank's portfolio.
- Handling and utilizing effectively the Group's real estate.
- Further strengthening the capital adequacy ratio on an individual and consolidated basis.
- Managing effectively the risks to which the Bank is exposed, maintaining a dynamic risk management framework.
- Maintaining deposits and liquidity reserves at high levels.
- Creating modern financial products and tools tailored to the needs of its customers.
- Further strengthening the Bank's digital infrastructure, streamlining the products and services provided, and expanding digital transactions in order to better serve and respond to the needs and requirements of customers.
- Increasing the Bank's profitability through the improvement of the net interest margin and the retention of its operating expenses.
- Maintaining the Bank's business support policy to further develop them and increase their competitiveness through participation in actions and programs, as well as supporting in practice its customers, businesses and households affected by the COVID-19 pandemic.
- Actively supporting the local community, within the framework of the Bank's corporate responsibility program, through the implementation of actions that create value for all parties and have a positive impact on the environment and culture.

Evolution of financial figures and profit and loss for 2020

Assets

The total assets of the Bank on 31.12.2020 increased by approximately € 73m (€ 71m for the Group) compared to 31.12.2019, an increase which is mainly due to the significant improvement of the liquidity of the Bank (€ 42 million), to the increase of its loans after provisions (€ 19 million), as well as the increase of the investment property (€ 10 million).

Amounts in EUR	GROUP		BANK	
ASSETS	**2020**	**2019**	**2020**	**2019**
Treasury and cash on hand at Central Banks	(210,466,804)	169,555,929	210,223,817	169,394,030
Receivables to financial institutions	(8,921,516)	7,839,051	(8,921,516)	7,839,051
Loans (balance after provisions)	355,297,452	333,885,075	390,387,534	371,735,783
Deferred tax assets	23,820,235	24,928,645	23,711,023	24,834,026
Other assets	117,715,698	108,892,532	74,699,601	60,826,648
TOTAL ASSETS	**716,221,705**	**645,101,232**	**707,943,491**	**634,629,538**

Loans

The total loans (before provisions) of the Bank on 31.12.2020 amount to € 477.3m (€ 442.3m for the Group), compared to € 453.1m (€ 415.2m for the Group) in 2019, showing an increase of 5.3%. The Bank's cumulative provisions for 31.12.2020 amount to € 86.9 million compared to € 81.4 million in 2019. The coverage ratio of total loans to provisions of the Bank for 2020 reached 18,2% compared to 18% in the previous year.

Amounts in EUR	GROUP		BANK	
	2020	2019	2020	2019
Loans and receivables to customers (total) less	442,231,931	415,319,243	477,324,134	453,173,561
Provisions formed for credit risk	(86,934,479)	(81,434,168)	(86,936,600)	(81,437,778)
Loans (balance after provisions)	355,297,452	333,885,075	390,387,534	371,735,783

Liabilities

The Bank's deposits on 31.12.2020 amount to € 641.9m compared to € 564.9m in 2019, marking an increase of € 77m (a percentage change of 13.6%). The balance of the bond loans amounts to € 16.6m (after the repayment of a € 9m bond and the issue of new € 4m bonds in 2020).

Amounts in EUR	GROUP		BANK	
LIABILITIES	2020	2019	2020	2019
Deposits	642,736,360	565,767,730	641,958,625	564,959,442
Issued debt securities and other loans	16,627,878	21,629,177	16,627,878	21,629,177
Other liabilities	10,315,565	11,928,504	5,328,922	5,502,320
TOTAL LIABILITIES	**669,679,803**	**599,325,411**	**663,915,426**	**592,090,939**

Equity

The number of Bank members at the end of 2020 amounted to 26,809 compared to 26,434 in 2019, while Equity stood at € 44m compared to € 42.5m in 2019, marking an increase of 8.5%. At Group level, Equity amounts to € 46.5m compared to € 45.7m in 2019. It is noted that the Bank's Capital Adequacy Ratio for 2020 is 14.5%, while for the Group it is 14,6%, compared to the minimum regulatory ratio of 13.18%.

Amounts in EUR	GROUP		BANK	
EQUITY	2020	2019	2020	2019
Cooperative Capital	19,739,325	19,714,140	19,739,325	19,714,140
Premium	84,897,961	84,796,381	84,897,961	84,796,381
Own cooperative subsidiary shares	(303,890)	(303,890)	-	-
Reserves	4,487,109	4,452,885	4,458,953	4,432,519
Retained earnings	(65,093,726)	(66,194,759)	(65,068,174)	(66,404,441)
Non-controlling interests	2,815,122	3,311,065	-	-
TOTAL EQUITY	46,541,902	45,775,821	44,028,065	42,538,600
Capital Adequacy Ratio	**14.6%**	**14.0%**	**14.5%**	**13.8%**

Other ratios	GROUP		BANK	
	2020	**2019**	**2020**	**2019**
Average deposit interest rate	-	-	0.85%	1.4%
Loans/Deposits	-	-	74.3%	80.2%
Personnel expenses / Total operating expenses	49.3%	49.2%	53.9%	54.5%
Cost / Income	67.5%	73.7%	53.1%	59.7%

Financial results

Net interest income for the Bank stood at € 21.4m compared to € 19.4m in 2019 and at group level at € 18m from € 16.1m in 2019. Interest margin is 5% in 2020 compared to 4.4% in 2019. Profit before tax amounted to € 2.7m compared to € 3.9m in 2019 for the Bank, while at Group level, pre-tax profit amounted to € 0.6m compared to € 3.7m in 2019. Net profit after tax stood at € 1.8m compared to € 3.1m in 2019 for the Bank and at Group level at € 0.8m compared to € 2.5m in 2019. The provisions to cover credit risk from loans and other receivables amount to approximately € 8.1m in 2020 compared to € 2.9m in 2019 for the Bank and the Group respectively.

Amounts in EUR	GROUP		BANK	
FINANCIAL RESULTS	**2020**	**2019**	**2020**	**2019**
Interest income	25,015,742	24,464,756	28,040,356	27,364,407
Net interest income	18,047,465	16,184,329	21,411,204	19,415,197
Net commission income	1,370,280	1,729,761	1,379,368	1,741,900
Operating expenses	18,379,999	18,143,479	14,284,166	14,126,738
Operating income	27,765,003	24,613,174	26,866,826	23,643,950
Provisions for credit risk	(8,101,493)	(2,902,024)	(8,100,003)	(2,905,643)
Impairment of other fixed assets	(569,954)	336,682	2,430	241,606
Ratio of profits / (losses) from holdings in associated companies	(67,420)	(184,550)	-	-
Ratio of profits/(losses) from holdings in subsidiaries	-	-	(1,728,387)	(2,902,025)
Results before taxes	**646,137**	**3,719,802**	**2,756,700**	**3,951,151**
Income tax	194,461	(1,227,988)	(967,777)	(815,232)
RESULTS AFTER TAXES	**840,598**	**2,491,815**	**1,788,923**	**3,135,919**

Social contribution

Respecting the fundamental values and traditions and always true to the vision of its founders, for a people-centered Bank that seeks to be an active and responsible corporate citizen, the Cooperative Bank of Chania plans and develops over time its business activity with a central focus on its contribution to society. Having its roots in Chania, it remains true to its place, helping the local community, culture, environment and people. With a sense of responsibility towards them, the Bank creates value for all stakeholders, actively supports the local community and supports its fellow citizens who are in need.

In this direction, the Bank has been planning for a decade now a dynamic corporate social responsibility program which is constantly enriched with new actions that meet the needs of society. The program is divided into three main pillars: Individuals, Culture, Environment.

Individuals

In 2020, the Cooperative Bank of Chania contributed to local society by donating to social organizations basic necessities worth a total of 54 thousand euros, while supporting sports and charities, cultural associations, monasteries, educational institutions, local authorities and theaters with the amount of 30 thousand euros. The Bank proceeded with additional actions worth approximately EUR 53 thousand as part of its active contribution to the nationwide effort to tackle coronavirus and the effects of the disease. Specifically, it offered health material to public health system operators and donated tablets to Municipalities, which were made available to students for the continuous continuation of the educational activity during the periods of lockdown.

Culture

The Bank, being particularly sensitive to cultural issues, supports cultural, ethnographic and philological associations, sports teams, educational institutions and local government initiatives. At the same time, it has undertaken the permanent maintenance of the archaeological site, which is located in the administration building and central store.

In addition, the Bank keeps alive the historical memory of its Group companies, through rich archival material, consisting of photographs, videos, documents and commemorative items.

Finally, it provides for free a meeting room in the administration building for the conduct of non-profit events, organized by various agencies.

Environment

Having as its main concern to protect the environment and to reduce its environmental footprint, the Bank implements environmentally friendly practices and technologies and ensures the reduction of the consumption of electricity, heating oil and water so that both the central administration building and its branches comply with the requirements of the energy efficiency regulations. In addition, the Bank is also active in the recycling of materials such as paper, plastic and batteries.

Labor issues:

Beyond the three pillars, labor relations are of special importance for the Group.
The Group places great emphasis on the development of skills and professional progress of its human resources, and supports the employees in their lifelong training and education. It offers wages based on the national labor market, ensuring the observance of the respective labor laws. Finally, the Group ensures a healthy and safe working environment for its employees, and applies a non-discriminatory policy and respects the diversity of its employees.

INFORMATION ON A CONSOLIDATED BASIS FOR 2020 IN ACCORDANCE WITH THE PROVISIONS OF ARTICLE 6 OF LAW 4374/2016.

PAYMENTS FOR ADVERTISING-MARETINGK-PROMOTION ARTICLE 6 PAR. 1 OF LAW 4374/2016	
COMPANY NAME	**TOTAL**
24 DIGITAL MEDIA SA	12,000.00
ALPHA RADIOFONIKI S.A.	6,002,33
BANKINGNEWS S.A.	7,200.00
CRETALIVE LTD	6,000.00
CRETAPOST SINGLE MEMBER PC	2,400.00
FINANCIAL MARKETS VOICE EDITIONS S.A.	5,000.00
FORUM EXHIBITIONS CONFERENCE EDITIONS SA	4,340.00
NEWSIT LTD	8,727.29
PLUS EUROPE SINGLE-MEMBER IKE	36,350.00
PRESS CENTER SINGLE-MEMBER IKE	13,200.74
QMEDIA RADIO TELEVISION LTD	7,200.00
QUANTUM SOCIETE ANONYME SOCIETE ANONYME	465.00
RAW OIL IMPORT S.R.L.	560.00
THE MEDIA WORKSHOP SINGLE-MEMBER LTD	2,000.00
THE YELLOW TOOLBOX SA	33,600.00
ANGELAKI KYRIAKI	1,200.00
ANGELAKIS N&I CRETAN NEWS MEDIA LIMITED LIABILITY COMPANY	320.00
AGONAS KRITIS IKE	5,810.00
ATHANASIADIS P. and Co. S.A.	12,001.00
TRUE RADIO SA	375.00
ALTER EGO MEDIA S.A.	5,000.00
ANASTASAKIS ANTONIOS I.	5,790.00
ANEZAKIS EPAMINONDAS	3,600.00
INDUSTRIAL PUBLIC LIMITED COMPANY "ANATOLI" SA	570.69
APOSTOLIDIS PUBLISHING & CO. OE	610.00
I. FOKA BROS O.E.	500.00
GALANIS GEORGIOS	35.48
GENERAL RADIO TELEVISION ENTERPRISES SA	1,074.51
GIAITSIS PANTELIS PUBLISHING FTP	3,860.00
GRAPHOTECHNIKI KRITIS SA	3,600.00
DARAKIS ZACHARIAS	165.32
DRIKAKIS F. GEORGIOS	350.00
PUBLISHING - PRINTING SA	17,871.95
HELLENIC RADIO TELEVISION SA	2,600.00
ELPIDOFOROS PAPPAS	276.12
ENEHA KANHANHA	1,920.00
EPIKOINONIAKI KRITIS AE KRITIKI TILEORASI ENA	500.00
ZOUGLA GR S.A. MESON ILEKTRONIKON MAZIKIS EPIKOINONIAS	6,001.24
IKAROS RADIO TELEVISION ENTERPRISES SA	16,201.55
KALAITZAKIS PUBLISHING ENTERPRISES SA	1,300.00
KALAFATIS GEORGIOS AND CO. O.E.	185.00
KAPITAL.GR S.A.	3,000.00
KOZYRI KALLIOPI - KOZYRIS MICHALIS OEE	1,012.50
KOVATSIS VAS. ANASTASIOS	150.00
CYCLOS SA	3,600.28
MATHIOUDAKIS MEDIA SA	3,830.00
MARIS CHARALAMPOS CHAR.	1,159.40
MAVRIDAKI IAK. ATHINA	1,800.00
METRON ARISTON LTD	7,800.00
MOUNTAKIS K. ANTONIOS NEWSPAPER PUBLICATIONS	1,936.00
A. MYKONIATIS PUBLICATIONS SA	5,500.00
ANGELAKIS N. & I. CRETAN MEDIA LTD	2,320.00
NEO RADIOFONO TON DIMOSIOGRAFON LTD.	6,003.57
DAOUDAKIS EMMANOUIL	1,792.00
OIKONOMAKOS VASILEIOS SPYRIDON	150.00
PGS KISSAMIKOS PAE	5,000.00
PANCRETAN CULTURAL COMPANY	470.00
PANCRETAN RADIO TELEVISION SA	26,998.44
PANCRETAN NEWS - CRETAN FESTIVALS ASSOCIATION OF CRETAN TRADITION "KRITIKI MOUSA"	240.00
PAPADAKIS MICHALIS G.	1,800.00
PAPADOGIANNAKI KON. MARIA	3,600.00
PAPAKOSTANTI G. VASILIKI	2,400.00
PAPPAS DIMITRIOS	6,000.00
PARAENA SINGLE-PERSON LTD.	12,999.59
PATERAKIS GEORGIOS	1,000.00
PAVLIDAKIS I. MARKOS	2,533.00
PITSONIS KON. VASILEIOS	250.00
RADIO TELEVISION SINGLE-PERSON Ltd.	6,100.00
SAMIOTI P. ELENI	3,000.00

SEGREDAKIS NIKOLAOS	3,800.00
SKOUTARAS B. SA	9,625.89
STAVRIDI ELENI	9,100.00
STRATAKIS I. IOANNIS	100.00
SYN.KA CRETE P.E.	5,000.00
TZILIVAKIS ILIAS	200.00
TELEOPTIKI RETHYMNOU SA	34,043.82
TRIPODAKIS GIORGOS	3,600.00
TSILIS GEORGIOS SOTIRIOS	180.00
CHANIA LIVE TV OE	7,200.00
Grand Total	**422,057.70**

NOTE: The above amounts include 24%

DONATION-SPONSORSHIP-GRANT PAYMENTS Under ARTICLE 6 PAR. 2 OF LAW 4374/2016	
COMPANY NAME	**TOTAL**
EXECUTIVE TRAVEL SINGLE-PERSON LTD	470.00
BROTHERHOOD OF ASIA MINOR OF THE PREFECTURE OF CHANIA “AGIOS POLYCARPOS”	300.00
SPORTS UNION OF CRETAN WORKERS SYN.KA “AEEK SYN.KA”	2,000.00
CHANIA SPORTS CLUB ‘O KYDON’	500.00
ANNOUSAKEIO CLINIC	3,166.02
GENERAL HOSPITAL OF CHANIA	16,453.28
GYMNASTICS ASSOCIATION ELEFTHERIOS VENIZELOS	450.00
MUNICIPALITY OF APOKORONOU	4,726.26
MUNICIPALITY OF KANTANOS-SELINOS	4,726.26
MUNICIPALITY OF PLATANIAS	12,902.20
MUNICIPALITY OF CHANIA	12,902.20
DIAKONIA AGAPIS HOLY ARCHDIOCESE OF CRETE	2,096.20
GREEK RED CROSS OF CHANIA	1,101.35
TRADE ASSOCIATION OF CHANIA	345.30
PARITY OF AG. KON/NOS & ELENI OF NEA HORA CHANIA	1,134.86
PARISH OF AGIA PARASKEVI OF PERIVOLIA	447.48
PARITY OF AG.FANOURIOS KATO GALATAS-CHANIA	1,101.35
PARITY OF AG. GEORGIOS KATSIFARIANON	1,101.35
PARITY OF AG. CHARALABOS LENTARIANON	1,100.16
PARITY OF THE CATHEDRAL OF THE PRESENTATION	1,098.97
PARITY OF METAMORPHOSI TOU SOTIROS PYRGOS PERIVOLION	1,099.56
UNION OF POLICE OFFICERS OF CHANIA	18.90
ASSOCIATION OF CRETANS OF AMAROUSIO	339.00
MONASTERY OF AGIA TRIADA TSANGAROLON	1,000.00
TEMPLE OF AG. NIKOLAOS SOUDA/KAPI SOUDA	1,099.56
HOLY TEMPLE OF AG. ANARGYROI	1,097.78
REGIONAL PRESS INSTITUTE	5,000.00
CENTRAL SOUP KITHEN OF THE HOLY METROPOLIS OF KYDONIA & APOKORONOS	3,276.06
MUNICIPAL GROCERY STORE OF APOKORONAS	7,343.98
MUNICIPAL GROCERY STORE OF PLATANIAS	7,553.11
MUNICIPAL GROCERY STORE OF CHANIA	8,082.93
PUBLIC SERVICE INSTITUTE OF THE MUNICIPALITY OF KISAMOS	241.94
COMMUNIST PARTY OF GREECE	200.00
HOLY METROPOLIS OF LAMPI, SYVRITOS & SFAKIA	337.99
OMADA STIRIXIS SYNANTHROPOS	1,099.56
ORTHODOX ACADEMY OF CRETE	2,000.00
PANHELLENIC ASSOCIATION FOR THE RELIEF AND SOLIDARITY OF FAMILIES VICTIMS OF TRAFFIC CRASHES “O AG. CHRISTOPHOS”	1,674.00
SOLIDARITY GROCERY STORE OF CHALEPA, KYTTARO ASSOCIATION	6,500.31
FOOTBALL ASSOCIATION "SYN.KA"	1,500.00
CULTURAL COMPANY OF CRETE	1,500.00
FIRE BRIGADE OF CHANIA	145.26
ASSOCIATION OF PARENTS AND GUARDIANS OF CHILDREN OF THE 1st SPECIAL KINDERGARTEN-MUNICIPAL SCHOOL	500.00
ASSOCIATION OF PARENTS AND TEACHERS OF FINSWIMMING	640.00
ASSOCIATION OF BLOOD DONORS OF CHANIA “AGIOS IOANNIS”	500.00
ASSOCIATION OF EMPLOYEES OF EKAB OF CHANIA	106.63
CHARITY ASSOCIATION, CENTRAL SOUP KITHEN OF SPLANTZIA, CHANIA	2,197.34

SCHOOL COMMITTEE OF SECONDARY EDUCATION OF THE MUNICIPALITY OF CHANIA	300.00
DEPARTMENT OF SOCIAL SOLIDARITY OF REGIONAL UNIT OF CHANIA	1,100.16
THE SMILE OF THE CHILD	400.00
FRIENDS & VOLUNTEERS OF THE MUNICIPAL NURSING HOME OF CHANIA AND THE ELDERLY	1,101.35
CHRISTIAN ASSOCIATION OF CHANIA AG. NECTARIOS	1,100.16
Grand Total	**127,178.82**
TOTAL PAYMENTS TO NATURAL PERSONS	**NET VALUE IN EUR**
NATURAL PERSONS (639 BENEFICIARIES)	**20,523.99**

Related Party Transactions

All transactions with related parties have been effected within the normal course of business of the Bank and under market terms and conditions. Further analysis is provided in Note 25 to the financial statements.

Annex: Alternative Performance Measurement Indicators

In accordance with the guidelines of the European Securities and Markets Authority (ESMA), in relation to the Alternative Performance Measurement Indicators (APMI), the following table provides detailed definitions and calculation of the relevant APMI which are included in the Annual Report of the Board of Directors for 2019.

Ratio	Definition
Loans	Loans and receivables to customers at the end of the year
Deposits	Liabilities to customers at the end of the year
Accumulated provisions for credit risk	Accumulated provisions for impairment of loans and receivables to customers at the end of the year
Non-performing loans (NPLs)	Loans and advances to customers in arrears > 90 days at the end of the year
Non-performing exposures (NPEs)	According to the definitions of the European Banking Authority (IBA, ITS Technical Standards), exposures that meet one or both of the following conditions are defined as non-performing: a. Material exposures which are more than 90 days past-due b. Exposures whose full collection is uncertain without realizing a collateral, whether there is any overdue amount or overdue days
Interest-bearing assets	Average cash and cash equivalents at the beginning and end of the year in central banks, claims on financial institutions and loans and advances to customers
Basic own funds (CET1)	Basic own funds at the end of year, as defined by Regulation (EU) No 575/2013, with gradual application of the provisions to risk-weighted Assets
Capital adequacy (total capital +ratio)	Total own funds at the end of year, as defined by Regulation (EU) No 575/2013, with gradual application of the provisions to risk-weighted Assets
Operating expenses	Staff salaries and expenses plus general administrative and other operating expenses plus depreciation of tangible fixed and intangible assets
Operating revenue	Net interest income plus net commission income for the year
Loans/Deposits	Loans and receivables to customers before accumulated provisions for credit risk to liabilities to customers at the end of the year
Non-performing exposures (NPEs)	Non-performing exposures (NPEs) to loans and advances to customers with accumulated provisions for end-of-year credit risk
Coverage of non-performing loans (in delay > 90 days)	Accumulated provisions for credit risk on loans and advances to customers over 90 days overdue at the end of the year
Coverage of non-performing exposures (NPEs)	Accumulated provisions for credit risk to end-of-year non-performing exposures (NPEs)
Definitive arrears/loans	Loans for which the Bank considers almost certain that they will not be services to loans and advances to customers with accumulated provisions for end-of-year credit risk
Provisions/ Loans	Accumulated credit risk provisions for loans and advances to customers before cumulated provisions for end-of-year credit risk
Covers / Loans	Loan to Loan Coverage Value and Customer Receivables before accumulated provisions for end-of-year credit risk
Collateral and provisions / Loans	Loan value and accumulated credit risk provisions for loans and advances to customers before cumulated provisions for end-of-year credit risk
Average loan interest rate	Interest and equity for period-to-average (on a daily) loan basis
Average deposit interest rate	Interest and equity for period-to-average (on a daily) deposit basis
Interest margin	Average loan interest rate less average deposit rate for the period
Net interest margin	Net interest income on interest-bearing assets
Margin effectiveness	Interest-bearing assets by interest rate margin for the period
Margin effectiveness / Net interest income	Interest-bearing assets to net interest income for the period
Cost / Income	Operating Expenses to operating income for the period
Operating income before provisions	Operating income less operating expenses for the period

Chania, 4 June 2021

The Chairman of the BoD

Michael Marakakis

STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2020

Amounts in EUR	Note:	Group 31.12.2020	Group 31.12.2019	Bank 31.12.2020	Bank 31.12.2019
ASSETS					
Treasury and cash on hand at Central Banks	11	(210,466,804)	169,555,929	210,223,817	169,394,030
Receivables to financial institutions	11	(8,921,516)	7,839,051	(8,921,516)	7,839,051
Financial assets at fair value through profit or loss	12	896.839	685,220	896.839	685,220
Financial assets at amortized cost	13	1,001,646	1,001,111	1,001,646	1,001,111
Loans and advances to customers (after provisions)	4	355,297,452	333,885,075	390,387,534	371,735,783
Investments in subsidiaries	26	-	-	8,576,677	4,317,926
Holdings in associates	27	112.114	170,350	-	-
Investment portfolio	14	4,945,398	4,905,103	3,060,015	2,972,982
Tangible fixed assets	16	23,952,711	24,466,472	12,762,046	12,224,301
Investment properties	17	34,601,906	24,487,516	18,232,000	7,856,768
Intangible assets	15	2,384,042	1,260,306	1,609,094	1,094,015
Deferred tax assets	18	23,820,235	24,928,645	23,711,023	24,834,026
Other assets	19	49,821,042	51,916,452	28,561,285	30,674,324
Total assets		**716,221,705**	**645,101,232**	**707,943,491**	**634,629,538**
LIABILITIES					
Liabilities to other financial institutions	20	26,271,056	28,513,478	25,141,494	27,259,251
Liabilities to customers	20	616,465,304	537,254,252	616,817,131	537,700,191
Issued debt securities and other loans	24	16,627,878	21,629,177	16,627,878	21,629,177
Deferred tax liabilities	18	925,423	2,112,622	-	-
Other liabilities	21	9,390,142	9,815,881	5,328,922	5,502,320
Total Liabilities		**669,679,803**	**599,325,411**	**663,915,426**	**592,090,939**
EQUITY					
Cooperative Capital	23	19,739,325	19,714,140	19,739,325	19,714,140
Difference from the issue of shares at premium	23	84,897,961	84,796,381	84,897,961	84,796,381
Less: Own cooperative subsidiary shares	23	(303,890)	(303,890)	-	-
Other Reserves	29	4,487,109	4,452,885	4,458,953	4,432,519
Retained earnings		(65,093,726)	(66,194,759)	(65,068,174)	(66,404,441)
Shareholders' equity of the Bank		**43,726,780**	**42,464,757**	**44,028,065**	**42,538,600**
Non-controlling interests		2,815,122	3,311,065		
Total Equity		**46,541,902**	**45,775,821**	**44,028,065**	**42,538,600**
Total liabilities and equity		**716,221,705**	**645,101,232**	**707,943,491**	**634,629,538**

Chania, 4 June 2021

The notes on pages 39 to 132 constitute an integral part of the financial statements

PROFIT AND LOSS STATEMENT FOR THE PERIOD ENDED 31 DECEMBER 2020

		Group		Bank	
Amounts in EUR	**Note:**	**31.12.2020**	**31.12.2019**	**31.12.2020**	**31.12.2019**
Interest and similar income		25,015,742	24,464,756	28,040,356	27,364,407
Interest and similar expenses		(6,968,276)	(8,280,427)	(6,629,151)	(7,949,210)
Net interest income	5	**18,047,465**	**16,184,329**	**21,411,204**	**19,415,197**
Commission income		1,787,286	2,274,953	1,796,374	2,287,091
Commission expenses		(417,006)	(545,191)	(417,006)	(545,191)
Net commission income	6	**1,370,280**	**1,729,761**	**1,379,368**	**1,741,900**
Net Non-Bank Revenue	30	4,326,391	4,094,194	315,275	248,246
Revenue from dividends		188,177	113,405	181,802	104,207
Results of financial instruments & investment portfolio securities		253,684	(125,648)	300,452	(201,285)
Other net income		3,579,005	2,617,132	3,278,725	2,335,685
Total Income		**27,765,003**	**24,613,174**	**26,866,826**	**23,643,950**
Personnel costs	7	(9,060,302)	(8,928,021)	(7,702,121)	(7,697,064)
Depreciation of fixed and intangible assets	15,16	(2,281,656)	(1,919,692)	(1,306,043)	(1,083,854)
General administrative and other operating expenses	9	(7,038,042)	(7,295,766)	(5,276,002)	(5,345,820)
Total Expenses		**(18,379,999)**	**(18,143,479)**	**(14,284,166)**	**(14,126,738)**
Impairment Provisions for Credit Risk Coverage	10	(8,101,493)	(2,902,024)	(8,100,003)	(2,905,643)
Impairment of other fixed assets		(569,954)	336,682	2,430	241,606
Ratio of profits / (losses) from holdings in associated companies		(67,420)	(184,550)	-	-
Ratio of profits/(losses) from holdings in subsidiaries		-	-	(1,728,387)	(2,902,025)
Profit (loss) before tax		**646,137**	**3,719,802**	**2,756,700**	**3,951,151**
Income tax	31	194,461	(1,227,988)	(967,777)	(815,232)
Profit/(loss) after tax		**840,598**	**2,491,815**	**1,788,923**	**3,135,919**
Corresponding to:					
Shareholders of non-controlling holdings		(495,910)	(607,417)	-	-
Bank Partners		1,336,508	3,099,231	1,788,923	3,135,919

Chania, 4 June 2021

The notes on pages 39 to 132 constitute an integral part of the financial statements

PROFIT AND LOSS STATEMENT FOR THE PERIOD ENDED 31 DECEMBER 2020

Amounts in EUR	**31.12.2020**	**31.12.2019**	**31.12.2020**	**31.12.2019**
Profit (loss) for the period	840,598	2,491,815	1,788,923	3,135,919
Actuarial income/expense in the statement of comprehensive income after taxes	26,434	(35,022)	26,434	30,981
Total comprehensive income / (expenses) for the period	**867,032**	**2,456,793**	**1,815,357**	**3,104,938**
Corresponding to:				
Shareholders of non-controlling holdings	(495,910)	(608,561)	-	-
Bank Partners	**1,362,942**	**3,065,353**	**1,815,357**	**3,104,938**

Chania, 4 June 2021

The notes on pages 39 to 132 constitute an integral part of the financial statements

STATEMENT OF CHANGES IN EQUITY - GROUP FOR THE PERIOD ENDING 31 DECEMBER 2020

Amounts in EUR	Cooperative Capital	Difference from the issue of shares at a premium	Own cooperative shares	Reserve of available-for-sale securities	Defined benefit plans	Other Reserves	Retained earnings	Total	Non-controlling interests	Total
Balance as of 31 December 2018 and 1 January 2019	**19,622,016**	**84,668,896**	**(303,718)**	**-**	**100,702**	**4,385,383**	**(69,347,057)**	**39,126,222**	**4,028,356**	**43,154,578**
Other comprehensive income / (expenses) for the period	-	-	-	-	(33,878)	-		**(33,878)**	(1,144)	**(35,022)**
Profit (loss) for the period	-	-	-	-	-	-	3,099,231	**3,099,231**	(607,417)	**2,491,815**
Total comprehensive income / (expenses) for the period	**-**	**-**	**-**	**-**	**(33,878)**	**-**	**3,099,231**	**3,065,353**	**(608,561)**	**2,456,793**
Increase (decrease) of cooperative capital	92,124	127,485	-	-	-	-	-	**219,609**	-	**219,609**
Capital increase expenses, after tax	-	-	-	-	-	-	-	-	-	-
Adjustment of rights in non-controlling holdings	-	-	-	-	-	-	**77,022**	**77,022**	(108,700)	**(31,678)**
Change in stakes in subsidiaries	-	-	-	-	678	-	-	**678**	-	**678**
(Purchases) / Sales of Own Cooperative Shares	-	-	(172)	-	-	-	-	**(172)**	-	**(172)**
Other transactions	-	-	-	-	-	-	**(23,956)**	**(23,956)**	**(31)**	**(23,987)**
Balance as of 31 December 2019 and 1 January 2020	**19,714,140**	**84,796,381**	**(303,890)**	**-**	**67,502**	**4,385,383**	**(66,194,759)**	**42,464,757**	**3,311,065**	**45,775,821**
Other comprehensive income / (expenses) for the period	-	-	-	-	26,434	-	-	**26,434**		**26,434**
Profit (loss) for the period	-	-	-	-	-	-	1,336,508	**1,336,508**	(495,910)	**840,598**
Total comprehensive income / (expenses) for the period	**-**	**-**	**-**	**-**	**26,434**	**-**	**1,336,508**	**1,362,942**	**(495,910)**	**867,032**
Increase (decrease) of cooperative capital	25,185	101,580	-	-	-	-	-	**126.765**	-	**126.765**
Other movements from absorption of subsidiaries	-	-	-	-	-	-	**(226.429)**	**(226.429)**	-	**(226.429)**
Other transactions	-	-	-	-	-	**7,790**	**(9,045)**	**(1,255)**	**(32)**	**(1,287)**
Balance as at 31 December 2020	**19,739,325**	**84,897,961**	**(303,890)**	**-**	**93,936**	**4,393,173**	**(65,093,726)**	**43,726,780**	**2,815,122**	**46,541,902**

Chania, 4 June 2021

The notes on pages 39 to 132 constitute an integral part of the financial statements

STATEMENT OF CHANGES IN EQUITY - BANK FOR THE PERIOD ENDING 31 DECEMBER 2020

Amounts in EUR	Cooperative Capital	Difference from the issue of shares at a premium	Reserve of available-for-sale securities	Defined benefit plans	Other Reserves	Retained earnings	Total
Balance as of 31 December 2018 and 1 January 2019	**19,622,016**	**84,668,896**	**-**	**78,117**	**4,385,383**	**(69,540,360)**	**39,214,053**
Other comprehensive income / (expenses) for the period	**-**	**-**	**-**	**30,981**	**-**	**-**	**30,981**
Profit (loss) for the period	-	-	-		**-**	**3,135,919**	**3,135,919**
Total comprehensive income / (expenses) for the period	**-**	**-**	**-**	**30,981**	**-**	**3,135,919**	**3,104,938**
Increase (decrease) of cooperative capital	92,124	127,485	-	-	**-**	**-**	**219,609**
Other transactions	-	-	-	-	**-**	**-**	**-**
Balance as of 31 December 2019 and 1 January 2020	**19,714,140**	**84,796,381**	**-**	**47,136**	**4,385,383**	**(66,404,441)**	**42,538,600**
Other comprehensive income / (expenses) for the period	-	-	-		**-**	**-**	**-**
Profit (loss) for the period	-	-	-	26,434	**-**	**1,788,923**	**1,815,357**
Total comprehensive income / (expenses) for the period	**-**	**-**	**-**	**26,434**	**-**	**1,788,923**	**1,815,357**
Increase (decrease) of cooperative capital	25,185	101,580	-	-	**-**	**-**	**126.765**
Other movements from absorption of subsidiaries	-	-	-	-	-	**(452,656)**	**(452,656)**
Other transactions	-	-	-	-	**-**	**-**	**-**
Balance as at 31 December 2020	**19,739,325**	**84,897,961**	**-**	**73,570**	**4,385,383**	**(65,068,174)**	**44,028,065**

Chania, 4 June 2021

The notes on pages 39 to 132 constitute an integral part of the financial statements

CASH FLOW STATEMENT FOR THE PERIOD ENDED 31 DECEMBER 2020

	Group		Bank	
Amounts in EUR	**31.12.2020**	**31.12.2019**	**31.12.2020**	**31.12.2019**
Profit / (loss) before tax	**646,137**	**3,719,802**	**2,756,700**	**3,951,151**
Adjustments for:				
Non-cash income statement items and other adjustments:				
Depreciation of real estate investments, tangible fixed assets, and intangible assets	2,281,656	1,926,906	1,305,967	1,083,878
Other operating results	(2,614,017)	(2,754,551)	(2,918,402)	(2,619,875)
Other fixed assets operations (net fixed assets deletions)	60,984	18,308	-	-
Impairment provisions for Credit Risk Coverage and other risks	8,101,492	2,902,024	8,100,003	2,905,643
Provisions for staff benefits	(249,624)	79,930	(249,624)	58,429
Adjustments for the valuation of financial assets at fair value through profit or loss	(254,095)	144,328	(301,659)	201,285
Dividend income from an investment portfolio	(188,177)	(113,405)	(181,802)	(104,207)
Ratio of (earnings) / losses from equity to the equity method	67,420	184,650	1,728,387	2,902,025
Other adjustments	(122,841)	(5,348,436)	-	-
Net (increase)/decrease in operating receivables:				
Financial assets at amortized cost	(534)	(1,247)	(535)	(1,247)
Receivables to financial institutions	(1,082,465)	1,897,816	(1,082,465)	1,897,816
Financial assets at fair value through profit or loss	2,211	(2,211)	2,210	(2,211)
Loans and receivables to customers:	(29,536,261)	(18,092,270)	(32,976,713)	(21,979,013)
Other assets	(5,290,059)	978,711	(5,270,115)	(2,811,209)
Net (increase)/decrease in operating liabilities:				
Liabilities to Central Banks	-	(12,002,000)	-	(12,002,000)
Liabilities to financial institutions	(2,242,422)	18,391,957	(2,117,757)	17,931,894
Liabilities to customers	79,211,052	157,403,450	79,116,940	156,572,956
Liabilities from Personnel Benefits	(96,272)	-	-	-
Income tax paid	(36,789)	-	-	-
Other liabilities	15,270	(655,486)	42.551	(658,830)
Net cash flow from operating activities	**48,672,666**	**148,678,277**	**47,953,686**	**147,326,486**
Cash flow from investment activity				
Participation in (increase)/decrease in equity of associated companies / subsidiaries	(9,184)	(320,000)	-	-
Acquisition of subsidiaries, other than cash and cash equivalents acquired	-	-	-	(57,000)
Dividends received from portfolio of investments and holdings using the net equity method	188,177	113,405	181,802	104,207
Acquisition of real estate investments, tangible fixed assets, and intangible assets	(3,067,518)	(2,736,989)	(2,432,466)	(1,725,893)
Acquisition of investment portfolio	(30)	-	-	-
Net cash flows from investing activities	**(2,888,555)**	**(2,943,583)**	**(2,250,664)**	**(1,678,686)**
Cash flow from financing activity				
Increase in share capital	126,765	219,609	126,765	219,609
Proceeds from the issue of credit securities	4,000,000	5,900,000	4,000,000	5,900,000
Termination of credit instruments	(9,000,000)	-	(9,000,000)	-
Net cash flow from financing activities	**(4,873,235)**	**6,119,609**	**(4,873,235)**	**6,119,609**
Impact of foreign exchange differences in cash and cash equivalents	-	17,392	-	17,392
Net increase / (decrease) of cash and cash equivalents	**40,910,875**	**151,871,695**	**40,829,787**	**151,784,802**
Cash and cash equivalents at the beginning of the fiscal year	169,555,929	17,684,234	169,394,030	17,609,228
Cash and cash equivalents at the end of the fiscal year	**(210,466,804)**	**169,555,929**	**210,223,817**	**169,394,030**

Chania, 4 June 2021

The notes on pages 39 to 132 constitute an integral part of the financial statements

NOTES TO THE CONSOLIDATED AND INDIVIDUAL FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR 01.01.2020 - 31.12.2020

NOTE 1: GENERAL INFORMATION

The Cooperative Bank of Chania Cooperative of Limited Liabilities (with the distinctive title COOPERATIVE BANK OF CHANIA, hereinafter "the Bank") was established during the founding meeting of August 18, 1993 purely as a cooperative of limited liabilities. The Cooperative was authorized as a credit institution by Decision No 560 / 18-9-1995 (issue 14) of the Bank of Greece's Committee on Monetary and Credit Affairs, and since then the Cooperative has been operating as a Credit Institution, pursuant to the provisions originally of Law 2076/1992, subsequently of Law 3601/2007 and currently of Law 4261/2014, in conjunction with the provisions of Presidential Decree 2258/1993 and the provisions of the decisions of the relevant committees of the Bank of Greece. In order to become a member of the Cooperative, one has to buy at least one cooperative share, the fair value of which is determined by its nominal value plus a surplus value determined by the Bank's assets. Based on its Articles of Association, the seat of the Cooperative is the Municipality of Chania, and since 2007 it is located in privately owned buildings at 28-32, Eleftheriou Venizelou Street, in the center of the city of Chania (GEMI No 123088758000, tel. (+30) 28210 25500), www.chaniabank.gr).

Pursuant to Clauses 2 and 3 of its Articles of Association and by decision of the Board of Directors, the Bank may establish branches, agencies, offices or other premises anywhere, as well as appoint or revoke representatives in any city of Greece or abroad, as long as it meets the requirements of law. During its twenty years of operation, the Bank has developed a number of attractive banking products that meet the requirements of its members/customers, while in line with its subsidiaries (hereinafter referred to as the "Group"), it seeks to consolidate its position in the banking market, but also to help the local economy.

The Group's business operations consist of flexible (adjusted to the needs of its customers) business and retail lending and deposit products, parallel banking operations (foreign exchange and remittances), brokerage services and real estate management. The Group operates throughout Crete but also in Attica, with the prospect of expanding its network to the rest of Greece.

The composition of the Board of Directors at the date of approval of the Financial Statements is as follows:

- Michael Marakakis son of Emmanuel, Chairman of the BoD
- Georgios Androulakis son of Charalambos, Vice-Chairman of the BoD
- Kyriakos Badieritis son of Konstantinos, Secretary
- Georgios Farantakis son of Iosif, Treasurer
- Emmanuel Apostolakis son of Apostolos, Non-Executive Member
- Anastasios Vamvoukas son of Dimitrios, Non-Executive Member
- Ioannis Malandrakis son of Ioannis, Independent Non-Executive Member
- Georgios Baourakis son of Michael, Independent Non-Executive Member
- Dimitrios Dokakis son of Vasilios, Executive Member
- Perivolakis Alexandros son of Vasilios, Executive Member
- Maria Sperelaki daughter of Theodoros, Independent Non-Executive Member
- Emmanuel Tzinakis son of Michael, Executive Member
- Iosif Chiotakis son of Iosif, Executive Member

The financial statements are subject to the approval of the Annual General Meeting of the Bank's partners. These financial statements have been approved by the Bank's Board of Directors on June 4, 2021.

NOTE 2: SUMMARY OF KEY ACCOUNTING POLICIES

2.1 Basis of presentation

The Group's consolidated financial statements and the Bank's separate financial statements for the year ended 31 December 2020 (the 'financial statements') have been prepared in accordance with the International Financial Reporting Standards ("IFRS"), as adopted by the European Union (the "EU").

Amounts are rounded to Euro (unless otherwise stated). The comparative figures, where necessary, were adjusted to match the presentation of the current year.

The financial statements have been prepared under the historical cost principle, except for investment portfolio, financial assets at fair value through profit and loss and investment properties, which are measured at fair value.

The preparation of the financial statements in accordance with the IFRS requires the conduct of estimates and assumptions that may affect both the accounting balances of assets and liabilities and the required disclosures for contingent receivables and payables, as well as the amounts of income and expenses recognised during the reporting period. The above estimates and assumptions apply mainly to the following areas: impairment provisions for loans and other receivables, equity investments and financial assets at fair value through profit or loss, investment property valuation, impairment testing goodwill and intangible assets from business combinations, control of the ability to recover deferred tax assets receivables, assessment of post-employment employee benefit liabilities and liabilities pending litigation and open tax years. Future results may differ from those published.

Areas with a higher degree of estimation and assumption or complexity, or areas where assumptions and estimates have a significant effect on the consolidated financial statements, are set out in Note 3.

2.2 Going concern

The financial statements of the Bank and the Group as of 31.12.2020 were prepared on the basis of the going concern principle which was considered appropriate by the Management of the Bank, by taking into account all the following parameters:

Macroeconomic environment:

In 2020, the pandemic caused by the coronavirus (COVID-19) upset the development perspective of the Greek economy and worsened the conditions in the labor market. It is noted that the global GDP, which was already slowing down from 2019, recorded a drop of 3.5% compared to an increase of 2.8% in 2019. The volume of world trade in goods and services decreased by 9.6%, while inflation in advanced economies decreased to 0.7% in 2020 from 1.4% in 2019, due to the weakening of global demand, the increase in the production gap due to the crisis, but also die to the fall in international fuel prices.

In the Eurozone, the pandemic caused significant financial losses, reflecting negative effects both in terms of total supply and total demand. GDP fell by 6.6% in 2020, up from 1.3% in 2019. Employment and business support measures, the increase in the exports of goods, the strong growth of industry and the small recovery in investment from the second half of 2020 mitigated the decline in private consumption and restrained the size of the recession.

The Greek economy, being mainly a service economy with a large share of tourism and retail trade, has been hit hardest in relation to other EU countries. As a result, the pandemic crisis has reversed the course of the mild recovery to which the Greek economy has entered since 2017. GDP decreased by 8.2% as both domestic and external demand shrank. The tourism activity has declined sharply due to the global spread of COVID-19 and the restrictive measures taken by most governments. At the same time, the suspension or limitation of the operation of enterprises due to the lockdown measures, especially in the second and fourth quarters of the year, had a negative impact mainly on services.

A crucial parameter has been the exercise by the Greek Government of the necessary fiscal policy by taking measures of unprecedented size and scope, amounting to 11.2% of GDP, to safeguard employment, protect entrepreneurship and stimulate shrinking domestic demand. Along with the credit expansion to businesses, the measures to suspend the payment of loan installments for the affected debtors and other facilities offered through State interventions for the repayment of debts, the emergency policy measures, although they had significant financial costs, mitigated the particularly negative effects of the pandemic on the available income and employment.

For the first time in several years there has been a shift in the budgetary primary result from a surplus to a deficit and a significant increase in the public debt to GDP ratio. In particular, the primary deficit is expected to be 7.0% of GDP, compared to a surplus of 3.6% of GDP in 2019. As a result of the decrease in demand and the transfer of products to the reduced VAT rate, the average annual inflation in 2020 was negative (-1,3%).

In the labor market, the increase in total employment and the fall in the unemployment rate recorded in previous years were halted by the COVID-19 pandemic and the temporary suspension of operations in the period March-April 2020 and November-December 2020, particularly in the accommodation and food services.

Capital adequacy:

The capital adequacy ratio of the Group as at 31 December 2020 appears improved, compared to 31.12.2019.

On 31.12.2020, on a consolidated basis, the Capital Adequacy Ratio stood at 14.6% (2019: 14%) and on an individual basis at 14.5% (2019: 13.8%).

According to the new provisions (Law 4261/2014 and EU Regulation 575/2013), the following capital buffers have entered into force since 01/01/2016:

Capital Conservation Buffer Expressed as a percentage of the total risk exposure amount, it will gradually rise to 2.50% from 01/01/2019 as follows: 0.625% on 01/01/2016, 1.25% on 01/01/2017, 1.875% on 01/01/2018 and 2.50% on 01/01/2019.

Countercyclical capital buffer: Expressed as a percentage of the total risk exposure amount and ranges between 0% and 2.50%, while it is also possible to increase to more than 2.50% if justified under the provisions of Article 127 (3) of Law 4261 / 2014. For 2019 and 2020, the Bank of Greece set the countercyclical capital buffer ratio at 0%.

Based on decision 353/10.04.2020 by the Credit and Insurance Committee and as part of the Supervisory Review and Evaluation Process (SREP), additional capital requirements of 2.68% were set for the Bank for the year 2020 and for the year 2021.

Based on all of the above, the minimum capital adequacy ratio that is required by the Bank for 2021 is 13.18%.

Year	Capital Adequacy Ratio	Buffer under Law 4261/2014	Additional SREP Requirements	Total Capital Adequacy Ratio
2019	8.00%	2.50%	2.60%	13.10%
2020	8.00%	2.50%	2.68%	13.18%
2021	8.00%	2.50%	2.68%	13.18%

Moreover, in accordance with the BoG's Decision 353/7/10.4.2020, it was recommended to the Bank to meet an additional margin of Pillar 2 Capital Guidance of 0.50%, in addition to the total capital requirements of the SREP and security reserves. The additional margin of Pillar 2 Capital Guidance should be held in Class 1 (CET 1) common stock. However, taking into account the exceptional circumstances created by the COVID-19 pandemic, the Bank is allowed to operate below the level of the Pillar 2 Capital Guidance, for reasons related to the financial implications and operational difficulties due to the pandemic.

In addition, it should be noted that due to the significant contribution of deferred taxation to regulatory capital, the risk associated with the recognition of deferred tax assets (DTA & DTC, Article 27 and 27a of Law 4172/2013) is significant and associated with future tax rates and any adverse changes in the legal and regulatory framework governing the handling of deferred tax assets in regulatory capital.

Liquidity:

The Bank manages the liquidity risk and in this context further improved liquidity and liquidity ratios in 2020.

Deposits increased by € 77 million on 31.12.2020 compared to 31.12.2019, marking a percentage increase of 13.6%.

This increase of liquidity also contributed to the further strengthening of the liquidity supervisory ratios, exceeding the regulatory supervisory limits set by 100%. Specifically, on December 31, 2020 the Liquidity Coverage Ratio (LCR) reached 224% and 228% for the Group and the Bank respectively, while the Net Stable Funding Ratio (NSFR) amounted to 136% and 142% for the Group and the Bank respectively.

Finally, it is reported that the Bank had high levels of liquidity throughout the pandemic and for the entire first five months of 2021, maintaining equally high liquidity ratios as well as a liquidity reserve, without any outflow of deposits or any other adverse effect on its liquidity due to the COVID-19 pandemic.

Handling of non-performing exposures (NPEs):

The Bank regularly adjusts its Strategic Management Plan for Non-Performing Exposures (NPEs) in the context of the current unfavorable economic circumstances, providing for a reduction of Non-Performing Exposures (NPEs) and Non-Performing Loans (NPLs) in accordance with its objectives.

Due to the particularly unfavorable conditions caused by the COVID-19 pandemic, in 2020 the NPEs in affected sectors show an increasing trend. However, the NPE index improved in 2020 (43.9% vs. 44.5% in 2019) despite the unfavorable macroeconomic environment and difficulties in managing them.

In addition, the NPEs coverage ratio from provisions in 2020 was 38.6% from 37.2% in 2019.

In November 2020, the Bank submitted to the Bank of Greece the strategic objectives for NPEs/NPLs, reflecting the Bank's targets for the management of NPEs by the end of 2023, envisaging their reduction through the Bank's revised Strategic Management Plan for NPEs.

In the direction of implementing the operational objectives set for the management of NPEs for 2021, the following were taken into account: the impact of the pandemic, the general forecasts for the course of the Greek economy, the impact of the current legal framework, the administrative and managerial changes that will determine the way that the Bank will manage NPEs with the adoption of the BoG Decision 175/2020, the implementation of the new definition of default entered into force on 1/1/2021 and other factors such as local conditions, internal infrastructure etc.

Business Continuity Plan:

The successful management of the new operational risk factor that emerged in 2020 due to the pandemic (COVID-19) through the adoption and implementation of new measures and procedures, which remain in force, ensures the future operation of the Bank, in terms of dealing with similar incidents.
The Bank, in the context of timely and effective response to possible adverse effects that the COVID-19 pandemic could have caused, has prepared and implemented a "Pandemic Crisis Management Plan", which complements the "Business Continuity Plan" which it has in place.
Moreover, to address the general pandemic crisis, it has taken additional measures to ensure the safety of its employees and customers, such as teleworking for most of its staff, and to ensure the smooth running of its operations.

Contingent Liabilities from Legal Cases:

There are legal disputes - actions that have been made by partners against the Bank claiming compensation for the plaintiffs due to the alleged damage suffered by the preparation of the Special Account "Return".

The Bank's legal advisors are of the opinion that the lawsuits in question will be rejected for specific reasons relating to the completeness of the documents presented by the Bank that prove their legality and compliance with the laws and regulations imposed on credit institutions and consequently on the Bank's transactions with its customers.
Therefore, the Management of the Bank considers, taking into account all the above as well as the complexity of the cases and their duration, that the final settlement, until their irreversibility, will have a positive outcome for the Bank.

Assessment of going concern:
On the basis of the above risk and uncertainty factors regarding the legal cases and non-performing exposures and taking into account the capital adequacy and liquidity of the Bank and the actions it takes to manage and reduce the amount of non-performing exposures, the Management of the Bank considers that the conditions for the application of the principle of going concern for the preparation of its financial statements are met.

2.3 Adoption of IFRSs

New IFRS, amendments and interpretations that entered into force on 1 January 2020

Revision of the Conceptual Framework of the Financial Report (effective for fiscal years beginning on or after 01/01/2020)
On March 29, 2018, the International Accounting Standards Board issued the revised conceptual framework which redefines the purpose of financial reporting, the quality characteristics of financial statements, the definitions of assets, liabilities, equity, and revenue and expenses, the recognition criteria and instructions on when to write off assets and liabilities in the financial statements, valuation bases and instructions on how to use them and concepts and guidance on presentation and disclosures.

The purpose of revising the Conceptual Framework is to assist those preparing financial statements to develop consistent accounting policies for transactions and other events that do not fall within the scope of existing standards or when a standard allows for a choice between accounting policies. Moreover, the purpose of the revision is to help all persons involved understand and interpret the standards.
The IASB also issued an accompanying document, "Amendments to the Conceptual Framework References", which sets out the amendments to the standards that are affected in order to update the references to the revised conceptual framework.
The amendment is applied by the authors who develop accounting policies based on the conceptual framework, in the annual accounting periods beginning on or after 1 January 2020. The adoption of the amendment did not have a significant effect on the consolidated and individual financial statements of the Group and the Bank.

Amendments to IFRS 3: Definition of "Business Entity" (effective for annual periods beginning on or after 01/01/2020)

In October 2018, the IASB issued limited-purpose amendments to IFRS 3 to improve the definition of a business. The amendments are intended to help entities determine whether an acquisition is a business combination or an acquisition of assets. The amendment sets out the minimum requirements for the definition of a business entity and the goods/services produced. The amendments relate to business combinations or acquisitions of assets that have been reported on or after the beginning of the first annual reporting period from 01 January 2020 onwards, and therefore there is no need to re-evaluate the respective transactions completed in earlier periods. The adoption of the amendment did not have a significant effect on the consolidated and individual financial statements of the Group and the Bank.

Amendments to IAS 1 and IAS 8: "Definition of Material" (effective for fiscal years beginning on or after 01/01/2020)

In October 2018, the IASB issued amendments to the definition of material to make it easier for companies to make a judgment of materiality. The definition of material helps companies decide what information should be included in their Financial Statements. The new definition amends IAS 1 and IAS 8. The amendments clarify the definition of material and how it should be applied, including in the definition guidance which has hitherto been included in other Standards. The adoption of the amendment did not have a significant effect on the consolidated and individual financial statements of the Group and the Bank.

Amendment to the International Financial Reporting Standard 9 "Financial Instruments" of the International Accounting Standard 39 "Financial Instruments": Recognition and Valuation" and the International Financial Reporting Standard 7 "Financial Instruments: Disclosures": Reference rate reform (Regulation 2020/34/15.1.2020)

According to the amendment, temporary exemptions from the application of specific provisions of the accounting hedge are provided, in the framework of the application of the interest rate benchmark reform. Under these exceptions, companies applying the relevant provisions can assume that the reference rate will not change as a result of applying the reference rate reform. The adoption of the amendment did not have a significant effect on the consolidated and individual financial statements of the Group and the Bank.

Amendment to International Financial Reporting Standard 16 "Leases": Reductions in rents due to Covid-19 (Regulation 2020/1434/9.10.2020)

The amendment to IFRS 16 relates to the accounting treatment of leasing concessions related to the pandemic facilitation measures. According to the amendment, the lessees are given practical expedients, if the changes in the lease payments constitute a modification of the lease. These expedients are provided for rent reductions relating to payments due until 30 June 2021. In the case where the expedient is chosen, it is assumed that the lease has not been modified and the lessee calculates the lease reductions as negative variable rents, i.e. the lessee recognizes the variable payment directly in the income statement, adjusting the lease liability accordingly. These expedients are not granted to the lessor, who continue to apply the existing provisions of the standard. The adoption of the amendment did not have a significant effect on the consolidated and individual financial statements of the Group and the Bank.

New IFRS, amendments and interpretations that will enter into force at a later date

IFRS 17 "Insurance Contracts" (effective for fiscal years beginning on or after 01/01/2023)

In May 2017, the IASB issued a new Standard, IFRS 17, and amendments in June 2020, which replace the intermediate IFRS Standard 4. The purpose of the IASB's work was to develop a single principle-based standard for accounting for all types of insurance contracts, including reinsurance contracts held by an insurance company. The new single Standard will enhance the comparability of financial reporting between entities, jurisdictions and capital markets as it requires all insurance policies to be accounted for consistently. The IFRS 17 sets out the requirements that an entity should apply when reporting financial information related to the insurance contracts it issues and the reinsurance contracts it holds. The standard has not been adopted by the EU.

The Bank and the Group do not intend to apply any of the Standards or Interpretations earlier, and no significant effect is expected from the application of the above new Standard when it enters into force.

Amendment to International Financial Reporting Standard 9 "Financial Instruments" of the International Accounting Standard 39 "Financial Instruments": Recognition and Valuation" and the International Financial Reporting Standard 7 "Financial Instruments: Notifications", International Financial Reporting Standard 4: "Insurance Policies" and International Financial Reporting Standard 16 "Leases": Reference rate reform - Phase 2 (Regulation 2021/25/13.1.2021) Applicable to fiscal years starting on 1.1.2021

On 27.10.2020, the International Accounting Standards Board amended IFRS 9, IAS 39, IFRS 7, IFRS and IFRS 16 in the context of the second phase of the project to address issues arising from the reform of interest rates, including the replacement of a reference interest rate by an alternative interest rate. The basic options (or exceptions to the application of the accounting provisions of the individual standards) provided by these amendments relate to changes in contractual cash flows and hedge accounting.

No significant impact on the Group and the Bank is expected from the application of the above amendments when they enter into force.

Amendment to International Financial Reporting Standard 3 "Business Combinations": References to the Conceptual Framework of International Financial Reporting Standards Applicable to fiscal years starting on 1.1.2022

On 14.5.2020, the International Accounting Standards Board amended IFRS 3 as regards the references in the Conceptual Framework of International Financial Reporting Standards. The adoption of this amendment is not expected to have an impact on the Group's financial statements.

Amendment to International Accounting Standard 16 "Own tangible fixed assets": Income before the anticipated fiscal year Applicable to fiscal years starting from 1.1.2022

The amendment to IAS 16 prohibits the deduction from the acquisition cost of the disposable fixed assets of the proceeds from the sale of assets produced at the stage when the asset is prepared to arrive at the location and in the condition required for the use specified by the management. On the contrary, the proceeds from the sale of these assets and their costs should be recognized in profit and loss. The Group is considering the impact that the adoption of the above amendment will have on its financial statements.

Amendment to International Accounting Standard 37 "Provisions, Contingent Liabilities and Contingent Assets": Onerous contracts - Cost of fulfilling the obligations of a contract Applicable to fiscal years starting from 1.1.2022

The amendment to IAS 37 specify the costs of fulfilling the obligations of a contract including the costs directly related to the contract. These costs consist both of the direct costs incurred and the proportion of other costs directly related to the fulfillment of obligations arising from a contract. The Group is considering the impact that the adoption of the above amendment will have on its financial statements.

Amendment to International Financial Reporting Standard 4 "Insurance Contracts" Extension of the temporary exemption from the application of IFRS 9" (Applicable to fiscal years starting from 1.1.2023 onwards)

The amendment to IFRS 4 extended the provisional exemption from the application of IFRS 9 by two years. In this context, the companies that have made use of the temporary exemption from the application of IFRS 9 should apply this standard no later than 1.1.2023. The adoption of this amendment is not expected to have a material impact on the Group's financial statements.

Amendments to IAS 1 - Classification of liabilities as short-term or long-term (Applicable to fiscal years starting from 1.1.2023 onwards)

In January 2020, the IASB issued amendments to IAS 1 affecting the requirements for the presentation of liabilities. In particular, the amendments clarify one of the criteria for classifying a liability as long-term, the requirement for an entity to have the right to defer the settlement of the liability for at least 12 months after the reporting period. The amendments include: (a) clarification that an entity's right to defer settlement should exist at the reporting date; (b) clarification that the liability classification is not affected by management's intentions or expectations regarding the exercise of the deferral; (c) explain how lending conditions affect the classification; and (d) clarify the requirements for the classification of liabilities of an entity that it settles or is likely to settle through the issue of own equity instruments. The above amendment will not have an impact on the financial statements of the Group, as in the Balance Sheet of the Group the liabilities are not distinguished in short and long term.

Amendment to International Accounting Standard 1 "Presentation of Financial Statements": Disclosure of accounting policies (Applicable to fiscal years starting on 1.1.2023)

The amendments replace the requirement to disclose "significant" accounting policies with the requirement to disclose "material" accounting policies. Includes examples and explanations of when an accounting policy is likely to be "material". The Board has developed guidelines to support the implementation of the four-step method. The Group is considering the impact that the adoption of the above amendment will have on its financial statements.

Amendment to International Accounting Standard 8 "Accounting Policies, Changes in Accounting Estimates and Errors": Definition of Accounting Estimates (Applicable to fiscal years starting on 1.1.2023)

The amendment to IAS 8 defined the accounting estimates as monetary amounts in financial statements that are subject to measurement uncertainty. It clarified that an accounting policy may require the financial statements to be valued in such a way as to create uncertainty. In this case the entity develops an accounting estimate. The development of accounting estimates involves the use of judgments and assumptions. In the development of accounting estimates the entity uses valuation techniques and data. An entity may be required to change its accounting estimates. This fact is not related by its nature to previous fiscal years nor is it a correction of an error. The Group is considering the impact that the adoption of the above amendment will have on its financial statements.

Improvements of International Accounting Standards - Cycle 2018-2020 Applicable to fiscal years starting on 1.1.2022

In the framework of the program of annual improvements to International Accounting Standards, on 14.5.2020 the Board adopted urgent but necessary amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41. The above amendments are not expected to have a material impact on the Group's financial statements.

2.4 Consolidated financial statements

2.4.1. Consolidation principles

The consolidated financial statements comprise the financial statements of the Bank and its subsidiaries controlled by the Bank. Control requires all of the following to be met: (a) power over the company; (b) placements or rights to variable returns through its ownership of the company; and (c) ability to use its power over the company to affect the amount of its returns.

The Group's subsidiaries are consolidated by applying the full consolidation method from the date that control is acquired and cease to be consolidated with the loss of control.

Income and expense and other comprehensive income of the subsidiaries acquired or sold during the year are included in the consolidated income statement and in the consolidated statement of comprehensive income from the date of acquisition of the subsidiaries and cease to be incorporated from the date of sale of those subsidiaries. The net earnings and the total comprehensive income of the subsidiaries are distributed among the Bank's shareholders and the non-controlling interests even if, with this distribution, the balance of the non-controlling interests becomes negative.

If the subsidiaries apply different accounting policies than those of the Group, the necessary adjustments are made to their financial statements in order to be consistent with the Group's accounting policies. Intercompany transactions, intercompany balances as well as gains/losses arising from transactions between Group companies are completely eliminated upon consolidation.

2.4.2. Non-controlling interests

Non-controlling interests are initially recognized in proportion to their net identifiable assets. After the acquisition, the book value of the non-controlling interest is their value at initial recognition plus the share of the non-controlling interest in the subsequent changes in equity. Total comprehensive income is allocated to non-controlling interests even if this results in a non-controlling debt balance.

2.4.3. Changes in the percentage of the Group's interest in subsidiaries that do not result in loss of control

Changes in the percentage of a Subsidiary's interest that does not result in a loss of control are recognized as transactions between the shareholders.

The balance of the Bank's shareholders' equity accounts and the 'Non-controlling interest' account are adjusted to reflect the change in the interest rate of the above shareholders over the subsidiary. Any difference between the adjustment of non-controlling interests and the fair value of the consideration paid or received is recognized directly in equity attributable to the Bank's shareholders.

2.4.4. Loss of control

If the change results in the loss of control of the subsidiary, the gain or loss on disposal is calculated as the difference between (i) the sum of the fair value of the consideration received and the fair value of the interest held on a subsidiary and (ii) the carrying amount, before sale, of the assets (including goodwill), liabilities and non-controlling interests. Unrealized gains or losses that were recognized in other comprehensive income and arising on the fair value measurement of the subsidiary's assets are accounted for as if the Bank had directly sold those assets (transfer to profit or loss or to retained earnings, in accordance with applicable the IFRS).

The fair value of any interest in the subsidiary that continues to exist after the date of the loss of control is considered to be the fair value at initial recognition of the financial instrument in accordance with IFRS 9 or the acquisition cost adjusted using the equity method in the event that it is recognized as an associate or joint venture by the applicable standards.

2.4.5. Affiliates

Affiliates means companies over which the Group exercises significant influence but has no control over them. If the Group holds, directly or indirectly, 20% or more of the voting rights of the investment, it is considered to have a material influence, unless it can be clearly demonstrated that this is not the case. Investments in associates are incorporated in the financial statements using the method of equity accounting.

Under the method of equity accounting, investments in associates are initially recognized at cost. Goodwill arising on the acquisition of an associate is included in the acquisition cost of the investment (after any accumulated impairment provisions). The value of the investment increases or decreases according to the percentage of the Group's participation in the profit or loss of the associate after the acquisition (recognized in the income statement of the Group) and from the movements in reserves (recognized in the Group's reserves). The amount of dividends received from the associate during the year reduces the carrying amount of the investment. Investments in associates made solely for the purpose of disposing of them within one year of their acquisition date, when the material influence of the Group is considered to be temporary, are recognized in the "Non-current assets held for sale" account. Unrealized profit on transactions between the Group and its associates are eliminated as a percentage of the Group's interest in those companies. Any such losses, which are also eliminated, are an indication of impairment of the value of the transferred asset. Where appropriate, the financial statements of associates used in applying the method of equity accounting have been amended to ensure their consistency with the accounting policies adopted by the Group.

2.4.6. Joint Arrangements

A joint arrangement is an arrangement of which two or more parties have joint control. A joint arrangement has the following characteristics:

(a) the parties are bound by a contractual arrangement, and

(b) the contractual arrangement gives two or more of those parties joint control of the arrangement.

Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

Joint arrangements are either joint operations or joint ventures:

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Those parties are called joint operators.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Those parties are called joint venturers.

The classification of a joint arrangement as a joint operation or a joint venture depends upon the rights and obligations of the parties to the arrangement.

In the event of the Group's participation in a joint venture, the Group recognizes:

(a) its assets, including its share of any assets held jointly,

(b) its liabilities, including its share of any liabilities incurred jointly,

(c) its revenue from the sale of its share of the output of the joint operation,

(d) its share of the revenue from the sale of the output by the joint operation, and

(e) its expenses, including its share of any expenses incurred jointly.

In the case of the Bank's participation in a joint venture, the Bank recognizes its participation as an investment and accounts for that investment using the method of equity accounting (see Note 2.4.7)

2.4.7. Investments in subsidiaries, associates, and joint ventures in the separate financial statements

In the Bank's financial statements, subsidiaries, associates and joint ventures are recognized at acquisition cost and the fair value of the investment is adjusted. The Bank changed its accounting policy for 2018 concerning measurement of its subsidiaries, from the acquisition cost to the equity method, as amended by IAS 27. The aforementioned amendment permits as of 01.01.2016 the use of the equity method of investing in subsidiaries, joint ventures and associates in a company's separate financial statements.

2.4.8. Impairment testing of investments in subsidiaries, associates and joint ventures in the separate financial statements

The Group and the Bank assess and control (separately from the effect of the equity method on the value of the investment) whether an investment in a subsidiary, associate or joint venture has been impaired only when they believe that there is an indication of impairment (particularly due to external adverse factors). Where there is such an indication, the Group assesses the recoverable amount of the investment and when the carrying amount of the investment exceeds the estimated recoverable amount, then the book value is impaired to its recoverable value.

2.5 Business Combinations

2.5.1. Acquisition method

Acquisitions of companies that fall within the scope of IFRS 3 are recorded using the acquisition method. The consideration paid in a business combination is measured at fair value, calculated as the sum of the fair values of the assets contributed by the Group on the acquisition date, the liabilities assumed by the Group to the previous owners of the acquired business and the equity instruments issued by the Group in exchange for control of the acquired business. Expenses related to the acquisition are recognized in the profit and loss statement.
At the acquisition date, the assets acquired and liabilities are recognized at their fair value at the acquisition date, except for:

- deferred tax assets and liabilities and liabilities or assets related to employee benefits are recognized in accordance with IAS 12 "Income Taxes" and IAS 19 "Employee Benefits" respectively,
- liabilities or equity securities related to the equity-dependent benefit plan of the acquired company or equity-dependent equity benefit plans of the Group, entered into to replace the equity-dependent benefit plan of the acquired company, are recorded in accordance with IFRS 2 "Share-Related Benefits" at the acquisition date and
- assets (or groups of assets) held for sale in accordance with IFRS 5 "Non-current Assets Available for Sale and Discontinued Operations" are recorded in accordance with this standard.

2.5.2. Goodwill

Goodwill is recognized as the excess between (a) the sum of the consideration paid, any uncontrolled interests in the acquired business and the fair value of any prior interest in the acquired business, and (b) the net worth at the date of acquisition of the assets acquired and of the commitments made. If, after a review, the net value at the acquisition date of the acquired assets and liabilities exceeds the sum of the consideration paid, any non-controlling interest in the acquired company and the fair value of any prior interest in the acquired business, the difference is immediately recorded in the income statement.

2.5.3. Contingent consideration

If the consideration agreed at the business combination includes assets or liabilities arising from a contingent consideration, then the contingent consideration is measured at its fair value at the acquisition date and is included in the total consideration at the business combination. Changes in the fair value of the contingent consideration that are included in the adjustments to the redemption period are recognized retrospectively with a corresponding adjustment of goodwill. Adjustments to the redemption period result from new information received during the redemption period (which may not exceed one year from the acquisition date) on data and situations that existed at the acquisition date.

Changes in the fair value of the contingent consideration that are not included in the adjustments to the redemption period are accounted for by the classification of the contingent consideration. When the contingent consideration is classified as an item of equity it is not re-measured in subsequent reporting periods and its subsequent settlement is recognized in equity. If the contingent consideration is classified as a financial asset or a non-financial asset / liability, the fair value result in subsequent reporting periods is recognized in the income statement.

2.5.4. Business combinations achieved in stages

Where a business combination occurs in stages, the Group's interest in the acquired company is measured at fair value at the acquisition date (the date the Group obtains control) and the resulting gain or loss is recognized in the income statement. Amounts recognized in other comprehensive income and derived from the acquired business prior to the transfer of its control are recognized in the income statement if such treatment would have been appropriate in the event of its sale.

2.6 Foreign currency transactions

The consolidated financial statements are presented in Euro (€), which is the Bank's functional currency and the presentation currency of the Group's financial statements.

Transactions denominated in foreign currency are translated into the functional currency using the exchange rates (current rates) prevailing at the dates of the transactions or the revaluation when the items are revalued. Foreign exchange differences (gains or losses) resulting from the settlement of the above transactions as well as from the conversion at the end of the fiscal year of monetary items from the foreign currency to the functional currency are recognized in the income statement and specifically in "Results of financial transactions & investment securities".

Foreign exchange differences resulting from the translation of non-monetary financial assets and liabilities carried at fair value through profit or loss are included in the income statement, in particular in "Results of financial instruments & investment securities." Foreign exchange differences on non-monetary financial assets, such as available-for-sale debt securities, are recognized in "Other comprehensive income". Non-monetary items that are recorded at historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

2.7 Financial instruments based on IFRS 9

2.7.1 Classification and measurement of financial assets

The Group classifies its financial assets based on the business model used for their management as well as on the characteristics of their typical cash flows. The classification of financial assets based on the above criteria is divided into the following three categories of financial assets: (a) Amortized Cost, (b) Fair value through other comprehensive income (FVTOCI) and (c) Fair value through profit and loss (FVTPL).

Purchases and sales of financial assets of the Group are recorded at the date of the transaction, with the exception of loans recognized at their disbursement date.

More in accordance with IFRS 9:

- A financial asset held within a business model whose purpose is to hold financial assets for the purpose of collecting Hold-to-Collect and its contractual cash flows consists solely of repayment of capital and interest on the unpaid balance of principal (SPPI) is measured at amortized cost. The exception is if an entity chooses to measure that asset at fair value through profit or loss (FVTPL).

- A financial asset held within a business model whose objective is to achieve both the collection of contractual cash flows and the sale of financial assets, and its contractual cash flows consist solely of repayment of capital and interest on the unpaid balance of principal is measured at fair value through other comprehensive income (FVTOCI). The exception is if an entity chooses to measure that asset at fair value through profit or loss (FVTPL).

- Other debt securities as well as equity instruments are measured at fair value through profit or loss. An exception exists if an entity irrevocably chooses subsequent changes in the fair value of its equity instruments that are not held for trading, to be reported directly to other comprehensive income, recognizing only dividend income in its income statement.

Business Model Evaluation

The evaluation of the business model determines how the Group manages the cash flows of a group of financial assets. The determination of the business model is carried out by the Management of the Group in accordance with the Group's operating model, taking into account how these elements are managed to generate cash flow, the risks associated with the performance of the business model, and how to evaluate and manage these risks, personnel compensation and frequency, volume and purpose of historical sales with respect to the group in question, and Management's expectations for future sales.

The business model of the Group's Loans and advances to customers and debt securities of the Group is evaluated as compatible with their HTC business model as:

- Loans, other receivables and debt securities are held to collect their contractual flows.
- The Bank's business model and strategy do not include any future loan sales plans for any of its portfolios, without, however, excluding sporadic sales or sales of non-performing loans due to the deterioration of creditors' ratings which, under IFRS 9 alone, cannot meet the Bank's obligation to change its business model (as a result it will be able to continue to measure its loan portfolio at amortized cost).
- No loans or advances to customers have been sold in the past.
- The repayment of its loan portfolio results from the designated interest rates.
- The associated risks that affect the performance of the business model in the context of holding the loan portfolio are related to credit risk, and the way of managing that risk is primarily through collateral.
- The Bank's executives are not remunerated on the basis of loan sales receipts nor on the basis of the contractual cash flows of the loans.

Evaluation of contractual cash flows

The Group, at initial recognition of a financial asset, examines whether this asset is compliant with the SPPI criterion, evaluating whether its contractual terms are compatible with an underlying loan agreement. As part of the SPPI assessment, it is examined whether the interest on a financial asset (debt securities) includes only consideration for the time value of money, credit risk, other key borrowing risks, liquidity risk, other borrowing costs and a profit margin, thus being compatible with the SPPI criterion. In addition, it is assessed whether the contract of a financial asset contains conditions that could change the amount or timing of the contractual cash flows (early repayments, asset extension rights, leverage terms, convertible equity, the time value of money, terms that relate to other risks and introduce volatility in the flow of the financial asset, etc.) in a way that is incompatible with an underlying loan agreement, then the financial asset is considered to fail the SPPI valuation and therefore is measured at fair value through profit or loss. In the event that a contractual term is of minor importance, the classification of the related financial asset is not affected by that term. The Bank assesses whether the contractual cash flows are Solely Payments of Principal and Interest (SPPI) on its financial assets and the results are as follows:

- Loans and receivables to customers: These financial assets are measured at amortized cost because of the characteristics of the contractual cash flows (exclusively capital and interest payments) and the business model as described above (Retention of financial assets for the purpose of collecting contractual cash flows, Hold-to-Collect). The Bank carries out an SPPI rating on a loan product because their contracts consist of standardized loan agreements as a whole.
- Bonds: The Group holds two bonds, one classified at fair value through profit and loss (FVTPL) as its contract includes terms that are inconsistent with an underlying loan agreement and another, due to the characteristics of the contractual cash flows (exclusively equity payments) and the aforementioned business model (Hold-to-Collect financial assets), at amortized cost.

Measurement of financial assets

The Group, having assessed the requirements of IFRS 9, distinguished its financial assets in the following categories:

- Treasury and cash on hand at Central Banks
- Receivables to financial institutions
- Loans and advances to customers at amortized cost
- Financial assets at amortized cost (debt securities)
- Other receivables included in Other assets
- Financial assets at fair value through profit or loss (debt securities)
- Equity instruments measured at fair value through profit or loss (Investment portfolio)

Financial assets measured at amortized cost

The Bank recognizes in this category its financial assets held under the HTC business model and the assessment of their contractual cash flows is compatible with interest and principal collection (SPPI rating). This category includes the following financial assets:

- Treasury and cash on hand at Central Banks
- Receivables to financial institutions
- Loans and receivables to customers
- Financial assets at amortized cost (debt securities)
- Other receivables included in Other assets

After initial recognition, the aforementioned financial assets are measured at amortized cost using the effective interest rate method. Interest income on financial assets classified in Stages 1 and 2 is calculated on the basis of the book value of the asset before provisions, while for financial assets classified in Stage 3, the interest income is calculated at book value after provisions.

Financial assets measured at fair value

This category includes the following financial assets:

- Financial assets at fair value through profit or loss (debt securities)
- Equity instruments measured at fair value through profit or loss (Investment portfolio)

In more detail, this category has classified a debt instrument whose terms have been rated as non-compliant and are therefore incompatible with the SPPI criterion. In addition to the above heading, this category also includes the Group's equity instruments as they are presented in the "Investment Portfolio" line of the balance sheet.

The above financial assets are measured at fair value. Profits and losses on disposal or acquisition of the above items but also unrealized gains or losses arising from changes in their fair value are included in "Results of financial instruments & investment portfolio securities" of the income statement.

2.7.2 Derecognition of financial assets

The Group derecognises a financial asset when:

(a) the contractual rights to the cash flows of the financial asset expire;

(b) the Group has transferred the rights to recover the cash flows of a financial asset either by transferring all the risks and benefits of ownership of the financial asset or has neither transferred nor actually retains the resulting risks and benefits from that asset but has transferred control of the asset,

(c) the Group retains the contractual rights to the cash flows of the financial asset but undertakes a contractual obligation to pay the cash flows to one or more recipients.

In the event that the risks and benefits are neither transferred nor retained while the control of the financial asset is not transferred, the Group continues to recognize the financial asset to the extent that it continues to be involved therein.

2.7.3 Modification of financial assets

If the change in the contractual cash flows of a financial asset is considered significant enough, the original asset is derecognised and the modified asset is recognized as "new". The Group recognizes the "new" financial asset at fair value and the difference between the value of the existing asset and the fair value of the "new" one is recognized in the income statement as a profit or loss from derecognition. Alternatively, if a change in a financial asset is not considered significant to result in derecognition, the gain or loss recognized by the amendment is calculated as the difference in the present value of the new contractual cash flows ("modified asset") discounted to the real interest rate on the asset and the net book value of the existing financial asset.

2.7.4. Reclassifications of financial assets

The Group reclassifies all financial assets involved if there is a change in the business model applied to manage those financial assets.

Reclassification is effective in the future from the date of reclassification, therefore any prior profit or losses that have been recognized (including impairment losses) or interest are not restated.

No frequent changes to the business models used by the Group are expected.

2.7.5. Expected credit losses

Impairment

IFRS 9 introduces a model for impairment of expected credit losses (ECL), which applies to financial assets that are not measured at fair value through profit or loss, including loans, credit card receivables and other financial guarantee contracts (eg other undrawn loan commitments and documentary credits/letters of guarantee). The impairment provision based on IFRS 9 is based on expected credit losses related to the probability of default within the next twelve months (12 month PD), unless there has been a significant increase in credit risk from initial recognition of the exposure, so the lifetime probability of default (lifetime PD) will be assessed. In addition, if the financial asset falls within the definition of credit-impaired assets at initial recognition (POCI), an impairment provision is recognized equal to the expected credit loss for their entire life.

Portfolio Ranking in Stages

IFRS 9 requires loans to be classified into three stages (Stage 1, Stage 2 and Stage 3). Early recognition and measurement of credit losses prior to the occurrence of catastrophic events and the reflection of the change in the risk of defaulting on a loan/customer introduced the concept of credit risk categorization in stages. Thus, except in the case of exposures that are classified as POCI and remain in this category throughout their life, the remaining exposures are classified into three stages according to their underlying probability of default. The Standard also introduces the new concept of "Significant Increase in Credit Risk" (SICR). To determine whether credit risk has increased significantly in each reporting period, the risk of default is compared over the remaining life of the loan with the expected default risk, as estimated at the date of recognition of the loan.

Stage 1: It includes retained exposures that do not have a significant increase in credit risk compared to the initial recognition of the exposure, while a provision for credit risk losses equal to the expected 12 month loss is recognized. This stage also includes exposures for which the credit risk has improved and this exposure has been reclassified from stages 2 or 3.

Stage 2: In the event that an exposure presents a significant increase in credit risk compared to its initial recognition and is non-performing, provisions for expected losses over its entire life are recognized and transferred from Stage 1 to Stage 2. This stage also includes exposures for which the credit risk has improved and this exposure has been reclassified from stage 3.

Stage 3: If there is any detrimental effect on the expected cash flows of an exposure, that financial asset is considered a credit-impaired loan and is classified as Stage 3 in accordance with IFRS 9. Provisions of expected losses over the life of the exposure are recognized at this stage.

Default Definition

The Bank applies a default definition for the purpose of preparing its financial statements, in accordance with the definition of Non-Performing Exposures (NPEs) as defined by the European Banking Authority in the Guidelines on the implementation of the definition of infringement under Article 178 of Regulation (EU) No 575/2013 (EBA/GL/2016/07), and in accordance with Annex V to Implementing Regulation (EU) No Commission Regulation (EC) No 680/2014 of 16 April 2014, as amended by Commission Implementing Regulation (EU) No 2015/227. The definition of default is fully harmonized with the definition of credit-impaired loan. The definition of default applies at the borrower level for the business portfolio (borrowers designated by the Basel Committee as a business portfolio), while in the retail credit portfolio it is applied at the individual level (i.e. account level).

In view of the above, the Bank considers that a borrower or loan is in default of its contractual obligations when the following criteria are met:

i. The borrower is late in payment of more than 90 days on any significant credit liability to the Bank.

ii. The Bank considers that the creditor is unable to fully meet their contractual obligations to the Bank (Unlikely to Pay "UTP") unless the Bank seeks to liquidate its collateral.

iii. The loan is classified as Non-Performing Forborne Exposure in accordance with Article 180 of Regulation (EU) No 227/2015.

Given that, as mentioned above, the Bank fully complies with the Guidelines on the application of the definition of default, pursuant to Article 178 of Regulation (EU) No 575/2013 (EBA/GL/2016/07), in 2021, in cooperation with a consulting company, the process of upgrading its information systems and policies will be completed, in order to fully implement the requirements of this Directive.

Estimation of Expected Credit Loss

The Bank calculates Expected Credit Loss (ECL) using the following parameters:

- Exposure at Default (EAD): It represents the estimate of the loss in potential future default. For its calculation, the Bank takes into account expected changes in the exposure amount after the reporting date, including repayments of capital and interest or expected withdrawals from available limits. EAD includes both on and off-balance sheet exposures. The on-balance sheet report corresponds to the total amount committed and payable, which includes the outstanding debt, interest and arrears. The off-balance sheet report represents credit available for withdrawal in addition to the on-balance sheet report. In addition, the credit conversion factor (CCF) is used to convert credit lines and other off-balance sheet exposures to EAD amounts.
- Probability of Default (PD): It expresses the likelihood that a borrower will default on its financial position based on the prevailing financial conditions at the reporting date, adjusted by estimates of future financial conditions for a 12-month time horizon for exposures classified in Stage 1 and for the entire duration of the loan life for exposures classified in Stage 2 or 3. PD is used both for the calculation of Expected Credit Loss (ECLs) and for the Significant Credit Risk Increase (SICR).
- Loss Given Default ("LGD"): expresses the estimate of the damage resulting from a default event. In calculating this parameter, the Bank considers the following components:
  - Loss Given Loss ("LGL"), which is the expected loss on the percentage of loans that are in default and not repaid, for which the collateralization procedure is followed, in the case of covered loans, or cash recovery.
  - The possibility of recovery (Cure Rate - "CR"), that is, the possibility of defaulted accounts being returned, starting to pay their debts regularly.

The Bank calculates loan impairment either on a collective basis or on an individual basis, taking into account the first common grouping characteristics (such as the type of portfolio or loan exposure category), while for the latter the significance of an exposure and whether it is classified as non-performing or whether the customer has been subject to bankruptcy or creditors protection, are taken into account.

In accordance with the requirements of IFRS 9, the Bank develops three macroeconomic scenarios (optimistic, basic and unfavorable) in order to estimate the expected credit losses in a manner that reflects an unbiased and probability-weighted amount. Macroeconomic scenarios are used in addition to calculating expected credit losses and in assessing significant risk increases.

In addition, in 2021, in cooperation with an advisory company, the process of upgrading systems and policies will be completed in order to fully implement the requirements of Regulation 2019/630 of the European Parliament and of the Council of 17 April 2019 amending Regulation (EU) No 575/2013, as regards minimum loss coverage for non-performing exposures.

2.8 Fair value of financial instruments

The Group calculates the fair value of financial instruments based on a fair value calculation framework that classifies financial instruments into a three-level hierarchy of data used in valuation, according to their quality as described below:

Level 1: Quoted prices in active markets for identical financial instruments. Active market, is the market in which transactions are of sufficient frequency and volume to provide price information on an ongoing basis. Level 1 includes quoted equity securities.

Level 2: Direct or indirect observable data (other than Level 1 prices), such as quoted prices of similar instruments, quotes from markets that are not active, or other observable data or data that result from observable data for almost the entire duration of the financial instrument. Level 2 includes securities with quoted prices in inactive markets available from third parties (dealers - brokers).

Level 3: Non-observable data backed by few or no active market transactions and significantly affecting fair value. This includes financial instruments that are valued either through the net asset value method or by discounting cash flows or other valuation methods that require management estimates. Level 3 includes unquoted equity securities.

The level in the fair value hierarchy in which a fair value calculation is determined by the lowest level of data used in the fair value calculation and has a significant effect. To this end, the significance of a given item is evaluated in relation to its total fair value.

2.9 Offsetting

The presentation in the financial statements of the net amount that results from the offsetting of financial assets and liabilities is permitted only if there is a contractual right that allows for the offsetting of the amounts recorded and at the same time there is an intention to either settle the total amount of both the financial assets and the liability respectively, or for settlement of the net amount that arises after the offsetting.

2.10 Interest and similar income and expenses

Interest income and expenses relating to all interest bearing financial instruments is recognized in profit or loss using the effective interest method.

Interest income refers to interest on "Loans and advances to customers", "Claims on financial institutions" and debt securities coupons.

Interest expenses relates to interest on "Liabilities to central banks", "Liabilities to other financial institutions", "Liabilities to customers" and "Debt securities and other loans".

2.11 Commissions

Generally, commissions and related income are recognized during the period in which the related services were provided. Commissions and related income arising from trading, transactions or participation in trading on behalf of third parties, such as the purchase of claims on loans, equity or other securities and the purchase or sale of financial units, are recognized at the time of completion of the underlying transaction. It is noted that the accounting treatment of commissions has not changed since the application of the new IFRS 15 standard, the impact of which was assessed as not significant.

2.12 Tangible fixed assets

Tangible fixed assets include land and property, leased property improvements, transportation and equipment, held by the Group for their operational use, but also for administrative purposes. Tangible fixed assets are initially recognized at their acquisition value, which includes all the costs required for a fixed asset to operate.

Subsequent to their initial recognition, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment provisions. Expenditure subsequent to the acquisition of an asset under "Tangible assets" is capitalized only where it is probable that such expenditure will in the future bring additional financial benefits to the Group, beyond what was originally expected at the time of acquisition of the asset. Otherwise, these costs are transferred directly to profit and loss at the time they are incurred.

Depreciation on a fixed asset starts with the commencement of its use and is interrupted only by the sale or transfer of the item. Consequently, depreciation on a tangible asset that ceases to be used is not interrupted, unless fully depreciated, but its useful life is reassessed. Tangible assets are depreciated using the straight line method over their useful lives. The estimated useful lives of tangible fixed assets by category are as follows:

Category of Assets	Useful Life
Fields	Not depreciated
Buildings	50 to 70 years
Improvements to leased real estate	During the remaining term of the lease, not exceeding 12 years
Mechanical Equipment / Technical Installations	From 10 to 25 years
Furniture & other equipment	Up to 12 years
Means of transport	Up to 10 years
Electronic and other equipment	Up to 5 years

The Bank and the Group companies review the residual values and useful lives of tangible fixed assets at each date of drafting the financial statements. The Group examines at each reporting date whether there is any indication that a tangible fixed asset has been impaired. If such an indication exists, the Group calculates the recoverable amount of the tangible fixed asset. When the book value of a tangible fixed asset exceeds its recoverable value, the Group makes a similar impairment provision in order to reflect the book value of the asset. Profit and losses on disposal of tangible fixed assets are determined based on their book value and are taken into account in determining income before tax.

2.13 Assets from auctions/property stocks

The Bank's assets from auctions and stocks of acquired property of the Group's subsidiaries (property management sector) are recorded in "Other assets".

The Bank's assets from auctions are recognized in "Other assets" at the time of the auction or when collateral is obtained by agreement or court order. Assets from auctions arise when the Bank initiates legal action to collect collateral when it is no longer considered that repayment or settlement of the debt can be achieved. Where debts are secured by assets, legal actions include the initiation of an auction process with the aim of repaying the debts through the realizable value of the collateral.

The Bank's assets from auctions and the Group subsidiaries' property stock are initially recognized at cost less estimated cost of sale and are accounted for as a provision in accordance with IAS 2. Subsequent to acquisition, they are valued at the lower of cost and net realizable value.

Profits and losses arising from the sale of assets from auctions are included in "Other net income".

2.14 Investment properties

Real estate investments include land and buildings held for the purpose of collecting rents and/or capital gains. Investment property is initially recognized at its acquisition value, which includes transaction costs.
Subsequent to initial recognition, investment property is measured at fair value as estimated by appraisers. Fair value is determined by the market value of a property, and if it is not available, other valuation methods are used (e.g. comparative method, residual value of replacement, etc.). The fair value measurement should take into account the ability to derive maximum benefit from the best use or sale of the property.
Real estate investments are reviewed by appraisers at least annually in order to assess their value. Subsequent expenditure increases the value of the property only when it is probable that the Group will derive future economic benefits. Other maintenance costs are recognized in profit and loss.
The Group has been applying the fair value method for investment property since 2016.
Transfers to and from the category of investment property are effected only in the event of a change in the Group's intention to use the property.

2.15 Goodwill, software and other intangible assets
2.15.1. Goodwill

Subsequent to initial recognition, goodwill is measured at cost less any accumulated provisions for impairment.
For the purpose of impairment testing, goodwill is allocated to Cash Flow Generating Units ("CFGUs"). The allocation is made to those of the CFGUs, which are expected to benefit from the business combination resulting in goodwill.
The Group assesses the book value of goodwill on an annual basis, or more frequently, to determine whether there is a possible impairment of its value. In assessing this, it is estimated whether the book value of goodwill remains fully recoverable. The estimate is made by comparing the book value of the CFGU where the goodwill has been allocated to its recoverable amount, which is the greater of its fair value less costs of sale and its value in use. Fair value is valued at market value, if available, either determined by an independent appraiser or derived from a valuation model. If the recoverable amount is less than the book value, an irreversible impairment provision is recognized and the goodwill is impaired at the excess of the book value of the CFGU over the recoverable amount.

2.15.2. Software

The acquisition cost of software includes expenses that are directly attributable to specific and discrete software products controlled by the Group and which are expected to generate future benefits for more than one year and which will exceed the related acquisition costs. Costs that improve or extend the operation of software programs beyond their original specifications are capitalized and added to their original acquisition value.
Software is depreciated over the straight-line method over its useful life, but over a period of not more than 20 years.
In particular, internally generated software components are initially recognized at a value equal to the sum of the expenses incurred from the date that the component meets the recognition criteria. When an intangible asset cannot be recognized, development costs are recognized in profit or loss in the period incurred.
Research expenses are recognized as an expense when incurred. Internally generated software resulting from development costs incurred on an individual project are recognized only when the Group can demonstrate:

- that it has the technological capability to integrate internally created software to make it available for use,
- its intention to complete and use it,
- its ability to use it,
- how the asset will generate future economic benefits,
- that it has sufficient technological, financial and other resources to complete the development and use of the asset, and

- the ability to reliably measure costs when developing an asset.

Subsequent to their initial recognition, internally generated software items are measured at cost less accumulated depreciation and any accumulated impairment provisions.

Expenses, such as the costs of establishment and first setting up business units or branches, staff training costs, advertising and promotional expenses, and the costs of relocating and reorganizing a section or all of the Group, are recognized as expenses when incurred.

At each reporting date, the management of the Group examines the value of intangible assets in order to determine whether there is any impairment. Where appropriate, the management of the Group performs an analysis to determine whether the carrying amount of the assets in question can be fully recovered. When the carrying amount of an intangible asset exceeds its recoverable amount, a similar provision for impairment is made.

2.16 Leases

2.16.1. The Group as a lessee

The Group recognizes assets with the right of use, which represent the right of use of the underlying assets and respectively lease liabilities, which represent the obligation to pay leases. The Group follows this accounting treatment in all lease agreements with the exception of short-term leases (and low value leases whose rents are recognized in operating expenses.

2.16.2. Assets with right of use

The Group recognizes an asset with the right of use at the starting date of the lease period. The asset is measured at cost, less accumulative depreciation. The amortization of the rights of use is carried out with the straight-line method during the lease. The assets with the right of use are presented in "Tangible fixed assets".

2.16.3. Lease liabilities

The Group recognizes as lease liabilities the obligation to pay rents at the start date of the lease term, which are measured at the present value of the rents at the time of the lease. The rents of the Group consist of fixed rents, while the liability from rents is recalculated in case of change in the rents and the book value of the asset with the right of use is adjusted accordingly. The lease liabilities are presented in "Other liabilities".

2.16.4. The Group as a lessor

Finance lease contracts: Where the tangible assets are leased under finance lease, the present value of the minimum rents paid is presented as a receivable. Proceeds from finance leases are recognized during the lease by the net investment (pre-tax) method, which reflects a fixed rate of return. The receivables from finance leases are included in the "Loans and receivables to customers" account.

Operating leases: Fixed assets that are leased as operating leases are reflected in the Statement of Financial Position according to their operating nature. Leased tangible assets are depreciated over their useful lives, which should coincide with the useful lives of similar tangible assets. Rental income (less the value of any incentives provided to the lessee) is recognized on a straight-line basis over the term of the lease.

2.17 Cash and cash equivalents

For the purpose of establishing the statement of cash flows, cash and cash equivalents mean the balances of the accounts "Cash and cash equivalents with Central Banks".

2.18 Provisions

The Group makes provisions for contingent liabilities and risks when there is a present legal or constructive obligation as a result of past events, a high probability of an outflow of resources that has financial benefits for settling the liability and it is possible to estimate the amount of the liability reliably.

2.19 Employee benefits

Group companies pay contributions to employee benefit plans after leaving service in accordance with the conditions and practices applicable in each country. These plans are divided into defined benefit and defined contribution plans.

2.19.1. Pension plans

A. Defined benefit plans

A defined benefit plan is a post-employment employee benefit plan in which benefits are determined on the basis of financial and demographic assumptions. The most significant assumptions include age, years of service, salary, life expectancy indicators, discount rate, rate of increase in salaries and pensions. The value of the liability in defined benefit plans is equal to the present value of the defined payable benefits at the date of the financial statements, less the fair value of the plan's assets.
The defined benefit obligation and the related expense is estimated annually by independent actuaries using the projected unit credit method unit. The present value of the obligation is determined by discounting the estimated future cash outflows using interest rates of high quality corporate bonds or government bonds in the same currency as the liability with proportional liability duration, or interest rate that takes into account the risk and duration of the obligation, in which case the market depth for such bonds is insufficient. Service costs (current and past service (including deductions) and profit or loss arising from settlements) and the net financial cost of the net liability/(claim) of the defined benefits are recognized in the income statement and are included in Personnel Expenses. The net defined benefit obligation (after deducting the assets) is recognized in the statement of financial position, with changes arising from the revaluation (including actuarial gains and losses, the effect of the change in the asset ceiling (if any) and the expected return on assets (excluding interest rate), recognized directly in Other comprehensive income, without subsequently permitting its transfer to the income statement.

B. Defined contribution plan

A defined contribution plan is defined as a post-service employee benefit plan, whereby the employer pays specific contributions to a Fund without any other legal or constructive obligation for further contributions if the Fund does not have the required assets in order to pay the benefits of the policyholders in the current and previous fiscal years. The Group's contributions to the defined contribution plans are recognized in the income statement during the period they relate to and are included in "Personnel costs" account.

2.20 Income taxes

The basis for calculating the income tax payable is taxable profit for the year. Taxable profits differ from pre-tax profits in the income statement due to the exclusion of income or expense that will be taxed or deducted in subsequent years. Also excludes taxable income and expenses that are not recognized for tax deduction. The Group's income tax payable is calculated using the tax rates that are effective or substantially effective at the date of preparation of the financial statements. Deferred tax is calculated using the liability method. The tax that is expected to be paid or recovered and is calculated on the difference between the accounting base of the assets and liabilities and their corresponding tax base, is used to calculate taxable profits.

The most significant temporary differences arise from the impairment of loans and advances to customers, the valuation of financial assets, provisions for retirement benefits, the valuation of real estate inventories at the lower of cost and net realizable value and valuation of Real Estate Investments. The tax benefits that may arise from unused tax losses that are carried forward to subsequent years to be offset are recognized as assets when it is deemed probable that future taxable profits will be sufficient to offset the cumulative tax losses.

Deferred tax assets and liabilities are determined on the basis of the tax rates that are expected to apply to the period in which the asset will be realized or the liability settled. The determination of future tax rates is based on laws adopted at the date of preparation of the financial statements.

Deferred tax assets and liabilities are not recognized if the temporary differences arise on initial recognition of goodwill, or on initial recognition of assets and liabilities (other than business combinations) in a transaction that affects neither taxable nor accounting earnings.

The recognition of deferred tax assets is based on the Management's belief, which is based on available supporting evidence, that tax benefits associated with temporary differences, such as tax losses carried forward and subsequent tax liabilities, are likely to be realized. The carrying amount of deferred tax assets is reviewed at each reporting date and is reduced to the extent that it is no longer probable that there will be sufficient taxable profits to recover all or part of it. In order for the Group and the Bank to make the decision to recognize these deferred tax assets, they consider all available, positive and negative elements, including the realization of the already existing tax temporary differences, projected future tax profits and recent results. If the Group and the Bank find that they are likely to recover deferred tax assets in the future beyond what they have already recognized, then they increase the book value of the deferred tax assets.

Current and deferred tax assets and liabilities are offset provided that the tax authorities grant the right to offset the assets and liabilities and if the deferred tax assets and liabilities relate to the same tax authority and management intends to settle the net amount that results after the offset. Deferred income tax is recognized in temporary differences arising from investments in subsidiaries, associates and joint ventures unless the timing of the reversal of the temporary difference can be controlled by the Group and there is a significant possibility that the difference will not be reversed in the near future.

Deferred tax assets or liabilities that relate to changes in the fair value of available-for-sale investment securities that are charged to or credited to other comprehensive income are also charged to Other comprehensive income and transferred to results and related profit or loss.

2.21 Cooperative Capital

According to IFRIC 2, many financial instruments, including the members' shares in cooperative entities, have equity characteristics such as voting rights and the right to participate in dividend distribution. The classification of these financial instruments as equity or financial liabilities is subject to repayment terms. Some financial instruments entitle their holder to request repayment in cash or for another financial instrument, but may include or be subject to restrictions (such as restrictions on liquidity or reserves formed) as to whether the financial instruments will be repaid. The contractual right of the holder of a financial instrument to request repayment does not in itself require the classification of the financial instrument as a financial liability. An entity should consider and take account of all the terms and conditions of a financial instrument as well as its relevant laws and regulations to determine whether it should be classified as a financial liability or equity.

Co-operative shares of members constitute an equity component if one of the following conditions applies:

- An entity has an unconditional right to refuse to repay shares. An unconditional prohibition may be absolute, in the sense that all discounts are prohibited, or partial, in the sense that it prohibits the repayment of members' shares if the repayment would be due to the number of members' shares or the amount of paid-up capital from members, to fall below a certain level.

- Domestic law or regulations or the entity's articles of association may prohibit the repayment of shares. However, domestic laws, regulations or an entity's articles of association prohibiting repayment under conditions - such as restrictions on liquidity or reserves - do not result in the shares being considered as equity.
- Members' shares meet the requirements of IAS 32, regarding the recognition of equity, available by the holder of financial instruments and the obligations of the issuer upon liquidation.

For the purposes of Article 92 of Regulation (EU) No 575/2013 and Article 149 of Law 4261/2014, repayment of cooperative shares, including cases of retirement or exclusion of associates, which entails a reduction, within the financial year, of more than 2% of the credit institution's equity in the form of a cooperative under Law 1667/1986, is subject to the prior approval of the Bank of Greece. In any event, the Bank of Greece may prohibit the repayment of cooperative shares if the viability of the credit institution operating in the form of credit cooperative.

The Bank has recognized all of its cooperative capital in equity, as there is no relevant authorization to repay shares from the Bank of Greece in accordance with Article 149 of Law 4261/2014.

In addition, they are listed as follows:

The direct costs of issuing cooperative capital are deducted directly from equity.

The difference between the issue of premium shares concerns the difference between the nominal value of the shares issued and their selling price.

Own cooperative shares are those of the Bank held by the Group, which are recognized at acquisition cost and are deducted from the Group's equity.

2.22 Associated parties

In accordance with IAS 24, associated parties include any natural or legal persons associated with the entity that compiles the financial statements. Two parties are considered to be associated if one can exercise control over the other or exercise significant influence over it when making financial and business decisions. Specifically, associated parties are:

a) Enterprises, directly or indirectly, controlled by the Bank.
b) Affiliates, in which the Bank has significant influence and are not subsidiaries.
c) Individuals and their close relatives holding, directly or indirectly, voting rights in the Bank, which give them substantial influence over the Bank.
d) Members of the Bank's Board of Directors and key Managers as well as closely related persons
e) Enterprises belonging to members of the Management.

2.23 Government grants

Government grants relating to assets are initially recognized as liabilities during the period collected or during the period when their approval becomes final and there is certainty of their collection.

The recognition criterion is valid as to the timing of recognition, which is unquestionable, while the stage of non-recovery is the criterion of their definitive approval and the assurance that they will be collected. Specifically, the grant approval is considered final when the entity has documented compliance with the conditions governing its award.

Government grants are recognised at the amounts collected or finally approved. After initial recognition, government grants are depreciated upon their transfer to the profit and loss as income, in the same period, and in a manner corresponding to the transfer to profit and loss of the accounting value of the asset granted.

NOTE 3: SIGNIFICANT ACCOUNTING ESTIMATES AND CONSIDERATIONS IN THE APPLICATION OF ACCOUNTING POLICIES

The preparation of financial statements in accordance with IFRS requires the management to make estimates and assumptions that affect both the carrying amounts of the assets and liabilities and the income and expenses recognized in the financial statements of the Group and the Bank. The Group's management believes that the estimates and assumptions made in the preparation of the consolidated financial statements sufficiently reflect the events and circumstances on 31 December 2020. Specifically, the Group makes estimates and assumptions when applying accounting policies in the following significant cases:

Evaluation of the business model and the contractual cash flow characteristics of the financial asset

Under IFRS 9, financial assets - in particular loans and debt securities - of an entity are classified on the basis of the business model evaluation for financial assets management and on the basis of the characteristics of their contractual cash flows. This dual evaluation of financial instruments requires a judgment taking into account the following

Business Model Evaluation

It is not defined separately at the financial instrument level but at the portfolio level, ie financial assets with the same characteristics:

- Historical sales (frequency, amount of sales) and Management's future plans for portfolio sales
- The way to measure portfolio performance
- The associated risks that affect the performance of the business model and how it is managed
- The method of evaluation and remuneration of the Bank's executives

Fair value of financial instruments

The fair value of financial instruments traded in an active market is determined on the basis of available market prices. The fair value of financial instruments that are not traded in regulated markets or whose prices are not available is determined using various valuation methods. These methods include cash flow discounting methods, as well as other models based mainly on observable data and to a lesser extent on non-observable data. Valuation of non-quoted equity securities for which there are no available prices, the net asset value method is used.

Expected losses of credit risk financial instruments

With the repeal of IAS 39 and the transition to the new IFRS 9 standard, and in conjunction with the adoption of European Banking Authority guidelines in advance, the Group redefined the parameters used to calculate its loan portfolio impairment policy, the parameters used to calculate the estimated expected credit loss. However, the measurement of expected credit losses requires Management to make a judgment by making a series of estimates. The estimates required are based on a number of factors, which can lead to changes in both the timing of the recognition of the loss and the amount of the impairment recognized and the calculation of expected credit losses is based on complex models, which depend on a number of assumptions on the choice of model variables and the interdependencies they create.

The new standard has introduced a new concept, the "Significant Increase in Credit Risk" (SICR), the interpretation of which is critical both to the classification of loans and to the calculation of Expected Credit Loss. As IFRS 9 does not include a definition of Significant Increase in Credit Risk (SICR), estimates are made to determine the criteria used in assessing significant increase in credit risk, and estimates are also made by selecting appropriate methodologies for determining expected credit risk losses as well as identifying macroeconomic scenarios for calculating expected credit losses. At the same time, judgments and estimates are required regarding the determination of the residual duration of the recycled credit, the change in probability of default, and the grouping of financial assets based on similar credit risk characteristics.

Specifically, by using models and pooling financial assets with similar credit risk characteristics, the Group calculates expected credit losses with estimates of risk parameters, namely, Probability of Default, Loss Given Default and Exposure at Default, while incorporating the use of macroeconomic scenarios and their weighting factors in this calculation.

Impairment of associated companies

The Group exercises judgment and tests for impairment the value of its investments in associates, comparing the recoverable amount of each investment (the highest of the values between value of use and fair value less selling costs) to its book value. The permanent impairment of the investment in an associate as shown in the valuation is recorded in the Group's income statement.

Fair value of real estate

The Group's own-use properties are reviewed for impairment when events or changes in circumstances show that the book value may not be recoverable. The recoverable value is the greater of the fair value of the tangible fixed asset, less costs to sell and value in use.

All stocks are measured at the lower value of their acquisition cost and their net realizable value. Net realizable value is the estimated selling price, less costs to sell.

Investment property is measured at fair value, as determined by appraisers. Fair value is determined by market prices or, where unavailable, valuation methods are used with appropriate adjustments to reflect current financial conditions and management estimates, to the best possible extent, of future real estate market price trends.

Income taxes

The Group recognizes deferred tax on temporary tax differences, taking into account the applicable tax provisions.

Deferred tax assets related to tax losses and deductible temporary differences are recognized to the extent that it is probable that a sufficient future taxable income will exist, to cover the tax losses and the deductible provisional differences. Estimating expected future taxable profits requires judgments and assumptions about trends and key profitability factors, such as loan and deposit volumes and profit margins.

Deferred tax assets on tax losses and deductible temporary differences that are not considered recoverable could be recognized in the foreseeable future if estimates for future taxable profits are improved during the period that the right to use taxable income tax deductions and allowances can be exercised. Taxable profits are calculated in accordance with Greek tax law and therefore cannot be considered equivalent to the result determined by accounting rules.

Changes in tax legislation and tax rates may affect in the future the recognized deferred tax assets and liabilities and therefore the level of future tax results.

Staff retirement benefits

Compensation is calculated based on the scale of dismissal compensation under Law 2112/20 and is provided to employees upon their departure from the Company provided that they have established a right to retirement. Specifically, the amount of compensation is calculated at 40% of the amount of dismissal compensation for those who have retired (50% for those who have not established their right with a complementary fund)

The current value of liabilities due to staff retirement depends on factors determined on an actuarial basis using various assumptions, such as the discount rate and future salary increases. Any changes to such assumptions will affect the book value of retirement liabilities.
The Group determines the appropriate discount rate for the calculation of the current value of estimated pension liabilities at the end of each year. The wage growth rate is based on estimates of future inflation and also reflects the Group's remuneration system and expected market conditions.
The remaining assumptions pertaining to retirement obligations, including inflation fluctuations, are partly based on current market conditions at the given time.
For further information on liabilities due to staff retirement and the aforementioned main actuarial assumptions, see note 8.

Provisions and contingent liabilities

The Group recognizes provisions where there is a present legal or implied obligation for which the outflow of resources is almost certain and can be reliably measured. In cases where there is a low potential for an outflow of resources to settle the liability or the amount of the outflow cannot be reliably estimated, no provision is made but this is disclosed in the relevant financial statements.
At each reporting date, the Group exercises judgment and assesses the probability of settlement of the liability, the ability to reliably measure the outflow and the timing of settlement. In addition, in cases of pending litigation, the Group assesses them in detail, whenever financial statements are prepared, based on the estimates of the Bank's Legal Service and its subsidiaries or the estimates of external independent legal advisors, where the amount in question is considered significant.

NOTE 4: RISK MANAGEMENT

4.1 Audit Committee

The Audit Committee, in addition to its other responsibilities, formulates and recommends to the Board of Directors (BoD) the Bank's risk-taking and asset management strategy on an annual basis. It also sets out the principles and approves the policies that should govern the management of the risks assumed and monitors the actions taken to address them effectively.
The Committee consists solely of non-executive members of the Board of Directors, who are at least three, and most of whom (including the Chairman) are independent members of the Board. The members and the Chairman of the Committee are appointed by the Bank's Board of Directors.
The Committee is responsible for evaluating the reports and of the Bank's overall risk exposure on a regular basis. The issues to be discussed by the Committee are proposed by the Head of the Risk Management Unit.

4.2 Financial risk management

4.2.1. Risk management policy

The Bank aims to adopt risk management practices, taking into account all relevant instructions and supervisory requirements as identified by the Basel Committee on Banking Supervision, the European Banking Authority and the Bank of Greece.
Within the Bank's risk management framework, the Board of Directors has entrusted the Audit Committee to oversee all risk management functions of the Bank.
The Bank has established the Risk Management Unit, which is responsible for examining and assessing the two main sources of risk, Credit Risk and Operational Risk, as well as for controlling and monitoring any other risks to which the Bank is exposed. It report directly to the Board of Directors, through the Audit Committee.

The Compliance Unit is responsible for all compliance issues, both internal and external, such as applicable Greek and European laws, regulations, supervisory regulations and accounting standards. The Bank's Internal Audit Unit, which reports directly to the Board of Directors through the Audit Committee, complements the risk management framework by acting as an independent audit body, focusing on the effectiveness of the risk management framework and control environment.

4.2.2 Risk Management Framework

The Board of Directors has overall responsibility for developing and overseeing the "Risk Governance and Management Framework" for the development of the Risk Appetite strategy, in line with the Bank's business objectives.
It also assesses the effectiveness of risk management policy, as well as the adequacy of equity, in relation to the amount and form of risk undertaken. The risk management framework is updated annually upon recommendation by the Risk Management Unit to the Board of Directors, taking into account any supervisory requirements.

4.2.3 Risk Management Unit

According to the Rules of Operation of the Risk Management Unit, its mission is:

- to specify and implement the credit risk policy with a focus on rating systems, assessment models and risk parameters, in accordance with the guidelines of the Bank's Board of Directors,
- to submit written assessments to the Bank's approval bodies for exposures to borrowers or groups of borrowers and participating through its supervisor and its executives, with voting rights, in the credit approval process,
- to calculate the supervisory and internal capital required to cover all risks and to prepare the relevant regulatory and supervisory reports,
- to design, specify, recommend and implement the risk management policy in accordance with the guidelines of the Bank's Board of Directors, and
- to contribute, together with the other Directorates and Units of Management to the formation and development of the risk culture throughout the Bank,
- to evaluate the adequacy of the Bank's credit risk identification, measurement and monitoring all the risks incurred by the Bank and their periodic validation,
- to prepare and submit all necessary reports on matters within its competence, with a view to providing the Management with sufficient information on a quarterly, semiannual or annual basis,
- to collaborate with other units and departments of the Bank on risk management issues.
- to participate in Working Groups created from time to time for the purpose of drawing up regular and extraordinary plans with the supervisory authorities.

The Risk Management Unit is comprised, in addition to its Head, by two more employees.

4.2.4 Asset-liability management

Asset/liability management policies are designed to ensure that the balance sheet is compiled in such a way as to limit both liquidity risk and interest rate risk and to contribute to its profitability. The Bank's asset/liability management policy is designed and implemented by ALCO, which sets out the general asset and liability management policy. ALCO sets out the Bank's strategy and policy on the structure and management of Assets and Liabilities, taking into account the current market conditions and risk limits set by the Bank.

4.2.5 Internal control

Internal control aims to perform audit and advisory activities designed to add value and improve operations.

4.3 Managing specific risks

4.3.1 Credit risk

Credit risk is the risk of loss due to the counterparty's inability to meet the terms and obligations arising out of any contract with the Bank. It is incurred from lending activities. This is the most significant risk faced by the Bank. The process of assessing the creditworthiness of borrowers is carried out separately by the Bank and in particular in exposures of more than € 500.0 thousand and by the Risk Management Unit.

4.3.2 Credit risk management procedures

The Bank's credit operations include:

- Credit criteria, clearly identified by the specific market targeted, the category of borrowers or counterparties, as well as the purpose, type of credit, and the source of repayment.
- Credit limits that allow for grouping and comparison at different levels of different forms of risk exposure.
- Established and clearly defined procedures for approving new credits, as well as restructuring, and renewing existing credits.

The Bank's internal safeguards for credit risk-related procedures include:

- Proper management of credit operations.
- Regular and timely corrective actions to manage loans in default.

4.3.3 Credit Risk Measurement, Monitoring and Internal Ratings

The process of evaluating borrowers' creditworthiness is centrally undertaken by the Risk Management Unit, which works closely with the Credit Division responsible for specific categories of lending, as well as with the Credit Management Division, which is responsible for all exposures which are already or are about to be in default.
The Bank uses the credit risk assessment system RV RATING for its business portfolio, which is periodically validated.
The business portfolio is categorized annually into nine credit levels related to the Probability of Default.
Exposures to Business Lending as well as lending to SMEs are mainly covered by collateral and, secondarily, liquid assets, receivables, etc.

4.3.4 Management of Significant Risk Concentration

The Bank manages the lending process, controls exposure to credit risk and ensures compliance through a system of internal limits.
The main tool for monitoring the Business Portfolio are the Credit Limits which express the maximum permissible level of risk exposure for a given Credit Level.
The Board of Directors, upon recommendation by the Audit Committee, approves the maximum credit limits, which are reviewed annually. All exceedances over the established internal limits are approved by the competent approval bodies within the approval powers defined in the Credit Policy.
The credit risk arising from the excessive exposure to a counterparty or a group of related counterparties whose probability of default depends on common factors is monitored through the Large Exposures per group of related debtors.
Finally, in the context of the Internal Capital Adequacy Assessment Process, the Bank, in cooperation with SYSTEMIC SA, calculates the risk of concentration and the risk of unexpected losses, i.e. the internal or financial capital of its exposures, by calculating the increase in capital requirements.

4.3.5 Loans and Receivables Impairment Policy

The Bank has adopted a policy of impairment of loans and advances to customers. This policy sets out the guidelines for the process of assessing the impairment need and calculating the impairment provision. The Bank's Loans and

Receivables Impairment Policy is set out in Note 2.7.5 above. In addition, a Provision Committee has been set up to oversee the proper implementation of the Loan and Receivables Impairment Policy.

4.3.6 Securities and other credit risk mitigation techniques

4.3.6.1 Loans and receivables to customers:

The most common practice used by the Bank to reduce credit risk on loans and advances to customers is to obtain collateral. The Bank has implemented guidelines on the acceptance of specific types of collateral as described in the text of its credit policy. In particular, all credit policies that are accepted as forms of credit protection are explicitly mentioned in the credit policy. The main categories of collateral are the following:

- Mortgages on real estate used for residential and/or commercial property
- Maritime mortgages
- Pledges on deposits, shares (listed and non-listed), gold, machinery, etc.
- Guarantees of the Greek State or Greek and European organizations
- Assignment of receivables (both incurred and non-incurred)
- Corporate or personal guarantees (including the former TEMPME guarantee)

The Bank, to ensure more complete monitoring and more efficient management of collateral secured by loans and receivables, but also in full compliance with the existing supervisory framework, has incorporated the collateral subsystem into the existing information systems. The collateral subsystem enables the collateral information to be extracted at various levels, the components of the collateral that allow its qualitative evaluation to be monitored, as well as the components that allow its value to be calculated.

4.3.6.2 Maximum exposure to credit risk

The maximum exposure to credit risk at 31.12.2020 and 31.12.2019 for the Group and the Bank, respectively, is as follows:

	Group		Bank	
Amounts in EUR	**31.12.2020**	**31.12.2019**	**31.12.2020**	**31.12.2019**
A. On-Balance Sheet Items Subject to Credit Risk				
Cash at Central Banks	203,151,989	165,503,773	203,151,989	165,503,773
Receivables from financial institutions	(8,921,516)	7,839,051	8,921,516	7,839,051
Financial assets at fair value through profit or loss	896.839	685,220	896.839	685,220
Financial assets at amortized cost	1,001,646	1,001,111	1,001,646	1,001,111
Loans and receivables to customers	355,297,452	333,885,075	390,387,534	371,735,783
Holdings	112.114	170,350	8,576,677	4,317,926
Other receivables from customers and various debtors	8,522,362	7,248,366	5,005,329	3,805,176
Held-to-maturity portfolio	4,945,398	4,905,103	3,060,015	2,972,982
Total value of On-Balance Sheet Items Subject to Credit Risk	**582,849,316**	**521,238,050**	**621,001,544**	**557,861,023**
B. Off-Balance Sheet Items Subject to Credit Risk				
Letters of guarantee, letters of credit and other guarantees	13,216,533	16,303,840	13,219,995	16,307,302
Total value of Off-Balance Sheet Items Subject to Credit Risk	**13,216,533**	**16,303,840**	**13,219,995**	**16,307,302**
Total Value of Exposures Subject to Credit Risk	**596,065,849**	**537,541,890**	**634,221,539**	**574,168,325**

Note: The Group's and the Bank's total unpaid loans and credit lines relate to limits that can be revoked at any time and amount to € 3.93 million at December 31, 2020 (2019: € 2.28 million for the Group and the Bank).

4.3.6.3 Recovery of securities

According to the Bank's Credit Policy, the existence and value of collateral are closely monitored. The frequency of property appraisals usually does not exceed one year for commercial real estate and three years for residential real estate. The valuations are carried out by specialized valuers, duly accepted by the Bank.

The value of collateral includes:

- Real estate collateral, and in particular prenotations/mortgages on commercial or residential real estate, excluding any prior liens, with a maximum amount being the minimum assurance value,
- Financial collateral, and in particular, pledges on deposits, stock traded in a primary intext of an organized market, gold,
- Other collateral (such as maritime mortgages),
- Value of guarantees and in particular the value of collateral related to the former TEMPME guarantee.

The Group reformed the way of calculating collateral, optimizing the value of collateral on real estate for 2019. The analysis of collateral and guarantees obtained to limit exposure to credit risk on loans and advances to customers is broken down by portfolio category and summarized in the following tables:

Analysis of collateral and guarantees - Group

	31 December 2020					31 December 2019*				
	Collateral Value					Collateral Value				
	Collateral on real estate	Financial collateral	Other collateral	Total collateral	Value of guarantees	Collateral on real estate	Financial collateral	Other collateral	Total collateral	Value of guarantees
Retail Banking	111,015	2,324	2,220	115,559	39	110,346	1,765	2,220	114,331	17
Business Banking	284,400	7,427	15,577	307,404	285	289,027	3,442	17,276	309,745	213
Public Sector	-	-	-	-	-	-	-	-	-	-
Total	**395,415**	**9,751**	**17,797**	**422,963**	**324**	**399,373**	**5,207**	**19,496**	**424,076**	**230**

Analysis of collateral and guarantees - Bank

	31 December 2020					31 December 2019*				
	Collateral Value					Collateral Value				
	Collateral on real estate	Financial collateral	Other collateral	Total collateral	Value of guarantees	Collateral on real estate	Financial collateral	Other collateral	Total collateral	Value of guarantees
Retail Banking	111,015	2,324	2,220	115,559	39	110,346	1,765	2,220	114,331	17
Business Banking	316,165	7,560	17,563	341,288	285	319,626	3,684	21,334	344,644	213
Public Sector	-	-	-	-	-	-	-	-	-	-
Total	**427,180**	**9,884**	**19,783**	**456,847**	**324**	**429,972**	**5,449**	**23,554**	**458,975**	**230**

*As reconfigured.

In addition, there is a guarantee value of € 11.5m of the Hellenic Development Bank corresponding to disbursed loans of a total balance of € 14.3m during 31/12/2020, which relate to the provision of guaranteed loans to enhance the liquidity of the companies by the adverse effects of COVID-19.

4.3.6.4 Loan to Value Ratio

The Loan to Value Ratio reflects the relationship between the loan and the assurance value of the property held as collateral. The following are the loan balances and the number of borrowers depending on the LTV rate for the mortgage portfolio:

	Group		Bank	
	31 December 2020	31 December 2019	31 December 2020	31 December 2019
Less than 50%	2,438	2,407	2,438	2,407
50%-70%	3,858	4,514	3,858	4,514
71%-80%	2,343	2,042	2,343	2,042
81% -90%	1,187	1,555	1,187	1,555
91%-100%	2,104	1,745	2,104	1,745
101%-120%	2,311	2,318	2,311	2,318
121%-150%	2,176	1,873	2,176	1,873
Greater than 150%	5,159	4,616	5,159	4,616
Total	**21,576**	**21,070**	**21,576**	**21,070**
Ratio average	**108%**	**102%**	**108%**	**102%**

4.3.6.5 Loans and receivables to customers

The credit quality of loans and advances to customers is summarized as follows:

Loans and advances to customers by credit quality - Group

31 December 2020	Stage 1					Stage 2					Stage 3					TOTALS	
	Performing	Non-performing	Accounting balance (before provisions)	Expected credit risk loss	Accounting Balance (net worth)	Performing	Non-performing	Accounting balance (before provisions)	Expected credit risk loss	Accounting Balance (net worth)	Performing	Non-performing	Accounting balance (before provisions)	Expected credit risk loss	Accounting Balance (net worth)	Accounting Balance (net worth)	Value of collateral
Retail Banking	**26,921**	**-**	**26,921**	**(576)**	**26,345**	**15,256**	**-**	**15,256**	**(1,142)**	**14,114**	**7,777**	**69,278**	**77,055**	**(27,545)**	**49,510**	**89,969**	**115,599**
Housing Loans	6,016	-	6,016	(32)	5,985	(1,769)	-	1,769	(88)	1,680	1,564	12,228	13,792	(3,111)	10,681	18,346	26,856
Consumer loans	4,180	-	4,180	(76)	4,104	2,243	-	2,243	(108)	2,135	480	7,653	8,134	(3,275)	4,858	11,098	13,842
Credit cards	-	-	-	-	-	-	-	-	-	-	-	497	497	(448)	50	50	20
Other loans	16,724	-	16,724	(468)	16,256	11,244	-	11,244	(946)	10,299	5,732	48,900	54,632	(20,711)	33,920	60,475	74,881
Business Banking	**149,992**	**-**	**149,992**	**(2,533)**	**147,459**	**40,277**	**-**	**40,277**	**(1,642)**	**38,635**	**35,536**	**97,047**	**132,582**	**(53,469)**	**79,113**	**265,207**	**307,689**
Large enterprises	14,030	-	14,030	(761)	13,269	1,570	-	1,570	(40)	1,530	-	2,618	2,618	(2,618)	-	14,799	14,106
Small and medium-sized enterprises SMEs	135,962	-	135,962	(1,772)	134,190	38,706	-	38,706	(1,602)	37,104	35,536	94,429	129,964	(50,851)	79,113	250,408	293,583
Public sector	**150**	**-**	**150**	**(28)**	**122**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**122**	**-**
Greece	150	-	150	(28)	122	-	-	-	-	-	-	-	-	-	-	122	-
Other countries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	**177,063**	**-**	**177,063**	**(3,137)**	**173,926**	**55,532**	**-**	**55,532**	**(2,783)**	**52,749**	**43,313**	**166,324**	**209,637**	**(81,014)**	**128,623**	**355,297**	**423,288**

Loans and advances to customers by credit quality - Bank

31 December 2020	Stage 1					Stage 2					Stage 3					TOTALS	
	Performing	Non-performing	Accounting balance (before provisions)	Expected credit risk loss	Accounting Balance (net worth)	Performing	Non-performing	Accounting balance (before provisions)	Expected credit risk loss	Accounting Balance (net worth)	Performing	Non-performing	Accounting balance (before provisions)	Expected credit risk loss	Accounting Balance (net worth)	Accounting Balance (net worth)	Value of collateral
Retail Banking	**26,921**	**-**	**26,921**	**(576)**	**26,345**	**15,256**	**-**	**15,256**	**(1,142)**	**14,114**	**7,777**	**69,278**	**77,055**	**(27,545)**	**49,510**	**89,969**	**115,599**
Housing Loans	6,016	-	6,016	(32)	5,985	1,769	-	1,769	(88)	1,680	1,564	12,228	13,792	(3,111)	10,681	18,346	26,856
Consumer loans	4,180	-	4,180	(76)	4,104	2,243	-	2,243	(108)	2,135	480	7,653	8,134	(3,275)	4,858	11,098	13,842
Credit cards	-	-	-	-	-	-	-	-	-	-	-	497	497	(448)	50	50	20
Other loans	16,724	-	16,724	(468)	16,256	11,244	-	11,244	(946)	10,299	5,732	48,900	54,632	(20,711)	33,920	60,475	74,881
Business Banking	**185,084**	**-**	**185,084**	**(2,535)**	**182,549**	**40,277**	**-**	**40,277**	**(1,642)**	**38,635**	**35,536**	**97,047**	**132,582**	**(53,469)**	**79,113**	**300,297**	**341,574**
Large enterprises	14,030	-	14,030	(761)	13,269	1,570	-	1,570	(40)	1,530	-	2,618	2,618	(2,618)	-	14,799	14,106
Small and medium-sized enterprises SMEs	171,054	-	171,054	(1,774)	169,280	38,706	-	38,706	(1,602)	37,104	35,536	94,429	129,964	(50,851)	79,113	285,498	327,468
Public sector	**150**	**-**	**150**	**(28)**	**122**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**122**	**-**
Greece	150	-	150	(28)	122	-	-	-	-	-	-	-	-	-	-	122	-
Other countries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	**212,155**	**-**	**212,155**	**(3,139)**	**209,016**	**55,532**	**-**	**55,532**	**(2,783)**	**52,749**	**43,313**	**166,324**	**209,637**	**(81,014)**	**128,623**	**390,388**	**457,173**

Loans and advances to customers by credit quality - Group

31 December 2019	Stage 1					Stage 2					Stage 3					TOTALS	
	Performing	Non-performing	Accounting balance (before provisions)	Expected credit risk loss	Accounting Balance (net worth)	Performing	Non-performing	Accounting balance (before provisions)	Expected credit risk loss	Accounting Balance (net worth)	Performing	Non-performing	Accounting balance (before provisions)	Expected credit risk loss	Accounting Balance (net worth)	Accounting Balance (net worth)	Value of collateral*
Retail Banking	**25,351**	**-**	**25,351**	**(525)**	**24,825**	**14,371**	**-**	**14,371**	**(864)**	**13,508**	**8,286**	**64,574**	**72,860**	**(25,172)**	**47,688**	**86,021**	**114,916**
Housing Loans	5,504	-	5,504	(45)	5,460	2,702	-	2,702	(181)	2,521	1,459	11,404	12,863	(3,021)	9,842	17,823	27,400
Consumer loans	4,215	-	4,215	(118)	4,097	2,150	-	2,150	(188)	1,962	863	7,027	7,889	(3,182)	4,707	10,766	14,384
Credit cards	-	-	-	-	-	-	-	-	-	-	-	501	501	(451)	50	50	27
Other loans	15,631	-	15,631	(363)	15,268	9,520	-	9,520	(496)	9,024	5,964	45,643	51,607	(18,518)	33,089	57,382	73,105
Business Banking	**132,482**	**-**	**132,482**	**(1,173)**	**131,309**	**41,362**	**-**	**41,362**	**(3,815)**	**37,547**	**43,604**	**85,082**	**128,686**	**(49,860)**	**78,826**	**247,682**	**309,958**
Large enterprises	8,789	-	8,789	(3)	8,785	-	-	-	-	-	-	-	-	-	-	8,785	17,754
Small and medium-sized enterprises SMEs	123,694	-	123,694	(1,170)	122,524	41,362	-	41,362	(3,815)	37,547	43,604	85,082	128,686	(49,860)	78,826	238,897	292,204
Public sector	**207**	**-**	**207**	**(24)**	**183**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**183**	**-**
Greece	207	-	207	(24)	183	-	-	-	-	-	-	-	-	-	-	183	-
Other countries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	**158,040**	**-**	**158,040**	**(1,723)**	**156,317**	**55,733**	**-**	**55,733**	**(4,679)**	**51,054**	**51,890**	**149,656**	**201,546**	**(75,032)**	**126,514**	**333,886**	**424,874**

*As reconfigured.

Loans and advances to customers by credit quality - Bank

31 December 2019	Stage 1					Stage 2					Stage 3					TOTALS	
	Performing	Non-performing	Accounting balance (before provisions)	Expected credit risk loss	Accounting Balance (net worth)	Performing	Non-performing	Accounting balance (before provisions)	Expected credit risk loss	Accounting Balance (net worth)	Performing	Non-performing	Accounting balance (before provisions)	Expected credit risk loss	Accounting Balance (net worth)	Accounting Balance (net worth)	Value of collateral*
Retail Banking	**25,351**	**-**	**25,351**	**(525)**	**24,825**	**14,371**	**-**	**14,371**	**(864)**	**13,508**	**8,286**	**64,574**	**72,860**	**(25,172)**	**47,688**	**86,021**	**114,916**
Housing Loans	5,504	-	5,504	(45)	5,460	2,702	-	2,702	(181)	2,521	1,459	11,404	12,863	(3,021)	9,842	17,823	27,400
Consumer loans	4,215	-	4,215	(118)	4,097	2,150	-	2,150	(188)	1,962	863	7,027	7,889	(3,182)	4,707	10,766	14,384
Credit cards	-	-	-	-	-	-	-	-	-	-	-	501	501	(451)	50	50	27
Other loans	15,631	-	15,631	(363)	15,268	9,520	-	9,520	(496)	9,024	5,964	45,643	51,607	(18,518)	33,089	57,382	73,105
Business Banking	**170,337**	**-**	**170,337**	**(1,177)**	**169,160**	**41,362**	**-**	**41,362**	**(3,815)**	**37,547**	**43,604**	**85,082**	**128,686**	**(49,860)**	**78,826**	**285,533**	**344,857**
Large enterprises	8,789	-	8,789	(3)	8,785	-	-	-	-	-	-	-	-	-	-	8,785	17,754
Small and medium-sized enterprises SMEs	161,548	-	161,548	(1,174)	160,374	41,362	-	41,362	(3,815)	37,547	43,604	85,082	128,686	(49,860)	78,826	276,747	327,103
Public sector	**207**	**-**	**207**	**(24)**	**183**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**183**	**-**
Greece	207	-	207	(24)	183	-	-	-	-	-	-	-	-	-	-	183	-
Other countries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	**195,894**	**-**	**195,894**	**(1,727)**	**194,168**	**55,733**	**-**	**55,733**	**(4,679)**	**51,054**	**51,890**	**149,656**	**201,546**	**(75,032)**	**126,514**	**371,736**	**459,773**

*As reconfigured.

The maturity (days in arrears) of loans and receivables against customers is summarized as follows:

31 December 2020	Maturity of loans and receivables (net worth) - Group															
	Retail Banking															
	Housing Loans				Consumer loans				Credit cards				Other loans			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Performing	5,558	1,235	1,057	7,850	3,634	2,085	156	5,874	-	-	-	-	15,438	7,793	2,948	26,178
1-30 days	427	-	4	431	470	6	71	547	-	-	-	-	819	-	274	1,093
31-60 days	-	119	94	214	-	31	24	55	-	-	-	-	-	483	661	1,143
61-90 days	-	326	232	558	-	14	21	35	-	-	-	-	-	2,023	408	2,431
91-180 days	-	-	134	134	-	-	189	189	-	-	-	-	-	-	378	378
181-360 days	-	-	161	161	-	-	122	122	-	-	50	50	-	-	704	704
> 360 days	-	-	8.998	8.998	-	-	4,276	4,276	-	-	-	-	-	-	28,548	28,548
Total	**5,985**	**1,680**	**10,681**	**18,346**	**4,104**	**2,135**	**4,858**	**11,098**	**-**	**-**	**50**	**50**	**16,256**	**10,299**	**33,920**	**60,475**
Collateral value	10,763	2,293	13,800	**26,856**	3,130	2,667	8,045	**13,842**	-	-	20	**20**	18,094	7,277	49,510	**74,881**

31 December 2020	Maturity of loans and receivables (net worth) - Group															
	Business Banking								Public Sector							
	Large enterprises				SMEs				Greece				Other countries			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Performing	13,269	1,530	-	14,799	131,088	28,884	19,510	179,482	122	-	-	122	-	-	-	-
1-30 days	-	-	-	-	3,102	748	532	4,382	-	-	-	-	-	-	-	-
31-60 days	-	-	-	-	-	6,627	52	6,679	-	-	-	-	-	-	-	-
61-90 days	-	-	-	-	-	845	3,072	3,918	-	-	-	-	-	-	-	-
91-180 days	-	-	-	-	-	-	1,118	1,118	-	-	-	-	-	-	-	-
181-360 days	-	-	-	-	-	-	3,066	3,066	-	-	-	-	-	-	-	-
> 360 days	-	-	-	-	-	-	51,763	51,763	-	-	-	-	-	-	-	-
Total	**13,269**	**1,530**	-	**14,799**	**134,190**	**37,104**	**79,113**	**250,408**	**122**	**-**	**-**	**122**	**-**	**-**	**-**	**-**
Collateral value	5,466	-	8,640	**14,106**	144,513	40,423	108,648	**293,583**	-	-	-	**-**	-	-	-	**-**

31 December 2020	Maturity of loans and receivables (net worth) - Bank															
	Retail Banking															
	Housing Loans				Consumer loans				Credit cards				Other loans			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Performing	5,558	1,235	1,057	7,850	3,634	2,085	156	5,874	-	-	-	-	15,438	7,793	2,948	26,178
1-30 days	427	-	4	431	470	6	71	547	-	-	-	-	819	-	274	1,093
31-60 days	-	119	94	214	-	31	24	55	-	-	-	-	-	483	661	1,143
61-90 days	-	326	232	558	-	14	21	35	-	-	-	-	-	2,023	408	2,431
91-180 days	-	-	134	134	-	-	189	189	-	-	-	-	-	-	378	378
181-360 days	-	-	161	161	-	-	122	122	-	-	50	50	-	-	704	704
> 360 days	-	-	8.998	8.998	-	-	4,276	4,276	-	-	-	-	-	-	28,548	28,548
Total	**5,985**	**1,680**	**10,681**	**18,346**	**4,104**	**2,135**	**4,858**	**11,098**	**-**	**-**	**50**	**50**	**16,256**	**10,299**	**33,920**	**60,475**
Collateral value	10,763	2,293	13,800	**26,856**	3,130	2,667	8,045	**13,842**	-	-	20	**20**	18,094	7,277	49,510	**74,881**

31 December 2020	Maturity of loans and receivables (net worth) - Bank															
	Business Banking								Public Sector							
	Large enterprises				SMEs				Greece				Other countries			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Performing	13,269	1,530	-	14,799	166,089	28,884	19,510	214,483	122	-	-	122	-	-	-	-
1-30 days	-	-	-	-	3,191	748	532	4.471	-	-	-	-	-	-	-	-
31-60 days	-	-	-	-	-	6,627	52	6,679	-	-	-	-	-	-	-	-
61-90 days	-	-	-	-	-	845	3,072	3,918	-	-	-	-	-	-	-	-
91-180 days	-	-	-	-	-	-	1,118	1,118	-	-	-	-	-	-	-	-
181-360 days	-	-	-	-	-	-	3,066	3,066	-	-	-	-	-	-	-	-
> 360 days	-	-	-	-	-	-	51,763	51,763	-	-	-	-	-	-	-	-
Total	**13,269**	**1,530**	**-**	**14,799**	**169,280**	**37,104**	**79,113**	**285,498**	**122**	**-**	**-**	**122**	**-**	**-**	**-**	**-**
Collateral value	5,466	-	8,640	**14,106**	178,397	40,423	108,648	**327,468**	-	-	-	**-**	-	-	-	**-**

31 December 2019	Maturity of loans and receivables (net worth) - Group															
	Retail Banking															
	Housing Loans				Consumer loans				Credit cards				Other loans			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Performing	4,591	1,080	924	6,596	3,888	1,731	459	6,077	-	-	-	-	13,617	6,033	3,628	23,277
1-30 days	869	25	198	1.092	210	5	22	236	-	-	-	-	1.652	175	188	2,015
31-60 days	-	504	63	566	-	91	110	201	-	-	-	-	-	325	278	603
61-90 days	-	912	5	917	-	136	31	167	-	-	-	-	-	2,491	765	3,256
91-180 days	-	-	170	170	-	-	74	74	-	-	-	-	-	-	2,520	2,520
181-360 days	-	-	263	263	-	-	274	274	-	-	50	50	-	-	768	768
> 360 days	-	-	8,219	8,219	-	-	3,737	3,737	-	-	-	-	-	-	24,943	24,943
Total	**5,460**	**2,521**	**9,842**	**17,823**	**4,097**	**1,962**	**4,707**	**10,766**	**-**	**-**	**50**	**50**	**15,268**	**9,024**	**33,089**	**57,382**
Collateral value	10,153	3,599	13,648	**27,400**	3,260	2,563	8,560	**14,384**	-	-	27	**27**	17,283	5,654	50,167	**73,105**

31 December 2019	Maturity of loans and receivables (net worth) - Group															
	Business Banking								Public Sector							
	Large enterprises				SMEs				Greece				Other countries			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Performing	8,785	-	-	8,785	117,360	26,601	20,392	164,353	183	-	-	183	-	-	-	-
1-30 days	-	-	-	-	5,160	-	3,145	8,305	-	-	-	-	-	-	-	-
31-60 days	-	-	-	-	-	6,144	3,467	9,611	-	-	-	-	-	-	-	-
61-90 days	-	-	-	-	-	4,801	1,375	6,177	-	-	-	-	-	-	-	-
91-180 days	-	-	-	-	-	-	1,595	1,595	-	-	-	-	-	-	-	-
181-360 days	-	-	-	-	-	-	2,760	2,760	-	-	-	-	-	-	-	-
> 360 days	-	-	-	-	-	-	46,093	46,093	-	-	-	-	-	-	-	-
Total	**8,785**	**-**	**-**	**8,785**	**122,520**	**37,547**	**78,826**	**238,893**	**183**	**-**	**-**	**183**	**-**	**-**	**-**	**-**
Collateral value	17,754	-	-	**17,754**	141,996	37,419	112,789	**292,204**	-	-	-	**-**	-	-	-	**-**

31 December 2019	Maturity of loans and receivables (net worth) - Bank															
	Retail Banking															
	Housing Loans				Consumer loans				Credit cards				Other loans			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Performing	4,591	1,080	924	6,596	3,888	1,731	459	6,077	-	-	-	-	13,617	6,033	3,628	23,277
1-30 days	869	25	198	1.092	210	5	22	236	-	-	-	-	1.652	175	188	2,015
31-60 days	-	504	63	566	-	91	110	201	-	-	-	-	-	325	278	603
61-90 days	-	912	5	917	-	136	31	167	-	-	-	-	-	2,491	765	3,256
91-180 days	-	-	170	170	-	-	74	74	-	-	-	-	-	-	2,520	2,520
181-360 days	-	-	263	263	-	-	274	274	-	-	50	50	-	-	768	768
> 360 days	-	-	8,219	8,219	-	-	3,737	3,737	-	-	-	-	-	-	24,943	24,943
Total	**5,460**	**2,521**	**9,842**	**17,823**	**4,097**	**1,962**	**4,707**	**10,766**	**-**	**-**	**50**	**50**	**15,268**	**9,024**	**33,089**	**57,382**
*Collateral value**	10,153	3,599	13,648	**27,400**	3,260	2,563	8,560	**14,384**	-	-	27	**27**	17,283	5,654	50,167	**73,105**

31 December 2019	Maturity of loans and receivables (net worth) - Bank															
	Business Banking								Public Sector							
	Large enterprises				SMEs				Greece				Other countries			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Performing	8,785	-	-	8,785	147,231	26,601	20,392	194,224	183	-	-	183	-	-	-	-
1-30 days	-	-	-	-	13,144	-	3,145	16,288	-	-	-	-	-	-	-	-
31-60 days	-	-	-	-	-	6,144	3,467	9,611	-	-	-	-	-	-	-	-
61-90 days	-	-	-	-	-	4,801	1,375	6,177	-	-	-	-	-	-	-	-
91-180 days	-	-	-	-	-	-	1,595	1,595	-	-	-	-	-	-	-	-
181-360 days	-	-	-	-	-	-	2,760	2,760	-	-	-	-	-	-	-	-
> 360 days	-	-	-	-	-	-	46,093	46,093	-	-	-	-	-	-	-	-
Total	**8,785**	**-**	**-**	**8,785**	**160,374**	**37,547**	**78,826**	**276,747**	**183**	**-**	**-**	**183**	**-**	**-**	**-**	**-**
Collateral value*	17,754	-	-	**17,754**	176,895	37,419	112,789	**327,103**	-	-	-	**-**	-	-	-	**-**

*As reconfigured

4.3.6.6 Impaired loans

Loans and advances to customers in accordance with the Bank's Impairment Policy are loans and receivables classified as Stage 3 (and are therefore considered exposures in Default). The Bank applies the default definition for the purpose of preparing its financial statements, in accordance with the definition of Non-Performing Exposures (NPEs) as defined by the European Banking Authority in the Guidelines on the implementation of the definition of infringement under Article 178 of Regulation (EU) No 575/2013, and in accordance with Annex V to Implementing Regulation (EU) No Commission Regulation (EC) No 680/2014 of 16 April 2014, as amended by Commission Implementing Regulation (EU) No 2015/227. In view of the above, the Bank considers that a borrower or loan is in default of its contractual obligations when the following criteria are met:

- The borrower is late in payment of more than 90 days on any significant credit liability to the Bank.
- The Bank considers that the creditor is unable to fully meet their contractual obligations to the Bank (Unlikely to Pay "UTP") unless the Bank seeks to liquidate its collateral.
- The loan is classified as Non-Performing Forborne Exposure in accordance with Article 180 of Regulation (EU) No 227/2015.

Finally, it is noted that the Bank has entered into cooperation with a consulting company for its full adaptation to the supervisory requirements deriving from the text of the Guidelines of the European Banking Authority (EBA GL/2016/07), regarding the application of the definition of default under Article 178 of Regulation (EU) No 575/2013. In this way, the calculation of the expected credit losses defined by this accounting standard (IFRS 9) for impaired loans will continue to be fully aligned with the supervisory definition of default.

4.3.6.7 Transfer of loans to the category of non-impaired

Impaired loans can be classified as non-impaired if there is objective evidence, after the impairment loss has been recognized, that the possibility of repayment under the original or any modified contractual terms may arise. According to the Bank's Impairment Policy, the reclassification of an exposure from Stage 3 to Stage 1 or 2 is an indication of exit from the Non-default Stage.

The analysis of transition flows for exposures and provisions, between impaired and non-impaired loans, by portfolio and Stage, is detailed in section 4.4.4.

4.3.6.8 Accounting policy for the recognition of accrued interest on impaired loans

The Bank and the Group recognize income from impaired loans in their financial statements, the income analysis is presented in the following tables.

Interest income analysis of loans and advances to customers - Bank

31 December 2020

	Performing	Non-performing	Total interest income
Retail Banking	2,944	4,860	7,804
Business Banking	12,640	6,764	19,404
Public sector	18	-	18
Total interest income	**15,602**	**11,624**	**27,226**

Interest income analysis of loans and advances to customers - Group

31 December 2020

	Performing	Non-performing	Total interest income
Retail Banking	2,944	4,860	7,804
Business Banking	9,615	6,764	16,379
Public sector	18	-	18
Total interest income	**12,577**	**11,624**	**24,201**

Interest income analysis of loans and advances to customers - Bank

31 December 2019

	Performing	Non-performing	Total interest income
Retail Banking	3,010	4,502	7,512
Business Banking	13,058	5,856	18,914
Public sector	24	-	24
Total interest income	**16,092**	**10,358**	**26,450**

Interest income analysis of loans and advances to customers - Group

31 December 2019

	Performing	Non-performing	Total interest income
Retail Banking	3,010	4,502	7,512
Business Banking	10,158	5,856	16,014
Public sector	24	0	24
Total interest income	**13,192**	**10,358**	**23,550**

4.4 Loan Arrangements

The rules apply in cases where the borrower's financial inability to service the loan in accordance with the original terms of the loan agreement is verified, provided that it is a cooperative and viable borrower. By assessing these difficulties, the Bank amends the terms of the loan agreement so that the debtor can service it, provided that the arrangements are effective and sustainable in the long run, taking into account both the reasons that have caused such financial difficulties and the debtor’s possibility of repayment.

The Bank has aligned itself with its supervisory obligations regarding the management of loans in arrears and the non-performing loans, being in line with the Implementing Committee Acts and other instructions of the Bank of Greece, in parallel with the applicable obligations arising from Law 4261/2014, Regulation (EU) No 575/2013 and those delegated decisions of the Bank of Greece, as well as in accordance with European Commission Implementing Regulation (EU) 2015/227 of 9 January 2015 and the applicable implementing standards of the European Banking Authority.

For the retail portfolio, the arrangements usually involve extending the term of the original loan, providing a grace period - with or without interest only for that period - interest rate reductions and other modifications to the needs of each borrower.

The Bank applies the regulatory types proposed by the Supervisory Framework, which are classified into:

- Short-term types of settlement: apply where the debtor's difficulties are duly considered to be provisional. Indicatively, Capitalization of Overdue Debts, Interest Only Payment, Provision of grace period etc.
- Long-term arrangement types: apply for a longer period of time to reduce installment and to possibly increase the number and extend repayment term. Indicatively, Interest Rate Reduction, Extension of Term, etc.
- Types of final arrangement: relate to cases where the contractual relationship is substantially terminated or changed, with a view to the final settlement of the bank's claim against the debtor. Indicatively, Voluntary Delivery of Mortgaged Property, Claims Settlement, Liquidation through Auction, Mandatory Law Settlements, Partial Debt Removal etc.

For the business portfolio, the arrangement solutions applied vary between different repayment plans, which are adapted to current market conditions and the borrower's ability to repay the loan, such as extending the loan term depending on the borrower and his/her needs, converting the type of borrowing from short-term to long-term, paying interest only for a certain period of time, etc.

For both the business portfolio and the retail banking portfolios, the Bank's respective arrears and crediting regulations contain instructions - procedures that fully reflect all the arrangement types provided, the conditions to be met by borrowers, and the handling and monitoring of settled loans from the approval stage to the termination stage of the contract.

The impairment provision is calculated on an individual or collective basis per borrower, in accordance with the calculation methodology applied by the Bank for the entire portfolio, with the only difference being the use of an increased risk of default in the aggregate impairment provisions of the settled exposures.

The Bank's criteria for designating a loan as settled are fully in line with the European Banking Authority's Implementing Technical Standards for regulatory and non-performing exposures, for both supervisory and financial reporting purposes.

Accordingly, settled loans are all loans whose contractual terms and conditions have been amended or for which the debtor's debt has been refinanced on more favorable terms due to existing or expected financial difficulty, which are not applied to debtors in a similar risk category.

In the context of the Bank's lending policy compliance with the relevant definitions of the European Banking Authority and the Bank of Greece guidelines, new structures and procedures are in place, computer systems have been developed, and the existing applications and services have been modified. Specifically, the Arrears Handling Division is an independent management body of the Bank with the following key tasks:

a) to ensure the effective and reliable management of non-performing loans for the entire portfolio of the Bank

b) to make arrangements to ensure the viability of borrowers, while maximizing profitability for the Bank; and

c) to monitor the effectiveness of the different types of arrangements

The Arrears Handling Division is not involved in the process of lending, nor in the management of the performing segment of the Bank's portfolio.

The following table summarizes the settled Loans and Receivables by Customer by type of settlement, as well as Loans and Receivables by Customer for which Final Settlement Solutions are set:

Analysis of Settled Loans and Receivables to Customers by type of settlement (net amounts)

	Group		Bank	
Types of settlement	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Reduced installment plan	1,808	3,502	1,808	3,502
Granting a grace period	5,354	4,729	5,354	4,729
Loan term extension	5,044	15,076	5,044	15,076
Capitalization of overdue installments	39,775	38,814	39,775	38,814
Combination of settlement measures	8,378	4,824	8,378	4,824
Other	27,667	11,491	27,667	11,491
Total net worth	**88,026**	**78,435**	**88,026**	**78,435**

Refinanced Loans and Receivables by Customer by Category

	Group		Bank	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Retail Banking	**20,865**	**18,695**	**20,865**	**18,695**
Housing Loans	3,085	2,534	3,085	2,534
Consumer loans	3,099	2,962	3,099	2,962
Credit cards	-	-	-	-
Other loans	14,680	13,199	14,680	13,199
Business Banking	**67,161**	**59,741**	**67,161**	**59,741**
Large enterprises	1,530	-	1,530	-
SMEs	65,631	59,741	65,631	59,741
Public sector	**-**	**-**	**-**	**-**
Greece	-	-	-	-
Other countries	-	-	-	-
Total	**88,026**	**78,435**	**88,026**	**78,435**

4.4.1 Recovery of securities

As of December 31, 2020, assets from recovered securities received for the Bank and the Group amounted to € 29.8 million (31/12/2019: € 22.4 million), of which € 18.2 for 2020 has been categorized in Investment Property (31/12/2019: 7.9 million).

4.4.2 Credit risk allocation of loans and receivables to customers

The breakdown of the exposures and provisions of the Group and the Bank by Stage and Arrangement is summarized in the following tables:

Analysis of Settled Loans and Receivables to Customers based on their credit quality

	Group			Bank		
	31 December 2020			31 December 2020		
	Total loans and receivables	Refinanced loans and receivables	Percentage of refinanced loans	Total loans and receivables	Refinanced loans and receivables	Percentage of refinanced loans
Stage 1	177,063	0	0%	212,155	0	0%
Stage 2	55,532	42,008	76%	55,532	42,008	76%
Stage 3	209,637	66,132	32%	209,637	66,132	32%
Total before impairment provisions	**442,232**	**108,140**	**24%**	**477,324**	**108,140**	**23%**
Stage 1 - Provision	(3,137)	-	0%	(3,139)	-	0%
Stage 2 - Provision	(2,783)	(2,417)	87%	(2,783)	(2,417)	87%
Stage 3 - Provision	(81,014)	(17,698)	22%	(81,014)	(17,698)	22%
Accounting Balance (net worth)	**355,298**	**88,025**	**25%**	**390,388**	**88,025**	**23%**
Security received	426,955	97,908	23%	460,840	97,908	21%

Analysis of Settled Loans and Receivables to Customers based on their credit quality

	Group			Bank		
	31 December 2019			31 December 2019		
	Total loans and receivables	Refinanced loans and receivables	Percentage of refinanced loans	Total loans and receivables	Refinanced loans and receivables	Percentage of refinanced loans
Stage 1	158,040	0	0%	195,894	0	0%
Stage 2	55,733	44,635	80%	55,733	44,635	80%
Stage 3	201,546	63,829	32%	201,546	63,829	32%
Total before impairment provisions	**415,319**	**108,464**	**26%**	**453,173**	**108,464**	**24%**
Stage 1 - Provision	(1,723)	-	0%	(1,727)	-	0%
Stage 2 - Provision	(4,679)	(4,252)	91%	(4,679)	(4,252)	91%
Stage 3 - Provision	(75,032)	(25,777)	34%	(75,032)	(25,777)	34%
Accounting Balance (net worth)	**333,885**	**78,435**	**23%**	**371,735**	**78,435**	**21%**
Security received*	428,421	80,027	19%	463,320	80,027	17%

*As reconfigured.

The following table presents the credit risk assessment by rating. The assessment covers the next 12 months from the date of rating of the debtor.

Grading	Risk Level
A	Low
B	
C	Average
D	
E	
F	High
G	
H	
I	Very high

The Bank, in accordance with its Credit Regulation, evaluates the credit rating of each business customer (existing or prospective) at least once a year, in combination with other quantitative and qualitative credit criteria, such as repayment capacity, cooperation history, existing and proposed securities, etc. There is no recorded credit risk limit beyond which no financing is offered, as financing decisions are individual and tailor-made on a case-by-case basis taking account of the special characteristics of the relevant borrower.

4.4.3 Credit risk allocation of loans and advances to customers by sector of activity

Group										
31 December 2020	Stage 1			Stage 2			Stage 3			Total
	Accounting balance (before provisions)	Expected credit risk loss	Accounting Balance (net worth)	Accounting balance (before provisions)	Expected credit risk loss	Accounting Balance (net worth)	Accounting balance (before provisions)	Expected credit risk loss	Accounting Balance (net worth)	
Retail Banking	**26,920**	**(576)**	**26,344**	**15,256**	**(1,142)**	**14,114**	**77,055**	**(27,545)**	**49,510**	**89,968**
Housing Loans	6,016	(32)	5,984	1,769	(88)	1,681	13,792	(3,111)	10,681	18,346
Consumer loans	4,180	(76)	4,104	2,243	(108)	2,135	8,134	(3,275)	4,859	11,098
Credit cards	-	-	-	-	-	-	497	(448)	49	49
Other loans	16,724	(468)	16,256	11,244	(946)	10,298	54,632	(20,711)	33,921	60,475
Business Banking	**149,992**	**(2,533)**	**147,459**	**40,276**	**(1,642)**	**38,634**	**132,582**	**(53,469)**	**79,113**	**265,206**
Industry	27,621	(294)	27,327	1,778	(171)	1,607	27,870	(14,945)	12,925	41,859
Trade and services	39,259	(1,253)	38,006	8,892	(615)	8,277	38,676	(16,760)	21,916	68,199
Constructions	14,452	(335)	14,117	19,258	(598)	18,660	36,798	(16,398)	20,400	53,177
Energy	8,690	(21)	8,669	129	(1)	128	63	(27)	36	8,833
Tourism	52,603	(215)	52,388	10,210	(257)	9,953	27,741	(4,541)	23,200	85,541
Shipping	2,815	-	2,815	-	-	-	66	(48)	18	2,833
Other	4,552	(415)	4,137	9	-	9	1,368	(750)	618	4,764
Public sector	**150**	**(28)**	**122**	**-**	**-**	**-**	**-**	**-**	**-**	**122**
Total	**177,062**	**(3,137)**	**173,925**	**55,532**	**(2,784)**	**52,748**	**209,637**	**(81,014)**	**128,623**	**355,296**

Bank

31 December 2020	Stage 1			Stage 2			Stage 3			Total
	Accounting balance (before provisions)	Expected credit risk loss	Accounting Balance (net worth)	Accounting balance (before provisions)	Expected credit risk loss	Accounting Balance (net worth)	Accounting balance (before provisions)	Expected credit risk loss	Accounting Balance (net worth)	
Retail Banking	**26,920**	**(576)**	**26,344**	**15,256**	**(1,142)**	**14,114**	**77,055**	**(27,545)**	**49,510**	**89,968**
Housing Loans	6,016	(32)	5,984	1,769	(88)	1,681	13,792	(3,111)	10,681	18,346
Consumer loans	4,180	(76)	4,104	2,243	(108)	2,135	8,134	(3,275)	4,859	11,098
Credit cards	-	-	-	-	-	-	497	(448)	49	49
Other loans	16,724	(468)	16,256	11,244	(946)	10,298	54,632	(20,711)	33,921	60,475
Business Banking	**185,084**	**(2,535)**	**182,549**	**40,276**	**(1,642)**	**38,634**	**132,582**	**(53,469)**	**79,113**	**300,296**
Industry	30,457	(294)	30,163	1,778	(171)	1,607	27,870	(14,945)	12,925	44,695
Trade and services	53,313	(1,254)	52,059	8,892	(615)	8,277	38,676	(16,760)	21,916	82,252
Constructions	29,819	(335)	29,484	19,258	(598)	18,660	36,798	(16,398)	20,400	68,544
Energy	11,525	(22)	11,503	129	(1)	128	63	(27)	36	11,667
Tourism	52,603	(215)	52,388	10,210	(257)	9,953	27,741	(4,541)	23,200	85,541
Shipping	2,815	-	2,815	-	-	-	66	(48)	18	2,833
Other	4,552	(415)	4,137	9	-	9	1,368	(750)	618	4,764
Public sector	**150**	**(28)**	**122**	**-**	**-**	**-**	**-**	**-**	**-**	**122**
Total	**212,154**	**(3,139)**	**209,015**	**55,532**	**(2,784)**	**52,748**	**209,637**	**(81,014)**	**128,623**	**390,386**

Group

31 December 2019	Stage 1			Stage 2			Stage 3			Total
	Accounting balance (before provisions)	Expected credit risk loss	Accounting Balance (net worth)	Accounting balance (before provisions)	Expected credit risk loss	Accounting Balance (net worth)	Accounting balance (before provisions)	Expected credit risk loss	Accounting Balance (net worth)	
Retail Banking	**25,350**	**(526)**	**24,824**	**14,372**	**(865)**	**13,507**	**72,860**	**(25,172)**	**47,688**	**86,019**
Housing Loans	5,504	(45)	5,459	2,702	(181)	2,521	12,863	(3,021)	9,842	17,822
Consumer loans	4,215	(118)	4,097	2,150	(188)	1,962	7,889	(3,182)	4,707	10,766
Credit cards	-	-	-	-	-	-	501	(451)	50	50
Other loans	15,631	(363)	15,268	9,520	(496)	9,024	51,607	(18,518)	33,089	57,381
Business Banking	**132,483**	**(1,174)**	**131,309**	**41,361**	**(3,815)**	**37,546**	**128,685**	**(49,860)**	**78,825**	**247,680**
Industry	23,137	(224)	22,913	3,148	(638)	2,510	26,694	(11,711)	14,983	40,406
Trade and services	29,224	(616)	28,608	12,303	(2,466)	9,837	38,828	(16,131)	22,697	61,142
Constructions	19,518	(223)	19,295	12,048	(686)	11,362	35,544	(16,630)	18,914	49,571
Energy	9,288	(1)	9,287	-	-	-	61	(26)	35	9,322
Tourism	47,571	(84)	47,487	11,698	(22)	11,676	25,538	(4,094)	21,444	80,607
Shipping	1,540	-	1,540	-	-	-	722	(707)	15	1,555
Other	2,205	(26)	2,179	2,164	(3)	2,161	1,298	(561)	737	5,077
Public sector	**207**	**(24)**	**183**	**-**	**-**	**-**	**-**	**-**	**-**	**183**
Total	**158,040**	**(1,724)**	**156,316**	**55,733**	**(4,680)**	**51,053**	**201,545**	**(75,032)**	**126,513**	**333,882**

Bank

31 December 2019	Stage 1			Stage 2			Stage 3			Total
	Accounting balance (before provisions)	Expected credit risk loss	Accounting Balance (net worth)	Accounting balance (before provisions)	Expected credit risk loss	Accounting Balance (net worth)	Accounting balance (before provisions)	Expected credit risk loss	Accounting Balance (net worth)	
Retail Banking	**25,350**	**(526)**	**24,824**	**14,372**	**(865)**	**13,507**	**72,860**	**(25,172)**	**47,688**	**86,019**
Housing Loans	5,504	(45)	5,459	2,702	(181)	2,521	12,863	(3,021)	9,842	17,822
Consumer loans	4,215	(118)	4,097	2,150	(188)	1,962	7,889	(3,182)	4,707	10,766
Credit cards	-	-	-	-	-	-	501	(451)	50	50
Other loans	15,631	(363)	15,268	9,520	(496)	9,024	51,607	(18,518)	33,089	57,381
Business Banking	**170,337**	**(1,177)**	**169,160**	**41,361**	**(3,815)**	**37,546**	**128,685**	**(49,860)**	**78,825**	**285,531**
Industry	25,202	(224)	24,978	3,148	(638)	2,510	26,694	(11,711)	14,983	42,471
Trade and services	47,054	(619)	46,435	12,303	(2,466)	9,837	38,828	(16,131)	22,697	78,969
Constructions	34,212	(223)	33,989	12,048	(686)	11,362	35,544	(16,630)	18,914	64,265
Energy	12,553	(1)	12,552	-	-	-	61	(26)	35	12,587
Tourism	47,571	(84)	47,487	11,698	(22)	11,676	25,538	(4,094)	21,444	80,607
Shipping	1,540	-	1,540	-	-	-	722	(707)	15	1,555
Other	2,205	(26)	2,179	2,164	(3)	2,161	1,298	(561)	737	5,077
Public sector	**207**	**(24)**	**183**	**-**	**-**	**-**	**-**	**-**	**-**	**183**
Total	**195,894**	**(1,727)**	**194,167**	**55,733**	**(4,680)**	**51,053**	**201,545**	**(75,032)**	**126,513**	**371,733**

4.4.4 Transition of provisions and transfers to IFRS 9 Stages

Transition of Provisions 31/12/2019 - 31/12/2020 (Group)

	31 December 2019			31 December 2020		
	Individual evaluation	Collective evaluation	Overall Provision	Individual evaluation	Collective evaluation	Overall Provision
Performing	776	5,626	6,402	121	5,799	(5,920)
Non-performing	55,633	19,399	75,032	59,020	21,994	81,014
Total	**56,409**	**25,025**	**81,434**	**59,141**	**27,793**	**86,934**

Transition of Provisions 31/12/2019 - 31/12/2020 for the Guarantees and Commitments drawn (Group)

	31 December 2019			31 December 2020		
	Individual evaluation	Collective evaluation	Overall Provision	Individual evaluation	Collective evaluation	Overall Provision
Performing	1	41	41	1	19	19
Non-performing	-	-	1	-	-	-
Total	**1**	**41**	**42**	**1**	**19**	**20**

Transition of Provisions 31/12/2019 - 31/12/2020 (Bank)

	31 December 2019			31 December 2020		
	Individual evaluation	Collective evaluation	Overall Provision	Individual evaluation	Collective evaluation	Overall Provision
Performing	776	5,630	6,406	121	5,802	5,923
Non-performing	55,633	19,399	75,032	59,020	21,994	81,014
Total	**56,409**	**25,029**	**81,438**	**59,141**	**27,796**	**86,937**

Transition of Provisions 31/12/2019 - 31/12/2020 for the Guarantees and Commitments drawn (Bank)

	31 December 2019			31 December 2020		
	Individual evaluation	Collective evaluation	Overall Provision	Individual evaluation	Collective evaluation	Overall Provision
Performing	1	41	41	1	19	19
Non-performing	-	-	1	-	-	-
Total	**1**	**41**	**42**	**1**	**19**	**20**

Balance Sheets before Provisions according to IFRS 9 Stage - Group

31 December 2020	Portfolio total				
	Stage 1	Stage 2	Stage 3	POCI	Total
Balances on 1/1/2020	**158,040**	**55,733**	**201,546**	-	**415,319**
Transfer to Stage 1 (from 2 or 3)	12,833	(12,498)	(335)	-	**-**
Transfer to Stage 2 (from 1 or 3)	(6,907)	9,492	(2,585)	-	**-**
Transfer to Stage 3 (from 1 or 2)	(4,398)	(1,023)	5,420	-	**-**
Change of balances	5,717	4,047	8,761	-	**18,525**
New receivables (created or purchased)	15,291	-	-	-	**15,291**
Derecognition of receivables	(3,514)	(219)	(550)	-	**(4,283)**
Write-offs	-	-	(2,620)	-	**(2,620)**
Balances on 31/12/2020	**177,063**	**55,532**	**209,637**	**-**	**442,232**

31 December 2020	Business Banking				
	Stage 1	Stage 2	Stage 3	POCI	Total
Balances on 1/1/2020	**132,482**	**41,362**	**128,686**	-	**302,530**
Transfer to Stage 1 (from 2 or 3)	11,548	(11,347)	(201)	-	**-**
Transfer to Stage 2 (from 1 or 3)	(5,523)	6,219	(696)	-	**-**
Transfer to Stage 3 (from 1 or 2)	(4,029)	(380)	4,409	-	**-**
Change of balances	6,228	4,458	3,043	-	**13,728**
New receivables (created or purchased)	11,231	-	-	-	**11,231**
Derecognition of receivables	(1,946)	(35)	(38)	-	**(2,019)**
Write-offs	-	-	(2,619)	-	**(2,619)**
Balances on 31/12/2020	**149,992**	**40,277**	**132,582**	**-**	**322,851**

31 December 2020	Retail Banking				
	Stage 1	Stage 2	Stage 3	POCI	Total
Balances on 1/1/2020	**25,351**	**14,371**	**72,860**	-	**112,583**
Transfer to Stage 1 (from 2 or 3)	1,285	(1,151)	(134)	-	**-**
Transfer to Stage 2 (from 1 or 3)	(1,385)	3,273	(1,889)	-	**-**
Transfer to Stage 3 (from 1 or 2)	(369)	(643)	1,012	-	**-**
Change of balances	(454)	(411)	5,717	-	**4,853**
New receivables (created or purchased)	4,060	-	-	-	**4,060**
Derecognition of receivables	(1,568)	(184)	(512)	-	**(2,264)**
Write-offs	-	-	-	-	**-**
Balances on 31/12/2020	**26,921**	**15,256**	**77,055**	**-**	**119,231**

31 December 2020	Public Sector				
	Stage 1	Stage 2	Stage 3	POCI	Total
Balances on 1/1/2020	**207**	**-**	**-**	-	**207**
Transfer to Stage 1 (from 2 or 3)	-	-	-	-	**-**
Transfer to Stage 2 (from 1 or 3)	-	-	-	-	**-**
Transfer to Stage 3 (from 1 or 2)	-	-	-	-	**-**
Change of balances	(57)	-	-	-	**(57)**
New receivables (created or purchased)	-	-	-	-	**-**
Derecognition of receivables	-	-	-	-	**-**
Write-offs	-	-	-	-	**-**
Balances on 31/12/2020	**150**	**-**	**-**	**-**	**150**

31 December 2020	Guarantees and commitments drawn				
	Stage 1	Stage 2	Stage 3	POCI	Total
Balances on 1/1/2020	**18,684**	**5**	**759**	-	**19,448**
Transfer to Stage 1 (from 2 or 3)	-	-	-	-	**-**
Transfer to Stage 2 (from 1 or 3)	(3)	3	-	-	**-**
Transfer to Stage 3 (from 1 or 2)	(157)	-	158	-	**-**
Change of balances	521	1	70	-	**591**
New receivables (created or purchased)	2,794	-	-	-	**2,794**
Derecognition of receivables	(8,603)	-	(172)	-	**(8,776)**
Write-offs	-	-	-	-	**-**
Balances on 31/12/2020	**13,235**	**9**	**814**	**-**	**14,058**

Balance Sheets before Provisions according to IFRS 9 Stage - Bank

31 December 2020	Portfolio total				
	Stage 1	Stage 2	Stage 3	POCI	Total
Balances on 1/1/2020	**195,894**	**55,733**	**201,546**	-	**453,174**
Transfer to Stage 1 (from 2 or 3)	12,833	(12,498)	(335)	-	-
Transfer to Stage 2 (from 1 or 3)	(6,907)	9,492	(2,585)	-	-
Transfer to Stage 3 (from 1 or 2)	(4,398)	(1,023)	5,420	-	-
Change of balances	8,619	4,047	8,761	-	**21,427**
New receivables (created or purchased)	15,443	-	-	-	**15,443**
Derecognition of receivables	(9,331)	(219)	(550)	-	**(10,100)**
Write-offs	-	-	(2,620)	-	**(2,620)**
Balances on 31/12/2020	**212,155**	**55,532**	**209,637**	**-**	**477,324**

31 December 2020	Business Banking				
	Stage 1	Stage 2	Stage 3	POCI	Total
Balances on 1/1/2020	**170,337**	**41,362**	**128,686**	-	**340,384**
Transfer to Stage 1 (from 2 or 3)	11,548	(11,347)	(201)	-	-
Transfer to Stage 2 (from 1 or 3)	(5,523)	6,219	(696)	-	-
Transfer to Stage 3 (from 1 or 2)	(4,029)	(380)	4,409	-	-
Change of balances	9,282	4,458	3,043	-	**16,783**
New receivables (created or purchased)	11,231	-	-	-	**11,231**
Derecognition of receivables	7,763	(35)	(38)	-	**(7,835)**
Write-offs	-	-	(2,619)	-	**(2,619)**
Balances on 31/12/2020	**185,084**	**40,277**	**132,582**	**-**	**357,943**

31 December 2020	Retail Banking				
	Stage 1	Stage 2	Stage 3	POCI	Total
Balances on 1/1/2020	**25,351**	**14,371**	**72,860**	-	**112,583**
Transfer to Stage 1 (from 2 or 3)	1,285	(1,151)	(134)	-	-
Transfer to Stage 2 (from 1 or 3)	(1,385)	3,273	(1,889)	-	-
Transfer to Stage 3 (from 1 or 2)	(369)	(643)	1,012	-	-
Change of balances	(454)	(411)	5,717	-	**4,853**
New receivables (created or purchased)	4,060	-	-	-	**4,060**
Derecognition of receivables	(1,568)	(184)	(512)	-	**(2,264)**
Write-offs	-	-	-	-	-
Balances on 31/12/2020	**26,921**	**15,256**	**77,055**	**-**	**119,231**

31 December 2020	Public Sector				
	Stage 1	Stage 2	Stage 3	POCI	Total
Balances on 1/1/2020	**207**	**-**	**-**	-	**207**
Transfer to Stage 1 (from 2 or 3)	-	-	-	-	-
Transfer to Stage 2 (from 1 or 3)	-	-	-	-	-
Transfer to Stage 3 (from 1 or 2)	-	-	-	-	-
Change of balances	(57)	-	-	-	**(57)**
New receivables (created or purchased)	-	-	-	-	-
Derecognition of receivables	-	-	-	-	-
Write-offs	-	-	-	-	-
Balances on 31/12/2020	**150**	**-**	**-**	**-**	**150**

31 December 2020	Guarantees and commitments drawn				
	Stage 1	Stage 2	Stage 3	POCI	Total
Balances on 1/1/2020	**18,687**	**5**	**759**	-	**19,452**
Transfer to Stage 1 (from 2 or 3)	-	-	-	-	-
Transfer to Stage 2 (from 1 or 3)	(3)	3	-	-	-
Transfer to Stage 3 (from 1 or 2)	(157)	-	158	-	-
Change of balances	539	1	70	-	**609**
New receivables (created or purchased)	2,794	-	-	-	**2,794**
Derecognition of receivables	(8,603)	-	(172)	-	**(8,776)**
Write-offs	-	-	-	-	-
Balances on 31/12/2020	**13,256**	**9**	**814**	**-**	**14,079**

Balance Sheets before Provisions according to IFRS 9 Stage - Group

31 December 2019	Portfolio total				
	Stage 1	Stage 2	Stage 3	POCI	Total
Balances on 1/1/2019	**159,058**	**51,949**	**207,751**	-	**418,758**
Transfer to Stage 1 (from 2 or 3)	4,080	(3,037)	(1,042)	-	**-**
Transfer to Stage 2 (from 1 or 3)	(8,263)	13,009	(4,746)	-	**-**
Transfer to Stage 3 (from 1 or 2)	(1,840)	(4,411)	6,251	-	**-**
Change of balances	(2,368)	(1,044)	12,155	-	**8,743**
New receivables (created or purchased)	13,211	76	17	-	**13,304**
Derecognition of receivables	(5,838)	(303)	(1,317)	-	**(7,458)**
Write-offs	-	(505)	(17,522)	-	**(18,027)**
Balances on 31/12/2019	**158,040**	**55,733**	**201,546**	**-**	**415,319**

31 December 2019	Business Banking				
	Stage 1	Stage 2	Stage 3	POCI	Total
Balances on 1/1/2019	**130,057**	**38,048**	**140,242**	-	**308,347**
Transfer to Stage 1 (from 2 or 3)	3,437	(2,620)	(817)	-	**-**
Transfer to Stage 2 (from 1 or 3)	(5,866)	9,638	(3,772)	-	**-**
Transfer to Stage 3 (from 1 or 2)	(1,049)	(1,965)	3,014	-	**-**
Change of balances	244	(1,697)	6,926	-	**5,473**
New receivables (created or purchased)	10,643	49	-	-	**10,692**
Derecognition of receivables	(4,983)	(92)	(826)	-	**(5,901)**
Write-offs	-	-	(16,081)	-	**(16,081)**
Balances on 31/12/2019	**132,482**	**41,362**	**128,686**	**-**	**302,530**

31 December 2019	Retail Banking				
	Stage 1	Stage 2	Stage 3	POCI	Total
Balances on 1/1/2019	**28,733**	**13,901**	**67,509**	-	**110,143**
Transfer to Stage 1 (from 2 or 3)	643	(417)	(226)	-	**-**
Transfer to Stage 2 (from 1 or 3)	(2,397)	3,371	(974)	-	**-**
Transfer to Stage 3 (from 1 or 2)	(791)	(2,446)	3,237	-	**-**
Change of balances	(2,560)	653	5,059	-	**3,152**
New receivables (created or purchased)	2,568	27	17	-	**2,612**
Derecognition of receivables	(845)	(211)	(491)	-	**(1,547)**
Write-offs	-	(505)	(1,271)	-	**(1,776)**
Balances on 31/12/2019	**25,351**	**14,371**	**72,860**	**-**	**112,583**

31 December 2019	Public Sector				
	Stage 1	Stage 2	Stage 3	POCI	Total
Balances on 1/1/2019	**269**	**-**	**-**	-	**269**
Transfer to Stage 1 (from 2 or 3)	-	-	-	-	**-**
Transfer to Stage 2 (from 1 or 3)	-	-	-	-	**-**
Transfer to Stage 3 (from 1 or 2)	-	-	-	-	**-**
Change of balances	(52)	-	-	-	**(52)**
New receivables (created or purchased)	-	-	-	-	**-**
Derecognition of receivables	(10)	-	-	-	**(10)**
Write-offs	-	-	-	-	**-**
Balances on 31/12/2019	**207**	**-**	**-**	**-**	**207**

31 December 2019	Guarantees and commitments drawn				
	Stage 1	Stage 2	Stage 3	POCI	Total
Balances on 1/1/2019	**18,366**	**59**	**576**	-	**19,001**
Transfer to Stage 1 (from 2 or 3)	32,100	(32)	-	-	**-**
Transfer to Stage 2 (from 1 or 3)	-	-	-	-	**-**
Transfer to Stage 3 (from 1 or 2)	(58)	-	58	-	**-**
Change of balances	(34,121)	5	126	-	**(33,990)**
New receivables (created or purchased)	6,539	-	-	-	**6,539**
Derecognition of receivables	(4,142)	(27)	(1)	-	**(4,170)**
Write-offs	-	-	-	-	**-**
Balances on 31/12/2019	**18,684**	**5**	**759**	**-**	**19,448**

*as reconfigured

Balance Sheets before Provisions according to IFRS 9 Stage - Bank

31 December 2019	Portfolio total				
	Stage 1	Stage 2	Stage 3	POCI	Total
Balances on 1/1/2019	**189,522**	**51,949**	**207,751**	-	**449,222**
Transfer to Stage 1 (from 2 or 3)	4,080	(3,037)	(1,042)	-	**-**
Transfer to Stage 2 (from 1 or 3)	(8,263)	13,009	(4,746)	-	**-**
Transfer to Stage 3 (from 1 or 2)	(1,840)	(4,411)	6,251	-	**-**
Change of balances	3,397	(1,044)	12,155	-	**14,508**
New receivables (created or purchased)	14,836	76	17	-	**14,929**
Derecognition of receivables	(5,838)	(303)	(1,317)	-	**(7,458)**
Write-offs	-	(505)	(17,522)	-	**(18,027)**
Balances on 31/12/2019	**195,894**	**55,733**	**201,546**	**-**	**453,174**

31 December 2019	Business Banking				
	Stage 1	Stage 2	Stage 3	POCI	Total
Balances on 1/1/2019	**160,520**	**38,048**	**140,242**	-	**338,810**
Transfer to Stage 1 (from 2 or 3)	3,437	(2,620)	(817)	-	**-**
Transfer to Stage 2 (from 1 or 3)	(5,866)	9,638	(3,772)	-	**-**
Transfer to Stage 3 (from 1 or 2)	(1,049)	(1,965)	3,014	-	**-**
Change of balances	7,635	(1,697)	6,926	-	**12,863**
New receivables (created or purchased)	10,643	49	-	-	**10,692**
Derecognition of receivables	(4,983)	(92)	(826)	-	**(5,901)**
Write-offs	-	-	(16,081)	-	**(16,081)**
Balances on 31/12/2019	**170,337**	**41,362**	**128,686**	**-**	**340,384**

31 December 2019	Retail Banking				
	Stage 1	Stage 2	Stage 3	POCI	Total
Balances on 1/1/2019	**28,733**	**13,901**	**67,509**	-	**110,143**
Transfer to Stage 1 (from 2 or 3)	643	(417)	(226)	-	**-**
Transfer to Stage 2 (from 1 or 3)	(2,397)	3,371	(974)	-	**-**
Transfer to Stage 3 (from 1 or 2)	(791)	(2,446)	3,237	-	**-**
Change of balances	(2,560)	653	5,059	-	**3,152**
New receivables (created or purchased)	2,568	27	17	-	**2,612**
Derecognition of receivables	(845)	(211)	(491)	-	**(1,547)**
Write-offs	-	(505)	(1,271)	-	**(1,776)**
Balances on 31/12/2019	**25,351**	**14,371**	**72,860**	**-**	**112,583**

31 December 2019	Public Sector				
	Stage 1	Stage 2	Stage 3	POCI	Total
Balances on 1/1/2019	**269**	**-**	**-**	-	**269**
Transfer to Stage 1 (from 2 or 3)	-	-	-	-	**-**
Transfer to Stage 2 (from 1 or 3)	-	-	-	-	**-**
Transfer to Stage 3 (from 1 or 2)	-	-	-	-	**-**
Change of balances	(52)	-	-	-	**(52)**
New receivables (created or purchased)	-	-	-	-	**-**
Derecognition of receivables	(10)	-	-	-	**(10)**
Write-offs	-	-	-	-	**-**
Balances on 31/12/2019	**207**	**-**	**-**	**-**	**207**

31 December 2019	Guarantees and commitments drawn				
	Stage 1	Stage 2	Stage 3	POCI	Total
Balances on 1/1/2019	**18,397**	**59**	**576**	-	**19,033**
Transfer to Stage 1 (from 2 or 3)	32,100	(32)	-	-	**-**
Transfer to Stage 2 (from 1 or 3)	-	-	-	-	**-**
Transfer to Stage 3 (from 1 or 2)	(58)	-	58	-	**-**
Change of balances	(34,149)	5	126	-	**(34,018)**
New receivables (created or purchased)	6,539	-	-	-	**6,539**
Derecognition of receivables	(4,142)	(27)	(1)	-	**(4,170)**
Write-offs	-	-	-	-	**-**
Balances on 31/12/2019	**18,687**	**5**	**759**	**-**	**19,452**

Accumulated impairment losses per IFRS 9 Stage - Group

31 December 2020	Portfolio total				
	Stage 1	Stage 2	Stage 3	POCI	Total
Balances on 1/1/2020	**1,723**	**4,679**	**75,032**	-	**81,434**
Transfer to Stage 1 (from 2 or 3)	2,264	(2,062)	(202)	-	**-**
Transfer to Stage 2 (from 1 or 3)	(98)	501	(403)	-	**-**
Transfer to Stage 3 (from 1 or 2)	(17)	(125)	142	-	**-**
Change of balances	(942)	(193)	9,182	-	**8,047**
New receivables (created or purchased)	257	-	-	-	**256**
Derecognition of receivables	(50)	(16)	(116)	-	**(182)**
Write-offs	-	-	(2,620)	-	**(2,620)**
Balances on 31/12/2020	**3,137**	**2,783**	**81,014**	**-**	**86,934**

31 December 2020	Business Banking				
	Stage 1	Stage 2	Stage 3	POCI	Total
Balances on 1/1/2020	**1,174**	**3,815**	**49,860**	-	**54,848**
Transfer to Stage 1 (from 2 or 3)	2,043	(1,894)	(149)	-	**-**
Transfer to Stage 2 (from 1 or 3)	(57)	249	(191)	-	**-**
Transfer to Stage 3 (from 1 or 2)	(57)	(44)	47	-	**-**
Change of balances	(714)	(482)	6,551	-	**5,354**
New receivables (created or purchased)	153	-	-	-	**153**
Derecognition of receivables	(8)	(2)	(28)	-	**(39)**
Write-offs	-	-	(2,619)	-	**(2,619)**
Balances on 31/12/2020	**2,533**	**1,642**	**53,469**	**-**	**57,644**

31 December 2020	Retail Banking				
	Stage 1	Stage 2	Stage 3	POCI	Total
Balances on 1/1/2020	**526**	**864**	**25,172**	-	**26,562**
Transfer to Stage 1 (from 2 or 3)	221	(168)	(53)	-	**-**
Transfer to Stage 2 (from 1 or 3)	(41)	253	(212)	-	**-**
Transfer to Stage 3 (from 1 or 2)	(13)	(82)	95	-	**-**
Change of balances	(179)	289	2,630	-	**2,741**
New receivables (created or purchased)	103	-	-	-	**103**
Derecognition of receivables	(41)	(14)	(88)	-	**(143)**
Write-offs	-	-	-	-	**-**
Balances on 31/12/2020	**576**	**1,142**	**27,545**	**-**	**29,263**

31 December 2020	Public Sector				
	Stage 1	Stage 2	Stage 3	POCI	Total
Balances on 1/1/2020	**24**	**-**	**-**	-	**24**
Transfer to Stage 1 (from 2 or 3)	-	-	-	-	**-**
Transfer to Stage 2 (from 1 or 3)	-	-	-	-	**-**
Transfer to Stage 3 (from 1 or 2)	-	-	-	-	**-**
Change of balances	4	-	-	-	**4**
New receivables (created or purchased)	-	-	-	-	**-**
Derecognition of receivables	-	-	-	-	**-**
Write-offs	-	-	-	-	**-**
Balances on 31/12/2020	**28**	**-**	**-**	**-**	**28**

31 December 2020	Guarantees and commitments drawn				
	Stage 1	Stage 2	Stage 3	POCI	Total
Balances on 1/1/2020	**41**	**-**	**1**	-	**42**
Transfer to Stage 1 (from 2 or 3)	-	-	-	-	**-**
Transfer to Stage 2 (from 1 or 3)	-	-	-	-	**-**
Transfer to Stage 3 (from 1 or 2)	-	-	-	-	**-**
Change of balances	(5)	-	-	-	**(5)**
New receivables (created or purchased)	6	-	-	-	**6**
Derecognition of receivables	(22)	-	-	-	**(23)**
Write-offs	-	-	-	-	**-**

Balances on 31/12/2020	**19**	**-**	**-**	**-**	**20**

Accumulated impairment losses per IFRS 9 Stage - Bank

31 December 2020	Portfolio total				
	Stage 1	Stage 2	Stage 3	POCI	Total
Balances on 1/1/2020	**1,727**	**4,679**	**75,032**	-	**81,438**
Transfer to Stage 1 (from 2 or 3)	2,264	(2,062)	(202)	-	-
Transfer to Stage 2 (from 1 or 3)	(98)	501	(403)	-	-
Transfer to Stage 3 (from 1 or 2)	(17)	(125)	142	-	-
Change of balances	(942)	(193)	9,182	-	**8,047**
New receivables (created or purchased)	257	-	-	-	**256**
Derecognition of receivables	(51)	(16)	(116)	-	**(184)**
Write-offs	-	-	(2,620)	-	**(2,620)**
Balances on 31/12/2020	**3,139**	**2,783**	**81,014**	**-**	**86,937**

31 December 2020	Business Banking				
	Stage 1	Stage 2	Stage 3	POCI	Total
Balances on 1/1/2020	**1,177**	**3,815**	**49,860**	-	**54,852**
Transfer to Stage 1 (from 2 or 3)	2,043	(1,894)	(149)	-	-
Transfer to Stage 2 (from 1 or 3)	(57)	249	(191)	-	-
Transfer to Stage 3 (from 1 or 2)	(4)	(44)	47	-	-
Change of balances	(768)	(482)	6,551	-	**5,301**
New receivables (created or purchased)	153	-	-	-	**153**
Derecognition of receivables	(10)	(2)	(28)	-	**(40)**
Write-offs	-	-	(2,619)	-	**(2,619)**
Balances on 31/12/2020	**2,535**	**1,642**	**53,469**	**-**	**57,646**

31 December 2020	Retail Banking				
	Stage 1	Stage 2	Stage 3	POCI	Total
Balances on 1/1/2020	**526**	**864**	**25,172**	-	**26,562**
Transfer to Stage 1 (from 2 or 3)	221	(168)	(53)	-	-
Transfer to Stage 2 (from 1 or 3)	(41)	253	(212)	-	-
Transfer to Stage 3 (from 1 or 2)	(13)	(82)	95	-	-
Change of balances	(179)	289	2,630	-	**2,741**
New receivables (created or purchased)	103	-	-	-	**103**
Derecognition of receivables	(41)	(14)	(88)	-	**(143)**
Write-offs	-	-	-	-	-
Balances on 31/12/2020	**576**	**1,142**	**27,545**	**-**	**29,263**

31 December 2020	Public Sector				
	Stage 1	Stage 2	Stage 3	POCI	Total
Balances on 1/1/2020	**24**	**-**	**-**	-	**24**
Transfer to Stage 1 (from 2 or 3)	-	-	-	-	-
Transfer to Stage 2 (from 1 or 3)	-	-	-	-	-
Transfer to Stage 3 (from 1 or 2)	-	-	-	-	-
Change of balances	4	-	-	-	**4**
New receivables (created or purchased)	-	-	-	-	-
Derecognition of receivables	-	-	-	-	-
Write-offs	-	-	-	-	-
Balances on 31/12/2020	**28**	**-**	**-**	**-**	**28**

31 December 2020	Guarantees and commitments drawn				
	Stage 1	Stage 2	Stage 3	POCI	Total
Balances on 1/1/2020	**41**	**-**	**1**	-	**42**
Transfer to Stage 1 (from 2 or 3)	-	-	-	-	-
Transfer to Stage 2 (from 1 or 3)	-	-	-	-	-
Transfer to Stage 3 (from 1 or 2)	-	-	-	-	-
Change of balances	(5)	-		-	**(5)**
New receivables (created or purchased)	6	-	-	-	**6**

Derecognition of receivables	(22)	-	-	-	**(23)**
Write-offs	-	-	-	-	**-**
Balances on 31/12/2020	**19**	**-**	**-**	**-**	**20**

Accumulated impairment losses per IFRS 9 Stage - Group

31 December 2019	Portfolio total				
	Stage 1	Stage 2	Stage 3	POCI	Total
Balances on 1/1/2019	**2,706**	**5,257**	**90,689**	-	**98,652**
Transfer to Stage 1 (from 2 or 3)	945	(106)	(839)	-	**-**
Transfer to Stage 2 (from 1 or 3)	(75)	1,144	(1,069)	-	**-**
Transfer to Stage 3 (from 1 or 2)	(55)	(386)	441	-	**-**
Change of balances	(1,793)	(655)	4,253	-	**1,805**
New receivables (created or purchased)	108	3	12	-	**122**
Derecognition of receivables	(113)	(72)	(933)	-	**(1,118)**
Write-offs	-	(505)	(17,522)	-	**(18,027)**
Balances on 31/12/2019	**1,723**	**4,679**	**75,032**	**-**	**81,434**

31 December 2019	Business Banking				
	Stage 1	Stage 2	Stage 3	POCI	Total
Balances on 1/1/2019	**1,898**	**4,177**	**64,824**	-	**70,899**
Transfer to Stage 1 (from 2 or 3)	898	(88)	(810)	-	**-**
Transfer to Stage 2 (from 1 or 3)	(20)	878	(859)	-	**-**
Transfer to Stage 3 (from 1 or 2)	(20)	(54)	78	-	**-**
Change of balances	(1,533)	(1,095)	3,528	-	**901**
New receivables (created or purchased)	42	-	-	-	**42**
Derecognition of receivables	(93)	(4)	(820)	-	**(916)**
Write-offs	-	-	(16,081)	-	**(16,081)**
Balances on 31/12/2019	**1,173**	**3,815**	**49,860**	**-**	**54,848**

31 December 2019	Retail Banking				
	Stage 1	Stage 2	Stage 3	POCI	Total
Balances on 1/1/2019	**784**	**1,079**	**25,865**	-	**27,729**
Transfer to Stage 1 (from 2 or 3)	47	(19)	(29)	-	**-**
Transfer to Stage 2 (from 1 or 3)	(56)	266	(210)	-	**-**
Transfer to Stage 3 (from 1 or 2)	(31)	(332)	363	-	**-**
Change of balances	(265)	440	555	-	**730**
New receivables (created or purchased)	66	3	12	-	**80**
Derecognition of receivables	(21)	(67)	(113)	-	**(201)**
Write-offs	-	(505)	(1,271)	-	**(1,776)**
Balances on 31/12/2019	**526**	**864**	**25,172**	**-**	**26,562**

31 December 2019	Public Sector				
	Stage 1	Stage 2	Stage 3	POCI	Total
Balances on 1/1/2019	**24**	**-**	**-**	-	**24**
Transfer to Stage 1 (from 2 or 3)	-	-	-	-	**-**
Transfer to Stage 2 (from 1 or 3)	-	-	-	-	**-**
Transfer to Stage 3 (from 1 or 2)	-	-	-	-	**-**
Change of balances	-	-	-	-	**-**
New receivables (created or purchased)	-	-	-	-	**-**
Derecognition of receivables	-	-	-	-	**-**
Write-offs	-	-	-	-	**-**
Balances on 31/12/2019	**24**	**-**	**-**	**-**	**24**

31 December 2019	Guarantees and commitments drawn				
	Stage 1	Stage 2	Stage 3	POCI	Total
Balances on 1/1/2019	**34**	**-**	**1**	-	**35**
Transfer to Stage 1 (from 2 or 3)	-	-	-	-	**-**
Transfer to Stage 2 (from 1 or 3)	-	-	-	-	**-**
Transfer to Stage 3 (from 1 or 2)	-	-	-	-	**-**
Change of balances	-	-	-	-	**-**

New receivables (created or purchased)	16	-	-	-	**16**
Derecognition of receivables	(9)	-	-	-	**(9)**
Write-offs	-	-	-	-	**-**
Balances on 31/12/2019	**41**	**-**	**1**	**-**	**42**

*as reconfigured

Accumulated impairment losses per IFRS 9 Stage - Bank

31 December 2019	Portfolio total				
	Stage 1	Stage 2	Stage 3	POCI	Total
Balances on 1/1/2019	**2,706**	**5,257**	**90,689**	-	**98,652**
Transfer to Stage 1 (from 2 or 3)	945	(106)	(839)	-	**-**
Transfer to Stage 2 (from 1 or 3)	(75)	1,144	(1,069)	-	**-**
Transfer to Stage 3 (from 1 or 2)	(55)	(386)	441	-	**-**
Change of balances	(1,798)	(655)	4,253	-	**1,800**
New receivables (created or purchased)	117	3	12	-	**131**
Derecognition of receivables	(113)	(72)	(933)	-	**(1,118)**
Write-offs	-	(505)	(17,522)	-	**(18,027)**
Balances on 31/12/2019	**1,727**	**4,679**	**75,032**	**-**	**81,438**

31 December 2019	Business Banking				
	Stage 1	Stage 2	Stage 3	POCI	Total
Balances on 1/1/2019	**1,898**	**4,177**	**64,824**	-	**70,899**
Transfer to Stage 1 (from 2 or 3)	898	(88)	(810)	-	**-**
Transfer to Stage 2 (from 1 or 3)	(20)	878	(859)	-	**-**
Transfer to Stage 3 (from 1 or 2)	(24)	(54)	78	-	**-**
Change of balances	(1,534)	(1,095)	3,528	-	**900**
New receivables (created or purchased)	51	-	-	-	**51**
Derecognition of receivables	(93)	(4)	(820)	-	**(916)**
Write-offs	-	-	(16,081)	-	**(16,081)**
Balances on 31/12/2019	**1,177**	**3,815**	**49,860**	**-**	**54,852**

31 December 2019	Retail Banking				
	Stage 1	Stage 2	Stage 3	POCI	Total
Balances on 1/1/2019	**784**	**1,079**	**25,865**	-	**27,729**
Transfer to Stage 1 (from 2 or 3)	47	(19)	(29)	-	**-**
Transfer to Stage 2 (from 1 or 3)	(56)	266	(210)	-	**-**
Transfer to Stage 3 (from 1 or 2)	(31)	(332)	363	-	**-**
Change of balances	(265)	440	555	-	**730**
New receivables (created or purchased)	66	3	12	-	**80**
Derecognition of receivables	(21)	(67)	(113)	-	**(201)**
Write-offs	-	(505)	(1,271)	-	**(1,776)**
Balances on 31/12/2019	**526**	**864**	**25,172**	**-**	**26,562**

31 December 2019	Public Sector				
	Stage 1	Stage 2	Stage 3	POCI	Total
Balances on 1/1/2019	**24**	**-**	**-**	-	**24**
Transfer to Stage 1 (from 2 or 3)	-	-	-	-	**-**
Transfer to Stage 2 (from 1 or 3)	-	-	-	-	**-**
Transfer to Stage 3 (from 1 or 2)	-	-	-	-	**-**
Change of balances	-	-	-	-	**-**
New receivables (created or purchased)	-	-	-	-	**-**
Derecognition of receivables	-	-	-	-	**-**
Write-offs	-	-	-	-	**-**
Balances on 31/12/2019	**24**	**-**	**-**	**-**	**24**

31 December 2019	Guarantees and commitments drawn				
	Stage 1	Stage 2	Stage 3	POCI	Total
Balances on 1/1/2019	**34**	**-**	**1**	-	**35**
Transfer to Stage 1 (from 2 or 3)	-	-	-	-	**-**
Transfer to Stage 2 (from 1 or 3)	-	-	-	-	**-**
Transfer to Stage 3 (from 1 or 2)	-	-	-	-	**-**
Change of balances	-	-	-	-	**-**
New receivables (created or purchased)	16	-	-	-	**16**

Derecognition of receivables	(9)	-	-	-	**(9)**
Write-offs	-	-	-	-	**-**
Balances on 31/12/2019	**41**	**-**	**1**	**-**	**42**

4.5 Lien risk

It is the risk that the Bank undertakes by maintaining a high level of long-term encumbered assets, thereby limiting its available liquidity reserve and the possibility of obtaining additional financing in limited liquidity conditions.

The Bank uses non-current assets only to meet its urgent liquidity needs through the ELA mechanism alone, so there is no such risk.

4.6 Market risk

The Bank is not substantially exposed to market risk. For this reason, it was subject to the exemptions of Bank of Greece Governor's Act No 2646/09.09.2011, due to the low amount of the value of its trading book (< 5% of the value of its total assets).

4.7 Interest rate risk

Interest rate risk, which relates to the possibility of unexpected changes in interest income and / or expense as a result of changes in interest rates (due to the time mismatch in the adjustment of asset and liability interest rates). The Bank's exposure to this risk is relatively small, as almost all of the interest bearing assets and liabilities are at a floating rate.

4.8 Currency risk

The Bank is not substantially exposed to foreign exchange risk. The Bank's exposure to foreign exchange risk was very low (<2% of equity) and therefore the corresponding capital requirements were zero.

4.9 Country risk

There are no cross-border appropriations. Therefore there is no country risk.

4.10 Liquidity risk

A financial institution's liquidity risk is the risk arising from the potential inability to find sufficient cash to meet its liabilities when they become due. For the effective management of its liquidity risk, the Bank has established a number of procedures for identifying, measuring, monitoring and controlling liquidity risk based on the "Liquidity Risk Management Strategy" and the "Risk-Taking and Management Framework" adopted, and fully complies with the specifications set by the Internal Liquidity Adequacy Assessment Process (ILAAP).

Based on the above liquidity risk management framework, the Bank monitors liquidity risk through internal administrative and supervisory reports as well as intra-day monitoring of its cash and financing sources. The liquidity monitoring and management reports include, inter alia, the monitoring of the liquidity risk measurement indicators as defined in the framework of the "Recovery Plan" and the "Emergency Financing Plan" in relation to the early warning triggers, which have actively adopted the above-mentioned process in the context of liquidity management. The Bank also regularly conducts liquidity risk simulation exercises, during which it evaluates the impact of these extreme scenarios on the liquidity measurement ratios as well as on the Liquidity Buffer it maintains. It is noted that in order to effectively manage the liquidity risk under abnormal conditions, the Bank maintains an "Emergency

Financing Plan" which describes all the detailed actions to be followed by the authorized executives to find resources and stabilize liquidity levels in liquidity crisis situations.

The purpose of the Bank in managing liquidity risk is to ensure, to the best of its ability, the maintenance of its liquidity levels at acceptable levels, both under normal and extreme conditions.

The Bank's main sources of financing and liquidity are:

- Customer Deposits: The Banks customer deposits consist of sight, savings and time deposits. The Bank's deposits increased in 2020 by approximately 13.6% compared to 2019, contributing to the further improvement of the Bank's liquidity.
- Bond loan: The Bank derives additional liquidity through the issuance of bond loans. The Bank strengthened its liquidity by issuing a bond loan with a private placement in 2020 of approximately € 4 million.

In addition to its main sources of funding, the Bank maintains, as an alternative source of funding, access to the Emergency Liquidity Assistance (ELA), through the provision of eligible assets as collateral, in liquidity situations. It is noted that the Bank, in the first quarter of 2019, fully repaid the financing obtained from the Emergency Liquidity Assistance (ELA).
Finally, it is reported that the Bank maintained high levels of liquidity throughout the COVID-19 pandemic without any significant impact on its main sources of funding.

The following is a list of the obligations of the bank and the group as at 31.12.2020:

Analysis of contractual maturities for financial liabilities (non-discounted cash flows)			**Bank**			
Amounts in EUR	**Up to 1 month**	**1 to 3 months**	**3 to 12 months**	**1 to 5 years**	**Over 5 years**	**Total**
31 December 2020						
Liabilities to Central Banks	-	-	-	-	-	-
Liabilities to financial institutions	25,141,494	-	-	-	-	25,141,494
Liabilities to customers	294,020,097	116,165,788	206,631,246	-	-	616,817,131
Liabilities from credit securities & other loan obligations	-	-	2,547,878	4,180,000	9,900,000	16,627,878
Other liabilities	-	-	5,328,922	-	-	5,328,922
Balance sheet total	**319,161,591**	**116,165,788**	**214,508,047**	**4,180,000**	**9,900,000**	**663,915,426**

Analysis of contractual maturities for financial liabilities (non-discounted cash flows)	Group					
Amounts in EUR	**Up to 1 month**	**1 to 3 months**	**3 to 12 months**	**1 to 5 years**	**Over 5 years**	**Total**
31 December 2020						
Liabilities to Central Banks	-	-	-	-	-	-
Liabilities to financial institutions	26,271,056	-	-	-	-	26,271,056
Liabilities to customers	293,668,270	116,165,788	206,631,246	-	-	616,465,304
Liabilities from credit securities & other loan obligations	-	-	2,547,878	4,180,000	9,900,000	16,627,878
Other liabilities	-	-	10,315,565	-	-	10,315,565
Balance sheet total	**319,939,325**	**116,165,788**	**219,494,689**	**4,180,000**	**9,900,000**	**669,679,803**

Analysis of contractual maturities for financial liabilities (non-discounted cash flows)	Bank					
Amounts in EUR	**Up to 1 month**	**1 to 3 months**	**3 to 12 months**	**1 to 5 years**	**Over 5 years**	**Total**
31 December 2019						
Liabilities to Central Banks	-	-	-	-	-	-
Liabilities to financial institutions	27,259,251	-	-	-	-	27,259,251
Liabilities to customers	230,768,852	101,718,957	204,918,678	293,703	-	537,700,191
Liabilities from credit securities & other loan obligations	-	-	9,049,177	6,680,000	5,900,000	21,629,177
Other liabilities	-	-	5,502,320	-	-	5,502,320
Balance sheet total	**258,028,104**	**101,718,957**	**219,470,175**	**6,973,703**	**5,900,000**	**592,090,939**

Analysis of contractual maturities for financial liabilities (non-discounted cash flows)	Group					
Amounts in EUR	**Up to 1 month**	**1 to 3 months**	**3 to 12 months**	**1 to 5 years**	**Over 5 years**	**Total**
31 December 2019						
Liabilities to Central Banks	-	-	-	-	-	-
Liabilities to financial institutions	28,513,478	-	-	-	-	28,513,478
Liabilities to customers	230,322,914	101,718,957	204,918,678	293,703	-	537,254,252
Liabilities from credit securities & other loan obligations	-	-	9,049,177	6,680,000	5,900,000	21,629,177
Other liabilities	-	-	11,928,503	-	-	11,928,503
Balance sheet total	**258,836,392**	**101,718,957**	**225,896,359**	**6,973,703**	**5,900,000**	**599,325,411**

4.11 Operational risk

Operational is the risk of causing damage due to insufficiency or failure of internal processes, individuals and systems or external events. The Bank is required to calculate minimum capital requirements for this risk in accordance with Articles 92 and 315-316 of Regulation (EU) No 575/2013. In calculating the capital requirements against this risk the Basic Index method is used and continues to be used, as mentioned above.

The relevant capital requirements as at 31/12/2020 were € 3,723 thousand individually and € 3,354 thousand on a consolidated basis, which are considered to be proportionately sufficient to cover the Bank against this risk given its nature, size and existing network.

4.12 Capital adequacy

The supervisory authorities have established quantitative criteria to ensure capital adequacy and require the Bank to maintain minimum amounts and risk-weighted capital ratios, which are defined as the ratio of funds to the sum of specific off-balance sheet assets. In June 2013, the European Parliament and the Council of Europe adopted Directive 2013/36/EU and Regulation (EU) 575/2013 (known as CRD IV), transposing and adapting the changes proposed by the Basel Committee (Basel III) at European Union level. The new regulations are directly applicable in all Member States from 1 January 2014, given that some provisions will be phased in mainly between 2014 and 2019.

The supervisory authority of the Cooperative Bank of Chania is the BoG

The Basel II supervisory framework was applied from 01.01.2008 - 31.12.2013, which was introduced into Greek law by Law 3601/2007 as amended by Law 3693/2008, Law 3746/2009, Law 3862/2010, Law 4002/2011 and Law 4021/2011 (transposing EU Directives 48/2006, 49/2006, 64/2007, 111/2009 and 76/2010) and subsequently with the adoption of Governor's Acts 2577/2006, 2588/2007, 2590/2007, 2592/2007, 2630/2010, and 2635/2010.

The Basel III supervisory framework was applied from 01/01/2014, which was introduced into Greek law by Law 4261/2014 (transposing EU Directive 36/2013) as amended by Law 4335/2015 and Law 4340/2015, and subsequently by Regulation (EU) No 575/2013 (as amended by Delegated Regulation (EU) 2015/62) and Implementing Regulation (EU) No 680/2014 (as amended by Implementing Regulations 79/2015, 227/2015 and 1278/2015).

According to the new provisions (Law 4261/2014 and EU Regulation 575/2013), the following capital buffers have entered into force since 01/01/2016:

- **Capital Conservation Buffer**: Expressed as a percentage of the total risk exposure amount, it will gradually rise to 2.50% from 01/01/2019 as follows: 0.625% on 01/01/2016, 1.25% on 01/01/2017, 1.875% on 01/01/2018 and 2.50% on 01/01/2019 onwards.

- **Countercyclical capital buffer:** Expressed as a percentage of the total risk exposure amount and ranges between 0% and 2.50%, while it is also possible to increase to more than 2.50% if justified under the provisions of Article 127 (3) of Law 4261 / 2014. For 2019 and 2020, the Bank of Greece set the countercyclical capital buffer ratio at 0%.

- **Based on decision 353/10.04.2020** by the Credit and Insurance Committee and as part of the Supervisory Review and Evaluation Process (SREP), additional capital requirements of 2.68% were set for the Bank for the year 2020 and for the year 2021.

- **Based on decision 292/18.12.2018** by the Credit and Insurance Committee and as part of the Supervisory Review and Evaluation Process (SREP), additional capital requirements of 2.60% were set for the Bank for the year 2019.

The capital adequacy ratio of the Cooperative Bank of Chania is presented in the following tables for the years 2019 and 2020.

Amounts in EUR thous.

31-Dec-19	**Consolidated**	**Individual**
1. Total Risk-Weighted Assets (RWA)	421,561	412,297
2. Risk-Weighted Assets for credit risk	385,788	372,123

3. Risk-Weighted Assets for operational risk	35,773	40,174
4. Risk-Weighted Assets for concentration risk	-	-
5. Total Equity	59,002	56,955
6. Total Capital Adequacy Ratio	**14.00%**	**13.81%**

Amounts in EUR thous.

31-Dec-20	Consolidated	Individual
1. Total Risk-Weighted Assets (RWA)	420,730	412,586
2. Risk-Weighted Assets for credit risk	378,811	366,051
3. Risk-Weighted Assets for operational risk	41,919	46,535
4. Risk-Weighted Assets for concentration risk	-	-
5. Total Equity	61,286	60,058
6. Total Capital Adequacy Ratio	**14.57%**	**14.56%**

Note : The Total Capital Adequacy Ratio results from the division of total Equity (line 5) by Total Weighted Assets (line 1).

The minimum threshold of the Total Capital Adequacy Ratio for 2020 is 13.18% as reported in Note 2.2 in the Capital Adequacy section.

4.12.1 Capital Adequacy Ratio

This risk relates to the level, structure and stability of equity, as equity determines the risk capability and is the basis for calculating various supervisory indicators. The Bank seeks to have the required capital adequacy, taking into account the adverse economic conditions which had a significant adverse effect on the credit institutions' equity in previous years. Equity (which is taken into account for the calculation of the total capital ratio) consists of Tier 1 Equity and Tier 2 funds. The Bank uses Category 2 funds after required capital depreciation.

During the years 2019 and 2020, the Bank presented adequate equity on an individual and consolidated basis. Its policy in this area during 2021 is to stimulate its capital base.

4.13 Fair values of financial assets and liabilities

4.13.1 Financial assets not valued at fair value

	Group				
Amounts in EUR	**31.12.2020**	**31.12.2020**	**Level 1**	**Level 2**	**Level 3**
	Book value	**Fair value**			
Financial assets					
Loans and receivables to customers	355,297,452	355,297,452	-	-	355,297,452
Financial assets at amortized cost	1,001,646	1,001,646	-	-	1,001,646
Financial liabilities					
Liabilities to customers	616,465,304	616,465,304	150,907,690	465,557,614	-
Issued debt securities and other loans	16,627,878	16,627,878	-	-	16,627,878

	Bank				
Amounts in EUR	**31.12.2020**	**31.12.2020**	**Level 1**	**Level 2**	**Level 3**
	Book value	**Fair value**			
Financial assets					
Loans and receivables to customers	390,387,534	390,387,534	-	-	390,387,534
Financial assets at amortized cost	1,001,646	1,001,646	-	-	1,001,646
Financial liabilities					
Liabilities to customers	616,817,131	616,817,131	151,259,517	465,557,614	-
Issued debt securities and other loans	16,627,878	16,627,878	-	-	16,627,878

	Group				
Amounts in EUR	**31.12.2019**	**31.12.2019**	**Level 1**	**Level 2**	**Level 3**
	Book value	**Fair value**			
Financial assets					
Loans and receivables to customers	333,885,075	333,885,075	-	-	333,885,075
Financial assets at amortized cost	1,001,111	1,001,111	-	-	1,001,111
Financial liabilities					
Liabilities to customers	537,254,252	537,254,252	104,725,725	432,528,528	-
Issued debt securities and other loans	21,629,177	21,629,177	-	-	21,629,177

	Bank				
Amounts in EUR	**31.12.2019**	**31.12.2019**	**Level 1**	**Level 2**	**Level 3**
	Book value	**Fair value**			
Financial assets					
Loans and receivables to customers	371,735,783	371,735,783	-	-	371,735,783
Financial assets at amortized cost	1,001,111	1,001,111	-	-	1,001,111
Financial liabilities					
Liabilities to customers	537,700,191	537,700,191	105,171,663	432,528,528	-
Issued debt securities and other loans	21,629,177	21,629,177	-	-	21,629,177

The above table presents the book value and fair value of financial assets that are not measured at fair value in the Group's financial statements and their categorization.

The book value of Liabilities to direct demand customers approximates their fair value as they are considered to be short-term financial assets, while the fair value of time deposits is calculated using discounted interest rate models of similar products.

The fair value of issued debt securities and other loans is calculated using the discount rate method for the purchase of similar products.

The fair value of Loans and advances to customers is estimated to approximate their book value as they relate to floating rate loans, which are reviewed at regular intervals.

The fair value of financial assets at amortized cost as well as other financial assets and liabilities (cash and cash equivalents of central banks, receivables and liabilities of financial institutions, liabilities to central banks) that are not measured in the financial statements at fair value approximates their book value, either because they relate to short-term transactions or because they are re-priced at regular intervals.

4.13.2 Financial assets not valued at fair value

	Group				
Amounts in EUR	**31.12.2020**	**31.12.2020**	**Level 1**	**Level 2**	**Level 3**
	Book value	**Fair value**			
Financial assets					
Financial assets at fair value through profit or loss	896.839	896.839	-	896.839	-
Investment portfolio	4,945,398	4,945,398	27,066	-	4,918,332

	Bank				
Amounts in EUR	**31.12.2020**	**31.12.2020**	**Level 1**	**Level 2**	**Level 3**
	Book value	**Fair value**			
Financial assets					
Financial assets at fair value through profit or loss	896.839	896.839	-	896.839	-
Investment portfolio	3,060,015	3,060,015	23,799	-	3,036,216

	Group				
Amounts in EUR	**31.12.2019**	**31.12.2019**	**Level 1**	**Level 2**	**Level 3**
	Book value	**Fair value**			
Financial assets					
Financial assets at fair value through profit or loss	685,220	685,220	-	685,220	-
Investment portfolio	4,905,103	4,905,103	98,313	-	4,806,790

	Bank				
Amounts in EUR	**31.12.2019**	**31.12.2019**	**Level 1**	**Level 2**	**Level 3**
	Book value	**Fair value**			
Financial assets					
Financial assets at fair value through profit or loss	685,220	685,220	-	685,220	-
Investment portfolio	2,972,982	2,972,982	31,789	-	2,941,193

Fair value measurement of tier 3 financial assets is carried out using variables that are not based on observable market data. Level 3 includes shares of the investment portfolio. Level 3 shares are not traded in active markets or there are no prices available from third party traders. The valuation of these shares at fair value was approximated through the net asset value method.

For the year ended December 31, 2020 there were no transfers of financial assets between the rating levels.

The following table shows the reconciliation of changes in financial assets measured at fair value and classified at Level 3:

Amounts in EUR	Group	
Investment portfolio	**2020**	**2019**
Opening balance as at 01 January	**4,806,790**	**4,840,487**
Other changes	-	-
Additions for the year	30	-
Disposals	-	-
Change in fair value	111,512	(33,697)
Deductions/devaluation provisions for the period	-	-
Balance as at 31 December	**4,918,332**	**4,806,790**

Amounts in EUR	Bank	
Investment portfolio	**2020**	**2019**
Opening balance as at 01 January	**2,941,193**	**3,981,508**
Other changes	-	(979,367)
Additions for the year	-	-
Disposals	-	-
Change in fair value	95,022	(60,948)
Deductions/devaluation provisions for the period	-	-
Balance as at 31 December	**3,036,216**	**2,941,193**

4.13.3 Risk related to Tax Credits to the Greek State

On 31/12/2020 the deferred tax assets of the Group amounted to € 23.8m (compared to € 24.9m on 31/12/2019).

Pursuant to Regulation (EU) No 575/2013 on capital requirements, deferred tax assets that are based on future profitability and that exceed specific limits must be deducted from the Bank's Tier 1 Common Stock. However, Article 27A of Law 4172/2013 and its amendments (Law 4302/2014 and Law 4340/2015) allow, subject to certain conditions, the deferred tax assets resulting from accumulated impairment provisions to be converted to cover credit risk and which have been accounted for as at 30 June 2015 in final and outstanding claims against the Greek State (Tax Credits). The Bank, by the decision of the Extraordinary General Meeting dated November 24, 2015, has been subject to the provisions of Article 27A of Law 4172/2013 (as amended by Article 4 of Law 4340/2015). The provisions of Article 27A of Law 4172/2013, involve the optional conversion of deferred tax assets, on temporary differences, into definitive and outstanding claims against the Greek State which may be counted in supervisory funds.

This guarantees the provisional tax claim (DTA) by converting it into a definitive claim (DTC) against the State, with a corresponding benefit in the calculation of the Supervisory Equity, as in such case these claims are not deducted from Tier 1 equity but are counted on the Group's weighted assets at current rates.

In March 2017, a new law (4465/2017) was adopted that introduced amendments to Articles 27 and 27A of Law 4172/2013. These amendments introduce the 20-year amortization of definitive losses on write-offs and loan sales. In addition, the purpose of Article 27A extends beyond PSI losses and loan impairment provisions to losses from permanent write-off/sale of loans as well as accounting write-offs of loans.

On 31/12/2020, the maximum amount of deferred tax assets that meets the criteria of the above legal provisions and which can be converted into a final and settled claim against the Greek State amounted to € 18.5m.

At each reporting date, the Bank re-evaluates the value of its deferred tax assets, which may result in a change in their balance presented in the statement of financial position and, by way of extension, in its regulatory capital.

The recognition of deferred tax assets and their possible conversion into claims against the Greek State (Tax Credits) may be adversely affected by: (a) the future reduction of income tax rates; (b) the adverse change in the regulations governing the handling of deferred tax assets in regulatory capital. Should any of the above risks occur, this could have an adverse effect on the adequacy of the Group's regulatory capital.

NOTE 5: NET INTEREST INCOME

	Group		Bank	
Amounts in EUR	**31.12.2020**	**31.12.2019**	**31.12.2020**	**31.12.2019**
Interest income from:				
Income from bonds	67,577	85,436	67,577	85,436
Receivables to financial institutions	746,738	828,114	746,738	828,114
Loans and receivables to customers	24,201,427	23,551,206	27,226,041	26,450,857
Interest and similar income	**25,015,742**	**24,464,756**	**28,040,356**	**27,364,407**
Interest expenses from:				
Liabilities to Central Banks (ELA)	-	17,333	-	17,333
Liabilities to financial institutions	213,444	504,015	213,444	504,015
Debt securities	1,216,073	989,450	1,216,073	989,449
Liabilities to customers	5,538,759	6,769,629	5,199,634	6,438,413
Interest and similar expenses	**6,968,276**	**8,280,427**	**6,629,151**	**7,949,210**
Net interest income	**18,047,465**	**16,184,329**	**21,411,204**	**19,415,197**

NOTE 6: NET COMMISSIONS REVENUE

	Group		Bank	
Amounts in EUR	**31.12.2020**	**31.12.2019**	**31.12.2020**	**31.12.2019**
Retail banking commissions revenue	825,373	1,161,114	834,461	1,173,253
Loan commissions revenue	961,913	1,113,838	961,913	1,113,838
Commission expenses	(417,006)	(545,191)	(417,006)	(545,191)
Net commission income	**1,370,280**	**1,729,761**	**1,379,368**	**1,741,900**

NOTE 7: STAFF EXPENDITURE

	Group		Bank	
Amounts in EUR	**31.12.2020**	**31.12.2019**	**31.12.2020**	**31.12.2019**
Wages and other staff benefits	8,973,815	8,809,713	7,522,534	7,608,225
Defined Benefit Plan Expenses (see Note 8)	48,209	79,930	48,209	58,429
Used staff provisions	(96,272)	-	-	-
Other staff costs	134,550	38,378	131,378	30,410
Total	**9,060,302**	**8,928,021**	**7,702,121**	**7,697,064**

The number of staff for the Bank and the Group is as follows:

	Group	
Personnel costs	**31.12.2020**	**31.12.2019**
Bank	**224**	**222**
Cretan Real Estate	4	4
Cretan Holdings	*0*	*0*
Chania Holdings	*0*	*0*
Prime Energy SA	*4*	*4*
ABEA	*37*	22
BIOCHEM	*9*	28
Total	**278**	**280**

NOTE 8: PAYABLES TO STAFF

Defined benefit plans

Redundancy payments

Group companies are required by law 2112/20 to provide compensation to employees who retire from service. These allowances are a lump sum based on the final salary and years of service, the calculation of which varies according to the category of employee (e.g. compensation for employees and craftsmen is calculated on a different scale).

On November 12, 2012 the new Law 4093/2012, reduced the redundancy payment in case of dismissal or retirement according to the provisions of Law 2112/1920. According to the provisions of the law, the maximum amount of redundancy payment for employees is limited to 12 salaries instead of 24 salaries.

In addition, the transitional provisions of that Law provide that for employees who have completed 17 or more years of service with the same employer on 12 November 2012, the compensation shall be limited to one additional salary for each completed year and up to 24 salaries. In case of dismissal, the additional salary is limited to EUR 2,000.

The provision was calculated based on the projected unit credit method imposed by IAS 19. According to this method, each period of service creates a right for an additional unit of entitlement to the benefits and which is discounted and valued separately in order to form the final liability. It is noted that the fixed policy of the Bank and the Group, from the first application of IFRS, is the formation of the provision in proportion to the service time to the estimated retirement time and does not correspond to the amount of dismissal compensation paid to employees as part of their dismissal from the employer (provision for termination of employees). Consequently, the technique applied by the Bank and the Group for the calculation of the provision is in full agreement, from the first application of the IFRS, with the method described in Opinion ref. 640 dated 6 March 2019 issued by the Scientific Council of SOEL.

The amounts of defined benefit and compensation plans recognized in the financial statements are analyzed as follows:

Defined Benefit Plan Expenses

	Group		Bank	
Amounts in EUR	**31.12.2020**	**31.12.2019**	**31.12.2020**	**31.12.2019**
Service cost	42,454	70,225	42,454	49,734
Net financial cost on net defined benefit liability	5,755	9,705	5,755	8,695
Total	**48,209**	**79,930**	**48,209**	**58,429**

Net liability in the Statement of Financial Position

Amounts in EUR	Group 31.12.2020	Group 31.12.2019	Bank 31.12.2020	Bank 31.12.2019
Present Value of Non-Funded Liabilities	690,450	775,744	607,224	596,246
Total	**690,450**	**775,744**	**607,224**	**596,246**

Change in liabilities for defined benefit plans

Amounts in EUR	Group 31.12.2020	Group 31.12.2019	Bank 31.12.2020	Bank 31.12.2019
Balance as at 1st January	**775,744**	**646,862**	**596,246**	**494,182**
Acquisition/merger of subsidiaries		-	-	-
Service cost	42,454	70,225	42,454	49,734
Financial cost	5,755	9,705	5,755	8,695
Benefits used by the Group/Bank	(96,272)	-	-	-
Loss/(profit) from changes in actuarial assumptions	(37,230)	48,952	(37.231)	43,635
Balance as at 31st December	**690,450**	**775,744**	**607,224**	**596,246**

Note: The aforementioned items are included in Other liabilities (see Note 21)

Weighted average actuarial assumptions at the end of the period

	Group 31.12.2020	Group 31.12.2019	Bank 31.12.2020	Bank 31.12.2019
Discount rate	0.19% - 1.2%	1.14% to 1.20%	0.19%	1.20%
Earnings growth rate	0,50% - 1.5%	0.50% to 1,5%	0.50%	0.50%

NOTE 9: GENERAL ADMINISTRATIVE AND OTHER OPERATING COSTS

Amounts in EUR	Group 31.12.2020	Group 31.12.2019	Bank 31.12.2020	Bank 31.12.2019
Rents	261,705	279,893	161,097	193,208
Taxes - Fees	411,474	418,900	191,838	188,575
Telecommunication and electricity costs	798,248	733,269	527,475	483,180
Maintenance costs	482,797	570,410	371,568	374,216
Third party fees	2,528,234	2,524,180	2,166,107	2,142,779
TEKE Contributions (Resolution Leg)	223,676	193,617	223,676	193,617
Promotion and advertising costs	675,868	809,857	640,908	733,565
Other expenses	1,656,040	1,765,640	993,332	1,036,681
Total	**7,038,042**	**7,295,766**	**5,276,002**	**5,345,820**

NOTE 10: IMPAIRMENT PROVISIONS FOR THE COVERAGE OF CREDIT RISK

Provisions for impairment of loans and other receivables of the year

	Group		Bank	
Amounts in EUR	**31.12.2020**	**31.12.2019**	**31.12.2020**	**31.12.2019**
Loans and receivables to customers	8,122,395	809,790	8,122,395	813,399
Provisions for letters of guarantee	(22,391)	7,099	(22,392)	7,108
Other receivables against customers and financial institutions	1,489	2,085,135	-	2,085,135
Total	**8,101,493**	**2,902,024**	**8,100,003**	**2,905,643**

For the year 2020, the Group and the Bank's "Loans and receivables per customer" provisions amounted to € 8.1 million (2019: € 0.8 million). For the fiscal year 2019, the provisions of "Other receivables from customers" include, inter alia, a provision for receivables from legal cases that was formed in the financial statements of the Bank, amounting to approximately € 1.85 million, as analyzed in Note 22.

Cumulative provisions for impairment of loans and advances to customers

	Group		Bank	
Amounts in EUR	**31.12.2020**	**31.12.2019**	**31.12.2020**	**31.12.2019**
Loans and receivables to customers	86,934,480	81,434,168	86,936,601	81,437,778
Total	**86,934,480**	**81,434,168**	**86,936,601**	**81,437,778**

The cumulative provisions for impairment of loans and advances to customers are as follows:

Amounts in EUR	Group		Bank	
	31.12.2020	**31.12.2019**	**31.12.2020**	**31.12.2019**
Balance of provisions 01 January	81,434,168	**98,651,568**	81,437,778	**98,651,568**
Movement in 2020				
Provisions for the year	8,123,884	809,790	8,122,395	813,399
Write-offs	(2,623,573)	(18,027,190)	(2,623,573)	(18,027,190)
Balance of provisions as at 31 December	**86,934,480**	**81,434,168**	**86,936,601**	**81,437,778**

NOTE 11: CASH AND CASH AT HAND AT CENTRAL BANKS AVAILABLE, CASH EQUIVALENTS, RECEIVABLES FROM FINANCIAL INSTITUTIONS

	Group		Bank	
Amounts in EUR	**31.12.2020**	**31.12.2019**	**31.12.2020**	**31.12.2019**
Cash at hand	7,314,816	4,052,156	7,071,828	3,890,257
Current accounts with the Bank of Greece	203,151,989	165,503,773	203,151,989	165,503,773
Total	**(210,466,804)**	**169,555,929**	**210,223,817**	**169,394,030**

	Group		Bank	
Amounts in EUR	**31.12.2020**	**31.12.2019**	**31.12.2020**	**31.12.2019**
Sight deposits with financial institutions	8,921,516	7,839,051	8,921,516	7,839,051
Term deposits with financial institutions	-	-	-	-
Total	**8,921,516**	**7,839,051**	**8,921,516**	**7,839,051**

NOTE 12: FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS

	Group		Bank	
Amounts in EUR	**31.12.2020**	**31.12.2019**	**31.12.2020**	**31.12.2019**
Bank bonds	896.839	685,220	896.839	685,220
Total	**896.839**	**685,220**	**896.839**	**685,220**

NOTE 13: FINANCIAL ASSETS AT AMORTIZED COST

	Group		Bank	
Amounts in EUR	**31.12.2020**	**31.12.2019**	**31.12.2020**	**31.12.2019**
Bank bonds	1,001,646	1,001,111	1,001,646	1,001,111
Total	**1,001,646**	**1,001,111**	**1,001,646**	**1,001,111**

NOTE 14: INVESTMENT PORTFOLIO

	Group		Bank	
Amounts in EUR	**31.12.2020**	**31.12.2019**	**31.12.2020**	**31.12.2019**
Shares & stock	4,945,398	4,905,103	3,060,015	2,972,982
Total	**4,945,398**	**4,905,103**	**3,060,015**	**2,972,982**
Investment portfolio - available for sale				
Balance as at 1 January	**4,905,104**	**4,871,491**	**2,972,982**	**3,993,087**
Other changes	-	-	-	(979,367)
Additions	30	-	-	-
Change in fair value	40,265	33,612	87,033	(40,738)
Sales	-	-	-	-
Deductions/devaluation provisions for the period	-	-	-	-
Balance as at 31 December 2020	**4,945,398**	**4,905,103**	**3,060,015**	**2,972,982**

NOTE 15: SOFTWARE AND OTHER INTEGRATED ASSETS

Amounts in EUR	Group			Bank		
	Software	**Other intangible assets**	**Total**	**Software**	**Other intangible assets**	**Total**
Acquisition cost						
Balance as at 1 January 2019	**3,065,389**	**185,979**	**3,251,367**	**2,477,910**	-	**2,477,910**
Acquisition of a subsidiary	-	-	-	-	-	-
Additions	587,432	-	587,432	587,432	-	587,432
Other changes	-	-	-	-	-	-
Balance as at 31 December 2019	**3,652,821**	**185,979**	**3,838,800**	**3,065,342**	**-**	**3,065,342**
Accumulated depreciation & impairment provisions						
Balance as at 1 January 2019	**(2,405,480)**	**-**	**(2,405,480)**	**(1,821,184)**	**-**	**(1,821,184)**
Acquisition of a subsidiary	-	-	-	-	-	-
Other depreciation changes	-	-	-	-	-	-
Depreciations	(173,013)	-	(173,013)	(150,143)	-	(150,143)
Balance as at 31 December 2019	**(2,578,493)**	**-**	**(2,578,493)**	**(1,971,327)**	**-**	**(1,971,327)**
Gross book value as at 31 December 2019	**1,074,328**	**185,979**	**1,260,306**	**1,094,015**	**-**	**1,094,015**
Acquisition cost						
Balance as at 1 January 2020	**3,652,821**	**185,979**	**3,838,800**	**3,065,342**	**-**	**3,065,342**
Acquisition of a subsidiary	-	-	-	-	-	-
Additions	756,043	-	756,043	732,689	-	732,689
Other changes	665,015	-	665,015	-	-	-
Balance as at 31 December 2020	**5,073,879**	**185,979**	**5,259,857**	**3,798,031**	**-**	**3,798,031**
Accumulated depreciation & impairment provisions						
Balance as at 1 January 2020	**(2,578,493)**	**-**	**(2,578,493)**	**(1,971,327)**	**-**	**(1,971,327)**
Acquisition of a subsidiary	-	-	-	-	-	-
Other depreciation changes	18,685	-	18,685	-	-	-
Depreciations	(316,007)	-	(316,007)	(217,610)	-	(217,610)
Balance as at 31 December 2020	**(2,875,815)**	**-**	**(2,875,815)**	**(2,188,937)**	**-**	**(2,188,937)**
			-			
Gross book value as at 31 December 2020	**2,198,063**	**185,979**	**2,384,042**	**1,609,094**	**-**	**1,609,094**

There was no goodwill on the consolidation of the subsidiaries (goodwill arising from the incorporation of subsidiaries acquired before the date of transition to IFRSs has been negatively charged to equity at the date of transition).

NOTE 16: TANGIBLE ASSETS

BANK

Amounts in EUR	Fields and land plots	Buildings	Means of transport and equipment	Improvements to leased third-party properties	Furniture & other Equipment	Investments in progress	Assets with the right to use fixed assets	Total
Acquisition cost								
Balance as at 1 January 2019	**2,445,211**	**6,789,972**	**66,630**	**4,661,375**	**7,202,501**	**28,305**	**1,792,026**	**22,986,021**
Additions	-	117,800	-	2,470	258,718	-	2,512	381,500
Other changes in fixed assets	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-
Sales and write-offs	-	-	-	-	(8,635)	-	-	(8,635)
Balance as at 31 December 2019	**2,445,211**	**6,907,772**	**66,630**	**4,663,845**	**7,452,584**	**28,305**	**1,794,538**	**23,358,886**
Accumulated depreciation & impairment provisions								
Balance as at 1 January 2019	**-**	**(457,790)**	**(53,102)**	**(3,045,536)**	**(6,632,344)**	**(19,862)**	**-**	**(10,208,633)**
Other depreciation changes	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-
Depreciations	-	(68,467)	(2,238)	(310,653)	(188,384)	-	(363,968)	(933,711)
Sales and write-offs	-	-	-	-	7,759	-	-	7,759
Balance as at 31 December 2019	**-**	**(526,257)**	**(55,340)**	**(3,356,190)**	**(6,812,969)**	**(19,862)**	**(363,968)**	**(11,134,585)**
Gross book value as at 31 December 2019	**2,445,211**	**6,381,515**	**11,290**	**1.307.656**	**639,615**	**8,443**	**1,430,570**	**12,224,301**
Acquisition cost								
Balance as at 1 January 2020	**2,445,211**	**6,907,772**	**66,630**	**4,663,845**	**7,452,584**	**28,305**	**1,794,538**	**23,358,886**
Additions	-	27,272	-	12,218	1,581,643	-	5,044	**1,626,177**
Other changes in fixed assets	-	-	-	-	-	-	-	**-**
Transfers	-	-	-	-	-	-	-	**-**
Sales and write-offs	-	-	-	-	-	-	-	**-**
Balance as at 31 December 2020	**2,445,211**	**6,935,044**	**66,630**	**4,676,063**	**9,034,228**	**28,305**	**1,799,582**	**24,985,063**
Accumulated depreciation & impairment provisions								
Balance as at 1 January 2020	**-**	**(526,257)**	**(55,340)**	**(3,356,190)**	**(6,812,969)**	**(19,862)**	**(363,968)**	**(11,134,585)**
Other depreciation changes	-	-	-	-	-	-	-	**-**
Transfers	-	-	-	-	-	-	-	**-**
Depreciations	-	(69,772)	(2,238)	(311,182)	(341,273)	-	(363,968)	**(1,088,432)**
Sales and write-offs	-	-	-	-	-	-	-	**-**
Balance as at 31 December 2020	**-**	**(596,028)**	**(57,578)**	**(3,667,371)**	**(7,154,242)**	**(19,862)**	**(727,936)**	**(12,223,017)**
Gross book value as at 31 December 2020	**2,445,211**	**6,339,015**	**9,052**	**1,008,692.07**	**1,879,985**	**8,443**	**1,071,647**	**12,762,046**

GROUP

Amounts in EUR	Fields and land plots	Buildings	Mechanical Equipment / Technical Installations	Means of transport and equipment	Improvements to leased third-party properties	Furniture & other Equipment	Investments in progress	Assets with the right to use fixed assets	Total
Acquisition cost									
Balance as at 1 January 2019	**3,375,363**	**10,037,603**	**15,501,338**	**300,975**	**4,661,376**	**7,902,515**	**1,103,852**	**2,033,348**	**44,916,368**
Additions	-	122,973	142,148	-	2,470	286,114	595,731	2,512	1,151,947
Other changes in fixed assets	-	-	54,575	-	-	47,191	-	-	7,384
Transfers	-	465,098	74,291	-	-	-	(539,388)	-	-
Sales and write-offs	-	(9,832)	(7,600)	-	-	(8,635)	-	-	(26,067)
Balance as at 31 December 2019	**3,375,363**	**10,615,842**	**15,764,751**	**300,975**	**4,663,846**	**8,132,802**	**1,160,194**	**2,035,860**	**46,049,632**
Accumulated depreciation & impairment provisions									
Balance as at 1 January 2019	**-**	**(736,392)**	**(8,581,472)**	**(200,867)**	**(3,068,225)**	**(7,278,041)**	(19,862)	-	**(19,884,859)**
Other depreciation changes	-	-	(169)	(21,380)	22,689	46,694	-	-	47,833
Transfers	-	-	-	-	-	-	-	-	-
Depreciations	-	(101,735)	(745,627)	(12,750)	(310,653)	(207,314)	-	(375,813)	(1,753,893)
Sales and write-offs	-	-	-	-	-	7,759	-	-	7,759
Balance as at 31 December 2019	**-**	**(838,127)**	**(9,327,269)**	**(234,997)**	**(3,356,189)**	**(7,430,902)**	**(19,862)**	**(375,813)**	**(21,583,160)**
Gross book value as at 31 December 2019	**3,375,363**	**9,777,714**	**6,437,482**	**65,978**	**1,307,657**	**701,900**	**1,140,332**	**1,660,046**	**24,466,472**
Acquisition cost									
Balance as at 1 January 2020	**3,375,363**	**10,615,842**	**15,764,751**	**300,975**	**4,663,846**	**8,132,802**	**1,160,194**	**2,035,860**	**46,049,633**
Additions	-	36,342	133,926	169	12,218	1,588,485	420,502	5,044	2,196,686
Other changes in fixed assets	-	-	-	-	-	-	-	-	-
Transfers	-	292,424	386,763	-	-	-	(1,362,887)	-	(683,700)
Sales and write-offs	-	-	(625,344)	(21,500)	-	(26,862)	(59,129)	-	(732,836)
Balance as at 31 December 2020	**3,375,363**	**10,944,608**	**15,660,097**	**279,644**	**4,676,064**	**9,694,425**	**158,680**	**2,040,904**	**46,829,784**
Accumulated depreciation & impairment provisions									
Balance as at 1 January 2020	**-**	**(838,127)**	**(9,327,269)**	**(234,997)**	**(3,356,189)**	**(7,430,902)**	**(19,862)**	**(375,813)**	**(21,583,160)**
Other depreciation changes	-	-	(190)	-	-	-	-	-	(190)
Transfers	-	-	-	-	-	-	-	-	-
Depreciations	-	(130,284)	(776,400)	(12,799)	(311,182)	(359,094)	-	(375,813)	(1,965,572)
Sales and write-offs	-	-	623,564	21,500	-	26,862	-	-	(671,926)
Balance as at 31 December 2020	**-**	**(968,412)**	**(9,480,295)**	**(226,296)**	**(3,667,371)**	**(7,763,210)**	**(19,862)**	**(751,627)**	**(22,877,071)**
Gross book value as at 31 December 2020	**3,375,363**	**9,976,196**	**6,179,802**	**53,349**	**1,008,693**	**1,931,215**	**138,818**	**1,289,277**	**23,952,711**

NOTE 17: INVESTMENT PROPERTIES

	Group	Bank
Amounts in EUR	**Fields - plots**	**Fields and land plots**
Acquisition cost		
Balance as at 1 January 2019	**18,029,471**	**1,690,300**
Additions	1,000,121	990,288
Transfers from Tangible Fixed Assets	-	-
Transfers from Other Assets	3,162,209	3,069,386
Fair value measurement differences	2,295,715	2,106,794
Write-offs	-	-
Balance as at 31 December 2019	**24,487,516**	**7,856,768**
Acquisition cost		
Balance as at 1 January 2020	**24,487,516**	**7,856,768**
Additions	(114,789)	73,675
Transfers from Tangible Fixed Assets	-	-
Transfers from Other Assets	7,369,690	7,369,690
Fair value measurement differences	2,629,911	2,931,867
Write-offs/Sales	-	-
Balance as at 31 December 2020	**34,601,906**	**18,232,000**

A significant part of the changes that occurred in the item "Real Estate Investments" as at 31 December 2020 concerns a change from the fair value of real estate amounting to € 2.6 million (2019: € 2.3 million) and € 2.9 million (2019: € 2,1 million) for the Group and the Bank respectively. The aforementioned changes from fair value valuation as well as the net results from the sale of property are reported in line "Other net income" of the income statement. Estimates are used to determine the fair value of Investment Properties, as detailed in Note 2.14 "Investment Properties". The fair values of the Group's and the Bank's Investment Property are classified at level 3 of the fair value hierarchy.

NOTE 18: RECEIVABLES AND LIABILITIES FROM DEFERRED TAXES

	Group		Bank	
Amounts in EUR	**31.12.2020**	**31.12.2019**	**31.12.2020**	**31.12.2019**
Deferred tax assets				
Financial assets at fair value through profit or loss	218,417	280,427	218,417	280,427
Financial instruments at amortized cost	39	39	39	39
Loans to customers	15,941,792	16,103,247	15,941,792	16,103,247
Investments in subsidiaries	4,312,835	4,100,225	4,312,835	4,100,225
Holdings in associates	156,497	6,156	-	-
Investment securities	2,248,167	2,290,413	2,265,173	2,290,413
Property, plant and equipment	(1,443,005)	(1,214,188)	(1,028,600)	(1,137,436)
Investment property	(1,641,173)	(1,991,279)	(1,604,818)	(1,991,279)
Intangible assets	19.801	(79,977)	(101,143)	(81,574)
Deferred tax receivables on net book value	2,179,687	2,315,511	2,179,687	2,315,511
debit difference of Article 27 par.3 of Law 4172/13	-	-	-	-
Other assets	1,477,000	2,554,899	1,238,981	2,475,671
	23,470,055	**24,365,473**	**23,422,363**	**24,355,244**
Other liabilities	350,180	563,172	288,660	478,782
	350,180	**563,172**	**288,660**	**478,782**
From loss brought forward	-	-	-	-
Total	**23,820,235**	**24,928,645**	**23,711,023**	**24,834,026**

	Group		Bank	
Amounts in EUR	**31.12.2020**	**31.12.2019**	**31.12.2020**	**31.12.2019**
Deferred tax liabilities				
Property, plant and equipment	1,407,438	1,744,971	-	-
Investment property	67,079	1,113,174	-	-
Intangible assets	(13,996)	(150,052)	-	-
Holdings in associates	-	(134,160)	-	-
Investment securities	(3,099)	11,572	-	-
Other assets	(286,897)	(425,555)	-	-
Tax Identification Recognition	(199,022)			
	971,503	**2,159,951**	-	-
Other liabilities	(46,080)	(47,329)	-	-
Reserve for defined benefit plans	-	-	-	-
From loss brought forward	-	-	-	-
Total	**925,423**	**2,112,622**	**-**	**-**

The Group and the Bank have offset deferred tax assets and liabilities per company separately.

Deferred tax assets on the Bank and the Group primarily arise from differences in the accounting and tax bases that do not have an expiry date and therefore their recoverability is not called into question in the context of ongoing concern.

Pursuant to Regulation (EU) No 575/2013 on capital requirements, deferred tax assets that are based on future profitability and that exceed specific limits must be deducted from the Bank's Tier 1 Common Stock. However, Article 27A of Law 4172/2013 and its amendments (Law 4303/2014 and Law 4340/2015) allow, subject to certain conditions, the deferred tax assets resulting from accumulated impairment provisions to be converted to cover credit risk and which have been accounted for as at 30 June 2015 in final and outstanding claims against the Greek State (Tax Credits). The Bank, by the decision of the Extraordinary General Meeting dated November 24, 2015, has been subject to the provisions of Article 27A of Law 4172/2013 (as amended by Article 4 of Law 4340/2015). The provisions of Article 27A of Law 4172/2013, involve the optional conversion of deferred tax assets, on temporary differences, into definitive and outstanding claims against the Greek State.

Article 43 of Law 4465/04.04.2017 amended Articles 27 and 27a of the Income Tax Code (Law 4172/2013). According to the new provisions, the debt difference that will arise for legal entities supervised by the Bank of Greece from the permanent write-off of their debtors as well as the loss from the sale of loans, are recognized for deduction from gross income and are amortized over a period of 20 years. The deferred tax asset that will be recognized by the above debt difference as well as any write-offs of loans or credits that have not been converted into debt at the end of each accounting year are converted into a definitive and settled receivable against the State pursuant to the above terms and conditions.

The total amount of the deferred tax asset that will arise (a) from the debt difference due to the definitive write-off of debtors and loan sales, (b) from the temporary differences arising from the loan and credit write-offs as well as (c) from the temporary differences in accumulated provisions and other general credit risk losses may not exceed the total amount of tax on accumulated provisions and other credit risk losses recognized until June 30, 2015. This arrangement, which entered into force on 01.01.2016, ensures that loan write-offs and restructuring to reduce non-performing loans will not lead to a loss of supervisory capital.

The deferred tax assets of 31.12.2020, which fall under Article 27a of Law 4172/2013, amounted to € 18.5 million at both Group and Bank level. This is the chargeable tax, 29% on the temporary differences in the accumulated provisions against credit risk, which had been calculated up to 30 June 2015. The existence of tax losses is the basic requirement for the creation of Tax Credits, which are calculated as a percentage of accounting losses after tax under IFRS to equity (excluding losses in the year). This percentage is applied to the balance of the eligible deferred tax assets of a particular year to calculate the tax credit that will be converted into that year in relation to the previous fiscal year. EU Directive 575/2013 allows credit institutions not to deduct, for purposes of calculating the capital adequacy ratio, the deferred tax assets of Tier 1 Common Stock.

Article 82 of Law 4472/19.5.2017 provides for the obligation of credit institutions and other companies that fall under the provisions of article 27A of Law 4172/2013 to pay an annual commission to the Greek State on the amount of deferred tax asset arising from the difference between the applicable tax rate (currently 29%) and the tax rate applicable until 31.12.2014 (26%). The commission paid by the Bank for the year 2020 amounts to approximately **€ 32** thousand.

Furthermore, for the fiscal year 2021, under Law 4799/2021, the tax rate will be reduced from 24% to 22% in the profits from business activities acquired by legal persons and legal entities that keep duplicate books. The deferred tax receivables/liabilities recognized by the Bank's subsidiaries will be affected by the above change as of next year. However, with explicit reference to the law, this reduction does not apply to credit institutions for which the tax rate is still 29%, provided that they have been included and are subject to the special provisions of article 27A of law 4172/2013.

NOTE 19: OTHER ASSETS

Amounts in EUR	Group 31.12.2020	Group 31.12.2019	Bank 31.12.2020	Bank 31.12.2019
Tax advances and other tax claims	142,940	95,580	85,991	54,437
Prepaid expenses	434,742	173,485	61,744	38,350
Revenue receivable	25,430	41,325	25,430	41,325
Deposit and Investment Guarantee Fund	10,863,029	10,859,802	10,863,029	10,859,802
Real Estate Stocks	26,129,318	29,126,263	11,521,110	14,533,746
Trade and other receivables	5,723,356	5,648,955	2,449,180	2,213,110
Other	6,502,227	5,971,041	3,554,800	2,933,554
Total	**49,821,042**	**51,916,452**	**28,561,285**	**30,674,324**

Directive 2014/49 of the European Parliament, which lays down the rules and procedures concerning the establishment and operation of deposit guarantee schemes, has been incorporated into Greek law by Law 4370/2016. Under this law, credit institutions are required to participate in the Deposit and Investment Guarantee Fund (TEKE). In the table above, the "Deposit and Investment Guarantee Fund" refers to the Bank's participation in the assets of the Deposits Coverage Leg totaling € 10.8 on 31.12.2020 (31.12.2019: €10.8 million).
"Other assets" for the Group include the value of the stocks of the companies "ABEA" and "BIOCHEM" on 31.12.2020 totaling € 2.6 (31.12.2019: € 2.9 million).

The "Real estate inventories" refers to auctioned property or recovered collateral for the Bank, while the Group also includes real estate reserves of the Group's subsidiaries. These funds were valued at the lower of their acquisition cost and their net realizable value. The movement of "Real Estate Inventory" is presented in the following table:

Amounts in EUR	Group	Bank
Balance as at 1 January 2019	**30,456,846**	**15,904,301**
Additions	2,103,501	2,081,581
Transfers from / (to) Investment Property	(2,996,639)	(2,919,615)
Measurement differences	336,682	241,606
Write offs/ Sales	(774,127)	(774,127)
Balance as at 31 December 2019	**29,126,263**	**14,533,746**
Additions	4,374,287	4,358,596
Transfers from / (to) Investment Property	(7,369,690)	(7,369,690)
Measurement differences	(42)	(42)
Write offs/ Sales	(1,500)	(1,500)
Balance as at 31 December 2020	**26,129,318**	**11,521,110**

NOTE 20: LIABILITIES TO CENTRAL BANKS, CUSTOMERS AND OTHER FINANCIAL INSTITUTIONS

b) Liabilities to customers

Liabilities to customers

	Group		Bank	
Amounts in EUR	**31.12.2020**	**31.12.2019**	**31.12.2020**	**31.12.2019**
Deposits:				
Savings	69,291,310	55,712,732	69,291,310	55,712,732
Sight	81,616,380	49,012,993	81,968,207	49,458,931
Time	465,557,614	432,528,528	465,557,614	432,528,528
Total	**616,465,304**	**537,254,252**	**616,817,131**	**537,700,191**

According to Law 4151/2013, all inactive deposit accounts after 20 years are subject to limitation in favor of the Greek State. All credit institutions operating in Greece are required by the end of April of each year to return the cash balances of these inactive accounts to the Greek government.
After the modification of the capital controls (Decision No 0001695 ΕΞ 2017/Χ.Π. 1917, Government Gazette 3976 14/11/2017) the provisions of Law 4151/2013 concerning the return of inactive accounts to the State where they had been suspended pursuant to section 1, paragraph 6 of the Legislative Act published in the Government Gazette, Law 84/18.7.2015, were re-enacted. The accounts that closed 20 years in 2020 amount to € 20.8 thousand.

b) Liabilities to other financial institutions

Liabilities to Credit Institutions

	Group		Bank	
Amounts in EUR	**31.12.2020**	**31.12.2019**	**31.12.2020**	**31.12.2019**
Liabilities to other Banks				
Sight	26,271,056	28,513,478	25,141,494	27,259,251
Time	-	-	-	-
Total	**26,271,056**	**28,513,478**	**25,141,494**	**27,259,251**

NOTE 21: OTHER LIABILITIES

	Group		Bank	
Amounts in EUR	**31.12.2020**	**31.12.2019**	**31.12.2020**	**31.12.2019**
Creditors and Suppliers	2,835,140	2,815,033	792,613	511,594
Proceeds on behalf of third parties for return (via DIAS)	110,846	255,918	110,846	255,918
Tax liabilities and charges (excluding income tax) and insurance organizations	1,438,838	1,491,869	1,033,901	1,088,858
Expenses payable and income of subsequent fiscal years	713,324	956,143	30,480	28,879
Other liabilities	4,291,994	4,296,918	3,361,082	3,617,071
Total	**9,390,142**	**9,815,881**	**5,328,922**	**5,502,320**

NOTE 22: CONTINGENT OBLIGATIONS, SECURITIES AND COMMITMENTS

a. Legal issues

There are pending claims and lawsuits against the Bank. Based on the information provided by the Bank's Legal Advisers to the Management, no reliable assessment can be made at the present time concerning the outcome of these cases as some of these cases are at an early stage and others have not become final, and their resolution may take several years.
In the context of claims against its customers, the Bank has taken legal action to recover arrears.

More specifically:
With regard to litigation-actions brought by associates against the Bank seeking damages for the plaintiffs on account of the damage they have suffered from drawing up the Special Accounts Contracts, part of that amount, around € 20.5 million, has so far been adjudicated, seeking damages of approximately € 13.1 million against the Bank, with provisional amounts of around € 2.6 million being appealed by the Bank.
It is noted that in the event of a risk arising from the non re-collection of all the claims that it has paid as provisionally enforceable amounts, the Bank has made a provision in the Financial Statements of approximately € 1.85 million in 2019. For these amounts, the re-collection procedure has already started for the appeal decisions awarded to the Bank.

Of all the lawsuits that have been heard, there are appellate decisions, none of which have become irrevocable. One of those lawsuits is considered important for the outcome of the cases, as it was brought before the Supreme Court (judgment no. 1007/2019), which acquitted the Bank and referred the judgment to the Court of Appeals for reconsideration. Subsequently, the Court of Appeal with its decision No 133/2020, which was issued in the context of the referral to the Court of Appeal, following the previous decision of the Supreme Court, ruled in favor of the Bank by rejecting the action of the defendants.
For the other judgments, appeals are pending for both us and the opponents.

The harmonization with the above judgment of the Supreme Court is reflected in the recently issued judgments of the Court of Appeal of Crete (no. 99/2019 and 31/2020, 23/2021) which acquit the Bank and reject the lawsuits in their entirety.

In view of the foregoing, the Bank's lawyers / legal advisors are of the opinion that the lawsuits in question will be rejected for specific reasons relating to the completeness of the documents presented by the Bank that prove their legality and compliance with the laws and regulations imposed on credit institutions and consequently on the Bank's transactions with its customers.
Therefore, the Management of the Bank considers, taking into account all the above as well as the complexity of the cases and their duration, that the final settlement, until their irreversibility, will have a positive outcome for the Bank and is not expected to have an impact on its Financial Statements, therefore the Bank has not made a relevant provision.

b. Pending tax audits

The Bank has not performed tax audits for the years 2015 to 2020 and has accumulated provisions of € 50,000 for those unaudited tax years which are considered sufficient.

The Group's subsidiaries have not been audited for certain fiscal years and therefore their tax liabilities for those years have not been finalized. Therefore, as a result of these audits, additional fines and taxes may be imposed, the amounts of which cannot be accurately determined at present. However, at the Group level, no provision has been made for any differences that may arise in the future tax audit of their unaudited tax years since tax audits performed in the past and even in years with accounting and taxable profits did not result in significant additional taxes. In the present situation and with the majority of the unaudited years of the Group's subsidiaries being related to accounting and tax losses, it is difficult to make an estimate at the Group level, and Management estimates that tax audit differences that will have a significant impact on the Group's financial position, may be found.

The Bank and its Subsidiaries were not required to have a Certified Auditor issue a Tax Certificate by the until the fiscal year 2015 while from 2016 onwards the issuance of the "Annual Tax Certificate" became optional (with the exception of the Bank which does not fall under the Credit Partnership provisions on the issue of an optional Tax Certificate) for the Group's subsidiaries. Among them, the company "BIOCHEM SA" chose to be included in the audit for a Tax Compliance Certificate for fiscal year 2016 (relevant Tax Compliance Report without notes) while "ABEA SA" chose to be included in the audit for a Tax Compliance Certificate for fiscal years 2018 and 2019 (corresponding tax compliance report without reservation), whereas for the fiscal year 2020 the relevant audit is in progress and the relevant tax certificate is foreseen to be issued after the publication of the financial statements of the Group for the year 2020, where it is estimated that no significant tax charges.

Following is a list of the unaudited tax years of the Group companies:

Subsidiary Name	**Unaudited years**
CRETAN REAL ESTATE SA	2015 – 2020
CRETAN HOLDINGS SA	2015 – 2020
PRIME ENERGY GROUP OF COMPANIES SA	2015 - 2020
CHANIA HOLDINGS SA	2015 - 2020
BIOCHEM SA	2015, 2017 – 2020
ABEA SA	2015 – 2017

c. Loan commitments

The loan commitments relate to letters of guarantee issued by the Bank on behalf of its clients as set out in Note 4.3.6.2.

d. Operating lease commitments

Operating lease commitments relate to lease (rent) obligations to the Group and the Bank. The table below shows the minimum estimated future rent payments:

	Group		**Bank**	
Amounts in EUR	**31.12.2020**	**31.12.2019**	**31.12.2020**	**31.12.2019**
Up to one (1) year	337,100	472,539	312,100	414,675
From one (1) year to five (5) years	960,804	1,133,178	860,804	1,085,178
Over five (5) years	75,482	382,801	75,482	154,801
	1,373,385	**1,988,518**	**1,248,385**	**1,654,654**

NOTE 23: COOPERATIVE CAPITAL AND SHARE PREMIUM

The total paid-up capital and the share premium of the Group as at 31 December 2020 and 31 December 2019 are as follows:

	Bank					Group	
Amounts in EUR	No. of shares	Nominal value	Capital	Above par	Total Capital (Bank)	Own cooperative subsidiary shares	Total Capital (Group)
As at 31.12.2019	6,571,380	3	19,714,140	84,796,381	104,510,521	(303,890)	104,206,631
As at 31.12.2020	6,579,775	3	19,739,325	84,897,961	104,637,286	(303,890)	104,333,396

The following table shows the movement of cooperative capital and share premium for the years 2020 and 2019:

	Bank		
Amounts in EUR	Cooperative capital	Difference from the issue of shares at premium	Total
Opening balance as at 1 January 2019	**19,622,016**	**84,668,896**	**104,290,912**
Net increase of cooperative capital	92,124	127,485	219,609
Balance as at 31 December 2019 (Bank)	**19,714,140**	**84,796,381**	**104,510,521**
Net increase of cooperative capital	25,185	101,579.5	126,765
Balance as at 31 December 2020 (Bank)	**19,739,325**	**84,897,961**	**104,637,286**

	Group			
Amounts in EUR	Cooperative capital	Difference from the issue of shares at premium	Own cooperative subsidiary shares	Total
Opening balance as at 1 January 2019	**19,622,016**	**84,668,896**	**(303,718)**	**103,987,194**
Net increase of cooperative capital	92,124	127,485	**-**	**219,609**
(Purchases) / Sales of Own Cooperative Shares	-	-	**(172)**	**(172)**
Balance as at 31 December 2019 (Group)	**19,714,140**	**84,796,381**	**(303,890)**	**104,206,631**
Net increase of cooperative capital	25,185	101,580	**-**	**126,765**
(Purchases) / Sales of Own Cooperative Shares	-	-	**-**	**-**
Balance as at 31 December 2020 (Group)	**19,739,325**	**84,897,961**	**(303,890)**	**104,333,396**

NOTE 24: DEBT SECURITIES AND OTHER LOANS

	Group		Bank	
Amounts in EUR	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Balance as at 1 January	21,629,177	15,692,312	21,629,177	15,692,312
Bond issues	4,000,000	5,900,000	4,000,000	5,900,000
Expiry of bonds	(9,000,000)	-	(9,000,000)	-
Change in accrued interest	(1,299)	36,865	(1,299)	36,865
Balance as at 31 December	**16,627,878**	**21,629,177**	**16,627,878**	**21,629,177**

The Bank proceeded in 2020 to a new issue of a bond loan of € 4 million, with a term of 7 years from the date of issue, the period of payment of the coupon was set at six months with an interest rate of 4%, while the amount of € 9 million of the 2015 issue bond expired and was repaid.

In 2019, the Bank proceeded with three issues of bonds with a nominal value of € 10,000 each, totaling € 5,900,000 with a private placement. More specifically, the Bank issued a bond of € 1.9 million on 30.06.2019 (General Meeting

Decision of 17.06.2018), a bond of € 3 million on 31.10.2019 (General Meeting Decision of 14.07.2019) and finally a bond of € 1 million on 15.11.2019 (General Meeting Decision of 14.07.2019). The Bond Period was set at 7 years from the Issue Date while the coupon payment period was set bi-monthly, with interest rates of 4.75% and 5.3%, respectively. As in previous issues of the Bank, the bonds are unsecured and ranked after the fully-secured claims of all other creditors of the Bank. The capital will be repaid in one installment upon Bond maturity.

The main reason why the Bank proceeds with the issuance of subordinated bonds is, among other things, the strengthening of its regulatory capital (Tier 2 Capital) and consequently of the total Capital Adequacy Ratio (CAR).

The net proceeds of the issue of subordinated bonds fell into the category of Tier II funds of the Bank, as defined by the Bank of Greece in accordance with Law 4261/2014 and Article 92 of Regulation 575/2013, with a view to enhancing the Bank's equity.

Characteristics of bonds	Terms						
	Issue 2016	***Issue 2017***	***Issue 2018***	***Issue 2019***	***Issue 2019***	***Issue 2019***	***Issue 2020***
	Subordinated Bond (Common)	***Subordinated Bond (Common)***	***Subordinated Bond (Common)***	***Subordinated Bond (Common)***	***Subordinated Bond (Common)***	***Subordinated Bond (Common)***	***Subordinated Bond (Common)***
	Terms	**Terms**	**Terms**	**Terms**	**Terms**	**Terms**	**Terms**
Date of issue	30/12/2016	29/12/2017	15/6/2018	30/6/2019	31/10/2019	15/11/2019	31/12/2020
Expiry date	30/12/2021	29/12/2024	15/6/2025	30/6/2026	31/10/2026	15/11/2026	31/12/2027
Years	5	7	7	7	7	7	7
Amount	2,500,000	2,070,000	2,110,000	1,900,000	3,000,000	1,000,000	4,000,000
Nominal value of the bond	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Number of Bonds	250	207	211	190	300	100	400
Interest rate	5.00%	4.75%	4.75%	4.75%	5.30%	5.30%	4.00%
Payment of interest	Bi-monthly / 365 days	Bi-monthly / 365 days	Bi-monthly / 365 days	Bi-monthly / 365 days	Bi-monthly / 365 days	Bi-monthly / 365 days	Bi-monthly / 365 days
Recognition in Tier 2 Supervisory Capital	Tier II	Tier II	Tier II	Tier II	Tier II	Tier II	Tier II

NOTE 25: TRANSACTIONS WITH RELATED PARTIES

	Group		Bank	
Amounts in EUR thous.	**31.12.2020**	**31.12.2019**	**31.12.2020**	**31.12.2019**
Receivables	26,042,6	23,291.8	61,134,6	61,122.4
Liabilities	6,757,9	1,674.8	7,109,7	2,120.8
Letters of guarantee, contingent liabilities and other memo accounts	1,230.3	1,229.9	1,233.8	1,233.4

	Group		Bank	
	From 1.1 to		**From 1.1 to**	
Amounts in EUR thous.	**31.12.2020**	**31.12.2019**	**31.12.2020**	**31.12.2019**
Income from interest, commissions and other income (Total)	1,444,8	1,243.5	4,778,0	4,784.2
Expenses from interest, commissions and other expenses (Total)	84.2	4.8	84.4	5.5

Fees and allowances to executives and board members of the Bank and the Group from 1 January to 31 December 2020 are as follows:

	Group		Bank	
Amounts in EUR thous.	**31.12.2020**	**31.12.2019**	**31.12.2020**	**31.12.2019**
Board Members' Allowances - Representation to the Board	28.1	28.1	28.1	28.1
BoD Members Fees - SERVICE PROVISION (invoiced)	421.4	394.8	267.8	267.8
Remuneration of Bank Managerial Executives - Payroll	708.8	711.3	708.8	711.3
Amounts in EUR thous.	**1,158.3**	**1,134.2**	**1,004.7**	**1,007.2**

The intercompany transactions mentioned above have been made on market terms and on a purely commercial basis (arm's length transactions). Loans have been approved by the Bank's competent bodies and provided within the Bank's approved financing policies and procedures. Specifically, grants to associated parties:

(A) have been provided under the normal business context;

(B) included the same terms (interest rate, collateral) as similar loans granted to third parties in the same period;

(C) are regularly serviced and a provision has been made - in some cases - for their balances;

(D) do not contain a greater risk of default than usual.

NOTE 26: CONSOLIDATED COMPANIES

	Group Voting percentage	
Subsidiary Name	**31.12.2020**	**31.12.2019**
CRETAN REAL ESTATE SA	74.46%	74.46%
CRETAN HOLDINGS SA	100.00%	100.00%
CHANIA HOLDINGS SA	-	100.00%
BIOCHEM SA	79.88%	79.88%
ABEA	71.69%	71.69%
PRIME ENERGY GROUP OF COMPANIES SA	100.00%	100.00%

In 2020, the Bank fully absorbed its subsidiary "Chania Holdings SA".

It is noted that the financial statements of the consolidated companies are included with the method of full consolidation in the consolidated financial statements of the Group and with the method of equity in the individual balance sheet of the Bank.

NOTE 27: HOLDINGS IN ASSOCIATED COMPANIES

	Group	
Amounts in EUR	**2020**	**2019**
Holding through CRETAN HOLDINGS SA		
Holding in "Milk Processing Industry SA"	25.00%	25.00%
Holding in "Chiotaki Bros SA"	48.98%	48.98%
Holding through "CRETAN PROPERTIES SA"		
Holding in "Chania Business Park SA"	40.00%	40.00%

In 2020, there were no significant changes in the rates of the Group's holdings in associated undertakings.

The following table shows the movements of holdings in 2020 and 2019:

	Group	
Amounts in EUR	**2020**	**2019**
Balance as at 1 January	**170,350**	**35,000**
Additions	9,187	800,000
Write-offs/Sales	-	(480,000)
Profit/(Loss) Ratio	(67,420)	(184,650)
Other changes	-	-
Balance as at 31 December	**112.114**	**170,350**

The ratio of losses of € 67 thousand and € 185 thousand for 2020 and 2019, respectively, results from the valuation of holdings using the equity method as applied by the Group (note 2.4.5.).

NOTE 28: FEES OF THE INDEPENDENT CERTIFIED PUBLIC AUDITOR/ACCOUNTANT

	Group		Bank	
Amounts in EUR	**31.12.2020**	**31.12.2019**	**31.12.2020**	**31.12.2019**
Fees for statutory audit of financial statements	86,056	84,980	45,880	52,080
Fees for other audit services	9,920	12,960	-	4,960
Fees for non-audit services	3,720	4,740	3,720	1,240
Total	**99,696**	**102,680**	**49,600**	**58,280**

The audit company "UHY AXON Certified Auditors SA" was the statutory independent auditor-accountant for the years 2020 and 2019. The above table shows the total remuneration for the audit and other professional services provided to the Group by the statutory audit company "UHY AXON Certified Auditors SA".

NOTE 29: OTHER RESERVES

	Group		Bank	
Amounts in EUR	**31.12.2020**	**31.12.2019**	**31.12.2020**	**31.12.2019**
Statutory reserve	2,614,059	2,614,059	2,614,059	2,614,059
Taxed	549,071	549,071	549,071	549,071
General reserve	983,698	983,698	983,698	983,698
Specific reserve	137,755	137,755	137,755	137,755
Other Reserves	202,526	168,301	174,369	147,935
Total	**4,487,109**	**4,452,885**	**4,458,953**	**4,432,519**

There were no significant changes in the reserves of the Group and the Bank in 2020.

NOTE 30: NET INCOME FROM NON-BANKING OPERATIONS

	Group		Bank	
Amounts in EUR	**31.12.2020**	**31.12.2019**	**31.12.2020**	**31.12.2019**
Rental of buildings	164,038	88,520	189,638	112,235
Safe-deposit box rentals	11,870	11,958	11,870	11,957
POS rentals	101,354	102,318	101,354	102,318
Grants for programs and NSRF program fees	-	13,305	-	13,305
Other income	12,413	8,431	12,413	8,431
Results from other non-banking operations	4,036,716	3,869,662	-	-
Total	**4,326,391**	**4,094,194**	**315,275**	**248,246**

The Group's "Results from other non-banking operations" for the fiscal year 2020 totaling around € 4 million (2019: € 3.9 million) mainly include the gross profit of the consolidated subsidiaries ABEA, BIOCHEM and PRIME ENERGY amounting to € 2.1 million, € 0.8 thousand and € 1 million, respectively (2019: € 2.3 million, € 0.7 million and € 0.9 thousand respectively).

NOTE 31: INCOME TAX

The burden of the income statement is taxed as follows:

	Group		Bank	
Amounts in EUR	**31.12.2020**	**31.12.2019**	**31.12.2020**	**31.12.2019**
Current Tax	(121,553)	(36,789)	(82,000)	-
Deferred Tax revenue/(expense)	316,014	(1,191,199)	(885,777)	(815,232)
Total	**194,461**	**(1,227,988)**	**(967,777)**	**(815,232)**

Deferred and current tax in the statement of comprehensive income is as follows:

	Group		Bank	
Amounts in EUR	**31.12.2020**	**31.12.2019**	**31.12.2020**	**31.12.2019**
Difference from Depreciation of fixed assets	(91,756)	(30,266)	(14,820)	(3,469)
Result of write-off of assets	-	-	-	-
Credit risk provisions and other receivables	2,362,560	819,967	2,349,001	842,636
Reversal of interest income on loans	(2,504,014)	(1,870,796)	(2,504,014)	(1,870,796)
Deferred absorption tax of a subsidiary	(132,105)		(132,105)	-
Investment Property Valuation	154,118	(699,615)	(849,525)	(654,274)
Real Estate Inventory Valuation	(705)	(92,884)	(705)	(70,066)
Provision for staff compensation	(9,125)	21,903	13,981	16,944
Change of deferred tax claim from unpaid debit difference under Article 27 of Law 4172/13	(135,824)	-	(135,824)	-
DTA derecognition of subsidiaries	-	(396,408)	-	-
Valuation of financial instruments at fair value	(62,011)	51,152	(62,011)	51,603
Loss/(Profit) Ratio from Subsidiaries	571,145	870,018	571,145	870,018
Loss/(Profit) Ratio from Affiliates	-	(24)	-	-
Investment Securities Valuation	(27,575)	21,544	(25,240)	(16,616)
Change in Tax Rate	61,943	79,669	-	-
Impact from recognition of rights of use (based on IFRS 16)	(9,139)	(31,163)	(9,289)	8,986
Current Income Tax	(121,553)	(36,789)	(82,000)	-
Tax Identification Recognition	199,022	-	-	-
Other adjustments from temporary differences	(60,521)	65,704	(86,372)	9,801
Income tax	**194,461**	**(1,227,988)**	**(967,777)**	**(815,232)**

For the unaudited tax years of the Bank and the Group companies see Note 22b.

NOTE 32: EVENTS AFTER THE BALANCE SHEET DATE

There are no events after the balance sheet date.

Chania, 4 June 2021

Chairman of the BoD	Deputy Chairman of the BoD	Treasurer of the BoD	Manager of Financial Services
Michael Marakakis	Georgios Androulakis	Georgios Farantakis	Dimitrios Zymvragoudakis
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