BASE PROSPECTUS

NATIONAL BANK OF GREECE S.A.

(incorporated with limited liability in the Hellenic Republic)

€10 billion Global Covered Bond Programme

Under this €10 billion global covered bond programme (the "**Programme**"), National Bank of Greece S.A. (the "**Issuer**", "**NBG**" or the "**Bank**") may from time to time issue bonds (the "**Covered Bonds**") denominated in any currency agreed between the Issuer and the relevant Dealer(s) (as defined below).

This base prospectus (the "**Base Prospectus**") has been approved as a base prospectus by the *Commission de Surveillance du Secteur Financier* (the "**CSSF**"), as competent authority under Regulation (EU) 2017/1129 (the "**Prospectus Regulation**") in the Grand Duchy of Luxembourg. This Base Prospectus comprises a base prospectus for the purposes of Article 8 of the Prospectus Regulation. The CSSF only approves this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. By approving this Base Prospectus, the CSSF assumes no responsibility for the economic and financial soundness of the transactions contemplated by this Base Prospectus or the quality or solvency of the Issuer. Approval by the CSSF should not be considered as an endorsement of the Issuer or of the quality of the Covered Bonds that is the subject of this Base Prospectus. Investors should make their own assessment as to the suitability of investing in the Covered Bonds. By approving this Base Prospectus, the CSSF assumes no responsibility for the economic and financial soundness of the transactions contemplated by this Base Prospectus or the quality or solvency of the Issuer. Application has been made to the Luxembourg Stock Exchange for Covered Bonds issued under the Programme to be admitted to trading on the Luxembourg Stock Exchange's regulated market and to be listed on the official list of the Luxembourg Stock Exchange (the "**Official List**").

References in this Base Prospectus to Covered Bonds being listed (and all related references) shall mean that such Covered Bonds have been admitted to trading on the Luxembourg Stock Exchange's regulated market and are intended to be listed on the Official List of the Luxembourg Stock Exchange. The Luxembourg Stock Exchange's regulated market is a regulated market for the purposes of the Markets in Financial Instruments Directive ("**Directive 2014/65/EU**").

The Programme also permits Covered Bonds to be issued on the basis that they will be admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system or to be admitted to listing, trading and/or quotation by such other or further competent authorities, stock exchanges and/or quotation systems as may be agreed with the Issuer.

The maximum aggregate nominal amount of all Covered Bonds from time to time outstanding under the Programme will not exceed €10 billion (or its equivalent in other currencies calculated as described herein). The payment of all amounts due in respect of the Covered Bonds will constitute direct and unconditional obligations of the Issuer, having recourse to assets forming part of the cover pool (the "**Cover Pool**").

This Base Prospectus (as supplemented as at the relevant time, if applicable) is valid for 12 months from its date in relation to Covered Bonds which are to be admitted to trading on a regulated market in the European Economic Area (the "**EEA**") or the United Kingdom. The obligation to supplement this Base Prospectus in the event of a significant new factor, material mistake or material inaccuracy does not apply when this Base Prospectus is no longer valid.

The Covered Bonds may be issued on a continuing basis to one or more of the Dealers specified under "*General Description of the Programme*" and any additional Dealer appointed under the Programme from time to time, which appointment may be for a specific issue or on an ongoing basis (each a "**Dealer**" and together the "**Dealers**"). References in this Base Prospectus to the "**relevant Dealer**" shall, in the case of an issue of Covered Bonds being (or intended to be) subscribed by more than one Dealer, be to the lead manager of such issue and, in relation to an issue of Covered Bonds subscribed by one Dealer, be to such Dealer.

The price and amount of Covered Bonds to be issued under the Programme will be determined by the Issuer and each relevant Dealer at the time of issue in accordance with prevailing market conditions. Notice of the aggregate nominal amount of Covered Bonds, interest (if any) payable in respect of Covered Bonds, the issue price of Covered Bonds and any other terms and conditions not contained herein which are applicable to each Series or Tranche (as defined under "*Terms and Conditions of the Covered Bonds*") of Covered Bonds will be set out in a separate document specific to that Series or Tranche called the final terms (each, a "**Final Terms**") which, with respect to Covered Bonds to be listed on the official list of the Luxembourg Stock Exchange, will be delivered to the Luxembourg Stock Exchange on or before the date of issue of such Series or Tranche of Covered Bonds.

Amounts payable on Floating Rate Covered Bonds may be calculated by reference to certain reference rates which may constitute benchmarks for the purposes of Regulation (EU) No. 2016/1011 (the "**Benchmarks Regulation**"), including one of LIBOR or EURIBOR as specified in the relevant Final Terms. As at the date of this Base Prospectus, the ICE Benchmark Administration (as administrator of LIBOR) and the European Money Markets Institute (as administrator of EURIBOR) are included in the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority ("**ESMA**") under Article 36 of the Benchmarks Regulation.

The rating of certain Series of Covered Bonds to be issued under the Programme may be specified in the applicable Final Terms. Whether or not each credit rating applied for in relation to a relevant Series of Covered Bonds will be issued by a credit rating agency established in the European Union and registered under Regulation (EU) No 1060/2009 (the "**CRA Regulation**") will be disclosed in the Final Terms. In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the European Union and registered under the CRA Regulation unless the rating is provided by a credit rating agency operating in the European Union before 7 June 2010 which has submitted an application for registration in accordance with the CRA Regulation and such registration is not refused. The Covered Bonds issued under the Programme will have the rating set out in the

applicable Final Terms by Moody's Investors Service Limited or its successor ("**Moody's**") and by DBRS Ratings Limited or its successor ("**DBRS**") (or such other ratings that may be agreed by the Rating Agencies from time to time). A credit rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating organisation.

Investing in Covered Bonds issued under the Programme involves certain risks. The principal risk factors that may affect the abilities of the Issuer to fulfil its obligations in respect of the Covered Bonds are discussed under "*Risk Factors*" below. Investors should review and consider these risk factors carefully before purchasing any Covered Bonds.

Arranger and Dealer

National Bank of Greece S.A.

The date of this Base Prospectus is 17 March 2020.

The Issuer accepts responsibility for the information contained in this Base Prospectus and the Final Terms for each Series or Tranche of Covered Bonds issued under the Programme and declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Base Prospectus and the Final Terms is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

Copies of each Final Terms (in the case of Covered Bonds to be admitted to the Luxembourg Stock Exchange) will be available from the registered office of the Issuer and from the specified office of the Paying Agents for the time being in London or in Luxembourg at the office of the Luxembourg Listing Agent.

This Base Prospectus is to be read in conjunction with all documents which are deemed to be incorporated herein by reference (see the section entitled "*Documents Incorporated by Reference*" below). This Base Prospectus shall be read and construed on the basis that such documents are so incorporated and form part of this Base Prospectus.

Each Series (as defined herein) of Covered Bonds may be issued without the prior consent of the holders of any outstanding Covered Bonds (the "**Covered Bondholders**") subject to the terms and conditions set out herein under "*Terms and Conditions of the Covered Bonds*" (the "**Conditions**") as completed by the Final Terms. This Base Prospectus must be read and construed together with any supplements hereto and with any information incorporated by reference herein and, in relation to any Series of Covered Bonds which is the subject of Final Terms, must be read and construed together with the relevant Final Terms. All Covered Bonds will rank *pari passu* and rateably without any preference or priority among themselves, irrespective of their Series, except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices.

The Issuer confirmed to each Dealer named under "*General Description of the Programme*" below that this Base Prospectus contains all information which is (in the context of the Programme, the issue, offering and sale of the Covered Bonds) material; that such information is true and accurate in all material respects and is not misleading in any material respect; that any opinions, predictions or intentions expressed herein are honestly held or made and are not misleading in any material respect; that this Base Prospectus does not omit to state any material fact necessary to make such information, opinions, predictions or intentions (in the context of the Programme, the issue and the offering and sale of the Covered Bonds) not misleading in any material respect; and that all proper enquiries have been made to verify the foregoing.

No person has been authorised to give any information or to make any representation not contained in or not consistent with this Base Prospectus or any other document entered into in relation to the Programme or any information supplied by the Issuer or such other information as is in the public domain and, if given or made, such information or representation should not be relied upon as having been authorised by the Issuer or any Dealer.

Neither the Arranger nor any Dealer nor the Trustee nor any of their respective affiliates have authorised the whole or any part of this Base Prospectus and none of them makes any representation or warranty or accepts any responsibility as to the accuracy or completeness of the information contained in this Base Prospectus. Neither the delivery of this Base Prospectus or any Final Terms nor the offering, sale or delivery of any Covered Bond shall, in any circumstances, create any implication that the information contained in this Base Prospectus is true subsequent to the date hereof or the date upon which this Base Prospectus has been most recently supplemented or that there has been no adverse change, or any event reasonably likely to involve any adverse change, in the prospects or financial or trading position of the Issuer since the date thereof or, if later, the date upon which this Base Prospectus has been most recently supplemented, or that any other information

supplied in connection with the Programme is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

The distribution of this Base Prospectus, any document incorporated herein by reference and any Final Terms and the offering, sale and delivery of the Covered Bonds in certain jurisdictions may be restricted by law. Persons into whose possession this Base Prospectus or any Final Terms comes are required by the Issuer, and each Dealer to inform themselves about and to observe any such restrictions. For a description of certain restrictions on offers, sales and deliveries of Covered Bonds and on the distribution of this Base Prospectus or any Final Terms and other offering material relating to the Covered Bonds, see "*Subscription and Sale*". In particular, Covered Bonds have not been and will not be registered under the United States Securities Act of 1933 (as amended) (the "**Securities Act**") and are subject to U.S. tax law requirements. Subject to certain exceptions, Covered Bonds may not be offered, sold or delivered within the United States or to U.S. persons. Covered Bonds may be offered and sold outside the United States in reliance on Regulation S under the Securities Act ("**Regulation S**").

Neither this Base Prospectus nor any other information supplied in connection with the Programme or any Covered Bonds (a) is intended to provide the basis of any credit or other evaluation or (b) should be considered as a recommendation by any of the Issuer, the Arranger or any of the Dealers that any recipient of this Base Prospectus or any other information supplied in connection with the Programme or any Covered Bonds should purchase any Covered Bonds. Each investor contemplating purchasing any Covered Bonds should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer. Neither this Base Prospectus nor any other information supplied in connection with the Programme or the issue of any Covered Bonds constitutes an offer or invitation by or on behalf of the Issuer or any of the Dealers to any person to subscribe for or to purchase any Covered Bonds.

None of the Dealers or the Issuer makes any representation to any investor in the Covered Bonds regarding the legality of its investment under any applicable laws. Any investor in the Covered Bonds should be able to bear the economic risk of an investment in the Covered Bonds for an indefinite period of time.

Neither the delivery of this Base Prospectus nor the offering, sale or delivery of any Covered Bonds shall in any circumstances imply that the information contained in it concerning the Issuer is correct at any time subsequent to its date or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date indicated in the document containing the same. The Dealers expressly do not undertake to review the financial condition or affairs of the Issuer during the life of the Programme or to advise any investor in Covered Bonds issued under the Programme of any information coming to their attention.

Other than in relation to the documents which are deemed to be incorporated by reference (see "*Documents Incorporated by Reference*" below), the information on the websites to which this Base Prospectus refers does not form part of this Base Prospectus and has not been scrutinised or approved by the CSSF.

IMPORTANT – EEA AND UK RETAIL INVESTORS: If the Final Terms in respect of any Covered Bonds include a legend entitled "Prohibition of Sales to EEA and UK Retail Investors", the Covered Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the "**EEA**") or in the United Kingdom (the "**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97 (the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation

(EU) No 1286/2014 (the "**PRIIPs Regulation**") for offering or selling the Covered Bonds or otherwise making them available to retail investors in the EEA or in the UK has been prepared and therefore offering or selling the Covered Bonds or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIIPS Regulation.

MiFID II PRODUCT GOVERNANCE/TARGET MARKET - The Final Terms in respect of any Covered Bonds will include a legend entitled "MiFID II Product Governance" which will outline the target market assessment in respect of the Covered Bonds and which channels for distribution of the Covered Bonds are appropriate. Any person subsequently offering, selling or recommending the Covered Bonds (a "Distributor") should take into consideration the target market assessment; however, a Distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Covered Bonds (by either adopting or refining the target market assessment) and determining appropriate distribution channels. A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the "**MiFID Product Governance Rules**"), any Dealer subscribing for any Covered Bonds is a manufacturer in respect of such Covered Bonds, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

The maximum aggregate principal amount of Covered Bonds outstanding at any one time under the Programme will not exceed €10 billion (and for this purpose, the principal amount outstanding of any Covered Bonds denominated in another currency shall be converted into euro at the date of the agreement to issue such Covered Bonds (calculated in accordance with the provisions of the Programme Agreement)). The maximum aggregate principal amount of Covered Bonds which may be outstanding at any one time under the Programme may be increased from time to time, subject to compliance with the relevant provisions of the Programme Agreement as defined under "*Subscription and Sale*".

In this Base Prospectus, unless otherwise specified, references to a "**Member State**" are references to a Member State of the European Economic Area and the UK and references to "**€**", "**EUR"** or "**euro**" are to the single currency introduced at the start of the third stage of European Economic and Monetary Union ("**EMU**") pursuant to the Treaty on the Functioning of the European Union, as amended.

In this Base Prospectus, all references to "Greece" or to the "Greek State" are to the Hellenic Republic.

ALTERNATIVE PERFORMANCE MEASURES

This Base Prospectus contains references to certain Alternative Performance Measures ("**APMs**"), as defined in the guidelines issued on 5 October 2015 by ESMA concerning the presentation of APMs disclosed in regulated information and prospectuses published as from 3 July 2016 which, although not recognised as financial measures under International Financial Reporting Standards ("**IFRS**"), are used by the management of the Issuer to monitor the Group's financial and operating performance. In particular:

(i). **Adjusted loans**. For the year ended 31 December 2017, the Group defined "adjusted loans" or "adjusted loans and advances to customers", as loans and advances to customers excluding the amortizing 30 year loan to the Hellenic Republic with a principal amount of approximately €5.4 billion expiring in September 2037 (the "**Hellenic Republic Loan**"). The Group defined "adjusted loans before allowance for impairment" as loans and advances to customers before allowance for impairment on loans and advances to customers and excluding the Hellenic Republic Loan. Adjusted loans amounted to €32,068 million as at 31 December 2017. Adjusted

loans before allowance for impairment amounted to €42,307 million as at 31 December 2017. However, upon adoption of IFRS 9 on 1 January 2018, the entire agreement with the Hellenic Republic (the "**Entire Agreement**"), which includes the Hellenic Republic Loan, did not pass the "SPPI" (*solely payments of principal and interest*) test and was mandatorily classified at "FVTPL" (*fair value through profit and loss*) within "financial assets at FVTPL" and therefore not included in the loans and advances to customers.

(ii). **Non-Performing Loans ("NPLs") ratio or 90 days past due ratio**. Loans and advances to customers* that are in arrears for 90 days or more divided by loans before allowance for impairment** at the end of the period;

(iii). **Loans-to-Deposits Ratio**. Net loans and advances to customers* over due to customers, at the end of the period; and

(iv). **Non-Performing Exposures ("NPE") ratio**. NPEs divided by loans before allowance for impairment** at the end of the period. The Group defines NPEs, according to EBA ITS Technical Standards on Forbearance and Non-Performing Exposures, as exposures that satisfy either or both of the following criteria:

a) material exposures which are more than 90 days past due; and

b) the debtor is assessed as unlikely to pay its credit obligations in full without realisation of collateral, regardless of the existence of any past due amount or of the number of days past due.

*Adjusted loans and advances to customers prior to adoption of IFRS 9 on 1 January 2018.

**Adjusted loans before allowance for impairment prior to adoption of IFRS 9 on 1 January 2018

Investors should be aware that:

- these financial measures are not recognised as a measure of performance under IFRS; and
- they are used by management to monitor the underlying performance of the business and operations but are not indicative of the historical operating results of the Issuer, nor are they meant to be predictive of future results.

- Furthermore, since companies do not all calculate these measures in an identical manner, the Group's presentation may not be consistent with similar measures used by other companies. Therefore, undue reliance should not be placed on any such data.

Certain figures included in this Base Prospectus have been subject to rounding adjustments; accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

In connection with the issue of any Series or Tranche of Covered Bonds, the Dealer or Dealers (if any) named as the Stabilising Manager(s) (or persons acting on behalf of any Stabilising Manager(s)) in the applicable Final Terms may over allot such Series or Tranche of Covered Bonds or effect transactions with a view to supporting the market price of the Covered Bonds at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager(s) (or persons acting on behalf of a Stabilising

Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Series of Covered Bonds is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Series or Tranche of Covered Bonds and 60 days after the date of the allotment of the relevant Series or Tranche of Covered Bonds. Any stabilisation or over allotment must be conducted by the relevant Stabilising Manager(s) (or person(s) acting on behalf of any Stabilising Manager(s)) in accordance with all applicable laws and rules.

FORWARD LOOKING STATEMENTS

This Base Prospectus includes forward-looking statements. Such statements in this Base Prospectus include, but are not limited to, statements made under "*Risk Factors*", "*The Issur*" and "*Regulation and Supervision of Banks in Greece*". Such statements can be generally identified by the use of terms such as "believes", "expects", "may", "will", "should", "would", "could", "plans", "anticipates" and comparable terms, including the negatives of such terms. By their nature, forward-looking statements involve risk and uncertainty, and the factors described in the context of such forward-looking statements in this Base Prospectus could cause actual results and developments to differ materially from those expressed in or implied by such forward-looking statements. The Issuer has based these forward-looking statements on their management's current expectations and projections about future events. These forward-looking statements are subject to risks, uncertainties and assumptions about the Group, including, among other things:

- Recessionary pressure and uncertainty resulting from the Hellenic Republic's economic crisis;
- Hellenic Republic's commitment to achieve very demanding fiscal targets for a protracted period and legacy effects from the economic crisis may impose further constraints on economic activity in Greece;
- The effort to restore conditions of economic normalcy in the Hellenic Republic and enhance its longterm competitiveness, as well as to support the completion, delivery and continuity of reforms may not lead to the intended return of the economy to sustainable growth and the issue of the Hellenic Republic's debt sustainability may not be fully resolved;
- Domestic political uncertainty has weighed on financial and economic conditions in the previous years and there can be no assurances that political uncertainty could not arise in the future, thus having a material adverse impact on the Group's business, results of operations, financial condition or prospects;
- If additional European Central Bank ("**ECB**") or Emergency Liquidity Assistance ("**ELA**") funding is needed in the future it will be subject to ECB rules relating to the eligibility and valuation of collateral used for funding such as Greek government bonds;
- Deteriorating asset valuations may adversely affect the Group's business, results of operations and financial condition and may limit the Group's ability to post collateral for Eurosystem funding purposes;
- High outflows of funds from customer deposits could cause an increase in the Group's costs of funding;
- The sufficiency of the Issuer's level of capital if economic conditions in Greece do not improve or if they deteriorate further;
- The Group's need for additional capital and liquidity as a result of regulatory changes;

- The Issuer's wholesale borrowing costs and access to liquidity and capital may be negatively affected by, and there may be further material adverse consequences of, any future downgrades of the Hellenic Republic's credit rating;
- A resurgence of default risks for the Hellenic Republic;
- Continuing recognition of the main part of deferred tax assets ("**DTAs**") as regulatory capital or as an asset;
- The Issuer's ability to continue as a "going concern";
- Constraints to the Issuer's operational autonomy as a recipient of State Aid;
- The ability of the Hellenic Financial Stability Fund ("**HFSF**"), as shareholder, to exercise significant influence over the Group's operations;
- The high level of NPEs has had and may continue to have in the future a negative impact on the Group's operations;
- The Group's loan portfolio may continue to contract;
- Disruptions and volatility in the global financial markets;
- Market fluctuations and volatility which affect the Group's trading and investment activities;
- Volatility in interest rates which may negatively affect the Group's net interest income;
- Competition from Greek and foreign banks;
- The loss of senior management and the inability to recruit or retain experienced and/or qualified personnel;
- Fraud and illegal activities of any form;
- Future pension and post-employment benefit liabilities;
- The Issuer's assumptions, judgments and estimates may change over time or may not be accurate, impacting the value of certain financial instruments recorded at fair value;
- Credit risk, market risk, liquidity risk, operational risk and insurance risk;
- Risk that economic hedging may not prevent losses;
- Increasing risk of continually evolving cyber security or other technological risks;
- Increasingly complex regulation which may increase the Group's compliance costs and capital requirements;
- The Group is subject to the European resolution framework which has been implemented and may result in additional compliance or capital requirements and will dictate the procedure for the resolution of the Group;

- Application of the Minimum Requirements for Own Funds and Eligible Liabilities ("**MREL**") under the Bank Recovery and Resolution Directive (Directive 2014/59/EU, as amended, the "**BRRD**") may affect the Group's profitability;

- Laws governing the bankruptcy of individuals or otherwise settlement of debts owed by individuals and regulations governing creditors' rights in Greece and various South Eastern Europe ("**SEE**") countries may limit the Group's ability to receive payments on past due loans, and anticipated changes to such laws may not have the desired effect; and

- other factors described under "*Risk Factors*".

The Issuer undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. In light of these risks, uncertainties and assumptions, the forward-looking events discussed in this Base Prospectus might not occur. Any statements regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. Investors are cautioned not to place undue reliance on such forward-looking statements, which are based on facts known only as at the date of this Base Prospectus.

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RISK FACTORS

The Issuer believes that the following factors may affect its ability to fulfil its obligations in respect of the Covered Bonds issued under the Programme. All of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring.

In addition, factors which are material for the purpose of assessing the market risks associated with Covered Bonds issued under the Programme are also described below. It is not possible to identify all risks or to determine which risks are most likely to occur, as the Issuer may not be aware of all relevant risks and certain risks which it currently deems not to be material may become material as a result of the occurrence of events outside the Issuer's control.

The Issuer believes that the factors described below represent the principal risks inherent in investing in Covered Bonds issued under the Programme, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with any Covered Bonds may occur for other unknown reasons. Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus and reach their own views prior to making any investment decision. If potential investors are in doubt about the contents of this Base Prospectus they should consult with an appropriate professional adviser to make their own legal, tax, accounting and financial evaluation of the merits and risk of investment in such Covered Bonds.

Prospective investors should read the entire Base Prospectus. Words and expressions defined in the "Terms and Conditions of the Covered Bonds" below or elsewhere in this Base Prospectus have the same meanings in this section. Investing in the Covered Bonds involves certain risks. Prospective investors should consider, among other things, the following:

FACTORS THAT MAY AFFECT THE ABILITY OF THE ISSUER TO FULFIL ITS OBLIGATIONS UNDER COVERED BONDS ISSUED UNDER THE PROGRAMME

Risks Relating to the Hellenic Republic's Economic Crisis

Recessionary pressure and uncertainty resulting from the Hellenic Republic's economic crisis have and will continue to have an adverse impact on the Group's business, results of operations and financial condition.

The Group's financial condition and its results of operations are heavily dependent on macroeconomic and political conditions prevailing in Greece.

Following almost eight years of recession in the period 2008 to 2016, Gross Domestic Product ("**GDP**") growth in Greece entered positive territory in 2017 and accelerated further in 2018 (with annual growth rates of 1.4% year-over-year and 1.9% year-over-year, respectively), despite the tighter-than-initially expected fiscal conditions due to the significant over performance in both years against the fiscal targets of the European Stability Mechanism ("**ESM**") stability support programme ("**Third Programme**"). (Source: The Hellenic Statistical Authority ("**EL.STAT**"), Quarterly National Accounts, 3rd Quarter 2019). Economic activity gathered additional momentum in the first nine months of 2019, with real GDP increasing by 2.2% year-over-year, being broadly in line with the official targets and outperforming the Euro area average for second consecutive year. The unemployment rate followed a steadily downward trend, declining to an 8½-year low of 16.5% in November 2019 from 18.5% in December 2018 and a peak of 27.8% in September 2013 (Sources: EL.STAT., Labour Force Survey (LFS), November 2019 and Labour Force Survey database). The above trends have been translated into an increase in private sector disposable income of 2.4% year-over-year in the first nine months of 2019 from 1.8% year-over-year in 2018, which has been

compounded by an accelerating reduction in sovereign risk premia (reduction in 10-year Greek government bond yields by 2.8 percentage points between January 2019 and December 2019). The above improvements have been supported by a successful termination of the Third Programme, which has been followed by five positive evaluations of Greece's progress under "Enhanced Surveillance Framework" between fourth quarter of 2018 and first quarter of 2020.

Specifically, Greece successfully completed the Third Programme – following a precipitate termination of the first two Programmes in 2012 and 2015, respectively – and has been subjected to a post-programme monitoring framework since August 2018, which is based on an "Enhanced Surveillance Procedure" directed by the European Commission (Sources: European Commission, Occasional Papers 94, "The Second Economic Adjustment Programme for Greece", March 2012, ESM Press Release, "EFSF programme for Greece expires today", 30 June 2015 and European Commission, "Commission implementing decision of 11.7.2018 on the activation of enhanced surveillance for Greece", 11 July 2018).

The significant improvement in macroeconomic conditions in Greece, along with an accommodative shift in ECB policy in the second half of 2019 – which presaged a more protracted-than-previously-expected period of monetary easing – led to a further compression in sovereign risk and Greek government bond ("**GGB** ") yields to all-time lows in the second half of 2019 and early-2020, with the 10-year GGB yield declining below 1.0% in mid-February 2020. Against this backdrop, the Hellenic Republic raised a total of €11.5 billion between January 2019 and January 2020, through the issuance of 5-year, 7-year, 10-year and 15-year bonds (Sources: Public Debt Management Agency, Announcement on the issuance of 5-year bond, 1 February 2019, Announcement on the issuance of 10-year GGB, 5 March 2019, Announcement on the issuance of 7-year GGB, 16 July 2019, and Announcement on the issuance of 15-year GGB, 28 January 2020). On this note, equity and real estate valuations recorded strong gains over the course of 2019, starting from a very low basis. Moreover, robust economic sentiment and increasing credibility contributed to an improvement in liquidity conditions, as indicated by a pick-up in corporate lending (+1.9% year-over-year in December 2019) and increasing inflows of foreign direct investment of €4.1 billion in 2019 (from €6.5 billion cumulatively in the period 2017 to 2018) (Sources: Bank of Greece, Monetary and Banking Statistics and Bank of Greece, Balance of Payments Statistics).

Despite the aforementioned positive developments, the economic and business environment in Greece continues to impose significant challenges for the Group, with negative legacy effects of the crisis continuing to adversely affect private sector income, the quality of private sector balance sheets and liquidity conditions generally. See also "*Hellenic Republic's commitment to achieve very demanding fiscal targets for a protracted period and legacy effects from the crisis may impose further constraints on economic activity in Greece*" below.

The Third Programme was activated on 19 August 2015 against a backdrop of severe economic uncertainty, intensifying liquidity tensions and capital flight that appeared to threaten the membership of the Hellenic Republic in the European Monetary Union and the European Union ("**EU**") and gave rise to a new recessionary spiral, following a cumulative contraction in economic activity of 25.9% year-over-year between 2008 and 2014 (Source: EL.STAT., Quarterly National Accounts 3rd Quarter 2019). In this environment the Greek government officially requested financial assistance from the EU on 10 July 2015 (Source: European Commission's proposal for a council implementation decision on granting short term European Union financial assistance to Greece under a new programme from the ESM). On 19 August 2015 the Hellenic Republic entered into a Memorandum of Understanding ("**MoU**") with the European Commission ("**EC**") and the ESM for the provision of further stability support accompanied by the Third Programme.

The Third Programme was successfully completed on 20 August 2018. This completion was accompanied by a new agreement on the provision of additional debt relief, aimed at lowering Greece's gross financing needs ("**GFNs**") in the medium to long-term and the build-up of a sizeable cash buffer by the Hellenic Republic financed by Third Programme funding and new debt issuances.

Up to early-2020, the Hellenic Republic's liquidity buffer remains undrawn, exceeds €30 billion and is one of the largest in the EU as per cent of GFNs. Moreover, for the long-term, the Eurogroup of 21 June 2018 has recalled the agreement, that had been reached in the Eurogroup of May 2016, on a contingency mechanism on debt that could be activated in the case of an unexpectedly more adverse macroeconomic scenario, adjusting debt servicing costs to more sustainable levels if required and decided by the Eurogroup (Sources: Eurogroup Statements, 25 May 2016, 24 May 2018 and 22 June 2018). An enhanced surveillance framework (the "**Enhanced Surveillance Framework"**), under the existing mechanisms of fiscal coordination in the EU and supervised by the EC, has been agreed while the Hellenic Republic has also committed to ensure the continuity and completion of reforms adopted under the Third Programme. Moreover, the official European lenders have committed to reassess the sustainability of Greek debt by 2032, or earlier if deemed necessary, after taking into account Greece's compliance with the targets of the post-Third Programme Enhanced Surveillance Framework and the potential role of adverse factors beyond the control of the Hellenic Republic's economic policy. Potential delays in the completion of remaining reforms adopted under the Third Programme and monitored under the Enhanced Surveillance Framework or the inability to safeguard the objectives of the adopted reforms and/or the sustainability of the fiscal performance in the medium and longer term, due to endogenous or exogenous factors, could weigh on the markets' assessment of the risks surrounding the creditworthiness of the Hellenic Republic and, therefore, create uncertainty regarding its capacity to maintain a continuous access to market financing. Such a development could, in turn, have a material adverse impact on the Bank's liquidity position, business, results of operations, financial condition or prospects.

Moreover, despite the return to positive GDP growth in 2017-2019 and the considerable improvement of several indicators related to the economic activity to date, the overall economic performance and financial conditions in Greece remain subject to downside risks in view of the still vulnerable financial position of a significant number of households and business entities, tight liquidity conditions and the need to meet the demanding fiscal targets agreed for the post-Third Programme period.

In addition, there are still risks relating, *inter alia*, to Greece's medium and longer-term potential growth prospects, the sustainability of fiscal performance over a longer time horizon, as well as adverse developments in global financial markets and external demand conditions – i.e. risks to global economic outlook from a potential imposition of additional measures inhibiting international trade and a further escalation of COVID-19 which could take a heavy and protracted toll on financial market conditions, economic growth and tourism activity globally. The increased dependency of Greece's economic performance on exports of goods and tourism in previous years, with an increase in the share of exports of goods and services (including inbound tourism) in GDP to an all-time high of 35.2% in the first nine months of 2019 from 34.0% in 2018 and 20.0% in 2009 (Source: EL.STAT., Quarterly National Accounts Statistics), amplify the economic impact from a potential materialization of the above risks.

The still considerable risks surrounding the Greek economy's prospects, along with a slow improvement in liquidity conditions and the above-mentioned external sources of risk, continue to exert pressures on private sector consumption, as well as delay investments and capital spending decisions. The Group's business activities are dependent on the level of banking, finance and the financial products and services it offers, as well as the customers' capacity to repay their liabilities. In particular, the levels of savings and credit demand are heavily dependent on customer confidence, disposable income trends and the availability and cost of funding, with most of the above factors showing a relatively modest improvement in Greece. Moreover, the Group's customers may further decrease their risk tolerance to non-deposit investments, such as stocks, bonds and mutual funds, which would continue to adversely affect the Group's fee and commission income. For related information, see "*The effort to restore conditions of economic normalcy in the Hellenic Republic and enhance its long-term competitiveness, as well as to support the completion, delivery and continuity of reforms may not lead to the intended return of the economy to sustainable growth and the issue of the Hellenic Republic's debt sustainability may not be fully resolved, which could have a material*

adverse impact on the Group's business, results of operations, financial condition or prospects." below.

Domestic political uncertainty has weighed on financial and economic conditions in the previous years and there can be no assurances that political uncertainty will not arise in the future, thus having a material adverse impact on the Group's business, results of operations, financial condition or prospects.

Economic and financial conditions in Greece remain sensitive to political uncertainty and/or the impact of the electoral cycle in the country. However, it should be noted that, the political environment remained relatively stable in the run-up to the completion of the Third Programme in August 2018 and following the parliamentary election in July 2019 a single party Government, with a credible parliamentary majority and a pro-market reform agenda, has been formed.

However, the risk of a turbulent electoral cycle in the future cannot be ignored if economic and social conditions are not improved at the anticipated pace and/or if additional requirements emerge from the European institutions and other euro area countries to ensure Greece's compliance to its commitments in the Enhanced Surveillance Framework. Such a development could endanger fiscal targets, as well as Greece's risk assessment by the rating agencies and the markets, which remains highly sensitive, as do the conditions for accessing market financing. If conditions were to arise, new tensions may revive in the relationship between the Greek government and the official lenders, which would in turn have a material adverse impact on economic and financial stability in Greece, and therefore on economic growth in Greece. Another possible impact of a turbulent electoral cycle could be a weakening of the willingness to implement the remaining institutional reforms and, consequently, a weakening of Greece's economic performance and/or a deterioration of the country's risk assessment. Moreover, increased political uncertainty could lead to a deferral of private spending decisions, especially in more sensitive demand components, such as investment spending. Finally, political uncertainty has been typically related to a deterioration in debt servicing behaviour in the private sector, increasing the tendency of strategic or tactical defaults on private loans.

This, in turn, could continue to exert pressures on the liquidity position of the Greek banking system, as well as on Greek banks' portfolio quality, having a potentially material adverse effect on the Bank and other financial institutions whose profits are derived from the country's banking sector.

Hellenic Republic's commitment to achieve very demanding fiscal targets for a protracted period and legacy effects from the crisis may impose further constraints on economic activity in Greece.

The significant increase in Greece's fiscal credibility, due to the overperformance vis-à-vis the fiscal targets under the Third Programme and the Enhanced Surveillance Framework, enabled the Government to implement some fiscal expansion measures in 2019 and include an additional expansionary set for 2020 in the 2020 Budget, which according to the European Commission remains compatible with the fiscal targets (Source: EU Commission, Enhanced Surveillance Report - Greece, February 2020). However, the achievement of existing fiscal targets for the medium and the long term, on a continuous basis – irrespective of the cyclical conditions and other extraordinary events that may occur – remains a very challenging task, which could require additional adjustment in the fiscal strategy in the medium term (especially in the areas of pension spending and fairness of the tax system). In this respect, existing and prospective additional government measures generating revenue, as well as the risk of a future increase in the effective burden from taxes (personal, corporate, indirect and consumption taxes) in the event of a fiscal slippage in the future, could impose further constraints on economic activity and result in weaker-than-initially-expected GDP growth outcomes in future years. The above and/or other fiscal measures could also exert additional fiscal pressures on private sector spending and liquidity.

On that note, the Greek government intends to secure more fiscal space by a range of options, such as the renegotiation with the European institutions of fiscal targets, by requesting lower primary

surpluses from 2021 onwards, instead of 2023 as is scheduled, and/or the creation of a smoothing mechanism so additional surpluses can be transferred from one year to the next. However, new talks between the Greek authorities and the European institutions could lead to delays in the implementation of remaining structural reforms or create doubts concerning the country's commitment to maintaining a sound fiscal position.

The financial position of a significant share of households and enterprises remains weak, as exemplified by the still very high share of NPLs, the sizeable stock of private sector tax and social security contribution arrears and the low private saving rate compared to other euro area countries. All these entities are unlikely to face a material improvement in their creditworthiness and liquidity position in the near term and will continue to slow the recovery process of the economy – by delaying or cancelling potential spending decisions – and impede the recovery of asset valuations.

Finally, the increasing export orientation of the country during the crisis years, along with the relatively high amounts of public debt refinancing needs in the long run (beyond 2032), demonstrate that the economy's performance is highly dependent on external economic and financial conditions and, thus, sensitive to exogenous shocks, such as the weak economic conditions in the euro area, increasing geopolitical tensions and the risk of a significant escalation of COVID-19 emergency which could take a toll on global growth, financial market conditions and tourism activity.

Potential downside risks from the above factors on the private sector's financial position and asset valuations could have an adverse effect on the Group and the financial sector as a whole. For further information, see *"The effort to restore conditions of economic normalcy in the Hellenic Republic and enhance its long-term competitiveness, as well as to support the completion, delivery and continuity of reforms in the Hellenic Republic may not lead to the intended return of the economy to sustainable growth and the issue of the Hellenic Republic's debt sustainability may not be fully resolved, which could have a material adverse impact on the Group's business, results of operations, financial condition or prospects"* below.

The effort to restore conditions of economic normalcy in the Hellenic Republic and enhance its long-term competitiveness, as well as to support the completion, delivery and continuity of reforms may not lead to the intended return of the economy to sustainable growth and the issue of the Hellenic Republic's debt sustainability may not be fully resolved, which could have a material adverse impact on the Group's business, results of operations, financial condition or prospects.

In the period 2009-2018, the Hellenic Republic has undertaken significant structural measures intended to restore competitiveness and promote economic growth in Greece through the financial support programmes agreed with the IMF, the ECB, the ESM and the EC (the "**Institutions**"). A programme was initially agreed in May 2010 (the "**First Programme**", Source: IMF Country Report No. 10/110, May 2010) and was renewed by way of a second economic adjustment programme in March 2012 and further amended pursuant to Eurogroup decisions of November 2012 (the "**Second Programme**", Sources: IMF, Country Report No. 12/57, March 2012, European Commission, Occasional paper on Greece March 2012 and Eurogroup Statement on Greece, November 2012). The First Programme and the Second Programme established, through related financial facility agreements signed between the Hellenic Republic, the participating Eurozone countries, the European Financial Stability Facility ("**EFSF**") and the IMF, with financing intended to fully cover the Hellenic Republic's external financing needs until the end of 2014, conditioned on the implementation of a number of fiscal adjustment policies and growth enhancing structural reforms. On 8 December 2014, the Eurogroup announced a "technical extension" of the EU side of the Second Programme to the end of February 2015 (Source: Eurogroup statement, 8 December 2014). On 20 February 2015, the Eurogroup agreed to a four-month extension of the Master Financial Assistance Facility Agreement ("**MFFA**") underpinning the Second Programme (Source: Eurogroup Statement, 20 February 2015).

On 19 August 2015, the Hellenic Republic entered into a MoU with the EC and the ESM for the provision of further stability support accompanied by the Third Programme. The Third Programme

was designed to support a sustainable fiscal consolidation and promote key structural reforms (Source: ESM, Press Releases, 20 August 2015). On 21 June 2018, the Eurogroup confirmed the successful conclusion of the fourth review and, therefore, the effective completion of the Third Programme, and also welcomed the commitment of the Greek authorities to continue with and complete all key reforms adopted under the Third Programme (Source: Eurogroup Statement, 22 June 2018). On 11 July 2018, following the preceding Eurogroup agreement, the EC adopted the decision on the activation of enhanced surveillance for Greece, under Article 2(1) of the EU Regulation 472/2013, for a renewable period of six months. The Hellenic Republic officially concluded its three-year ESM financial assistance programme on 20 August 2018 (Source: ESM, Press Release, 20 August 2018).

The Enhanced Surveillance Framework has entered into force, following the Third Programme completion on 20 August 2018, and has been designed to support the completion, delivery and continuity of reforms that Greece has committed to implement under the Third Programme, ensure a smooth transition of the economy to normalcy and maintain a high degree of credibility (Source: European Commission, Commission Implementing Decision of 11 July 2018 on the activation of enhanced surveillance for Greece).

These remaining reforms are mainly related to the areas of fiscal efficiency, structural reforms, social welfare, financial stability, labour and product markets efficiency, privatisations and public administration and could impose further constraints on economic activity and result in weaker than-initially-expected GDP growth outcomes in future years. Despite the completion of the Third Programme, the stabilisation of economic activity and the recent improvement in economic sentiment, the private sector's financial position has been severely impaired by the multi-year recession and is expected to continue to have an adverse impact on economic conditions in the Hellenic Republic. The five Enhanced Surveillance reports (released on 21 November 2018, 27 February 2019, 5 June 2019, 20 November 2019 and 26 February 2020, respectively) acknowledged Greece's progress achieved in certain areas. However, the 5th report highlighted the medium-term risks and challenges for Greece, noting that it will be crucial for Greece to maintain, and where necessary accelerate, reform momentum going forward, including through determined implementation of reforms on all levels, especially with regard to the implementation of the arrears clearance plan, the collection of the health care clawback and the clean-up of the stock of non-performing loans from bank balance sheets (Source: European Commission, Enhanced Surveillance Report - Greece, February 2020). A new increase in uncertainty, in the event that the regular progress reporting under the Enhanced Surveillance Framework indicates diversion from the agreed reforms, and/or further potential downside risks for economic activity from continuing fiscal pressure on the private sector's financial position and asset valuations could have a material adverse impact on the Issuer's business, results of operations, financial condition or prospects.

Moreover, if the benefits from the significant economic adjustment and structural reforms to Greece's economic performance are smaller than-initially-expected, they could weaken Greece's fiscal position, weigh on sovereign risk premia and on banking system performance, including the performance of the Group, and create uncertainties, bringing forward the need for additional interventions for public debt.

A resurgence of default risks for the Hellenic Republic would have a material adverse effect on the Group's business and could lead to a higher cost of funding or the inability of the Issuer to raise capital.

The ability of the Hellenic Republic to service its outstanding debt depends on a variety of factors, including the overall health of the Greek economy, the GDP growth rate that can be achieved in future years, the maintenance of sound fiscal and current account positions and the provision by the official lenders of additional concessions for lowering debt-servicing costs. In the event of the re-emergence of the need for an additional restructuring of the Hellenic Republic's debt, owing to adverse conditions arising from the foregoing or other influences, the Issuer's regulatory capital would be

severely affected due to its direct exposure to Hellenic Republic debt as well as due to the indirect effects of the credit event on the Issuer's borrowers (and thus asset quality) and on investor confidence, requiring the Issuer to raise additional capital. In addition, if the Hellenic Republic were to default on its debt obligations to the Issuer, the latter could suffer losses and require further capital. There can be no assurance that, under the above described stress conditions, the Issuer could raise any or all of the required additional capital on acceptable terms.

The Issuer's wholesale borrowing costs and access to liquidity and capital may be negatively affected by, and there may be further material adverse consequences to the Group of, any future downgrades of the Hellenic Republic's credit rating.

The capacity of the Hellenic Republic to maintain continuous access to market financing at competitive costs is an important element of Greece's economic and financial recovery and will be closely related to the financial conditions of the private sector in the coming years. The terms of this access remain also dependent on international economic conditions and sources of financial risk, as well as on the prospective path of domestic disposable income and Greek asset valuations. In response to the significant progress in fiscal adjustment and macroeconomic recovery, major rating agencies have upgraded the Hellenic Republic's rating by three to five notches over the past four years, to two to four notches below investment grade. In particular, Fitch Global Ratings upgraded Greece's long-term sovereign rating to "BB" on 24 January 2020 with a positive outlook, Moody's to "B1" on 1 March 2019 with a stable outlook, and S&P Ratings to "BB-" on 25 October 2019 maintaining a positive outlook (Sources: S&P Ratings, Fitch Global Ratings and Moody's press releases on Greek Sovereign outlook). Nonetheless, there are still considerable uncertainties surrounding the prospective pace of improvement in the country's sovereign rating, which is also closely related to the private sector's creditworthiness.

However, the above described sovereign upgrades are set against weak medium-term growth potential – since the underlying investment trend remains weak – an extremely high level of non-performing loans in the banking sector, the very recent history of capital controls, and high stocks of general government debt and net external debt. In fact, banks' asset-quality clean-up plans, which aim to reduce non-performing exposure ratios in two to four years to single digits, remain sensitive to Greece's operating environment and investors' appetite for distressed assets, as well as the effectiveness of the legal framework.

A stabilisation or even a downgrade of the Hellenic Republic's rating may also occur if official sector lenders waiver from their commitment to conditionally provide further relief to Greece's debt servicing costs, if needed, in the future, as the activation or not of this package is conditional to the debt sustainability review planned at the end of the extended grace period on the specific part of the EFSF loans in 2032 (Source: Eurogroup Statement, 24 May 2018). Should any downgrades occur or rating outlooks turn negative, the financing costs of the Hellenic Republic would increase and its access to market financing could be disrupted, with negative effects on the cost of capital for Greek banks (including the Issuer) and the Issuer's business, financial condition and results of operations. Downgrades of the Hellenic Republic's credit rating could also result in a corresponding downgrade in the Issuer's credit rating and, as a result, increase wholesale borrowing costs and the Issuer's access to liquidity.

High outflows of funds from customer deposits could cause an increase in the Group's costs of funding and if such outflows were to continue it could have a material adverse effect on the Group's operating results, financial condition and liquidity prospects.

Historically, the Group's principal source of funds has been customer deposits, the majority of which are from the Group's Greek depositor base. However, during the first half of 2015, the Bank suffered significant deposit outflows, which were stopped by the imposition of the bank holiday and the capital controls as from 28 June 2015. Since the Group relies on customer deposits for the majority of its funding, if its depositors withdraw their funds at a rate faster than the rate at which borrowers repay

their loans, or if the Group is unable to obtain the necessary liquidity by other means, it may be unable to maintain its current levels of funding without incurring significantly higher funding costs or having to liquidate certain of its assets, or without increasing access to the ECB and the Bank of Greece under their exceptional terms. Furthermore, deposit levels in Greece may be adversely affected as a result of the transposition of the BRRD in Greece, which, inter alia, requires the participation of a financial institution's unsecured depositors (of any amounts exceeding insured limits) in case of resolution proceedings of such institution. For information about resolution proceedings and tools available, see "*Regulation and Supervision of Banks in Greece – Bank Recovery and Resolution Directive*" below.

The on-going availability of customer deposits to fund the Group's loan portfolio is subject to changes due to factors outside its control, such as depositors' concerns relating to the economy in general, the financial services industry or the Bank specifically, significant further deterioration in economic conditions in Greece reducing the availability of funds for deposits and the availability and extent of deposit guarantees. Unusually high levels of withdrawals could have the result that the Bank or another member of the Group may not be in a position to continue to operate without additional funding support, which it may be unable to secure. Any of these factors separately or in combination could lead to a sustained reduction in the Group's ability to access customer deposit funding on appropriate terms in the future, which would impact the Group's ability to fund its operations and meet its minimum liquidity requirements and have a material adverse effect on the Group's results of operations, financial condition and prospects.

If additional ECB or ELA funding is needed in the future it will be subject to ECB rules relating to the eligibility and valuation of collateral used for funding such as Greek government bonds.

The economic crisis in Greece has adversely affected the Group's credit risk profile, which has from time to time prevented the Group from obtaining funding in the capital markets, and increased the cost of such funding and the need for additional collateral requirements in repo contracts and other secured funding arrangements, including those with the ECB. Although the Group's access to capital markets has gradually been reinstated over recent years, concerns relating to the ongoing impact of current economic conditions and potential delays in the completion by the Greek government of key structural reforms initiated under the Third Programme and subjected to the post-programme Enhanced Surveillance Framework may restrict the Group's ability to obtain funding in the capital markets in the near and medium term.

The Bank's principal sources of liquidity are (i) its deposit base, (ii) Eurosystem funding via the Main Refinancing Operations ("**MROs**") and the Targeted Longer term Refinancing Operations ("**TLTROs**") with the ECB and (iii) repurchase securities agreements (repos) with major foreign financial institutions. ECB funding and repos with financial institutions are collateralized by high quality liquid assets, such as EU sovereign bonds, Greek government bonds and Treasury Bills ("**T Bills**"), as well as by other assets, such as highly rated corporate loans, covered bonds and asset backed securities issued by the Bank.

Although the Group's Eurosystem funding has decreased significantly, with zero dependence on ELA as of 30 June 2019, there can be no assurance that the Group's funding needs will continue to be met by, or that the Group will continue to have access to, Eurosystem funding in the future. In addition, following the Greek government's decision to lift the capital controls, deposit outflows could have a material adverse impact on the Group's deposit base and on the amount of the Group's ECB and ELA eligible collateral, which could have a material adverse impact on the Group's liquidity and the Group's ability to access Eurosystem funding in the future, which may in turn threaten the Group's ability to continue as a going concern.

Furthermore, the liquidity the Group is able to access from the ECB or ELA may be adversely affected by changes in ECB and Bank of Greece rules relating to collateral. If the ECB or the Bank of Greece were to revise their respective collateral standards, remove asset classes from being accepted,

or increase the rating requirements for collateral securities such that certain instruments were not eligible to serve as collateral with the ECB or the Bank of Greece, the Group's access to these facilities could be diminished and the cost of obtaining such funds could increase.

In addition, the amount of funding available from the ECB or the Bank of Greece is tied to the value of the collateral the Group has provided, which may decline. If the value of the Group's assets declines, then the amount of funding the Group can obtain from the ECB or the Bank of Greece will be proportionally limited. Increases in past due loans will also negatively affect the available collateral used for funding purposes (see also "*Deteriorating asset valuations may adversely affect the Group's business, results of operations and financial condition and may limit its ability to post collateral for Eurosystem funding purposes*" below).

In March 2019 the ECB announced a new series of quarterly targeted longer-term refinancing operations ("**TLTRO-III**") to be launched between September 2019 and March 2021, each with a maturity of two years. It is not possible to predict the duration and extent of such liquidity support in the future, assuming it is not withdrawn completely. If such support were to be withdrawn or reduced, the Group would need to seek alternative sources of funding, which it may not succeed in doing, whether on equally favourable cost terms, or at all.

Deteriorating asset valuations may adversely affect the Group's business, results of operations and financial condition and may limit its ability to post collateral for Eurosystem funding purposes.

The Group is a large provider of loans in Greece and it has significant exposure to the financial performance and creditworthiness of companies and individuals mainly in Greece, the mixed global economic recovery and the economic crisis in Greece has resulted in an increase in the Group's past due loans and significant changes in the fair values of the Group's financial assets.

A substantial portion of the Group's loans and advances to corporate and individual borrowers are secured by collateral such as real estate, securities, vessels, term deposits and receivables. In particular, as mortgage loans are one of the Group's principal assets, the Group is currently highly exposed to developments in the real estate markets, especially in Greece. Significant adjustment in residential valuations started in 2009 and continued at a rapid pace from 2010 to the end of 2017 (with prices having fallen by 42.2% by the end of 2017 compared to their peak in 2008, Sources: Bank of Greece, Bulletin of Conjunctural Indicators, November-December 2019 and Bank of Greece, Real Estate database). The Greek real estate market has shown increasing signs of revival, with residential valuations increasing by 1.8% year-over-year in 2018 and by 7.2% year-over-year in 2019 – the strongest pace since 2006 – whereas prices of prime commercial spaces (average of retail and office prices) increased by 5.7% year-over-year in 2018 and by 6.3% year-over-year in the first half of 2019 (latest available data, Sources: Bank of Greece, Bulletin of Conjunctural Indicators, November-December 2019 and Bank of Greece, Real Estate database). In this vein, construction activity has also picked up, with residential construction increasing by 17.4% year-over-year in 2018, for the first time since 2007, and by 9.8% year-over-year in the first nine months of 2019 (Source: EL.STAT., Quarterly gross fixed capital formation, 3rd Quarter 2019). Nonetheless, the absolute number of transactions remains low, whereas the role of foreign demand related to the short-term online rental activity, as well as to secondary home purchases by non-residents, is significant. Accordingly, downside pressures on prices could remerge in view of a still sizeable backlog of unsold houses and/or potential sales of properties acquired by non-bank entities through NPE sales and the relatively high effective tax burden. The latter remains among the highest in the euro area, despite a 22% weighted average reduction in the unified property tax (ENFIA) applied in 2019 and the supportive suspension of the VAT rate on new buildings (retrospectively applying to building permits issued after 1/1/2006) and of the tax on property capital gains until end-2022 (Sources: Hellenic Parliament, L. 4621, (in Greek), 31 July 2019, Ministry of Finance, Budget for 2020 (in Greek) and Hellenic Parliament, L. 4646, (in Greek), 6 December 2019).

A further decline in economic activity, or a deterioration of economic conditions in any industry in which the Group's borrowers operate or in the market of the collateral, may result in the value of collateral falling below the outstanding principal balance for some loans, particularly those disbursed in the years prior to the crisis. A decline in the value of collateral or the Group's ability to obtain additional collateral, may require the Group to establish additional allowance for loan losses. The value of assets collateralising the Group's secured loans, including residential and other real estate, remains highly sensitive in the event of reemergence of pressure on real estate valuations. Such a decline could result in further impairment of the value of the Group's loan assets or an increase in the level of the Group's past due loans, either of which will limit the Group's ability to post collateral to obtain ELA and ECB funding. Furthermore, the very protracted period of poor economic conditions has materially and adversely affected the liquidity, business activity and financial condition of the Group's borrowers, which in turn led to sharp increases in the Group's past due loan ratios, impairment charges on loans and other financial assets, and decreased demand for borrowings in general, while the additional pressure on financial and real estate asset valuations could translate into a further deterioration of the economy. The risk of reactivation of the above described vicious spiral currently appears to be limited, in the face of the positive assessments of Greece's economic prospects for the coming years included in the latest official reports and private sector consensus forecasts. However, in the extreme scenario of re-emergence of pressure on real estate market activity and valuations, the financial performance and creditworthiness of the Group's borrowers could worsen further or stagnate, while the quality of the Group's loan portfolio could start to deteriorate again, having a material adverse impact on the Group's financial condition and results of operations.

In addition, any failure to recover the expected value of collateral in the case of foreclosure, or the Group's inability to initiate foreclosure proceedings due to national legislation, may expose the Group to losses which could have a material adverse effect on its business, results of operations and financial condition. While the Greek suspension of every enforcement action due to capital controls was lifted by the 29 October 2015 official announcement of the Ministry of Justice, Transparency and Human Rights on 2 November 2015 a prolonged abstention by lawyers', bailiffs' and notaries' that commenced in January 2016 and ended in November 2017 for all parties, restrained the Group from proceeding to enforcement, seizures and auctions of any real estate during that period. Further to the above, online auctions of foreclosed properties have already commenced, though there are still actions taken by various social groups to prevent their performance.

An increase in financial market volatility or adverse changes in the marketability of the Group's assets could impair the Group's ability to value certain of its assets and exposures. The value the Group ultimately realizes will depend on the fair value determined at that time and may be materially different from current value. Any decrease in the value of such assets and exposures could require the Group to realize additional impairment charges, which could adversely affect the Group's financial condition and results of operations, as well as its capital adequacy.

There can be no assurance that the Bank's capital will be sufficient, in particular if economic conditions in Greece do not improve or if they deteriorate further.

There can be no assurance that the Bank will not require further capital in future periods in order to continue to meet its capital adequacy requirements (see "*Regulation and Supervision of Banks in Greece – EU-wide stress test 2020*" below).

The potential deterioration in the credit quality of the Group's assets may exceed current expectations, lead to additional impairments in the future or result in requirements by the Group 's regulators to reduce its NPEs monitored as a prudential measure by applying more aggressive measures than those currently expected, which may result in higher losses than currently anticipated, or the regulators may otherwise increase their Supervisory Review and Evaluation Process ("**SREP**") requirements for the Group. Any of these consequences may in turn generate the need for the Group to raise additional capital.

Further to the above, the four systemic Banks in Greece (Alpha Bank, the Bank, Eurobank and Piraeus Bank) on 31 July 2018 entered into a servicing agreement with a credit institution specialised on servicing of NPLs, doBank S.p.A ("**doBank**"). This agreement is part of the strategic framework of the Greek systemic banks to reduce their NPEs by protecting the viability of small and medium sized enterprises ("**SMEs**") and supporting the recovery of the Greek economy.

To the extent that part of the NPE decrease is achieved through sales of loans at prices below their net carrying amount, the Group may recognize additional charges in such periods. If the levels of additional charges are significant, the Group could be required to raise additional capital to absorb any losses.

Furthermore, the Group anticipates that stress tests or other supervisory exercises analysing the strength and resilience of the European banking sector will continue to be carried out by national and supranational supervisory authorities in future periods. (See also "*Regulation and Supervision of Banks in Greece – EU-wide stress test 2020*" below).

Loss of confidence in the European banking sector following the announcement of any future stress tests, a market perception that any such tests are not sufficiently rigorous or capital shortfalls identified by such stress tests or by any other supervisory exercises that assess the classification and provisioning practices applied by the Group, could also have a negative effect on the Group's operations and financial condition. Furthermore, the results of any stress tests or other supervisory exercises may result in a requirement for the Group to raise additional capital.

There is uncertainty about the Bank's ability to continue as a "going concern".

A slow progress in improving the internal liquidity generation capacity of the economy, along with a poor performance in attracting private funds, could maintain reliance on Eurosystem funding at a relatively elevated level in the medium to longer term, may delay the anticipated recovery of the Greek economy and create uncertainty about the Bank's ability to continue as a going concern. The going concern basis of the Bank is dependent on access to the Eurosystem facilities, the Bank's and the Group's CET1 ratio of 30 June 2019 (which exceeded SREP requirements) and the recent developments regarding the Greek economy and the latest estimates regarding macroeconomic indicators.

In addition, Management concluded that the Bank is a going concern after considering (a) the current level of ECB funding solely from TLTRO and the current access to the Eurosystem facilities with significant collateral buffer, (b) the Group's CET1 ratio of 30 June 2019 which exceeded the overall capital requirements ("**OCR**"), and (c) the recent developments regarding the Greek economy and the latest estimates regarding macroeconomic indicators.

Risks Relating to the Issuer's Recapitalisation and Receipt of State Aid

As a recipient of state aid, the Issuer's operational autonomy is constrained.

As a result of recapitalisations in 2013 and 2015, each of which included State Aid within the meaning of applicable EU legislation, and in order for the HFSF to fulfill its objectives under the HFSF Law (as defined below), exercise its rights and obligations and comply with the commitments undertaken through the Financial Assistance Facility Agreement ("**FFA**") signed on 19 August 2015 by and between the ESM, the Hellenic Republic, the Bank of Greece and the HFSF and the MoU signed on 19 August 2015 between the ESM, on behalf of the European Commission, the Hellenic Republic and the Bank of Greece, the HFSF and the Bank entered to a revised Relationship Framework Agreement dated 3 December 2015 (the "**Amended Relationship Framework Agreement**"), which amended the initial Relationship Framework Agreement dated 10 July 2013 between the Issuer and the HFSF (the "**Relationship Framework Agreement**") (See "*Regulation*

and Supervision of Banks in Greece—The Hellenic Financial Stability Fund—The Greek Recapitalisation Framework–Amended Relationship Framework Agreement" below).

Under European State Aid rules, the Issuer has undertaken certain commitments (the "**Commitments**") and in 2015 submitted a Revised Restructuring Plan which was approved by the Directorate General for Competition on 4 December 2015 (the "**Revised Restructuring Plan**")). In line with the Commitments undertaken, among others, the Issuer is not permitted to acquire any stake in any undertaking unless the purchase price is below certain thresholds or the acquisition takes place in the ordinary course of business or following relevant approval by the European Commission, according to the particular provisions of the Commitments. The Commitments also provide for certain procedures, that the Issuer has to follow with respect to lending towards connected borrowers and risk monitoring requirements that the Issuer must fulfill. Finally, in the event that the Issuer is placed under liquidation, according to the legal framework concerning the HFSF, the HFSF (as shareholder) is satisfied in priority before the common shareholders.

The implementation of the Revised Restructuring Plan by the Issuer has had and will continue to have a significant impact on the Group's business activity, operating results and financial position. Specifically, as part of the Revised Restructuring Plan and under European State Aid rules, the Issuer has undertaken a number of Commitments, both structural (such as the disposal of certain assets and subsidiaries, many of which have been completed) and behavioural, towards the Directorate General of the European Commission.

On 10 May 2019, the Directorate General for Competition of the European Commission approved the Bank's 2019 Revised Restructuring Plan (as defined in "*The Issuer – History and Development of the Group - Revised Restructuring Plan as approved by the Directorate General for Competition on 10 May 2019 (the 2019 Revised Restructuring Plan*)" below.

Some of the disposals contemplated by the 2019 Revised Restructuring Plan have not yet taken place and may be undertaken by the Issuer at unattractive valuations or during unfavourable market conditions. The Issuer may not succeed in complying with all the 2019 Revised Restructuring Plan Commitments given by the Hellenic Republic within the deadline (by the end of 2020) set in the 2019 Revised Restructuring Plan for the Issuer. However, the European Commission could open an in-depth investigation (so-called "misuse of aid proceedings") at the end of which it may find that additional restructuring measures are required in order to find the State Aid received compatible with the internal market. In addition, it may result in the HFSF exercising full voting rights in respect of its shares in the Bank, for which the relevant rights are currently restricted (see "*The HFSF, as shareholder, has certain rights in relation to the operation of the Issuer and has and will continue to have the ability to exercise significant influence over the Group's operations*" below).

Furthermore, the Commitments of the Hellenic Republic towards the European Commission also provide for the appointment of a monitoring trustee (the "**Monitoring Trustee**") for each bank under restructuring, including the Issuer. The Monitoring Trustee acts on behalf of the European Commission and aims to ensure the compliance of the Issuer with such Commitments, and oversees the implementation of restructuring plans and the Bank's compliance with the applicable State Aid rules. See "*Directors and Management—Monitoring Trustee*" below. Grant Thornton was appointed as the Bank's Monitoring Trustee on 16 January 2013. The Monitoring Trustee's powers affect management's discretion by imposing further supervision on the Issuer, which may affect business decisions and development strategies and limit the operational flexibility of the Group.

The HFSF, as shareholder, has certain rights in relation to the operation of the Issuer and has and will continue to have the ability to exercise significant influence over the Group's operations.

Under the Amended Relationship Framework Agreement governing the relationship between the Issuer and the HFSF, the HFSF, as shareholder, has certain rights in relation to the operation of the Issuer. Although the Amended Relationship Framework Agreement provides that the Issuer's decision

making bodies will continue to determine independently, among other things, the Issuer's commercial strategy and policy, the monitoring and veto powers held by the HFSF representative appointed to the Board of Directors (appointed since June 2012 pursuant to Greek Law 3864/2010) restrict the discretion of the Issuer's management. Accordingly, as a result of the Issuer's participation in recapitalization programmes, the HFSF is able to exercise significant influence over the operations of the Issuer.

Pursuant to the provisions of the HFSF Law, the HFSF's appointed representative has enumerated powers to veto key corporate decisions of the Issuer and exercise other powers relating to corporate governance.

In addition to the provisions of the HFSF Law, and pursuant to the Amended Relationship Framework Agreement, the HFSF has a series of information rights with respect to matters pertaining to the Bank. Additionally, as prescribed by the Amended Relationship Framework Agreement, the HFSF representative shall be appointed as member in all Board Committees, while the HFSF observer (participates in the Board without voting rights) will also be appointed in all Committees. Finally, the Bank is obliged to obtain the prior approval of the HFSF on a number of material matters, determined in detail within the Amended Relationship Framework Agreement.

Consequently, there is a risk that the HFSF may exercise the rights it has to exert influence over the Issuer and may disagree with certain of the Issuer's decisions relating to Board of Directors or other management appointments, dividend distributions, benefits policies and other commercial and management decisions which will ultimately limit the Group's operational flexibility.

As at19 February 2020, the HFSF holds 355,986,916 common shares having full voting rights, representing 38.92% of the Issuer's share capital, while it also holds 13,481,859, representing 1.47% of the Issuer's share capital consisting of common shares with restrictions on the exercise of the voting rights as per article 7a of the HFSF Law as in force, which could be lifted upon certain conditions, for example if the HFSF General Council concludes that there is a breach of material obligations which are included in the restructuring plan or which promote its implementation or which are described in the Amended Relationship Framework Agreement. See "*The Issuer – Major Shareholders – Common Shares*" below.

Furthermore, the HFSF also has interests in other Greek financial institutions and an interest in the health of the Greek banking industry and other industries generally, and those interests may not always be aligned with the commercial interests of the Group or those of its shareholders.

Risks Relating to the Group's Business

The high level of NPEs has had and may continue to have in the future a negative impact on the Group's operations.

NPEs represented 36.5% of the Group's loans as at 30 June 2019 (compared to 40.9% as at 31 December 2018 and 43.9% as at 31 December 2017). The effect of the economic crisis in Greece and adverse macroeconomic conditions in the countries in which the Group operates may result in adverse effects on the credit quality of the Group's borrowers, leading to delinquencies and defaults. In accordance with Greek Law 3869/2010, as amended and in force, individuals who are in a state of permanent inability to pay their debts not attributable to willful misconduct, have the ability to adjust their debts and may be released from a portion of such debts through filing of an application to the competent court (see "*Settlement of Amounts Due by Indebted Individuals*" and "*Restrictions on Enforcement of Granted Collateral" within* "*Regulation and Supervision of Banks in Greece*" below). As at 31 December 2018 and 30 June 2019, 81,995 and 83,222 customers, respectively, had applied to the court under the provisions of Greek Law 3869/2010, with combined outstanding balances of EUR 3,730 million and EUR 3,881 million, respectively. In addition, the Group may not be able to enforce certain collateral in enforcement proceedings for real estate used as the main residence of the debtors,

subject to certain conditions as described in "*Regulation and Supervision of Banks in Greece—Restrictions on Enforcement of Granted Collateral*". Future provisions for NPLs could have a materially adverse effect on the Group's profitability.

The Group's loan portfolio may continue to contract.

As the Greek economy has remained in recession, in the current economic environment, the Group's domestic loan portfolio may continue to decline, and its foreign loan portfolio may also decline. Furthermore, there are a limited number of high credit quality customers in Greece to whom banking services may be provided in the Group's target markets. Developments in the Group's loan portfolio will be affected by, among other factors, the health of the Greek economy in light of the economic crisis, the lifting of capital controls imposed on Greek banks (effective 1 September 2019) and the post-programme surveillance following the completion of the Third Programme. The continuing decline in the Group's loan portfolio, in combination with past due loans, could further reduce the Group's net interest income, and this could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

The Group is exposed to credit risk, market risk, liquidity risk, operational risk and insurance risk.

As a result of the Group's activities, it is exposed to a variety of risks. Among the most significant of these risks are credit risk, market risk, liquidity risk, operational risk and insurance risk. Failure to control these risks could have a material adverse effect on the Group's results of operations, financial condition, prospects and reputation.

- *Credit Risk.* Credit risk is the risk of financial loss relating to the failure of a borrower to honor its contractual obligations. It arises in lending activities as well as in various other activities where the Group is exposed to the risk of counterparty default, such as its trading, capital markets and settlement activities. Credit risk is the largest single risk the Group faces.

- *Market Risk.* Market risk is the current or prospective risk to earnings and capital arising from adverse movements in interest rates, equity and commodity prices and exchange rates, and their levels of volatility. Changes in interest rate levels, yield curves and spreads may affect the Group's net interest margin. Changes in currency exchange rates affect the value of assets and liabilities denominated in foreign currencies and may affect income from foreign exchange dealing. The performance of financial markets or financial conditions generally may cause changes in the value of the Group's investment and trading portfolios. The Group has implemented risk management methods to mitigate and control these and other market risks to which its portfolios are also exposed. However, it is difficult to predict with accuracy changes in economic or market conditions and to anticipate the effects that such changes could have on the Group's financial performance and business operations. See "*Volatility in interest rates may negatively affect the Group's net interest income and have other adverse consequences" and "The Group is vulnerable to disruptions and volatility in the global financial markets*".

- *Liquidity Risk.* Liquidity risk is defined as the current or prospective risk to earnings and capital arising from an entity's inability to meet its liabilities when they come due without incurring significant losses. It reflects the potential mismatch of payment obligations to incoming payments, taking into account unexpected delays in repayments (term liquidity risk) or unexpectedly high payment outflows (withdrawal/call risk). Liquidity risk involves both the risk of unexpected increases in the cost of funding a portfolio of assets at appropriate maturities and rates, and the risk of being unable to liquidate a position in a timely manner on reasonable terms. The severity of pressure experienced by the Hellenic Republic in its public finances and credit downgrades has restricted the access to markets for the Bank *(see "If additional ECB or ELA funding is needed in the future it will be subject to ECB rules relating to the eligibility and valuation of collateral used for funding such as Greek government bonds*" above).

- *Operational Risk.* Operational risk corresponds to the risk of loss due to inadequate or failed internal processes/systems, or due to external events, whether deliberate, accidental or natural occurrences. Internal events include, but are not limited to, fraud by employees, clerical and record keeping errors and information systems malfunctions or manipulations. External events include floods, fires, earthquakes, riots or terrorist attacks, fraud by outsiders and equipment failures. Finally, the Group may also fail to comply with regulatory requirements or conduct of business rules.

- *Insurance Risk.* The principal risk that the Group may face is that the actual claims and benefit payments, or the timing thereof, differ from expectations. This could occur because the frequency or severity of claims is greater than estimated. Depending on the insurance product, this risk is influenced by macroeconomic changes, changes in customer behaviour, changes in public health, pandemics and catastrophic events such as earthquakes, industrial disasters, fires, riots or terrorism.

Although management believes that its risk management and risk mitigation policies are adequate, the Group's risk management processes may not prevent all instances of fraud or otherwise allow it to mitigate or fully manage the above risks. In addition, the weak Greek economy as well as continuing volatility as a result of market forces out of the Group's control could cause the Issuer's liquidity position to deteriorate. Such deterioration would increase funding costs and limit the Issuer's capacity to increase its credit portfolio and the total amount of its assets, which could have a material adverse effect on the Issuer's business, results of operations and financial condition.

Volatility in interest rates may negatively affect the Group's net interest income and have other adverse consequences.

Interest rates are highly sensitive to many factors beyond the Group's control, including monetary policies, domestic and international economic and political conditions, as well as other factors. There can be no assurance that further events will not alter the interest rate environment in Greece and the other markets in which the Group operates. Cost of funding is especially at risk for the Bank.

In the current interest rate climate, central banks of the major developed economies (including the US Federal Reserve, the ECB, the Bank of England and the Bank of Japan, among others) are widely perceived to have a significant influence on the volatility and direction of short-term rates. The method and rate at which central banks adjust their target rates cannot be predicted, nor can the effects that changes in such rates will have, be anticipated.

There are risks involved in both an increase of rates and a prolonged period of low or negative interest rates. Variations in short term interest rates could affect the Group's net interest income, reducing its growth rate and potentially resulting in losses. When interest rates rise, the Group may be required to pay higher interest on floating rate borrowings while interest earned on fixed rate assets does not rise as quickly, which could cause profits to grow at a reduced rate or decline.

Conversely, increases in interest rates may reduce the volume of loans the Group originates. Sustained high interest rates have historically discouraged customers from borrowing and have resulted in increased delinquencies in outstanding loans and deterioration in the quality of assets. Increases in interest rates may also reduce the propensity of the Group's customers to prepay or refinance fixed rate loans, reduce the value of its financial assets and reduce gains or require it to record losses on sales of loans or securities.

If interest rates decrease, although this is likely to reduce the Group's funding costs, it is likely to compress the Group's interest margin, as well as adversely impact income from investments in securities and loans with similar maturities, which could have a negative effect on the Group's operating results, financial condition and prospects.

Changes in market interest rates may affect the interest rates the Group charges on its interest earning assets differently from the interest rates it pays on its interest-bearing liabilities. This difference could reduce the Group's net interest income. Since the majority of the Group's loan portfolio effectively re prices within a year, rising interest rates may also result in an increase in the Group's allowance for loan losses if customers cannot refinance in a higher interest rate environment. Further, an increase in interest rates may reduce the Group's clients' capacity to repay in the current economic circumstances.

The Group faces significant competition from Greek and foreign banks.

The general scarcity of wholesale funding since the onset of the economic crisis, may lead to a significant increase in competition for retail deposits in Greece among the four largest banks (including the Bank) and other smaller banks, which means that the Bank may have to pay higher rates to attract equivalent levels of deposits. The Bank may not be able to continue to compete successfully with domestic banks in the future. These competitive pressures may have a material adverse effect on its business, financial condition and results of operations.

The Bank operates a branch and a subsidiary in the United Kingdom which may be affected by the United Kingdom's withdrawal from the European Union.

On 23 June 2016, in a public referendum, the United Kingdom ("**UK**") voted to leave the EU ("**Brexit**"). On 29 March 2017, by the formal notice of the British Prime Minister, the UK triggered official exit negotiations with the EU. In accordance with Article 50 of the Lisbon Treaty, the EU negotiated a withdrawal agreement with the UK. On 24 January 2020, it was announced that the government of the UK and the EU had executed and entered into to a withdrawal agreement (the "**Withdrawal Agreement**"). On 29 January 2020, the European Parliament voted to consent to the Withdrawal Agreement, and on 30 January 2020, the European Council adopted, by written procedure, the decision on the conclusion of the Withdrawal Agreement on behalf of the EU.

On 31 January 2020, upon the United Kingdom's exit from the EU, the Withdrawal Agreement entered into force. A transition period begins following the date of the United Kingdom's withdrawal until 31 December 2020 (the "**Transition Period**"). During the Transition Period, in effect, UK will continue to be part of the EU Single Market, Customs Union and trade deals. The scope, nature and terms of the relationship between the UK and the EU after the Transition Period remains uncertain; as a result of this the precise impact on the business of the Bank (including the Bank's UK branch) is difficult to determine.

The withdrawal by the UK could adversely affect economic and market conditions in the UK, in the EU and its member states and elsewhere, and could contribute to uncertainty and instability in global financial markets. In particular, the withdrawal by the UK could significantly impact volatility, liquidity and/or the market value of securities, including the Covered Bonds. No assurance can be given that such matters would not adversely affect the Bank's financial performance or the ability of the Bank to satisfy its obligations under the Covered Bonds and/or the market value and/or the liquidity of the Covered Bonds in the secondary market. As such, an investment in the Covered Bonds should only be made by investors who understand such risks and are capable of bearing such risks.

The Group is vulnerable to disruptions and volatility in the global financial markets.

The pace of global economic growth demonstrated signs of bottoming out in Q4:2019, albeit downside risks to the outlook continue to dominate with renewed headwinds jeopardizing the fragile recovery. In that context, the annual growth of euro area GDP decelerated to + 1.2% in 2019 down from +1.9% in 2018, mainly due to international trade uncertainty, political factors (such as Brexit) and idiosyncratic issues related with the German car industry.

The risks for the euro area economy include a weakening external environment amid prolonged or/and escalating trade tensions, and the lack of significant progress regarding structural reforms which may hinder potential growth. More importantly, the COVID-19 outbreak could have substantial economic consequences for the Euro area via the trade and confidence channels. These factors, among other things, may restrict the European economic recovery, with a corresponding adverse effect on the Group's business, results of operations and financial condition.

Financial market volatility could edge further higher, with a corresponding material adverse effect on the Group's business, results of operations and financial condition, including the Group's ability to fund its operations.

Results of operations in Greece in the past have been, and in the future may continue to be, materially affected by many factors of a global nature, including: political and regulatory risks and the condition of public finances; the availability and cost of capital; the liquidity of global markets; the level and volatility of equity prices, commodity prices and interest rates; currency values; the availability and cost of funding; inflation; the stability and solvency of financial institutions and other companies; investor sentiment and confidence in the financial markets; or a combination of the above factors.

Adverse developments could also be triggered by a sharper than expected slowdown of the Chinese economy due to the economic impact of COVID-19, a prolongation of the anaemic economic momentum in the euro area, a recurrence of Eurozone sovereign debt and banking stress triggered, *inter alia*, by political and fiscal uncertainty, the challenging low/negative interest rate operating environment, as well as a weaker than expected performance of the Greek economy.

These developments could:

- further directly impact the carrying amount of the Group's portfolio of Greek government debt;
- further directly impact the impairment losses for receivables relating to the Hellenic Republic;
- severely affect the Group's ability to raise capital and meet minimum regulatory capital requirements; and severely limit the Group's ability to access liquidity.

The Group's economic hedging may not prevent losses.

If any of the variety of instruments and strategies that the Group uses to economically hedge its exposure to market risk is not effective, the Group may incur losses. Many of the Group's hedging strategies are based on historical trading patterns and correlations. Unexpected market developments therefore may adversely affect the effectiveness of the Group's hedging strategies. Moreover, the Group does not economically hedge all of its risk exposure in all market environments or against all types of risk. In the Group's view, the principal market risk to which it is exposed, which is not fully economically hedged, is the sovereign credit risk of the Hellenic Republic, in respect of which the Group does not maintain any hedging positions (such as, for example, credit default swaps).

The Group has incurred and may continue to incur significant losses on its trading and investment activities due to market fluctuations and volatility.

The Group maintains trading and investment positions in debt, currency, equity and other markets. These positions could be adversely affected by continuing volatility in financial and other markets and the Greek sovereign debt crisis, creating a risk of substantial losses. Significant decline in perceived or actual values of the Group's assets has resulted from previous market events.

Continuing volatility and further dislocation affecting certain financial markets and asset classes could further impact the Group's results of operations, financial condition and prospects. In the future these factors could have an impact on the mark to market valuations of assets in the Group's Hold to

Collect and Sell ("**HTCS**") measured at fair value through other comprehensive income ("**FVTOCI**") bond portfolios, trading portfolios and financial assets and liabilities for which the fair value option has been elected. In addition, any further deterioration in the performance of the assets in the Group's investment securities portfolios could lead to additional impairment losses, including the Group's holdings of Greek government bonds.

The Group could be exposed to significant future pension and post-employment benefit liabilities.

The employees of the Bank and certain of its subsidiaries participate in employee-managed pension schemes, retirement and medical benefit plans. The Bank and certain of the Bank's subsidiaries make significant defined contributions to these schemes. In addition, the Bank and several of its subsidiaries offer certain defined benefit plans. The Group's consolidated retirement benefit obligations under these plans is determined by reference to a number of critical assumptions. These include assumptions about movements in interest rates which may not be realised. Potential variations may cause the Group to incur significantly increased liability in respect of these obligations.

Furthermore, the Bank, up to October 2017, provided financial assistance to the Auxiliary Pension Plan ("**LEPETE**"), in order for LEPETE to cover cash shortfalls. Subsequently, the Board of Directors decided that the Bank would not provide any additional assistance to LEPETE from October 2017 onwards. Since February 2018, LEPETE has ceased making payments to the pensioners. There are pending legal actions against the Bank from LEPETE and former employees who are disputing the defined contribution status of the plan, claiming that the Bank has an obligation to cover any deficit arising.

Up to 15 January 2020, nine applications for preliminary injunctions were rejected, 21 temporary injunctive measures were ruled in favour of the Bank, whereas six injunction orders were ruled in favour of former employees. For these injunction orders against the Bank, the Bank recognises the relevant expense as incurred. Up to 18 February 2020, the Bank has paid in a total of €744 thousand. Furthermore, there have been 113 legal claims of which 108 have been heard in court and 62 decisions have been issued. 16 first instance court decisions were not in favour of the Bank, and the Bank has filed 12 appeals while 46 decisions were in favour of the Bank for which 44 appeals have been filed until now. It is noted that the Bank has appealed directly to the Supreme Court for one of the above 16 negative decisions. The appeal was heard before the Supreme Court on 17 December 2019 and the decision is pending. In the same case, the Bank has filed for interim measures of suspension of the unfavourable decision and the Supreme Court has approved the application and granted the requested interim measures.

The Bank has not made any payment yet with respect to any of the decisions against it. The Group has not recorded any provisions for these pending legal actions, because management has assessed that the likelihood of the final outcome of the outstanding legal claims being negative is remote.

On 10 June 2019, a legislative amendment (Greek Law 4618/2019 article 24) was enacted effectively transferring Bank employees and pensioners from LEPETE to the Unified Fund for Auxiliary Insurance and Lump Sum Benefits ("**ETEAEP**"), the state auxiliary pension plan, was enacted, stipulating, among other things, that as of 1 January 2019 the Bank should contribute the corresponding, in accordance with the applicable provisions, auxiliary pension contributions plus a supplementary social security contribution of €40 million per annum from 2019 until 2023 and a retrospective payment for 2018 of approximately €50 million. The supplementary amount that the Bank will contribute from 1 January 2024 onwards will be defined following a study prepared by the Greek National Actuarial Authority.

Further to this legislative amendment and related Ministerial Decision 28153/276/21.6.2019, on 5 July 2019, the Bank addressed a statement to ETEAEP informing it that it will continue to pay to ETEAEP, as from 1 June 2019 onwards, the corresponding, in accordance with the applicable provisions, auxiliary pension employer's and employee's contributions with regard to the persons

(employees) who had been insured by LEPETE up to the enactment of the aforementioned legislative amendment. The Bank in the same statement pointed out that any private relationship between the Bank and LEPETE has been terminated and thus no payment of any kind will be carried out in the future.

The Bank considers that the above legislative amendment referring to the imposition of the Bank to pay a supplementary social security contribution of €40 million per annum from 2019 until 2023 and another amount from 1 January 2024 onwards that will be determined by a study prepared by the Greek National Actuarial Authority, as well as a retrospective payment for 2018 of approximately €50 million, opposes fundamental constitutional provisions and, in that respect has filed with the Council of State an application for the annulment of the inrelevant administrative decisions issued on the basis Greek Law 4618/19, in order to safeguard its interests. An application for the suspension of enforcement of the above has been rejected for reasons not related to the core of the case.

Depending on the outcome of the petition for annulment before the Council of State, which was scheduled for hearing before the Plenary Session of the Council on 7 February 2020. The hearing has been postponed for 6 March 2020 and any further legal actions the Bank may proceed with, the Group may need to record significant additional provisions.

The Group, like any other credit institution, is exposed to the risk of fraud and illegal activities of any form, which, if not dealt with in a timely manner and successfully, could have negative effects on its business, financial condition, results of operations and prospects.

The Group is subject to rules and regulations related to combating money laundering and terrorism financing in the jurisdictions where it operates. Compliance with anti-money laundering and anti-terrorist financing rules entails significant cost and effort. Non-compliance with these rules may have serious consequences, including adverse legal and reputational consequences. Although the Group believes that its current anti money laundering and anti-terrorism financing policies and procedures are adequate to ensure compliance with applicable legislation, it cannot guarantee that they will comply at all times with all rules applicable to money laundering and terrorism financing as extended to the entire Group and applied to its staff in all circumstances. A possible violation, or even any suspicion of a violation of these rules, may have serious adverse legal and financial impacts, which could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

The Group's operational systems and networks have been, and will continue to be, exposed and vulnerable to an increasing risk of continually evolving cyber-security or other technological risks which could result in the unavailability of IT services or in the disclosure of confidential client or customer information, damage to its reputation, additional costs to the Group, regulatory penalties and financial losses.

A significant portion of the Group's operations rely heavily on the secure processing, storage and transmission of confidential and other information as well as the monitoring of a large number of complex transactions on a minute-by-minute basis. The Group stores an extensive amount of personal and client-specific information for its retail, corporate and governmental customers and clients and must accurately record and reflect their extensive account transactions. These activities have been, and will continue to be, subject to an increasing risk of cyber-attacks, the nature of which is continually evolving.

Although the Group endeavours to safeguard its systems and processes and strive to continuously monitor and develop them to protect its technology infrastructure and data from misappropriation, its computer systems, software and networks have been and will continue to be exposed and possibly vulnerable to unauthorized access, loss or destruction of data (including confidential client information), account takeovers, unavailability of service, computer viruses or other malicious code, cyber attacks and other external attacks or events, as well as internal breaches. These threats may

derive from human error, fraud or malice on the part of employees or third parties, or may result from accidental technological failure. If one or more of these events occurs, it could result in the disclosure of confidential client information, damage to the Group's reputation with its clients and the market, additional costs to it (such as repairing systems or adding new personnel or protection technologies), regulatory penalties and financial losses to both the Group and its clients. Such events could also cause interruptions or malfunctions in the Group's operations (such as the lack of availability of its online banking systems) or otherwise hinder its operational effectiveness, as well as the operations of its clients, customers or other third parties. Given the volume of the Group transactions, certain errors or actions may be repeated or compounded before they are discovered and rectified, which would further increase these costs and consequences.

In addition, third parties with which the Group does business may also be sources of cyber security or other technological risks. The Group outsources a limited number of supporting functions, such as printing of customer credit card statements, which results in the storage and processing of customer information. Although the Group adopts a range of actions to eliminate the exposure resulting from outsourcing, such as not allowing third-party access to the production systems and operating a highly controlled IT environment, unauthorized access, loss or destruction of data or other cyber incidents could occur, resulting in similar costs and consequences to the Group as those discussed above.

The EU General Data Protection Regulation is directly applicable in Greece as of 25 May 2018 and the penalties in case of personal data leakage could impact the Issuer and the Group.

While the Group maintains insurance coverage that may, subject to policy terms and conditions, cover certain aspects of cyber risks such as fraud and financial crime, such insurance coverage may be insufficient to cover all losses.

The value of certain financial instruments recorded at fair value is determined using financial models incorporating assumptions, judgments and estimates that may change over time or may not be accurate.

In establishing the fair value of certain financial instruments, the Group relies on quoted market prices or, where the market for a financial instrument is not sufficiently active, internal valuation models that utilise observable financial market data. In certain circumstances, the data for individual financial instruments or classes of financial instruments utilised by such valuation models may not be available or may become unavailable due to changes in financial market conditions. In such circumstances, the Group's internal valuation models require it to make assumptions, judgments and estimates to establish fair value. In common with other financial institutions, these internal valuation models are complex, and the assumptions, judgments and estimates the Group is often required to make relate to matters that are inherently uncertain, such as expected cash flows. Such assumptions, judgments and estimates may need to be updated to reflect changing facts, trends and market conditions. The resulting change in the fair values of the financial instruments could have a material adverse effect on the Group's earnings and financial condition. Also, market volatility can challenge the factual bases of certain underlying assumptions and has made it difficult to value certain of the Group's instruments. Valuations in future periods, reflecting prevailing market conditions, may result in changes in the fair values of these instruments, which could have a material adverse effect on the Group's results, financial condition and prospects.

The loss of senior management may adversely affect the Group's ability to implement its strategy.

The Group's current senior management team includes a number of experienced executives the Group believes contribute significant experience and expertise to its management in the banking sectors in which the Bank operates. The continued performance of the Group's business and its ability to execute its business strategy will depend, in large part, on the efforts of the senior management of the Group. Furthermore, a potential change in share ownership percentages and shareholders rights or a situation of effective control by the HFSF could lead to the departure of certain senior managers. If a

substantial number of the Group's senior management team leave the Group, its business may be materially adversely affected.

The Group may be unable to recruit or retain experienced and/or qualified personnel.

The Group's competitive position depends, in part, on its ability to continue to attract, retain and motivate qualified and experienced banking and management personnel. Competition in the Greek and South-eastern European banking industries for personnel with relevant expertise is intense due to the relatively limited availability of qualified individuals. To recruit qualified and experienced employees and to minimize the possibility of their departure, the Group provides compensation packages consistent with evolving standards in the relevant labour markets. Under the terms of the HFSF Law, the Bank is prohibited from paying bonuses to the members of the Board of Directors, the Chairman, the Chief Executive Officer, the Deputy Chief Executive Officer and any general managers or their deputies for the period during which it participates in the programme under the HFSF Law.

According to the Revised Relationship Framework agreement between the HFSF and the Bank, the HFSF representative has the right to veto any decision of the Board of Directors regarding the distribution of dividends and the remuneration policy concerning the Chairman, the Chief Executive Officer and the other members of the Board of Directors, as well as whoever exercises the general manager's powers and their deputies, while consent of the HFSF must be sought regarding the abovementioned decisions. Moreover, consent of the HFSF must also be sought regarding the remuneration and benefits policies of the Group and any amendment, extension, revision or deviation thereof, or decisions/policies affecting the above policies, including any voluntary retirement/separation schemes.

Additionally, restrictions on variable remuneration under CRD IV (as defined below) have been implemented into Greek Law.

Furthermore, as a result of the economic crisis and regulatory restrictions on bonus payments, the Group is limiting or restricting the bonuses it pays to personnel, which may inhibit the retention and recruitment of qualified and experienced personnel. The inability to recruit and retain qualified and experienced personnel in the Hellenic Republic and SEE, or manage the Group's current personnel successfully, could have a material adverse effect on its business, results of operations, financial condition and prospects.

Legal, Regulatory and Compliance Risks

The Group's business is subject to increasingly complex regulation which may increase its compliance costs and capital requirements.

The Group is subject to financial services laws, regulations, administrative actions and policies in each jurisdiction in which it operates. All of these regulatory requirements have changed, are continuing to change, and are subject to further change following the unprecedented levels of government intervention and changes to the regulations governing financial institutions, as a result of the financial crisis. In response to the global financial crisis, national governments as well as supranational groups, such as the EU, have implemented significant changes to the existing regulatory frameworks for financial institutions, including those pertaining to supervision, capital adequacy, liquidity, resolution and the scope of banks' operations and those pertaining to investors' protection and financial products' governance requirements.

Since 4 November 2014, the Group has been a significant entity in the Eurozone supervised by SSM and is subject to continuous evaluation of its capital adequacy, and could be requested to operate with higher than minimum regulatory capital and/or liquidity ratios. The supervisory regime applicable to European banks is undergoing a period of change since the SSM took responsibility for the prudential supervision of banks in the Eurozone in November 2014. Competent Authorities will continue to be

responsible for supervisory matters not conferred on the ECB, such as consumer protection, money laundering, payment services, and branches of third country banks, besides supporting ECB in day to day supervision. In light of the new supervision legal framework the ECB and the competent national authorities shall carry out a SREP at least on an annual basis. In this view the European Banking Authority ("**EBA**") published on 19 December 2014 the final guidelines for common procedures and methodologies in respect of the SREP ("**EBA Guidelines**"). Such EBA Guidelines draw a common approach to determining the amount and composition of additional Pillar 2 own funds requirement implemented since 1 January 2016. On 31 October 2017, the EBA launched a public consultation to review, among others, the EBA 2014 Guidelines with the aim to further enhance an institution's risk management and the convergence among national regulators of their supervisory role in the SREP. The latest revised SREP guidelines were issued on 19 July 2018. They reflect the on-going policy initiatives related to Pillar 2/SREP, which include, among other things, the introduction of Pillar 2 capital guidance ("**P2G**"), the integration of supervisory stress testing requirements and supervisory assessment of banks' stress testing from the EBA Consultation Paper on Guidelines on stress testing and supervisory stress testing 2, clarification of certain aspects of scoring, further details on the articulation of total SREP capital requirement ("**TSCR**") and OCR, and various consistency checks with relevant EBA standards and guidelines that came into force after the publication of the original SREP Guidelines in 2014.

Following the completion of the 2019 SREP cycle, in December 2019 the Bank received the final SREP Decision letter from the ECB which establishes the capital requirements for 2020. In particular for 2020, the Pillar 2 Requirement rate will remain stable at 3%, but OCR will increase to 14% (from 13.75% in 2019) due to the phase-in of the Other Systemically Important Institutions ("**O-SII**") buffer (0.25%). The Total Capital Requirements will increase to 16% due to the application of the P2G (2%) as of 2020.

The SSM might impose new compliance, governance or system and control mandates that will increase compliance costs for the Bank. As a result of these and other ongoing and possible future changes in the financial services regulatory framework (including requirements imposed by virtue of the Group's participation in any Greek government or regulator-led initiatives, such as the Hellenic Republic's Bank Support Plan), the Group will face greater regulation in the Hellenic Republic and SEE. Current and future regulatory requirements may be different across each of these locations and even requirements with EEA-wide application may be implemented or applied differently in different jurisdictions.

Compliance with these new requirements will increase the Group's regulatory capital and liquidity requirements and may increase its compliance costs and disclosure requirements, restrict certain types of transactions, affect its strategy and limit or require the modification of rates or fees that it charges on certain loans and other products, any of which could lower the return on the Group's investments, assets and equity. The Group may also face increased compliance costs and limitations on its ability to pursue certain business opportunities. The Group cannot predict the effect of any such changes on its business, financial condition, cash flows or future prospects.

The Group may need additional capital and liquidity as a result of regulatory changes.

The Bank and the Group are required by the SSM and the regulators in the Hellenic Republic and other countries in which they undertake regulated activities to maintain minimum levels of capital and liquidity. The Bank, its regulated subsidiaries and its branches may be subject to the risk of having insufficient capital resources to meet the minimum regulatory capital and/or liquidity requirements. In addition, those minimum regulatory capital requirements may increase in the future, or the methods of calculating capital resources may change. Likewise, liquidity requirements are under heightened scrutiny, and may place additional stress on the Group's liquidity demands in the jurisdictions in which it operates. Changes in regulatory requirements may require the Group to raise additional capital. Directive 2013/36/EU (the "**CRD IV Directive**") and the EU Regulation 575/2013 (the "**Capital Requirements Regulation**" or "**CRR**" and, together with the CRD IV Directive, the "**CRD**

IV") which incorporate the key amendments that were adopted by the Basel Committee on Banking Supervision (known as "**Basel III**") have been directly applicable in all Member States since 1 January 2014, with particular elements being phased in over a period of time (the requirements are largely fully effective and some minor transitional provisions provide for phase-in until 2024) but it is possible that in practice implementation under national laws may be delayed. Additionally, it is possible that Member States may introduce certain provisions at an earlier date than that set out in the CRD IV. In addition, on 23 November 2016, the European Commission published legislative proposals for amendments to the CRR, CRD IV Directive, the BRRD and Regulation 806/2014 (the "**SRM Regulation**") (together, the "**EC Proposals**"), which proposals were subsequently amended during the approval process prior to formal approval of the final text by the European Council in May 2019. Amendments to the BRRD to introduce a new asset class of "non-preferred" senior debt entered into force on 28 December 2017 and were transposed into Greek Law on 18 December 2018 by Greek Law 4583/2018. The final text of the EC Proposals was published in the Official Journal of the European Union on 7 June 2019 and entered into force on 27 June 2019. Among other things, these proposals aim to implement a number of new Basel standards (such as the leverage ratio, the net stable funding ratio, market risk rules and requirements for own funds and eligible liabilities) into European law. CRR II (as defined below) is directly applicable to the Bank and shall apply from 28 June 2021, subject to certain exceptions. However, the CRD V Directive (as defined below) will need to be transposed into Greek Law before taking effect. Member States shall, with certain exceptions, adopt and publish by 28 December 2020 the measures necessary to comply with the CRD V Directive.

On 18 December 2018, Greek Law 4583/2018 entered into force, transposing Directive 2017/2399/EU, which amended the ranking of claims from unsecured debt instruments in the insolvency hierarchy. Pursuant to the aforesaid amendment of article 145A of Greek Law 4261/2014, any claims deriving from debt instruments issued by credit institutions which (i) are not contractually subordinated and (ii) do not qualify as senior non-preferred debt instruments (as the latter are defined in the same article) are included in the last class of preferred liabilities in the insolvency hierarchy, which is *pari passu* with all claims against the credit institution which do not have a higher preferred ranking, including, *inter alia*, claims from agreements for the provision of goods and services and derivatives. Before the entry into force of the above-mentioned amendment, claims from unsecured debt instruments were excluded from all classes of preferred liabilities, subject to explicitly provided for exemptions. The same article defines senior non-preferred notes, as debt instruments that meet the following conditions: (a) the original contractual maturity of the debt instruments is at least one year; (b) they do not contain any embedded derivatives and they are not themselves derivatives; and (c) the relevant contractual documentation and, where applicable, the prospectus related to the issuance explicitly refer to the lower ranking as provided for by article 145A of Greek Law 4261/2014.

The Capital Requirements Regulation defines the minimum capital requirements (Pillar 1 requirements) and the CRD IV Directive defines the combined buffer requirements for EU institutions. In addition, the CRD IV Directive provides (Articles 97 *et seq*.) that Competent Authorities regularly carry out the SREP, to assess and measure risks not covered, or not fully covered, under Pillar 1 and determine additional capital and liquidity requirements (Pillar 2 requirements). SREP is conducted under the lead of the ECB. The SREP decision is tailored to each bank's individual profile. As at 30 June 2019, the Group's CET1 Ratio exceeded the minimum requirement of CRR and SREP. Implementing regulations in Greece under the CRD IV or higher SREP requirements may impose higher capital requirements, such as higher prudential buffers, which may require the Group to raise further capital. See "*Regulation and Supervision of Banks in Greece – Single Supervisory Mechanism (SSM)*" below.

Furthermore, on 20 March 2017, the ECB published its final "Guidance to banks on non-performing loans", setting out expectations in relation to strategy, governance, and operations. On 15 March 2018, the ECB launched the final addendum to the aforementioned ECB guidance on NPLs. The addendum sets out supervisory expectations for minimum levels of prudential provisioning for new

NPLs and reinforces the guidance with regards to fostering timely provisioning and write off practices, and may be amended from time to time.

On 14 March 2018, the European Commission presented a package of measures to tackle high NPL ratios in Europe.

On 31 October 2018 the European Banking Authority published its final guidelines on management of nonperforming and forborne exposures (the "**EBA Guidelines**"). The EBA Guidelines applied from 30 June 2019. They are developed in accordance with the European Council Action Plan, aim to ensure that credit institutions have adequate prudential tools and frameworks in place to manage effectively their NPEs and to achieve a sustainable reduction on their balance sheets. To this end, the EBA Guidelines require institutions to establish NPE reduction strategies and introduce governance and operational requirements to support them. The EBA Guidelines specify sound risk management practices for credit institutions in their management of NPEs and forborne exposures ("**FBEs**"), including requirements on NPE reduction strategies, governance and operations of NPE workout framework, internal control framework and monitoring. The EBA Guidelines also set out requirements for processes to recognise NPEs and FBEs, as well as a forbearance granting process with a focus on the viability of forbearance measures. In particular, the EBA Guidelines specify that institutions should grant forbearance measures only with the view to return the borrower to a sustainable performing repayment status and are thus in the borrower's interest. The EBA Guidelines introduce a threshold of 5% of gross NPL ratio as a trigger for developing NPE strategies and applying associated governance and operational arrangements. Finally, the EBA Guidelines outline requirements for competent authorities' assessment of credit institutions' NPE management activity as part of the SREP.

The above measures and guidelines will have an impact on the Group's risk management, governance or control systems as these relate to its management of NPEs and FBEs, as well as on how the SSM assesses the Group's capital requirements for NPEs and FBEs.

If the Bank or the Group does not satisfy the minimum capital requirements (taking into account relevant combined buffer requirements) in the future, it may be subject to the measures that the SSM can take pursuant to Greek Law 4261/2014 which transposed into Greek Law the CRD IV Directive (the "**CRD Law**") and Regulation 1024/2013, including appointment of a commissioner to the Bank (see "*Regulation and Supervision of Banks in Greece – Bank Recovery and Resolution Directive*" below).

If the Bank is required to raise further capital but is unable to do so on acceptable terms, the Group may be required to further reduce the amount of the Bank's risk weighted assets and thus engage in further disposal of core and other non-core businesses, which may not occur on a timely basis or achieve prices which would otherwise be attractive to the Bank. Any failure to maintain minimum regulatory capital ratios could result in administrative actions or other sanctions, which in turn may have a material adverse effect on the Bank's operating results, financial condition and prospects. If the Bank is required to strengthen its capital position, it may not be possible for the Bank to raise additional capital from the financial markets or to dispose of marketable assets. That could potentially lead to further requests for State Aid pursuant to the provisions of Greek Law 3864/2010, as amended and in force (the "**HFSF Law**") in the circumstances permitted under Greek Law 4335/2015 (the "**BRR Law**") and the HFSF Law, which could result in the application of Burden Sharing Measures (as described in "*The Issuer –History and Development of the Group–2015 Recapitalisation– Burden Sharing Measures*" below.

The Group is subject to the European resolution framework which has been implemented and may result in additional compliance or capital requirements and will dictate the procedure for the resolution of the Group.

The BRRD provides for the establishment of an EU-wide framework for the recovery and resolution of credit institutions and investment firms. The BRRD is designed to provide authorities with a credible set of resolution tools and powers to intervene sufficiently early and quickly to avoid a significant adverse effect on the financial system, to prevent threats to market infrastructures, to protect depositors and investors and to minimize reliance on public financial support. On 23 November 2016, the European Commission published the Proposals (see "*The Group may need additional capital and liquidity as a result of regulatory changes*" above), including a proposal to amend certain provisions of the BRRD (the "**BRRD Reforms**").

On 18 December 2018, Greek Law 4583/2018 was published, transposing Directive 2017/2399 as an amendment of article 145A of Greek Law 4261/2014, which amended the ranking of claims from unsecured debt instruments in the insolvency hierarchy. Pursuant to the aforesaid amendment of article 145A of Greek Law 4261/2014, any claims deriving from debt instruments issued by credit institutions which (i) are not contractually subordinated and (ii) do not qualify as senior non-preferred debt instruments (as the latter are defined in the same article) are included in the last class of preferred liabilities in the insolvency hierarchy, which is *pari passu* with all claims against the credit institution which do not have a higher preferred ranking, including, *inter alia*, claims from agreements for the provision of goods and services and derivatives. Before the entry into force of the above-mentioned amendment, claims from unsecured debt instruments were not included in any class of preferred liabilities, subject to explicitly provided for exemptions. The same article defines senior non-preferred notes, as debt instruments that meet the following conditions: (a) the original contractual maturity of the debt instruments is at least one year; (b) they do not contain any embedded derivatives and they are not themselves derivatives; and (c) the relevant contractual documentation and, where applicable, the prospectus related to the issuance explicitly refer to the lower ranking as provided for by article 145A of Greek Law 4261/2014.

The BRRD (as applicable before the entry into force of Directive (EU) 2017/2399) was transposed into Greek law by the BRR Law. The BRRD's broad range of resolution tools and powers may be used alone or in combination where the relevant resolution authority considers that certain required conditions are met.

The final text in relation to the BRRD Reforms was formally approved by the European Council in May 2019 and published in the Official Journal of the European Union on 7 June 2019. Regulation (EU) 2019/877 amended Regulation (EU) No 806/2014 as regards the loss-absorbing and recapitalisation capacity of credit institutions and investment firms. This Regulation shall apply from 28 December 2020. Directive (EU) 2019/879 ("**BRRD II**") amended Directive 2014/59/EU as regards the loss-absorbing and recapitalisation capacity of credit institutions and investment firms. Member States shall bring into force the laws, regulations and administrative provisions necessary to comply with this Directive by 28 December 2020. Member States shall apply those measures as from the date of their entry into force in national law, which shall be no later than 28 December 2020, subject to certain exceptions. See "*The Group may need additional capital and liquidity as a result of regulatory changes"* and see also below "*Regulation and Supervision of Banks in Greece – Bank Recovery and Resolution Directive*".

In addition to the bail in tool which is available for an institution in resolution, the BRRD provides for relevant resolution authorities with pre resolution powers to permanently write down or convert into equity capital instruments of the financial institution, including "CET1 instruments" (which includes ordinary shares), "Additional Tier 1 instruments" and "Tier 2 instruments" (each as defined under the CRD IV) at the point of non viability of the institution and before any other resolution action is taken, with losses taken in accordance with the priority of claims under normal insolvency proceedings ("**Non Viability Loss Absorption**"), as further described under "*Regulation and Supervision of Banks in Greece — Bank Recovery and Resolution Directive*" below. For the purposes of the application of any Non-Viability Loss Absorption measure, the point of non-viability under the BRRD is the point at which the relevant resolution Authority determines that the institution meets the conditions for resolution (but no resolution action has yet been taken) or that the institution or, in certain

circumstances, its group, will no longer be viable unless the relevant capital instruments are written down/converted or extraordinary public support is to be provided and without such support the appropriate authority determines that the institution and/or, as appropriate, its group, would no longer be viable.

The capital instruments write down and conversion power may be exercised independently of, or in combination with, the exercise of a resolution tool. These measures could be applied to certain of the Group's instruments; the occurrence of circumstances in which write down or conversion powers would need to be exercised (or any perceived risk of such powers being exercised) would be likely to have a material adverse impact on the Group's business, financial condition and results of operations. Furthermore, in circumstances where capital instruments are converted into equity securities by application of the mandatory conversion tool, those equity securities may be subjected to the bail in powers in resolution, resulting in their cancellation, significant dilution or transfer away from the investors therein.

EBA Guidelines on "the interpretation of the different circumstances when an institution shall be considered as failing or likely to fail" provide clarifications on the cases where an institution is assessed as "failing or likely to fail". Executive Committee Act 111/31.01.2017 of the Bank of Greece took into consideration the abovementioned Guidelines and provided interpretation of the different circumstances when an institution shall be considered as failing or likely to fail regarding the implementation of the obligation of the Board of Directors of the institution to notify the Bank of Greece. An institution will be considered as failing or likely to fail after an assessment of the objective elements relating to the following areas:

- the capital position of an institution;
- the liquidity position of an institution; and
- any other requirements for continuing authorisation (including governance arrangements and operational capacity).

Although there are pre-conditions for the exercise of the bail-in power, there remains uncertainty regarding the specific factors which the relevant resolution authority would consider in deciding whether to exercise the bail-in power with respect to the relevant financial institution and/or securities issued by that institution.

Given the final discretion provided to the relevant resolution authority, it may be difficult to predict when, if at all, the exercise of any bail in power by the relevant resolution authorities may occur. Accordingly, the threat of bail in or exercise of the write down or conversion power may affect trading behaviour, including prices and volatility, of the securities of any institution which the market perceives to be potentially considered as failing or likely to fail by the relevant resolution authority.

The BRRD also provides for a Member State as a last resort, after having assessed and exploited the above resolution tools (including the general bail in tool) to the maximum extent practicable whilst maintaining financial stability, to be able to provide extraordinary public financial support through additional financial stabilization tools. These consist of the public equity support and temporary public ownership tools. Any such extraordinary financial support must be provided in accordance with the burden sharing requirements of the EU state aid framework and the BRRD.

The powers set out in the BRRD will impact how credit institutions and investment firms are managed as well as, in certain circumstances, the rights of creditors. As such, it is too early to anticipate the full impact of the BRRD, and there can be no assurance that Covered Bondholders and potential investors will not be adversely affected by actions taken under it. In addition, there can be no assurance that its application will not have a significant impact on the Group's results of operations,

business, assets, cash flows and financial condition, as well as on its funding activities and the products and services offered.

In addition, the SRM Regulation establishes uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism ("**SRM**") and a Single Resolution Fund (the "**Fund**").

The SRM Regulation, which will complement the SSM (as discussed under *"The Group may need additional capital and liquidity as a result of regulatory changes*" above), applies to all banks supervised by the SSM, including the Bank. These uniform rules and uniform procedures established under the SRM Regulation will be applied by a single resolution board (the "**Single Resolution Board**" or the "**SRB**") together with the EU Council and the European Commission and the national resolution authorities within the framework of the SRM.

On 11 October 2017, the European Commission urged the European Parliament and Council to progress quickly in the adoption of additional measures to tackle the remaining risks in the banking sector and suggested new actions to reduce NPLs and to help banks diversify their investment in sovereign bonds. The Group could be subject to any such additional measures or actions adopted which may result in additional compliance or capital requirements, and such measures or actions could have a material adverse effect on the Group's business, results of operations, financial condition or prospects.

Application of the Minimum Requirements for Own Funds and Eligible Liabilities under the BRRD may affect the Group's profitability.

Since 2016, European banks have had to comply with the rules under the BRRD, which, *inter alia*, introduced the MREL. MREL aims to facilitate the orderly resolution of financial institutions by requiring them to hold at all times sufficient loss absorbing instruments to ensure that shareholders, subordinated creditors and senior unsecured creditors primarily bear losses in the event of resolution. MREL includes own funds (including, for the avoidance of doubt, ordinary shares) as well as eligible liabilities (as defined in the BRRD) and is expressed as a percentage of either risk weighted assets or total liabilities and own funds, as contemplated by the BRRD. The BRRD does not mandate a minimum threshold for MREL, but instead provides for a case by case assessment of the MREL for each institution or group, against a minimum set of criteria prescribed by the rules made under the BRRD and applied by the Single Resolution Board in the case of financial institutions which are located in the Banking Union, such as the Group. Article 45 of the BRRD, as amended by BRRD II, sets out a procedure for the determination of MREL. Commission Delegated Regulation 2016/1450 further defines the way in which resolution authorities, including the SRB, are to determine MREL.

The Single Resolution Board's approach for determination of MREL targets has been crystallized to a significant extent, but significant elements still remain open. In 2017, the SRB developed its MREL policy and adopted its first binding decisions for major banking groups. Considering the need to address the specificities of the most complex groups with more details, the SRB has split the 2018 resolution planning cycle into two waves. The first started in January 2018 to allow for the banks that did not have binding targets – for instance those without presence outside the Banking Union – to be addressed first based on a MREL policy largely following the 2017 approach and published on 20 November 2018. For the second wave of resolution plans, covering the most complex banks, MREL setting will be based on an enhanced MREL policy published on 16 January 2019. This second part of the 2018 MREL policy introduces a series of new features to strengthen the MREL approach and banks' resolvability within the Banking Union. The SRB published an update to its policy on MREL in light of the publication of the Banking Package in the Official Journal of the EU on 7 June 2019.

The CRD IV Directive has subsequently been amended by the publication of Directive (EU) 2019/878 of the European Parliament and of the Council of 20 May 2019 (the "**CRD V Directive**") and the CRR has subsequently been amended by the publication of Regulation (EU) 2019/876 of the

European Parliament and of the Council of 20 May 2019 ("**CRR II**"). The CRD V Directive and CRR II were both published in the Official Journal of the European Union on 7 June 2019. CRR II will enter into force on 28 June 2021, with some exceptional provisions, some of which have already entered into force on 27 June 2019. With regards to CRD V, Member States shall adopt and publish, by 28 December 2020, the measures necessary to comply with it and apply these measures as of 29 December 2020 with certain exceptions. CRR II is directly applicable to the Bank. However, the CRD V Directive will need to be transposed into Greek Law before taking effect.

Regulation (EU) 2019/877 amended Regulation (EU) No 806/2014 as regards the loss-absorbing and recapitalisation capacity of credit institutions and investment firms. This Regulation shall apply from 28 December 2020. Directive (EU) 2019/879 amended Directive 2014/59/EU as regards the loss-absorbing and recapitalisation capacity of credit institutions and investment firms. Member States shall bring into force the laws, regulations and administrative provisions necessary to comply with this Directive by 28 December 2020. Member States shall apply those measures as from the date of their entry into force in national law, which shall be no later than 28 December 2020.

The BRRD Reforms contain a new Article 16a that clarifies the stacking order between the combined buffer and the MREL Requirement. Pursuant to this new provision the relevant resolution authority has the power to prohibit an entity from distributing more than the Maximum Distributable Amount (as defined below) for the MREL where the combined buffer requirement and the MREL Requirement are not met.

Should the Single Resolution Board not provide an adequate transition period, issuance of MREL eligible liabilities in a short timeframe could be very costly having thus a material adverse effect on Group's financial condition and results of operations.

The Group may not be allowed to continue to recognize the main part of deferred tax assets as regulatory capital or as an asset, which may have an adverse effect on its operating results and financial condition.

The Group currently includes DTAs in calculating the Group's capital and capital adequacy ratios.

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

Under applicable capital requirements regulations, DTAs recognized for IFRS purposes that rely on future profitability and arise from temporary differences of a credit institution and exceed certain thresholds must be deducted from its CET1 capital. This deduction was implemented gradually until 2019.

If the regulations governing the use of deferred tax credits ("**DTCs**") as part of the Group's regulatory capital change, this may affect the Group's capital base and consequently its capital ratios. As at 30 June 2019, 80% of the Group's CET1 capital was comprised of DTCs. Additionally, there can be no assurance that any final interpretation of the amendments described above will not change or that the European Commission will not rule the treatment of the DTCs under Greek Law illegal and as a result Greek credit institutions will ultimately not be allowed to maintain certain DTCs as regulatory capital. If any of these risks materialise, this could have a material adverse effect on the Group's ability to maintain sufficient regulatory capital, which may in turn require the Group to issue additional instruments qualifying as regulatory capital, to liquidate assets, to curtail business or to take any other actions, any of which may have a material adverse effect on the Group's operating results and financial condition and prospects.

Laws governing the bankruptcy of individuals or otherwise settlement of debts owed by individuals and regulations governing creditors' rights in Greece and various SEE countries may limit the

Group's ability to receive payments on past due loans, and anticipated changes to such laws may not have the desired effect.

Laws governing the bankruptcy of individuals or otherwise settlement of debts owed by individuals (including Greek Law 3869/2010 and Greek Law 4605/2019, regarding the debt arrangement of debts for over-indebted individuals) and other laws and regulations governing creditors' rights generally vary significantly within the region in which the Group operates. In some countries, the laws offer significantly less protection for creditors than the bankruptcy regimes in Western Europe. In Greece, foreclosures and auctions of all properties were prohibited until 31 October 2015. Although the Greek suspension of every enforcement action due to capital controls was lifted by the 29 October 2015 official announcement of Ministry of Justice, Transparency and Human Rights on 2 November 2015, a prolonged abstention by lawyers, bailiffs and notaries that commenced in January 2016 and ended in November 2017 for all parties, restrained the Issuer from proceeding to enforcement, seizures and auctions of any real estate during that period. Further to the above, there are certain interest groups organizing demonstrations previously at physical auctions and currently at electronic auctions which hinder their execution and sometimes result in violence. Consequently, the pace at which auctions of residential properties occur is often delayed.

Although measures undertaken in the context of the Third Programme are in principle designed to address certain of the foregoing concerns in respect of creditors' rights in Greece, and reduce legal impediments to, and the tax consequences of, the enforcement of such rights, these measures may not be enacted as proposed or may not provide any of the protections to creditors that are hoped for. As a consequence, the Issuer may continue to encounter difficulties recovering or enforcing collateral on past due loans, which could have a material adverse effect on its financial condition and results of operations.

If the current economic conditions persist or worsen, bankruptcies could intensify, or applicable bankruptcy protection laws and regulations may change to limit the impact of the recession on corporate and retail borrowers. Such changes may have an adverse effect on the Group's business, results of operations and financial condition.

FACTORS WHICH ARE MATERIAL FOR THE PURPOSE OF ASSESSING THE MARKET RISKS ASSOCIATED WITH COVERED BONDS ISSUED UNDER THE PROGRAMME

Risks related to the Covered Bonds

Extension of the Covered Bonds' maturity under the Conditions

Unless previously redeemed as provided in the Conditions, the Covered Bonds of each Series will be redeemed by the Issuer at the relevant amount due on the Final Maturity Date as set out in the Final Terms (the "**Final Redemption Amount**"). If the Issuer fails to pay the Final Redemption Amount in respect of a Series of Covered Bonds on the applicable Final Maturity Date (as specified in the relevant Final Terms) then payment of any unpaid Final Redemption Amount by the Issuer shall be deferred automatically until the Extended Final Maturity Date (as specified in the Final Terms, such date the "**Extended Final Maturity Date**") and the relevant Series of Covered Bonds shall become Pass-Through Covered Bonds, provided that, any amount representing the Final Redemption Amount due and remaining unpaid on such Series of Pass-Through Covered Bonds after the Final Maturity Date shall be paid by the Issuer on any Interest Payment Date thereafter up to (and including) the relevant Extended Final Maturity Date. Interest will continue to accrue and be payable on any unpaid amounts on each Interest Payment Date up to the Extended Final Maturity Date in accordance with the Conditions and the Issuer (or the Servicer on its behalf) will make payments on each relevant Interest Payment Date and Extended Final Maturity Date. If, on the Extended Final Maturity Date in respect of any Series of Pass-Through Covered Bonds there is a failure to pay any amount of principal due on such Pass-Through Covered Bonds on such date and such default is not remedied within a

period of 7 (seven) Athens Business Days from the date thereof then the Trustee shall serve a Notice of Default on the Issuer pursuant to the Conditions. Following the service of a Notice of Default the Covered Bonds of all Series shall become immediately due and payable. Furthermore, following the occurrence of an Issuer Event and breach of the Amortisation Test all Series of Covered Bonds shall automatically become Pass-Through Covered Bonds and the Issuer shall redeem all Series of Pass Through Covered Bonds pro rata and *pari passu* on each Interest Payment Date, in accordance with and subject to the relevant Priority of Payments.

The circumstances described above under "Risks relating to the Covered Bonds – *Extension of the Covered Bonds' maturity under the Conditions*" may result in Covered Bondholders receiving principal repayments sooner, or (as applicable) later, than they might otherwise have expected. If, as a result of the relevant circumstances described above Covered Bonds of any outstanding Series become Pass Through Covered Bonds (and therefore become required to be redeemed (subject to funds being available for such purpose) prior to their Final Maturity Date (or, as applicable, Extended Final Maturity Date)) this may cause the relevant Covered Bondholders to receive repayment of their Covered Bonds sooner than they might otherwise have expected, and this may result in a lower yield on such Covered Bondholders' investment (particularly given that no premium or other compensation will be paid in such circumstances).

Where such circumstances result in all outstanding Series becoming required to be so redeemed, the overall speed of repayment is likely to be reduced because the available funds for repayment will be divided pro rata between all outstanding Covered Bonds and not only those that have become Pass Through Covered Bonds due to the relevant Final Maturity Date having passed without full repayment of the relevant Series having occurred. In such case, it is likely that the repayment of the Covered Bonds will take longer than would be the case if only one Series were being redeemed in such way.

Any such circumstances are also likely to result in Covered Bondholders receiving irregular, infrequent and/or uncertain amounts as and when funds become available to make the required repayments, and this will create a materially different repayment profile for the relevant Covered Bonds than the one anticipated by the relevant Final Terms.

The Covered Bonds will be obligations of the Issuer only

The Covered Bonds will be solely obligations of the Issuer and will not be obligations of or guaranteed by the Trustee, the Asset Monitor, the Account Bank, the Agents, the Hedging Counterparties, the Arranger, the Dealer or the Listing Agent (as defined below) or any party to the Programme. No liability whatsoever in respect of any failure by the Issuer to pay any amount due under the Covered Bonds shall be accepted by any of the Arranger, the Dealer, the Hedging Counterparties the Trustee, the Agents, the Account Bank, any company in the same group of companies as such entities or any other party to the transaction documents relating to the Programme.

Maintenance of the Cover Pool

Pursuant to the Greek Covered Bond Legislation, the Cover Pool is subject to a number of Statutory Tests set out in the Secondary Covered Bond Legislation. Failure of the Issuer to take prompt remedial action to cure any breach of these tests will result in the Issuer being unable to issue further Covered Bonds and any failure to satisfy the Statutory Tests may have an adverse effect on the ability of the Issuer to meet its payment obligations in respect of the Covered Bonds.

Pursuant to the Servicing and Cash Management Deed after the occurrence of an Issuer Event the Cover Pool is subject to an Amortisation Test. The Amortisation Test is intended to ensure that the Cover Pool Assets are sufficient to meet the obligations under all Covered Bonds outstanding together with senior expenses that rank in priority or *pari passu* with amounts due on the Covered

Bonds. Failure to satisfy the Amortisation Test on any Calculation Date following an Issuer Event will constitute a Cover Pool Event of Default, thereby entitling the Trustee to accelerate the Covered Bonds subject to and in accordance with the Conditions and the Trust Deed.

Factors that may affect the realisable value of the Cover Pool or any part thereof

The realisable value of Loans and their Related Security comprised in the Cover Pool may be reduced by:

(a) default by borrowers (each borrower being, in respect of a Loan Asset, the individual specified as such in the relevant mortgage terms together with each individual (if any) who assumes from time to time an obligation to repay such Loan Asset (the "**Borrower**") in payment of amounts due on their Loans;

(b) changes to the lending criteria of the Issuer; and

(c) possible regulatory changes by the regulatory authorities;

Each of these factors is considered in more detail below. However, it should be noted that the Statutory Tests, the Amortisation Test and the Eligibility Criteria are intended to ensure that there will be an adequate amount of Loan Assets in the Cover Pool to enable the Issuer to repay the Covered Bonds following service of a Notice of Default and accordingly it is expected (but there is no assurance) that the Loan Assets could be realised for sufficient value to enable the Issuer to meet its obligations under the Covered Bonds.

Default by Borrowers in paying amounts due on their Loans

Borrowers may default on their obligations under the Loans in the Cover Pool. Defaults may occur for a variety of reasons. The Loans are affected by credit, liquidity and interest rate risks. Various factors influence mortgage delinquency rates, prepayment rates, repossession frequency and the ultimate payment of interest and principal, such as changes in the national or international economic climate, regional economic or housing conditions, changes in tax laws, interest rates, inflation, the availability of financing, yields on alternative investments, political developments and government policies. Other factors in Borrowers' individual, personal or financial circumstances may affect the ability of Borrowers to repay the Loans. Loss of earnings, illness, divorce and other similar factors may lead to an increase in delinquencies by and bankruptcies of Borrowers and could ultimately have an adverse impact on the ability of Borrowers to repay the Loans. In addition, the ability of a Borrower to sell a property given as security for a Loan at a price sufficient to repay the amounts outstanding under that Loan will depend upon a number of factors, including the availability of buyers for that property, the value of that property and property values in general at the time.

Changes to the Lending Criteria of the Issuer

Each of the Loans originated by the Issuer will have been originated in accordance with its Lending Criteria at the time of origination. It is expected that the Issuer's Lending Criteria will generally consider, *inter alia*, type of property, term of loan, age of applicant, the loan-to-value ratio, status of applicant and credit history. The Issuer retains the right to revise its Lending Criteria from time to time but would do so only to the extent that such a change would be acceptable to a reasonable, prudent mortgage lender. If the Lending Criteria change in a manner that affects the creditworthiness of the Loans, that may lead to increased defaults by Borrowers and may affect the realisable value of the Cover Pool, or part thereof, and the ability of the Issuer to make payments under the Covered Bonds.

Risks relating to Subsidised Loans

In the Hellenic Republic subsidies are available to borrowers in respect of interest payments made under residential mortgage loans. The availability and amount of subsidy is determined by reference to the financial and social circumstances of a borrower and are made available from the Greek State and/or the OEK. For the avoidance of doubt, any Subsidised Loans included in the Cover Pool are only euro denominated.

The Issuer receives the subsidised component of interest due under the Subsidised Loans from the OEK, the Greek State or any other applicable Greek State subsidised entity. The OEK will maintain the OEK Savings Account and the Servicer will be authorised to deduct the amount of the subsidy related to the relevant Subsidised Loan from this account and then transfer such amounts to the Collection Account or, following an Issuer Event, to the Transaction Account according to the terms of the Servicing and Cash Management Deed. On the other hand, until such withdrawal from the OEK Savings Account by the Servicer, OEK remains liable to the Issuer for the relevant subsidy. If the OEK Savings Account balance for any given month has not been sufficiently replenished by the OEK in advance of the next month's automated deduction of the subsidy amounts, the remaining balance owing to NBG and to be transferred by the Servicer into the Collection Account or, following an Issuer Event, the Transaction Account will be deducted once additional funds have been deposited by the OEK.

The Greek State will make payments of the subsidised interest amounts to NBG into the NBG BoG Account and then the Servicer shall be authorised to transfer such amounts to the Collection Account or, following an Issuer Event, to the Transaction Account according to the terms of the Servicing and Cash Management Deed. The Servicer will notify the Greek State of the subsidised interest amounts that are payable by them and will undertake to take action necessary to ensure that the Greek State make payment of the subsidised interest amounts that are payable by them.

In respect of any other subsidies provided by a Greek State subsidised entity, the amounts paid by way of subsidy will be transferred by the Servicer into the Collection Account or, following an Issuer Event, to the Transaction Account in accordance with the standard procedures applicable to such entity and the Servicer shall notify the relevant Greek State subsidised entity of the amount of any such subsidy due as soon as possible.

Although the Greek State, the OEK or the relevant Greek State subsidised entity, as appropriate, is required to pay the Subsidised Interest Amounts, the relevant borrowers remain liable to repay the full amount of interest due under their Subsidised Loan. If the Greek State and/or the OEK fails to pay any Subsidised Interest Amounts then the Borrower may be unable to meet payments due under the relevant Subsidised Loan. If the Borrower fails to pay the full amount under the Subsidised Loan, this may have an adverse impact on the funds available for the payments in respect of the Covered Bonds.

The OEK pays subsidised interest amounts under the relevant Subsidised Loans on a monthly basis and up to two months in arrears and the Greek State pays subsidised interest amounts under the relevant Subsidised Loans every six months in arrears. Accordingly, the Issuer will not receive the portion of the interest that is subsidised by the OEK and the Greek State in respect of such Subsidised Loan at the same time as the unsubsidised portion of interest paid by the Borrower. In addition, a Greek State subsidised entity may not pay the subsidy at the same time as unsubsidised amounts are paid by the Borrower.

By virtue of the terms and conditions stated in article 55 of Greek Law 4305/2014, it has been allowed for Borrowers to file a petition for the extension of the term of their OEK Subsidised Loans, provided that at the date of such petition the amount of any due payments that remain unpaid does not exceed the aggregate of six monthly instalments. Such petition should also have been filed within six months from the aforementioned Greek Law's publication (the Greek Law was published in the Government Gazette 237/A/31.10.2014) (such deadline was extended initially until 31 December 2015 by virtue of Decision no. 19068/819/4.5.2015 of the Minister of Finance (Government Gazette 878/B/19.5.2015),

and subsequently until 31 December 2016 by virtue of Decision no. 21559/732/25.5.2016 of the Minister of Finance (Government Gazette 1478/B/25.5.2016).

Under Greek Law, the Greek State and OEK will not benefit from sovereign immunity in respect of their obligations. Investors should also note that enforcement of judgments against the Greek State or the OEK may be subject to limitations.

Any changes in Greek Law or the administrative practice of the Greek State or the OEK which affect the timing and amount of subsidised interest payable could result in an adverse affect of the ability of the Issuer to make payments in respect of the Covered Bonds.

Sale of Loans and their Related Security following the occurrence of an Issuer Event

Following the occurrence of an Issuer Event which is continuing, the Servicer shall be obliged to sell in whole or in part the Loan Assets in respect of the relevant Series of Pass Through Covered Bonds, in accordance with the Servicing and Cash Management Deed. The proceeds from any such sale will be credited to the Transaction Account and applied in accordance with the applicable Priority of Payments. There is no guarantee that the Servicer will be able to sell in whole or in part the Loan Assets as the Servicer may not be able to find a buyer at the time it is obliged to sell.

The Issuer will have the right to prevent the sale of a Loan Asset to third parties by removing the Loan Asset made subject to sale from the Cover Pool and transferring within ten Athens Business Days from the receipt of the offer letter, to the Transaction Account, an amount equal to the price set forth in such offer letter, subject to the provision of a solvency certificate.

No representations or warranties to be given by the Servicer if Loan Assets are to be sold

Following an Issuer Event, the Servicer will be obliged to sell Loan Assets to third parties (subject in certain circumstances to a right of pre-emption in favour of the Issuer) pursuant to the terms of the Servicing and Cash Management Deed. In respect of any sale of Loan Assets to third parties, however, the Servicer will not be permitted to give representations and warranties or indemnities in respect of those Loan Assets. There is no assurance that the Issuer would give any representations and warranties or indemnities in respect of the Loan Assets. Any representations and warranties previously given by the Issuer in respect of the Loan Assets in the Cover Pool may not have value for a third party purchaser if the Issuer is then insolvent. Accordingly, there is a risk that the realisable value of the Loan Assets could be adversely affected by the lack of representations and warranties or indemnities. See "*Description of Principal Documents – Servicing and Cash Management Deed*".

Reliance on Hedging Counterparties

To provide a hedge against possible variances in the rates of interest payable on the Loans in the Cover Pool (which may, for instance, include discounted rates of interest, fixed rates of interest or rates of interest which track a base rate and other variable rates of interest) and EURIBOR for 1, 3 or 6 month euro deposits, the Issuer may enter into an Interest Rate Swap with the Interest Rate Swap Provider in respect of each Series of Covered Bonds under the Interest Rate Swap Agreement. In addition, to provide a hedge against interest rate, currency and/or other risks in respect of amounts received by the Issuer under the Loans in the Cover Pool and the Interest Rate Swaps and amounts payable by the Issuer under the Covered Bonds, the Issuer may enter into a Covered Bond Swap with a Covered Bond Swap Provider in respect of a Series of Covered Bonds under the Covered Bond Swap Agreement.

If the Issuer fails to make timely payments of amounts due under any Hedging Agreement, then it will have defaulted under that Hedging Agreement. A Hedging Counterparty is only obliged to make payments to the Issuer as long as the Issuer complies with its payment obligations under the relevant

Hedging Agreement. If the Hedging Counterparty is not obliged to make payments or if it defaults on its obligations to make payments of amounts in the relevant currency equal to the full amount to be paid to the Issuer on the due date for payment under the relevant Hedging Agreement, the Issuer will be exposed to any changes in the relevant currency exchange rates to Euro and to any changes in the relevant rates of interest. Unless a replacement swap is entered into, the Issuer may have insufficient funds to make payments under the Covered Bonds.

If a Hedging Agreement terminates, then the Issuer (or the Servicer on its behalf) may be obliged to make a termination payment to the relevant Hedging Counterparty. There can be no assurance that the Issuer (or the Servicer on its behalf) will have sufficient funds available to make a termination payment under the relevant Hedging Agreement, nor can there be any assurance that the Issuer will be able to enter into a replacement swap agreement, or if one is entered into, that the credit rating of the replacement swap counterparty will be sufficiently high to prevent a downgrade of the then current ratings of the Covered Bonds by the Rating Agencies.

If the Issuer is obliged to pay a termination payment under any Hedging Agreement, such termination payment will rank ahead of amounts due on the Covered Bonds (in respect of the Interest Rate Swaps) and *pari passu* with amounts due on the Covered Bonds (in respect of the Covered Bond Swaps), except where default by, or downgrade of, the relevant Hedging Counterparty has caused the relevant Swap Agreement to terminate.

Conflicts of Interest

Certain parties to this Transaction act in more than one capacity. The fact that these entities fulfil more than one role could lead to a conflict between the rights and obligations of these entities in one capacity and the rights and obligations of these entities in another capacity. In addition, this could also lead to a conflict between the interests of these entities and the interests of the Covered Bondholders. Any such conflict may adversely affect the ability of the Issuer to make payments of principal and/or interest in respect of the Covered Bonds.

Differences in timings of obligations of the Issuer and the Covered Bond Swap Provider under the Covered Bond Swaps

With respect to each of the Covered Bond Swaps, the Issuer (or the Servicer on its behalf) will, periodically, pay or provide for payment of an amount to each corresponding Covered Bond Swap Provider based on EURIBOR for Euro deposits for the agreed period. The Covered Bond Swap Provider may not be obliged to make corresponding swap payments to the Issuer under a Covered Bond Swap until amounts are due and payable by the Issuer under the Covered Bonds. If a Covered Bond Swap Provider does not meet its payment obligations to the Issuer under the relevant Covered Bond Swap Agreement or such Covered Bond Swap Provider does not make a termination payment that has become due from it to the Issuer under the Covered Bond Swap Agreement, the Issuer may have a larger shortfall in funds with which to make payments under the Covered Bonds than if the Covered Bond Swap Provider's payment obligations coincided with the Issuer's payment obligations under the Covered Bond Swap. Hence, the difference in timing between the obligations of the Issuer and the obligations of the Covered Bond Swap Providers under the Covered Bond Swaps may affect the Issuer's ability to make payments with respect to the Covered Bonds. A Covered Bond Swap Provider may be required, pursuant to the terms of the relevant Covered Bond Swap Agreement, to post collateral with the Issuer if the relevant rating of the Covered Bond Swap Provider is downgraded by a Rating Agency below the rating specified in the relevant Covered Bond Swap Agreement.

Change of counterparties

The parties to the Transaction Documents who receive and hold moneys pursuant to the terms of such documents (such as the Account Banks) are required to satisfy certain criteria in order that they can continue to receive and hold moneys.

These criteria include requirements in relation to the short-term, unguaranteed and unsecured credit ratings ascribed to such party by one or more of the Rating Agencies. If the party concerned ceases to satisfy the applicable criteria, including the ratings criteria detailed above, then the rights and obligations of that party (including the right or obligation to receive moneys on behalf of the Issuer) may be required to be transferred to another entity which does satisfy the applicable criteria. In these circumstances, the terms agreed with the replacement entity may not be as favourable as those agreed with the original party pursuant to the relevant Transaction Document.

In addition, should the applicable criteria cease to be satisfied, then the parties to the relevant Transaction Document may agree to amend or waive certain of the terms of such document, including the applicable criteria, in order to avoid the need for a replacement entity to be appointed. The consent of Covered Bondholders may not be required in relation to such amendments and/or waivers.

Appointment of a Replacement Servicer

In the event of insolvency of the Issuer, the Greek Covered Bond Legislation (in conjunction with certain Greek insolvency law provisions) provides that the Cover Pool will at all times remain segregated from the insolvency estate of the Issuer until payment of all amounts due to the Covered Bondholders have been made in full. To ensure continuation of the servicing of the Cover Pool in the event of insolvency of the Issuer (acting as the Servicer) the Greek Covered Bond Legislation provides that the Transaction Documents may provide for the substitution of the Servicer upon the insolvency of the Issuer.

In the event that no Replacement Servicer is appointed pursuant to the Transaction Documents and in the event of the Issuer's insolvency under the CRD Law (special liquidation), the Bank of Greece may appoint a servicer, if the Trustee fails to do so. Any such person appointed shall be obliged to service the Cover Pool in accordance with the terms of the Servicing and Cash Management Deed. Such replacement might not be made immediately upon the Issuer's insolvency.

There can be no assurance that replacement of the Issuer as Servicer (or any delay in making such replacement) would not cause delays in payment on the Covered Bonds and Covered Bondholders might suffer loss as a result. See also "*Insolvency of the Issuer*" below.

Limited description of the Cover Pool

Covered Bondholders will not receive detailed statistics or information in relation to the Loan Assets in the Cover Pool, because it is expected that the constitution of the Cover Pool will frequently change due to, for instance:

(i) the Issuer assigning Additional Cover Pool Assets to the Cover Pool; and

(ii) the Issuer removing Cover Pool Assets from the Cover Pool or substituting existing Cover Pool Assets in the Cover Pool with Additional Cover Pool Assets.

There is no assurance that the characteristics of the Loan Assets assigned to the Cover Pool will be the same as those Loan Assets in the Cover Pool as at that date. However, each Loan Asset will be required to meet the Individual Eligibility Criteria and be subject to the representations and warranties set out in the Servicing and Cash Management Deed. In addition, the Nominal Value Test is intended to ensure that the Principal Amount Outstanding of all Series of Covered Bonds, together with all accrued interest thereon, is not greater than 81%. of the Nominal Value of the Cover Pool for so long

as Covered Bonds remain outstanding (although there is no assurance that it will do so) and the Asset Monitor will provide annual agreed upon procedures report on the required tests by the Bank of Greece (including Nominal Value Test) where exceptions, if any, will be noted.

Ratings of the Covered Bonds

One or more independent Rating Agencies may assign credit ratings to the Covered Bonds. The credit ratings assigned to the Covered Bonds may address the probability of default, loss given default and credit risk. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Covered Bonds.

The expected credit ratings of the Covered Bonds are set out in the relevant Final Terms for each Series of Covered Bonds. Any Rating Agency may lower its rating or withdraw its rating if, in the sole judgment of the Rating Agency, the credit quality of the Covered Bonds has declined or is in question. If any credit rating assigned to the Covered Bonds is lowered or withdrawn, the market value of the Covered Bonds may reduce. A security rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time.

In general, European regulated investors are restricted under Regulation (EC) No. 1060/2009 (as amended) (the "**CRA Regulation**") from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the EU and registered under the CRA Regulation (and such registration has not been withdrawn or suspended), subject to transitional provisions that apply in certain circumstances whilst the registration application is pending. Such general restriction will also apply in the case of credit ratings issued by non-EU credit rating agencies, unless the relevant credit ratings are endorsed by an EU-registered credit rating agency or the relevant non-EU rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended). The list of registered and certified rating agencies published by the ESMA on its website in accordance with the CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list. Certain information with respect to the credit rating agencies and ratings is set out on the cover of this Base Prospectus.

Rating Agency Confirmation in respect of Covered Bonds

The terms of certain of the Transaction Documents provide that, in certain circumstances (including, *inter alia*, amendments to the Transaction Documents), the Issuer must, and the Trustee may, obtain confirmation from one or more of the Rating Agencies (to the extent they are rating any Covered Bonds at that time) that any particular action proposed to be taken by the Issuer, the Servicer or the Trustee will not adversely affect or cause to be withdrawn the then current ratings of the Covered Bonds (a "**Rating Agency Confirmation**").

By acquiring the Covered Bonds, investors will be deemed to have acknowledged and agreed that, notwithstanding the foregoing, a credit rating is an assessment of credit and does not address other matters that may be of relevance to Covered Bondholders, including, without limitation, in the case of a Rating Agency Confirmation, whether any action proposed to be taken by the Issuer, Servicer, the Trustee or any other party to a Transaction Document is either (i) permitted by the terms of the relevant Transaction Document, or (ii) in the best interests of, or not prejudicial to, some or all of the Covered Bondholders. In being entitled to have regard to the fact that one or more of the Rating Agencies have confirmed that the then current ratings of the Covered Bonds would not be adversely affected or withdrawn, each of the Issuer, the Trustee and the other Secured Creditors (including the Covered Bondholders) is deemed to have acknowledged and agreed that the above does not impose or extend any actual or contingent liability on the Rating Agencies to the Issuer, the Trustee, the Secured Creditors (including the Covered Bondholders) or any other person or create any legal

relations between the Rating Agencies and the Issuer, the Trustee, the Secured Creditors (including the Covered Bondholders) or any other person whether by way of contract or otherwise.

Any such Rating Agency Confirmation may or may not be given at the sole discretion of each Rating Agency. It should be noted that, depending on the timing of delivery of the request and any information needed to be provided as part of any such request, it may be the case that a Rating Agency cannot provide a Rating Agency Confirmation in the time available or at all, and the Rating Agency will not be responsible for the consequences thereof. Such confirmation, if given, will be given on the basis of the facts and circumstances prevailing at the relevant time, and in the context of cumulative changes to the transaction of which the securities form part since the issuance closing date. A Rating Agency Confirmation represents only a restatement of the opinions given, and is given on the basis that it will not be construed as advice for the benefit of any parties to the transaction.

Covered Bonds issued under the Programme

Covered Bonds issued under the Programme will either be fungible with an existing Series of Covered Bonds or have different terms to an existing Series of Covered Bonds (in which case they will constitute a new Series). All Covered Bonds will rank *pari passu* and *pro rata* without any preference or priority among themselves, irrespective of their Series, except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices.

Following the occurrence of a Cover Pool Event of Default and service by the Trustee of a Notice of Default, the Covered Bonds of all outstanding Series will become immediately due and payable against the Issuer.

Further Issues

The Issuer may from time to time, without the consent of the Covered Bondholders or the Couponholders, create and issue further Covered Bonds, provided that, *inter alia*:

(i) there is no outstanding Issuer Event and that such issuance would not cause an Issuer Event;

(ii) such issuance would not result in a breach of any of the Statutory Tests;

(iii) the Rating Agencies have been notified of such issuance;

(iv) such issuance has been notified to the Bank of Greece in accordance with paragraph II.3 of the Secondary Covered Bond Legislation; and

(v) if applicable, in respect of any Series or Tranche, a Hedging Agreement is entered into.

The Trustee may agree to modifications to the Transaction Documents without the Covered Bondholders' or Secured Creditors' prior consent

Pursuant to the terms of the Trust Deed and the Deed of Charge, the Trustee may, without the consent or sanction of any of the Covered Bondholders or any of the other Secured Creditors (other than the Swap Providers in respect of modification to the Post-Issuer Event Priority of Payments, the Post-Cover Pool Event of Default Priority of Payments, the Conditions, the Individual Eligibility Criteria or the Servicing and Cash Management Deed), concur with the Issuer and any other party in making any modification (other than a Series Reserved Matter) to the Transaction Documents and the Terms and Conditions of the Covered Bonds:

(i) provided that the Trustee is of the sole opinion that such modification will not be materially prejudicial to the interests of any of the Covered Bondholders of any Series; or

(ii) which in the sole opinion of the Trustee is of a formal, minor or technical nature or is to correct a manifest error,

and Moody's (to the extent it is rating any Covered Bonds at that time) has confirmed in writing to the Issuer that such modification will not adversely affect the then current ratings of the Covered Bonds (and in the case of any other Rating Agency (to the extent it is rating any Covered Bonds at that time), such Rating Agency has been notified of such modification).

Certain decisions of Covered Bondholders taken at Programme level

Any Extraordinary Resolution to direct the Trustee to take any enforcement action must be passed at a single meeting of the holders of all Covered Bonds of all Series then outstanding.

Absence of secondary market

There is not, at present, an active and liquid secondary market for the Covered Bonds, and no assurance is provided that a secondary market for the Covered Bonds will re-emerge. The Arranger is not obliged to and do not intend to make a market for the Covered Bonds. None of the Covered Bonds has been, or will be, registered under the Securities Act or any other applicable securities laws and they are subject to certain restrictions on the resale and other transfer thereof as set forth under Subscription and Sale and Transfer and Selling Restrictions. If a secondary market does re-emerge, it may not continue for the life of the Covered Bonds or it may not provide Covered Bondholders with liquidity of investment with the result that a Covered Bondholder may not be able to find a buyer to buy its Covered Bonds readily or at prices that will enable the Covered Bondholder to realise a desired yield.
In addition, Covered Bondholders should be aware of the prevailing and widely reported global credit market conditions (which continue at the date hereof), whereby there is a general lack of liquidity in the secondary market for instruments similar to the Covered Bonds. As a result of the current liquidity crisis, there exist significant additional risks to the Issuer and the investors which may affect the returns on the Covered Bonds to investors.

In addition, the current liquidity crisis has stalled the primary market for a number of financial products including instruments similar to the Covered Bonds. While it is possible that the current liquidity crisis may soon alleviate for certain sectors of the global credit markets, there can be no assurance that the market for securities similar to the Covered Bonds will recover at the same time or to the same degree as such other recovering global credit market sectors.

General legal investment considerations

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) Covered Bonds are legal investments for it, (2) Covered Bonds can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Covered Bonds. Financial institutions should consult their legal advisors or the appropriate regulators to determine the appropriate treatment of Covered Bonds under any applicable risk-based capital or similar rules.

Changes in reference rates

Reference rates and indices, including interest rate benchmarks such as the London Interbank Offered Rate ("**LIBOR**") and the Euro Interbank Offered Rate ("**EURIBOR**"), which are used to determine the amounts payable under financial instruments or the value of such financial instruments ("**Benchmarks**") have, in recent years, been the subject of political and regulatory scrutiny as to how they are created and operated. This has resulted in regulatory reform and changes to existing Benchmarks, with further changes anticipated under the Regulation (EU) No. 2016/1011 (the

"**Benchmarks Regulation**") which applied in general from 1 January 2018, with the exception of certain provisions, mainly on critical Benchmarks that applied from 30 June 2016.

Under the Benchmarks Regulation, new requirements will apply with respect to the provision of a wide range of benchmarks (including LIBOR and EURIBOR), the contribution of input data to a benchmark and the use of a benchmark within the European Union. In particular, the Benchmarks Regulation will, among other things: (i) require benchmark administrators to be authorised or registered (or, if non-EU-based, to be subject to an equivalent regime or otherwise recognised or endorsed) and to comply with extensive requirements in relation to the administration of benchmarks and (ii) prevent certain uses by EU-supervised entities of benchmarks of administrators that are not authorised or registered (or, if non-EU-based, deemed equivalent or recognised or endorsed).

In addition, the sustainability of LIBOR has been questioned by the UK Financial Conduct Authority ("**FCA**") as a result of the absence of relevant active underlying markets and possible disincentives (including possibly as a result of regulatory reforms) for market participants to continue contributing to such benchmarks. Additionally, in March 2017, the European Money Markets Institute (formerly Euribor-EBF) (the "**EMMI**") published a position paper referring to certain proposed reforms to EURIBOR, which reforms aim to clarify the EURIBOR specification, to develop a transaction-based methodology for EURIBOR and to align the relevant methodology with the Benchmarks Regulation, the IOSCO Principles for Financial Benchmarks and other regulatory recommendations. The EMMI has since indicated that there has been a "change in market activity as a result of the current regulatory requirements and a negative interest rate environment" and "under the current market conditions it will not be feasible to evolve the current EURIBOR methodology to a fully transaction-based methodology following a seamless transition path". It is the current intention of the EMMI to develop a hybrid methodology for EURIBOR. In July 2017, the chief executive of the FCA announced that the FCA does not intend to continue to encourage, or use its power to compel, panel banks to provide rate submissions for the calculation of the LIBOR benchmark to be set beyond the end of 2021 and that, as a result, there can be no guarantee that LIBOR will be determined after 2021 on the same basis at present, if at all.

The Programme provides for the issuance of Covered Bonds with a floating rate of interest determined on the basis of Benchmarks including LIBOR and EURIBOR. The reforms outlined above and other pressures may cause one or more Benchmarks to disappear entirely, to perform differently than in the past (as a result of a change in methodology or otherwise), create disincentives for market participants to continue to administer or participate in certain Benchmarks or have other consequences which cannot be predicted.

Based on the foregoing, prospective investors should in particular be aware that:

a) any of these reforms or pressures described above or any other changes to a Benchmark (including LIBOR and EURIBOR) could affect the level of the published rate, including to cause it to be lower and/or more volatile than it would otherwise be;

b) if LIBOR or EURIBOR or any other relevant Benchmark is discontinued or is otherwise unavailable, then the rate of interest on the Floating Rate Covered Bonds (in relation to which Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Interest Rate is to be determined) will be determined for a period by the fall-back provisions provided for under Condition 4.2(h)(i) (*Floating Rate Covered Bond and Variable Interest Rate Covered Bond Provisions*), although such provisions, being dependent in part upon the provision by the principal Relevant Financial Centre office of the reference banks of offered quotations for the relevant Benchmark to prime banks in the Relevant Financial Centre interbank market, may not operate as intended (depending on market circumstances and the availability of rates information at the relevant time) and may in certain circumstances result in the effective application of a fixed rate based on the rate which applied in the previous Interest Period when LIBOR or EURIBOR was available;

c) if LIBOR or EURIBOR or any other relevant Benchmark is discontinued, there can be no assurance that the applicable fall-back provisions under the Hedging Agreements would operate to allow the transactions under the Hedging Agreements to effectively mitigate interest rate risk in respect of the Floating Rate Covered Bonds; and

d) if LIBOR, EURIBOR or any other relevant Benchmark is discontinued, there can be no assurance that the operation of the applicable fall-back provisions would not have an indirect impact on the ability of the Issuer to meet its obligations under the Covered Bonds.

The Benchmarks Regulation could also have a material impact on any Covered Bonds linked to LIBOR, EURIBOR or any other relevant Benchmark, including any of the following circumstances: (i) an index which is a benchmark may not be used as such if its administrator does not obtain appropriate EU authorisations or is based in a non-EU jurisdiction which (subject to any applicable transitional provisions) does not have equivalent regulation. In such event, depending on the particular Benchmark and the applicable terms of the Covered Bonds, the Covered Bonds could be delisted (if listed), adjusted, redeemed or otherwise impacted; (ii) the methodology or other terms of the Benchmarks related to a series of Covered Bonds could be changed in order to comply with the terms of the Benchmarks Regulation, and such changes could have the effect of reducing or increasing the rate or level of the Benchmarks or affecting the volatility of the published rate or level.

In addition, it should be noted that broadly divergent interest rate calculation methodologies may develop and apply as between the Floating Rate Covered Bonds and/or the Hedging Agreements due to applicable fall-back provisions or other matters and the effects of this are uncertain but could include a reduction in the amounts available to the Issuer to meet its payment obligations in respect of the Floating Rate Covered Bonds.

Moreover, any of the above matters or any other significant change to the setting or existence of LIBOR, EURIBOR or any other relevant Benchmark could affect the ability of the Issuer to meet its obligations under the Floating Rate Covered Bonds or could have a material adverse effect on the value or liquidity of, and the amount payable under, the Floating Rate Covered Bonds. No assurance may be provided that relevant changes will not occur with respect to LIBOR, EURIBOR or any other relevant Benchmark and/or that such Benchmarks will continue to exist.

If the Issuer determines that that the relevant Reference Rate specified in the relevant Final Terms has ceased to be published on the Relevant Screen Page as a result of such benchmark ceasing to be calculated or administered when any Rate of Interest (or the relevant component part thereof) remains to be determined by such Reference Rate, then the Issuer shall use reasonable endeavours to appoint an Independent Adviser for the purposes of determining a Successor Rate or an Alternative Reference Rate (as further described in Condition 4(h) (*Benchmark Replacement*) and, if applicable, an Adjustment Spread (as defined in the Conditions). If the Issuer is unable to appoint an Independent Adviser or if the Independent Adviser appointed by it fails to determine a Successor Rate or an Alternative Reference Rate prior to the Relevant Interest Determination Date (as defined in the Conditions), the Issuer may determine a Successor Rate or, if there is no Successor Rate, an Alternative Reference Rate.

The use of a Successor Rate or an Alternative Reference Rate may result in interest payments that are substantially lower than or that do not otherwise correlate over time with the payments that could have been made on the Covered Bonds if the relevant benchmark remained available in its current form. Furthermore, if the Issuer is unable to appoint an Independent Adviser or if the Independent Adviser appointed by it fails to determine a Successor Rate or an Alternative Reference Rate or an Adjustment Spread, if applicable, the Issuer may have to exercise its discretion to determine (or to elect not to determine) an Alternative Benchmark Rate or Adjustment Spread, if applicable in a situation in which it is presented with a conflict of interest.

Investors should consider these matters and consult their own independent advisers and make their own assessment about the potential risks imposed by the Benchmarks Regulation reforms,

investigations and licensing issues in making any investment decision with respect to the Floating Rate Covered Bonds.

Risks related to the structure of a particular issue of Covered Bonds

A wide range of Covered Bonds may be issued under the Programme. A number of these Covered Bonds may have features which contain particular risks for potential investors. Set out below is a description of the most common such features:

Covered Bonds subject to optional redemption by the Issuer

An optional redemption feature of Covered Bonds is likely to limit their market value. During any period when the Issuer may elect to redeem Covered Bonds, the market value of those Covered Bonds generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The Issuer may be expected to redeem Covered Bonds when its cost of borrowing is lower than the interest rate on the Covered Bonds. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Covered Bonds being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

The Issuer may also, at its option, redeem Covered Bonds for tax reasons in the circumstances described in, and in accordance with, Condition 6.2 (Redemption for tax reasons) or, if so specified in the applicable Final Terms, in accordance with Condition 6.3 (Redemption at the option of the Issuer).

The redemption at the option of the Issuer provided in Condition 6.3 (Redemption at the option of the Issuer) is exercisable in whole or, if so specified in the applicable Final Terms, in part. If the Issuer decides to redeem certain Covered Bonds in part only, such partial redemption may affect the liquidity of the Covered Bonds of the same Series in respect of which such option is not exercised. Depending on the number of the Covered Bonds of the same Series in respect of which the Issuer's optional redemption is exercised, any trading market in respect of those Covered Bonds in respect of which such option is not exercised may become illiquid.

Fixed/Floating Rate Covered Bonds

Fixed/Floating Rate Covered Bonds may bear interest at a rate that converts from a fixed rate to a floating rate or from a floating rate to a fixed rate. Where the Issuer has the right to effect such a conversion, this will affect the secondary market and the market value of the Covered Bonds since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Issuer converts from a fixed rate to a floating rate in such circumstances, the spread on the Fixed/Floating Rate Covered Bonds may be less favourable than then prevailing spreads on comparable Floating Rate Covered Bonds tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Covered Bonds. If the Issuer converts from a floating rate to a fixed rate in such circumstances, the fixed rate may be lower than then prevailing rates on its Covered Bonds.

Covered Bonds which are issued at a substantial discount or premium may experience price volatility in response to changes in market interest rates

The market values of securities issued at a substantial discount (such as Zero Coupon Covered Bonds) or premium to their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for more conventional interest-bearing securities. Generally, the longer the

remaining term of such securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

Covered Bonds issued at a substantial discount or premium

The market values of securities issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

Covered Bonds issued with a specific use of proceeds, such as a "Green Covered Bond", "Social Covered Bond" and "Sustainable Covered Bond"

The applicable Final Terms relating to any specific Series of Covered Bonds may provide that it will be the Issuer's intention to apply the proceeds from an offer of those Covered Bonds specifically for projects and activities that promote climate-friendly and other environmental purposes ("**Green Projects**") and / or that promote access to labour market and accomplishment of general interest initiatives ("**Social Projects**"). Prospective investors should have regard to the information in the applicable Final Terms regarding such use of proceeds and must determine for themselves the relevance of such information for the purpose of any investment in such Covered Bonds together with any other investigation such investor deems necessary. In particular, no assurance is given by the Issuer or the Dealers that the use of such proceeds for any Green Projects and for any Social Projects will satisfy, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable law or regulations or by its own by-laws or other governing rules or investment portfolio mandates (in particular with regard to any direct or indirect environmental, sustainability or social impact of any projects or uses, the subject of, or related to, the relevant Green Projects or the relevant Social Projects).

Furthermore, it should be noted that there is currently no clearly defined definition (legal, regulatory or otherwise) of, nor market consensus as to what constitutes, a "green" or "social" or "sustainable" or an equivalently-labelled project or as to what precise attributes are required for a particular project to be defined as "green" or "social" or "sustainable" or such other equivalent label nor can any assurance be given that such a clear definition or consensus will develop over time. Accordingly, no assurance is or can be given to investors that any projects or uses the subject of, or related to, any Green Projects or any Social Projects will meet any or all investor expectations regarding such "green", "social" or "sustainable" or other equivalently-labelled performance objectives or that any adverse environmental, social and/or other impacts will not occur during the implementation of any projects or uses the subject of, or related to, any Green Projects and any Social Projects. As at the date of this Base Prospectus, the Issuer has not published a framework relating to an investment in Green Projects and in Social Projects although the Issuer intends to publish such framework prior to the issuance of any Covered Bonds which specify that the relevant proceeds will be used for Green Projects and for Social Projects.

No assurance or representation is given as to the suitability or reliability for any purpose whatsoever of any opinion or certification of any third party (whether or not solicited by the Issuer) which may or may not be made available in connection with the issue of any Covered Bonds and in particular with any Green Projects or any Social Projects to fulfil any environmental, sustainability, social and/or other criteria. For the avoidance of doubt, any such opinion or certification is not, nor shall be deemed to be, incorporated in and/or form part of this Base Prospectus. Any such opinion or certification is not, nor should be deemed to be, a recommendation by the Issuer, the Arrangers, the Dealers or any other person to buy, sell or hold any such Covered Bonds. Any such opinion or certification is only current as of the date that opinion was initially issued. Prospective investors must determine for

themselves the relevance of any such opinion or certification and/or the information contained therein and/or the provider of such opinion or certification for the purpose of any investment in such Covered Bonds. Currently, the providers of such opinions and certifications are not subject to any specific regulatory or other regime or oversight.

In the event that any such Covered Bonds are listed or admitted to trading on any dedicated "green", "social", "sustainable" or other equivalently-labelled segment of any stock exchange or securities market (whether or not regulated), no representation or assurance is given by the Issuer, the Dealers or any other person that such listing or admission satisfies, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable law or regulations or by its own by-laws or other governing rules or investment portfolio mandates, in particular with regard to any direct or indirect environmental, sustainability or social impact of any projects or uses, the subject of or related to, any Green Projects and to any Social Projects. Furthermore, it should be noted that the criteria for any such listings or admission to trading may vary from one stock exchange or securities market to another. Nor is any representation or assurance given or made by the Issuer, the Dealers or any other person that any such listing or admission to trading will be obtained in respect of any such Covered Bonds or, if obtained, that any such listing or admission to trading will be maintained during the life of the Covered Bonds.

While it is the intention of the Issuer to apply the proceeds of any Covered Bonds so specified for Green Projects and/or Social Projects in, or substantially in, the manner described in the applicable Final Terms, there can be no assurance that the relevant project(s) or use(s) the subject of, or related to, any Green Projects and any Social Projects will be capable of being implemented in or substantially in such manner and/or in accordance with any timing schedule and that accordingly such proceeds will be totally disbursed for the specified Green Projects and/or the specified Social Projects, as applicable. Nor can there be any assurance that such Green Projects or such Social Projects, will be completed within any specified period or at all or with the results or outcome (whether or not related to the environment) as originally expected or anticipated by the Issuer.

Any such event or failure by the Issuer will not constitute an event of default under the Covered Bonds. Any such event or failure to apply the proceeds of any issue of Covered Bonds for any Green Projects or for any Social Projects as aforesaid and/or withdrawal of any such opinion or certification or there being any such opinion or certification issued attesting that the Issuer is not complying, in whole or in part, with any matters for which such opinion or certification is opining or certifying on and/or any such Covered Bonds no longer being listed or admitted to trading on any stock exchange or securities market as aforesaid, may have a material adverse effect on the value of such Covered Bonds and also potentially the value of any other Covered Bonds which are intended to finance Green Projects and to finance Social Projects and/or result in adverse consequences for certain investors with portfolio mandates to invest in securities to be used for a particular purpose.

General risk factors

Set out below is a description of risks relating to the Covered Bonds that have not been indicated in the previous paragraphs:

Modification, waivers and substitution

The conditions of the Covered Bonds contain provisions for calling meetings of Covered Bondholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Covered Bondholders including Covered Bondholders who did not attend and vote at the relevant meeting and Covered Bondholders who voted in a manner contrary to the majority.

Insurance

Under the terms and conditions of the Loan Documentation, each Borrower is required to obtain and maintain fire and earthquake insurance only, unless the property was built before 1 January 1960, in which case only fire insurance is available in the market. Accordingly, a claim under such policy for damage to the relevant property can be made only if the damage results from the occurrence of a fire or earthquake. However, this is not inconsistent with the terms and conditions of loans similar to the Loans made by other mortgage lenders in Greece who also only require borrowers to obtain and maintain fire and earthquake insurance. In addition, certain Borrowers, at their option, take out life insurance policies, with the Issuer as the primary loss payee, to secure their obligations under the relevant Loans.

Suspension of Enforcement Proceedings

There are various provisions of Greek Law which could result in enforcement proceedings against a Borrower being delayed or suspended. Without prejudice to the procedures required under the Banks' Code of Conduct introduced by virtue of decision number 116/25.8.2014 of the Credit and Insurance Committee of the Bank of Greece, as revised by decision number 195/29.7.2016 (published in Government Gazette 2376/B/2.8.2016) (the "**Code of Conduct**"), enforcement proceedings are usually commenced against a Borrower in respect of a non- restructured Loan once it becomes 270 days in arrears and in respect of a restructured Loan once it becomes 180 days in arrears, at which point the Loan is terminated. An order of payment is obtained from the Judge of the competent court of first instance (i.e. the Single-Member Court of First Instance or the Magistrate's Court, as the case may be, the "**Competent Court of First Instance**") following service of the notice of termination of the Loan on the Borrower and non-payment by the Borrower. Enforcement is commenced by service of the order for payment and a demand to pay on the Borrower, with the ultimate target being the collection of the proceeds of the auction of the relevant property securing the Loan. See for further details "*The Mortgage and Housing Market in Greece - Enforcing Security*" below.

However, a Borrower may delay enforcement against the relevant property by contesting the order for payment and/or the procedure for enforcement which in turn will delay the receipt of proceeds from an enforcement against the property by the Issuer after the relevant Loan has been terminated. Following the amendment of Greek Civil Procedure Code by virtue of Greek Law 4335/2015 (published in Government Gazette 87/A/23.7.2015), the following apply in relation to enforcement proceedings commencing from 1 January 2016 onwards and in respect of demands for immediate payment served to the Borrower after 1 January 2016:

A Borrower can file a petition of annulment against the order for payment pursuant to Articles 632-633 of the Greek Civil Procedure Code (an "**Article 632-633 Annulment Petition**") with the Competent Court of First Instance or Magistrate's Court within 15 business days (or within 30 business days if the Borrower is of an unknown address or resides abroad) after service of the order for payment contesting the substantive or procedural validity of the order of payment. If the Borrower fails to contest the order for payment, the order may be served again on the Borrower and a further 15 business days are available to the Borrower to file an Article 632-633 Annulment Petition. The order for payment will be final either if both terms of 15 business days elapse or if the Court of Appeal rejects the Article 632-633 Annulment Petition.

The filing of an Article 632-633 Annulment Petition entitles the Borrower to file a petition for suspension of the enforcement against the relevant property pursuant to Article 632 of the Greek Civil Procedure Code (an "**Article 632 Suspension Petition**"). Upon filing an Article 632 Suspension Petition, enforcement procedures may be suspended until the hearing of the Article 632 Suspension Petition. Following the issue of a decision in relation to the hearing of the Article 632 Suspension Petition enforcement may be suspended until the Competent Court of First Instance has issued a final decision in respect of the Article 632-633 Annulment Petition. In some cases suspension of enforcement may be granted until the Court of Appeal (or the Single-Member Court of First Instance

acting as a Court of Appeal, as the case may be) reaches a final decision which means an additional delay in enforcement.

The Borrower may also file with the Competent Court of First Instance a petition for the annulment of certain actions of the foreclosure proceedings based on reasons pertaining to the validity of the order of payment, to the relevant claim and/or to procedural irregularities (an "**Article 933 Annulment Petition**") pursuant to Article 933 of the Greek Civil Procedure Code, as recently amended by Greek Law 4512/2018. Both Annulment Petitions may be filed either concurrently or consecutively, but it should be noted that the Article 933 Annulment Petitions may not be based on reasons pertaining to the validity of the order for payment or the relevant claim, once the order for payment has become final as mentioned above. The time for the filing of an Article 933 Annulment Petition varies depending on the foreclosure action that is contested. In particular, the Article 933 Annulment Petition should be filed within 45 days as from the date of attachment of the Borrower's property, except for an Article 933 Annulment Petition contesting the auction which should be filed within 60 days as from registration with the competent land registry or cadastre of the relevant auction deed. The hearing of the Article 933 Annulment Petition is scheduled within 60 days from the date of the filing of such petition and the relevant decision must be issued within 60 days from the hearing before the court.

The filing of an Article 933 Annulment Petition entitles the Borrower to file a petition for the suspension of the enforcement until the decision of the Competent Court of First Instance on the annulment motion is issued pursuant to Article 937 of the Greek Civil Procedure Code (an "**Article 937 Suspension Petition**"). Again, foreclosure proceedings may be suspended until the hearing of the Article 937 Suspension, which, in a normal case where the Borrower seeks the suspension of the auction, takes place five days prior to the auction and the relevant decision is issued by 12.00 pm on the Monday prior to the auction. It should nevertheless be noted that such suspension is more difficult to obtain if the Competent Court of First Instance has already rejected a suspension requested for similar reasons under Article 632.

The Borrower may seek the postponement of the auction by alleging that the value of the property has been underestimated by the enforcing party or that the fixed first offer is too low. Pursuant to Article 954 of the Greek Civil Procedure Code, the minimum auction price is determined within the statement of the court bailiff and can be contested by the Borrower or any other lender or anyone having a legal interest by filing an annulment petition against such court bailiff statement at the latest fifteen days before the auction date. The relevant court's decision should be published by 12.00 p.m. eight days before the auction date. However, as regards the movable property, it is to be noted that the initial auction price cannot be less than 2/3 of the estimated value of the property (in accordance with Article 993 par. 2 of the Greek Civil Procedure Code, in conjunction with Article 954 par. 2 of the Greek Civil Procedure Code, as amended and in force) and as regards the immovable property, the initial auction price cannot be less than the seized immovable property's "commercial value". The evaluation of the immovable property is calculated in accordance with presidential decree 59/2016 (published in Government Gazette 95/A/27.5.2016). In particular, pursuant to such presidential decree the property's "commercial value" is determined by the relevant bailiff who is obliged to appoint a certified appraiser for this purpose, namely an individual or legal person that shall be included in the Certified Appraisers Registry held at the General Directorate for Financial Policy of the Ministry of Finance and published on the Ministry of Finance's website. The latter submits to the bailiff an appraisal report in accordance with European or international recognised appraising standards and in accordance with the Code of Conduct issued by the Bank of Greece on the management of non-performing loans. Appraisal fees are borne by the creditor who ordered the enforcement against the relevant property, but ultimately burden the Borrower. Furthermore, pursuant to Article 1000 of the Greek Civil Procedure Code, the suspension of auction for up to six (6) months may be sought by the Borrower, on the grounds that there is a good chance of the Borrower being able to satisfy the enforcing party or that, following the suspension period, a better offer would be received at auction,

provided that there is no risk of damage of the creditor who ordered the enforcement and that the borrower pays at least one quarter of the claimed capital and the enforcement expenses.

Auctions may not take place between 1-31 August and the weeks before and after the date of any national, municipal or European elections (pursuant to Article 998 para. 2 of the GCCP, as replaced by Article 207 para. 15 of Law 4512/2018).

Following the amendment of the GCCP by Greek Law 4512/2018 (published in Government Gazette 5/A/17.1.2018), as from 21 February 2018 onwards, the auction takes place exclusively through the use of electronic means, in particular through the use of the electronic auction platform (e-auctions.gr), under the responsibility of a certified notary public (acting as auction clerk) of the place of seized property (or if not available for any reason, of the region of the seized property's place or, if again not available for any reason, before an Athens notary public) under the responsibility of a competent notary public acting as auction clerk. The relevant process is detailed in Article 959 of the GCCP (as replaced by para. 6 of Article 207 of Greek Law 4512/2018), as further specified by Decision no. 41756/26.5.2017 of the Minister of Justice, Transparency and Human Rights (published in Government Gazette 1884/B/30.5.2017). It is noted that the very first e-auction in Greece, was conducted on 27 April 2018.

Each bidder must submit a bank guarantee or banker's draft for an amount equal to 30 per cent. of the starting price of the auctioned property and declare his/her attendance in the auction by 15.00 2 business days prior to the auction date. By 17.00 on the date preceding the auction date, the auction clerk registers with the electronic auction platform a list of the bidders entitled to participate in the auction.

In the auction, the property is sold to the highest bidder who then has 10 business days to pay the auction price along with the fees for the use of the electronic auctioning platform which burden the highest bidder. Once the price of the property is paid, the notary public prepares a special deed listing all the creditors and allocating the proceeds of the auction. Each creditor must announce its claim to the notary public by no later than 15 days after the auction and submit all documents proving such claims, otherwise the notary public will not take his claim into account. Once the allocation of proceeds amongst the creditors of the Borrower has been determined pursuant to a deed issued by a notary public, the creditors of the Borrower are invited by the notary public to be informed respectively and may dispute the allocation by filing a petition contesting the deed within 12 business days as from the service of such invitation. The competent Court of First Instance adjudicates the matter but the relevant creditor is entitled to appeal against the decision to the Court of Appeal (or the Single Member Court of First Instance acting as a Court of Appeal, as the case may be). The hearing date of the petition contesting such deed must be obligatory set within 60 days from its filing (or within 120 days in case of the creditor residing abroad). This procedure may delay the collection of proceeds. This can further delay the time at which the Bank finally receives the proceeds of the enforcement of the relevant property. However, the law provides that a creditor is entitled to the payment of its claim even if its allocation priority is subject to a challenge, provided that such creditor provides a letter of guarantee securing repayment of the money in the event that such challenge is upheld.

Once the list of creditors is confirmed and adjudicated, the proceeds are distributed according to the deed setting out the allocation of proceeds (see for further details "*Auction Proceeds*" below) in accordance with Article 975 (as recently replaced by Article 1 Article eighth par. 2 of Greek Law 4335/2015 with respect to enforcement proceedings initiated from 1 January 2016 onwards), Article 976, Article 977 (as recently replaced by Article 1 Article eighth par. 2 of Greek Law 4335/2015 with respect to enforcement proceedings initiated from 1 January 2016 onwards) and Article 977A (added through Article 176 para. 1 of Greek Law 4512/2018) of the GCCP.

Pursuant to Article 966 of the Greek Civil Procedure Code, if no bidders appear at the auction, the immovable property is awarded at the minimum auction price to the person in favour of whom the enforcement proceedings were initiated, upon the latter's request. The hearing of such request shall mandatorily be scheduled as a matter of priority within eight (8) working days from the date of filing and it shall be served at least three (3) working days before the hearing date. A recent evaluation report of the auction property, dated after the date of the last auction shall be submitted on the hearing date before the competent Court. The relevant decision must be issued within eight (8) working days from the hearing. If no such request is submitted, a repetitive auction takes place within forty (40) days. If such repetitive auction is unsuccessful, the competent court, upon request of persons having legal interest, may order the conduct of another auction within thirty (30) days, at the same or a reduced auction price or allow the sale of the property to the person in favour of whom the enforcement proceedings were initiated or to third persons at a price determined by the court, which may also provide that part of the consideration may be paid in instalments. Following two unsuccessful auctions, a petition may be filed by any interested part for a new auction date to be set, with the same or a lower fixed first price, or for a permission for a direct sale of the property at a price to be determined by the court (in accordance with para. 2 of Article 966 as amended by Article 23 of Greek Law 4549/2018).

The reforms of the Greek Civil Procedure Code by virtue of Greek Law 4335/2015, as in force, aim at speeding up the pace of enforcement proceedings. Therefore, the length, complexity and uncertainty of success of enforcement procedures in Greece may lead to a substantial delay in recovering any amounts due under any defaulted or delinquent Loan which may adversely affect the Issuer's ability to meet its obligations under the Covered Bonds.

Rescheduling of debts of distressed debtors

On 3 August 2010, Greek Law 3869/2010 (see also "*Restrictions on Enforcement of Granted Collateral*") was put in force with respect to the "settlement of amounts due by indebted individuals" and amended thereafter by various laws. The Greek Law 3869/2010 allows the settlement of amounts due by individuals, not due to wilful misconduct, evidencing permanent and general inability to repay their debts by submitting an application for a three-year settlement of their debts and writing off the remainder of their debts in accordance with the terms of the settlement agreed. All individuals, consumers and professionals are subject to the provisions of Greek Law 3869/2010, with the exception of individuals already subject to mercantile law.

All the debts of the abovementioned to private individuals fall within the law, including all debts to banks (consumer, mortgage, business loans), except for debts due to an offense committed by the borrower with intention or gross negligence, administrative fines, monetary sanctions and debts related to the obligation for child or spousal support. By virtue of Greek Law 4336/2015, as in force, Greek Law 3869/2010 was amended and its scope was also expanded to the settlement of debts owed to the Hellenic Republic, tax authorities, local authorities of grade A' and B' and to social security funds. In addition, the debtor may opt to include debts which at the date of filing of the petition are subject to an administrative, judicial or legal suspension or have been included in a restructuring or facilitation of partial payment which is still valid at the time of filing of the petition. Debts must have been contracted more than one year before the application date and relief may be used only once.

The amendments effected by Greek Law 4346/2015, among others, lay out the conditions for: (a) the protection of the primary residence of a debtor from forced sale, and (b) the partial funding by the Hellenic Republic of the amount of monthly payments set by court decision. In addition, it is provided that the debtor's obligation to act as a cooperating borrower also applies throughout the settlement plan period. These amendments became effective as from 1 January 2016.

Greek Law 3869/2010 was also amended by Greek Law 4549/2018, which introduced some changes that provide, among others, (a) that the acceptance of the inherited indebted property does not

constitute, without the existence of other factors, ground for the rejection of the application, (b) a waiver of the banking secrecy against the debtor has to be given by the latter, (c) a recourse right for co-borrowers and guarantors.

Before the submission of the application, the parties may have recourse to the preliminary settlement procedure. After the submission of the application, the hearing date of the application (compulsory within six-months from the completion of submission of the application) and the day of validation (within two months from the completion of the submission of the application) are set. On the day of validation, the court either validates any preliminary settlement or issues a preliminary injunction by virtue of which the court may order, inter alia, the suspension of prosecuting measures against the borrower and determines the amount of the monthly installments which the borrower has to pay to its creditors until the issuance of the decision. Following the day of validation and until the hearing date of the application, the parties may reach to a settlement at any stage of the procedure.

During the hearing date of the application, if the creditors do not accept the debtors' settlement plan, or if objections are submitted by some creditors and not substituted according to the above, the court confirms the existence of the disputed claims, the fulfillment of the conditions for settlement of debts and the borrower's relief. If the borrower's real estate property is not sufficient, after deducting the required amount for the coverage of the reasonable living expenses of the borrower and the members protected by the latter, including social security expenses borne by the borrower, the court orders the monthly payment of the remaining amount for the satisfaction of creditors' claims, pro rata distributed and for a period of three (3) years, pursuant to the borrowers' income and its real estate property.

Greek Law 4336/2015, as in force, introduced an accelerated settlement process regarding minor debts of particular indebted individuals. Indebted individuals, if certain conditions apply, are given a temporary relief for their debts and an eighteen-month period of supervision is granted, after the expiration of which, and only if the real estate property or income situation of the borrower remain unchanged, the borrower is discharged from the remainder of its debts.

If there are assets that can be liquidated and their liquidation is deemed necessary, a liquidator is appointed by the court. Special provisions are set for the protection of the main residence of the debtor, for applications that have been submitted until 31 December 2018. The Act of Legislative Content dated 31 December 2018 extends to 28 February 2019 the protection of primary residence from being auctioned off.

Due performance by the debtor of the obligations under the settlement plan releases the debtor from any remaining unpaid balance of the claims, including claims of creditors who had not announced their claims. In case of delayed repayment of the aggregate amount equal to three monthly installments (consecutive or not) set out by the temporary order of the competent court or a debt settlement, debtor’s protection is rejected following a creditor’s out-of-court notice to the obligor and the other creditors, and the relevant information of the competent court.

The rights of creditors against co-borrowers or guarantors are not affected, unless such co-borrowers or guarantors are also subject to the same insolvency proceedings. Co-borrowers and guarantors have rights of recourse against the debtor for any amount paid by them. The rights of secured creditors are not affected.

This law may have an adverse effect on the timing or the amount of collections under certain Loans concluded with Borrowers that fall under its scope and make use of its provisions, which may in turn affect the Issuer’s ability to meet its obligations in respect of the Covered Bonds.

Special Procedures for Over-Indebted Business Undertakings and Professionals

Greek Law 4307/2014, as amended by Greek Laws 4374/2016, 4380/2016 (article 2), as well as 4403/2016 (article 56) and in force, among others, provides for urgent interim measures for the relief of private debt (including, inter alia, relief and settlement of debts or provision of extraordinary debt business regulation process or extraordinary special management process), especially debt of viable small businesses and professionals towards financial institutions (namely credit institutions, leasing and factoring companies, provided they are under the supervision of the Bank of Greece), the Hellenic Republic and Social Security Institutions, as well as for emergency procedures for the reorganization or liquidation of operating indebted but viable businesses, provided that the aforementioned persons are considered as "eligible debtors" under the relevant provisions, namely, they have submitted the relevant application at the latest by 30 September 2016 and cumulatively meet the following criteria:

1) they have not submitted an application to be subject to the provisions of Greek Law 3869/2010 or have validly resigned from such application;

2) they have not stopped their operations or dissolved and (if applicable) they have not submitted an application to be declared bankrupt or have validly resigned from such application

3) they have not been convicted in any capacity for fraud against the Hellenic Republic of State Pension Funds or for smuggling; and

4) their turnover of the fiscal year 2013 must not exceed the limit of EUR 2,500,000.

Out-of-court Mechanism for Settlement of Business Debts

Greek Law 4469/2017, as amended by Greek Laws 4472/2017, 4549/2018 and 4587/2018, provides for an extrajudicial procedure for settling debts towards any creditor, which derive from the debtor's business activity or other cause, provided that the settlement of those debts is considered vital by the participants in order to secure the debtor's business viability.

Any individual who can declare bankruptcy and any legal entity with income from business activity may apply for inclusion in the extrajudicial debt settlement mechanism, provided their tax residence is in Greece and specific criteria provided for by law are met. The extrajudicial debt settlement mechanism does not apply to debts generated after 31 December 2018 (as amended by article 5 of Greek Law 4613/2019).

Each debtor's application may be submitted electronically to the Special Private Debt Management Secretariat ("**EGDICH**") by 30 April 2020 (as provided under article 2 of the Act of Legislative Content dated 24.12.2019, which replaced the first section of paragraph 1 of article 4 of Greek Law 4469/2017, as amended by article 45 paragraph 3 Greek Law 4587/2018) on the dedicated electronic platform in EGDICH's website. Financial institutions may, as creditors, initiate the procedure by communicating a written invitation to the debtor to enter the procedure. If the debtor fails to submit an application for his/her inclusion in the extrajudicial debt settlement mechanism within two (2) months as of the date the above invitation was served to him/her, he/she loses the right to initiate the procedure at a later stage.

Submitting an application for inclusion in the extrajudicial debt settlement procedure does not constitute a significant reason for terminating long-term contracts.

The approval of the debt restructuring proposal requires the debtor's consent and the formation of a majority of 3/5 of participating creditors, which includes 2/5 of participating creditors with special privilege.

The extrajudicial procedure is concluded by the execution of a debt restructuring agreement between the debtor and consenting creditors, otherwise the procedure is deemed unsuccessful. The debtor or a participating creditor may submit an application for ratification of the debt restructuring agreement to the Multi-Member Court of First Instance of the debtor's registered seat.

The ratification decision covers the total of the debtor's claims governed by the restructuring agreement and binds the debtor and all the creditors, irrespective of their participation in the negotiation procedure or in the debt restructuring agreement.

In case the debtor fails to pay any amount due to any of the creditors in accordance with the terms of the debt restructuring agreement for more than ninety (90) days, the creditor has the right to request cancellation of the agreement towards all parties.

It is noted that, when more financial institutions or firms under Greek Law 4354/2015 have acquired or manage overdue receivables of the same debtor, provided there is sufficient evidence of the debtor's inability to fulfil his financial obligations, they may cooperate to submit a common proposal to the debtor, in order to reach a sustainable solution.

Finally, the said law explicitly sets out the cases of suspension of injunction and enforcement procedures against the debtor.

Lastly, Joint Ministerial Decision 130060 (Government Gazette Issue B' 4258/29.11.2017) as amended by Ministerial Decision 61654 (Government Gazzette Issue B` 2324/14.06.2019), which was issued by virtue of article 45 of Greek Law 4587/2018, provides for a simplified extrajudicial procedure for settling business not exceeding in total EUR 300,000.

Insolvency Proceedings

The bankruptcy code was enacted by Greek Law 3588/2007 (the "**Bankruptcy Code**"), amending and replacing older provisions on insolvency (both in connection with winding up and rehabilitation). The Bankruptcy Code has been amended several times and most recently by virtue of Greek Laws 4446/2016 (effective as of 22 December 2016) 4472/2017 (effective as of 19 May 2017), 4512/2018 (effective as of 17 January 2018) and 4549/2018 (effective as of 14 June 2018). The latest amendments modified and replaced several provisions of the Bankruptcy Code, with respect to restructuring and insolvency proceedings. The Bankruptcy Code only applies to business undertakings, which include sole traders, partnerships, companies and unincorporated legal entities that pursue a financial purpose and have the place of their main interests in Greece, but excluding certain regulated entities (such as credit institutions and insurance companies).

Under the Bankruptcy Code, as amended and in force, the following insolvency proceedings are currently available:

(a) bankruptcy, which is regulated by Articles 1-98 of the Bankruptcy Code (except for the simplified bankruptcy proceedings in respect of small debtors (where the value of the bankruptcy estate does not exceed €100,000), which are regulated by Articles 162-163 of the Bankruptcy Code as replaced by article 62 of Greek Law 4472/2017, and Articles 163a – 163c of the Bankruptcy Code, added through article 62 of Greek Law 4472/2017);

(b) a rehabilitation agreement under the Bankruptcy Code (Articles 99-106) between a debtor and a qualifying majority of its creditors;

(c) a restructuring plan under the Bankruptcy Code (Articles 107-131, as amended by article 7 of Greek Law 4446/2016) following its approval by the court and the creditors.

The Bankruptcy Code includes detailed provisions on each of the above insolvency proceedings and the requirements that need to be met in respect of each proceeding, including the rights of creditors thereunder. The latest amendments of the Bankruptcy Code include provisions intended to make these proceedings more expedient and efficient, including by setting stricter timeframes for completion of various stages of these proceedings and by strengthening documentary and expert evidence requirements in connection with the rehabilitation prospects.

In addition, the recent Greek Law 4512/2018 introduced significant amendments in respect of creditors' ranking in case of insolvency. According to Greek Law 4512/2018, in the event of insolvency, the claims shall be satisfied in the following order:

a) claims of general privilege under article 154, case a;

b) claims of special privilege under article 155, par. 1, cases a and b;

c) rest of the claims of general privilege under article 154 and claims of special privilege under article 155, par. 1 case c;

d) unsecured claims.

As regards the other provisions of claims' ranking order, article 977A of the Greek Civil Procedure Code shall apply *mutatis-mutandis* (see "*Auction Proceeds*").

Auction Proceeds

The proceeds of an auction following enforcement against a property securing a Loan must be allocated in accordance with Articles 975, 976 and 977 of the Greek Civil Procedure Code as amended by Greek Law 4335/2015 and most recently by Greek Law 4512/2018. The new Greek Law 4512/2018 introduced significant amendments to the Greek Civil Procedure Code in respect of the allocation of proceeds to the creditors of the Borrower.

After the entry into force of article 977A of the Greek Civil Procedures Code and in respect of the new claims arising as of 17 January 2018 and onwards, if such claims are secured through a first ranking pledge, the auction proceeds are allocated, after deduction of the enforcement expenses, to the extent applicable, in the following order:

a) creditors granted special privileges under cases 1 and 2 of article 976 of the Greek Civil Procedure Code, as in force, (which include secured creditors through a mortgage or a mortgage pre-notation over the property or a pledge);

b) creditors granted privileges under articles 975 and case 3 of article 976 of the Greek Civil Procedure Code, as in force;

c) unsecured creditors.

In addition, proceeds raised prior to the date of the first auction which relate to unpaid wages of up to six (6) months on the basis of dependent employment up to a monthly amount equal to the statutory minimum wage for an employee aged over twenty five (25) years of age, multiplied by 275% are allocated before any other claim (super privilege) and after deduction of the costs of execution.

In case that a pre-notation or mortgage is registered over more than one asset of the Borrower, the abovementioned claims related to unpaid wages, if announced, are satisfied by auction proceeds allocated to the creditors as following: (i) *pari passu*, if the auctions took place simultaneously; or (ii) according to the chronological order of the auctions until to payment in full, if the auctions took place successively. In the case of (ii) above, the creditors who enjoy special privileges, which are not satisfied are granted a right to the auction proceeds from the remaining auctioned assets of the Borrower. After the satisfaction of privileged creditors, the non-privileged creditors are satisfied *pari passu* by the remaining amount of the auction proceeds.

In respect of the claims arising as of 1 January 2016 until 16 January 2018 and in respect of orders of execution served to the debtor after 1 January 2016, auction proceeds continue to be allocated, after deduction of the enforcement expenses reasonably determined by the auction clerk, to the following

creditors of the Borrower, to the extent applicable, in the following order, pursuant to the Greek Law 4335/2015, as it previously stood:

(a) creditors enjoying general privileges under Article 975 of the Greek Civil Procedure Code, namely (in the following ranking order):

(i) claims for hospitalisation and funeral costs of the Borrower and his family arising in the 12 months prior to the day of the public auction or the declaration of bankruptcy and compensation claims (except claims for moral damages) due to disability exceeding eighty per cent (80%) or more that arose until the day of the public auction or the declaration of bankruptcy;

(ii) costs for the nourishment of the Borrower and his family arising in the previous six months before the day of the public auction or the declaration of bankruptcy;

(iii) claims based on employees' salaries and claims for fees, expenses and compensation of lawyers paid under fixed regular remuneration that arose during the last 2 years prior to the day of the public auction or the declaration of bankruptcy. However, such time limit does not apply on any compensation claims raised by employees or in-house lawyers arising by reason of termination of their agreements. The same rank also includes claims of the State arising out of the Value Added Tax ("**VAT**") and any attributable or withholding taxes together with any increments and interests imposed on such claims, as well as claims of social security organisations, alimony claims in case of death of the person owing such alimony and compensation claims due to disability exceeding sixty seven per cent (67%) which arose up to the day of the public auction or the declaration of bankruptcy;

(iv) claims by farmers or farming partnerships arising from the sale of agricultural goods arising within the last year prior to the day that the public auction was first set to occur or the declaration of bankruptcy;

(v) claims of the Greek state and municipal authorities arising out of any cause, together with any increments and interest imposed on such claims; and

(vi) claims by the Athens Stock Exchange Members' Guarantee Fund (if the borrower is or was an investment services company) arising in the previous 24 months prior to the day of the public auction or the declaration of bankruptcy (this should not be relevant for any Borrower).

(b) creditors enjoying special privileges under Article 976 of the Greek Civil Procedure Code (which include secured creditors through a mortgage or a mortgage pre-notation over the property or a pledge); and

(c) unsecured creditors.

In case of concurrence of general privileges (as mentioned above) and special privileges (as mentioned above), the percentage of satisfaction of the creditors with general privileges is limited to up to one-third of the auction proceeds whereas the percentage of satisfaction of creditors with special privileges is up to two-thirds. In case of concurrence of general privileges (as mentioned above) and special privileges (which include claims secured by pledge or mortgage) and non-privileged claims, the percentage of satisfaction of the creditors with general privileges is limited to up to 25%, whereas the percentage of satisfaction of creditors with special privileges is up to 65%. The remaining amount of 10% of the auction proceeds is allocated to the non-privileged creditors. In case of concurrence of creditors with special privileges and non-privileged creditors, an amount of 90% is allocated to

creditors with special privileges, while an amount of 10% of the auction proceeds is allocated to the non-privileged creditors. In case of concurrence of claims with general privileges and non-privileged claims, the percentage of satisfaction of the former is 70%.

Accordingly, the Issuer, as owner of a first ranking pre-notation could be limited to receiving approximately two-thirds or 65% (as applicable) of the proceeds raised by an auction of a property securing a Loan if a claim under Article 975 of the Greek Civil Procedure Code exists. In such case, the proceeds may not be sufficient to discharge the amount that is owed by the Borrower to the Issuer under the Loan, which may in turn affect the Issuer's ability to meet its obligations in respect of the Covered Bonds.

However, given that the loans are given a maximum 80% LTV indexed value for the purpose of calculating the Statutory Tests and the Amortisation Test the value of the property securing a Loan should exceed the Outstanding Principal Balance of that portion of the Loan accredited value for the purposes of the Statutory Tests. Accordingly, the possibility that the Issuer will not receive sufficient proceeds following the enforcement against a property securing a Loan to discharge the amounts that are owed to it by the relevant Borrower is reduced.

Greek Covered Bond Legislation

The Greek Covered Bond Legislation came into force in 2007 by virtue of article 91 of Greek Law 3601/2007, which has been abolished by Greek Law 4261/2014. Article 152 of the Greek Covered Bond Legislation, which constitutes a repetition of article 91 of Greek Law 3601/2007, came into force on 5 May 2014, while the Secondary Covered Bond Legislation came into force on 21 November 2007 and was amended and restated on 29 September 2009. Finally, the legislative framework is supplemented by Greek Law 3156/2013 to the extend Greek Covered Bond Legislation cross refers to it. The transactions contemplated in this Base Prospectus are based, in part, on the provisions of the Greek Covered Bond Legislation. So far as the Issuer is aware, as at the date of this Base Prospectus there have been several similar issues of securities based upon the Greek Covered Bond Legislation and there has been no judicial authority as to the interpretation of any of the provisions of the Greek Covered Bond Legislation. For further information on the Greek Covered Bond Legislation, see "*Overview of the Greek Covered Bond Legislation*". There are a number of aspects of Greek Law which are referred to in this Base Prospectus with which potential Covered Bondholders are likely to be unfamiliar. Particular attention should be paid to the sections of this Base Prospectus containing such references.

It should also be noted that at the end of 2019, the European Parliament and the Council finalised the legislative package on covered bond reforms made up of a new covered bond directive (Directive (EU) 2019/2162) and a new regulation (Regulation (EU) 2019/2160), which entered into force on 7 January 2020 with the deadline for application of 8 July 2022 (both texts have relevance for the EEA and are to be implemented in due course in other countries in the EEA, and, for these purposes, the EEA includes the UK). The new covered bond directive replaces current article 52(4) of Directive 2009/65/EC (the "UCITS Directive"), establishes a revised common base-line for issue of covered bonds for EU regulatory purposes (subject to various options that members states may choose to exercise when implementing the new directive through national laws). The new regulation will be directly applicable in Member States from 8 July 2022 and it amends article 129 of the CRR (and certain related provisions) and further strengthens the criteria for covered bonds that benefit from preferential capital treatment under the CRR regime. Given that the aspects of the new regime will require transposition through national laws, the final position is not yet known. Therefore, there can be no assurances or predictions made as to the precise effect of the new regime on the Covered Bonds.

In addition, it should be noted that the new covered bond directive provides for permanent grandfathering with respect to certain requirements of the new regime for article 52(4) UCITS

Directive-compliant covered bonds issued before 8 July 2022 and includes an option for the Member States to allow tap issues with respect to grandfathered covered bonds (for up to 24 months after 8 July 2022), provided such tap issues comply with certain prescribed requirements. Prospective investors should therefore make themselves aware of the changes (and any corresponding national implementing measures) in addition to any other applicable regulatory requirements with respect to their investment in the Covered Bonds.

Changes of law

The structure of the issue of the Covered Bonds and the ratings which are to be assigned to them are based on English and Greek Law, respectively, in effect as at the date of this Base Prospectus. No assurance can be given as to the impact of any possible change to English or Greek Law or administrative practice in the U.K. or Greece after the date of this Base Prospectus.

Covered Bonds where denominations involve integral multiples: definitive Covered Bonds

In relation to any issue of Covered Bonds that have denominations consisting of a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount, it is possible that such Covered Bonds may be traded in amounts that are not integral multiples of such minimum Specified Denomination. In such a case, a Covered Bondholder who, as a result of trading such amounts, holds an amount which (after deducting integral multiples of such minimum Specified Denomination) is less than the minimum Specified Denomination in his account with the relevant clearing system at the relevant time may not receive a definitive Covered Bond in respect of such holding (should definitive Covered Bonds be printed) and would need to purchase a principal amount of Covered Bonds such that its holding amounts to a Specified Denomination.

If definitive Covered Bonds are issued, Covered Bondholders should be aware that definitive Covered Bonds that have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

Exchange rate risks and exchange controls

The Issuer (or the Servicer on its behalf) will pay principal and interest on the Covered Bonds in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit other than the Specified Currency (the "**Investor's Currency**"). These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (1) the Investor's Currency equivalent yield on the Covered Bonds, (2) the Investor's Currency-equivalent value of the principal payable on the Covered Bonds and (3) the Investor's Currency-equivalent market value of the Covered Bonds.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

Greek Withholding Tax

Potential investors of Covered Bonds should consult their own tax advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing Covered Bonds and receiving payments of interest, principal and/or other amounts or delivery of securities under the Covered Bonds and the consequences of such actions under the tax laws of those countries. Please refer to the "Taxation" section.

In particular, investors should note that the Greek income taxation framework is regulated by virtue of Greek Law 4172/2013, as it currently stands. Accordingly, though a number of interpretative circulars were issued, very little (if any) precedent exists as to the application of this income tax code. See "*Taxation"* below for further details.

GENERAL DESCRIPTION OF THE PROGRAMME

The following overview does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Base Prospectus and, in relation to the terms and conditions of any particular Series or Tranche of Covered Bonds, the applicable Final Terms. The Issuer and any relevant Dealer may agree that Covered Bonds shall be issued in a form other than that contemplated in the Terms and Conditions, in which event, if appropriate, a supplement to the Base Prospectus will be published.

This Overview constitutes a general description of the Programme for the purposes of Article 25.1 of Commission Delegated Regulation (EU) No 2019/980.

Words and expressions defined in the "Terms and Conditions of the Covered Bonds" below or elsewhere in this Base Prospectus have the same meanings in this summary.

PRINCIPAL PARTIES

Issuer	National Bank of Greece S.A. ("**NBG**" or the "**Issuer**").
Issuer Legal Entity Identifier (LEI)	5UMCZOEYKCVFAW8ZLO05
Arranger	NBG (the "**Arranger**").
Dealer	NBG or any other dealers appointed from time to time in accordance with the Programme Agreement.
Servicer	NBG (in its capacity as the servicer and, together with any replacement servicer appointed pursuant to the Servicing and Cash Management Deed from time to time, the "**Servicer**") will service, the Loans and Related Security in the Cover Pool pursuant to the Servicing and Cash Management Deed. The Servicer shall also undertake certain notification and reporting services together with account handling services in relation to moneys from time to time standing to the credit of the Transaction Account and cash management activities (the "**Servicing and Cash Management Activities**") in accordance with the Servicing and Cash Management Deed and the Greek Covered Bond Legislation, including the calculation of the Statutory Tests and the Amortisation Test. See *"Servicing and Collection Procedure"* below.
Asset Monitor	A reputable independent institution of auditors and accountants, not being the auditors of the Issuer for the time being, appointed pursuant to the Asset Monitor Agreement as an independent monitor to perform tests in respect of (i) the Statutory Tests when required in accordance with the requirements of the Bank of Greece and (ii) the Amortisation Test when required in accordance with the Servicing and Cash Management Deed. The initial Asset Monitor will be Ernst & Young (Hellas) Certified Auditors-Accountants S.A., acting through its office at 8B Chimarras str., Maroussi 151 25 Athens, Greece (the "**Asset Monitor**").

Account Bank	Citibank, N.A., London Branch acting through its office at Citigroup Centre, Canada Square, Canary Wharf London E14 5LB has agreed to act as account bank (the "**Account Bank**") pursuant to the Bank Account Agreement. In the event that the Account Bank ceases to be an Eligible Institution, the Servicer will be obliged to transfer the Transaction Account to a credit institution with the appropriate minimum ratings.
Eligible Institution	means any bank whose short term, unsecured, unsubordinated and unguaranteed debt obligations are rated at least P-1 by Moody's, the DBRS Account Bank Required Ratings and whose long-term issuer default rating is rated at least A- by S&P (or such other ratings that may be agreed by the Rating Agencies from time to time).
Principal Paying Agent	Citibank, N.A., London Branch (the "**Principal Paying Agent**" and, together with any agent appointed from time to time under the Agency Agreement, the "**Paying Agents**"). The Principal Paying Agent will act as such pursuant to the Agency Agreement.
Trustee	Citibank, N.A., London Branch acting through its office at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB (the "**Trustee**") has been appointed to act as bond trustee for the Covered Bondholders in respect of the Covered Bonds and will also act as security trustee to hold the benefit of all security granted by the Issuer (on trust for itself, the Covered Bondholders and the other Secured Creditors) under the Deed of Charge and the Statutory Pledge granted pursuant to the Greek Covered Bond Legislation. See "*Security for the Covered Bonds*" below.
Hedging Counterparties	The Issuer may, from time to time, enter into Hedging Agreements with various swap providers to hedge certain currency and/or other risks (each a Covered Bond Swap Provider) and interest risks (each an Interest Rate Swap Provider and, together with the Covered Bond Swap Providers, the Hedging Counterparties) associated with the Covered Bonds. The Hedging Counterparties will act as such pursuant to the relevant Hedging Agreements (as defined herein). Each Hedging Counterparty will be required to satisfy the conditions under paragraph I. 2(b)(bb) of the Secondary Covered Bond Legislation.
Custodian	A custodian (the "**Custodian**") to be appointed at such time as a custody agreement is entered into.
Listing Agent	Banque Internationale à Luxembourg acting through its offices at 69, route d'Esch, L-2953 Luxembourg (the "**Luxembourg Listing Agent**").

Rating Agencies	Fitch Ratings Limited (Fitch), Moody's Investors Service Limited and DBRS Ratings Limited (Moody's, DBRS and, together with Fitch, the "**Rating Agencies**").

PROGRAMME DESCRIPTION

Description	NBG €10 billion Global Covered Bond Programme.
Programme Amount	Up to €10 billion (or its equivalent in other currencies determined as described in the Programme Agreement) outstanding at any time as described herein. The Issuer may increase the amount of the Programme in accordance with the terms of the Programme Agreement.
Issuance in Series	Covered Bonds will be issued in Series, but on different terms from each other, subject to the terms set out in the relevant Final Terms in respect of such Series. Save in respect of the first issue of Covered Bonds, Covered Bonds issued under the Programme will either be fungible with an existing Series of Covered Bonds or have different terms from an existing Series of Covered Bonds (in which case they will constitute a new Series). The Issuer will issue Covered Bonds without the prior consent of the Covered Bondholders pursuant to Condition 15 (*Further Issues*). See "*Conditions Precedent to the Issuance of a new series of Covered Bonds*" below. As used herein, "**Tranche**" means Covered Bonds which are identical in all respects (including as to listing and admission to trading) and Series means a Tranche of Covered Bonds together with any further Tranche or Tranches of Covered Bonds which are (a) expressed to be consolidated and form a single series and (b) identical in all respects (including as to listing and admission to trading) except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices.
Final Terms	Final terms (the "**Final Terms**") will be issued and published in accordance with the terms and conditions set out herein under "*Terms and Conditions of the Covered Bonds*" (the "**Conditions**") prior to the issue of each Series or Tranche detailing certain relevant terms thereof which, for the purposes of that Series only, complete the Conditions and the Base Prospectus and must be read in conjunction with the Conditions and the Base Prospectus. The terms and conditions applicable to any particular Series are the Conditions as completed by the relevant Final Terms.
Conditions Precedent to the Issuance of a new Series or Tranche of Covered Bonds	It is a condition precedent to the issuance of a new Series or Tranche of Covered Bonds that (i) there is no Issuer Event outstanding and that such issuance would not cause an Issuer Event, (ii) such issuance would not result in a breach of any of the Statutory Tests, (iii) the Rating Agencies, to the extent they are rating any Covered Bonds at that time, have been notified of such issuance, (iv) such issuance has been notified to the Bank of Greece in accordance with paragraph II.3 of the Secondary Covered Bond Legislation and (v) if applicable, in

	respect of any Series or Tranche, a Hedging Agreement is entered into.
Proceeds of the Issue of Covered	The gross proceeds from each issue of Covered Bonds will be used by the Issuer to fund its general corporate purposes.
Form of Covered Bonds	The Covered Bonds will be issued in bearer form, see "*Form of the Covered Bonds*".
Issue Dates	The date of issue of a Series or Tranche as specified in the relevant Final Terms (each, the "**Issue Date**" in relation to such Series or Tranche).
Specified Currency	Subject to any applicable legal or regulatory restrictions, such currency or currencies as may be agreed from time to time by the Issuer and the relevant Dealer(s) (as set out in the applicable Final Terms).
Denominations	The Covered Bonds will be issued in such denominations as may be agreed between the Issuer and the relevant Dealer(s) and set out in the applicable Final Terms save that, except in certain limited circumstances, the minimum denomination of each Covered Bond will be at least €100,000 (or, if the Covered Bonds are denominated in a currency other than Euro, at least the equivalent amount in such currency) or such other higher amount as is required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency.
Redenomination	The applicable Final Terms may provide that certain Covered Bonds may be redenominated in Euro. If so, the redenomination provisions will be set out in the applicable Final Terms.
Fixed Rate Covered Bonds	The applicable Final Terms may provide that certain Covered Bonds will bear interest at a fixed rate ("**Fixed Rate Covered Bonds**"), which will be payable on such date or dates as may be agreed between the Issuer and the relevant Dealer(s) and on redemption and will be calculated on the basis of such Day Count Fraction as may be agreed between the Issuer and the relevant Dealer(s) (as set out in the applicable Final Terms).
Floating Rate Covered Bonds	The applicable Final Terms may provide that certain Covered Bonds bear interest at a floating rate ("**Floating Rate Covered Bonds**"). Floating Rate Covered Bonds will bear interest at a rate determined: (a) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the ISDA Definitions; or

(b) on the basis of a reference rate appearing on the agreed screen page of a commercial quotation service; or

(c) on such other basis as may be agreed between the Issuer and the relevant Dealer(s); or

(d) by an Independent Adviser or the Issuer in accordance with Condition 4.2(h),

as set out in the applicable Final Terms.

Other Provisions in relation to Floating Rate Covered Bonds Floating Rate Covered Bonds may also have a Maximum Rate of Interest, a Minimum Rate of Interest or both (as indicated in the applicable Final Terms). Interest on Floating Rate Covered Bonds in respect of each Interest Period, as agreed prior to issue by the Issuer and the relevant Dealer(s), will be payable on such Interest Payment Dates, and will be calculated on the basis of such Day Count Fraction, in each case as may be agreed between the Issuer and the relevant Dealer(s).

Zero Coupon Covered Bonds The Final Terms may provide that Covered Bonds, bearing no interest ("**Zero Coupon Covered Bonds**"), may be offered and sold at a discount to their nominal amount.

Ranking of the Covered Bonds All Covered Bonds will rank *pari passu* and rateably without any preference or priority among themselves, irrespective of their Series, for all purposes except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices.

Taxation All payments (if any) of principal, interest and other proceeds (if any) on the Covered Bonds will be made free and clear of any withholding or deduction for, or on account of, any taxes, unless the Issuer or any intermediary that intervenes in the collection of interest and other proceeds on the Covered Bonds is required by applicable law to make such a withholding or deduction. In the event that such withholding, or deduction is required by law, the Issuer will not be required to pay any additional amounts in respect of such withholding or deduction.

Status of the Covered Bonds The Covered Bonds are issued on an unconditional basis and in accordance with Article 152 of Greek Law 4261/2014 (published in the Government Gazette No 107/A/5-5-2014 which constitutes a repetition of Article 91 of Greek Law 3601/2007 that has been abolished by Greek Law 4261/2014) ("**Article 152**") and the Act of the Governor of the Bank of Greece No. 2598/2007, as amended and restated by the codifying Act of the Governor of the Bank of Greece No. 2620/2009 (the "**Secondary Covered Bond Legislation**" and, together with Article 152 the "**Greek Covered Bond Legislation**"). The Covered Bonds are backed by assets forming the Cover Pool of the Issuer and to the extent such assets are governed by Greek Law, have the benefit of a

	statutory pledge established pursuant to paragraph 4 of Article 152 (the "**Statutory Pledge**") by virtue of registration statement(s) filed with the Athens Pledge Registry (each a "**Registration Statement**") pursuant to paragraph 5 of Article 152. The form of the Registration Statement is defined in Ministerial Decree No 95630/8-9-2008 (published in the Government Gazette No 1858/B/12-9-2008) of the Minister of Justice. See also "*Overview of Greek Covered Bond Legislation*" below.
Payments on the Covered Bonds	Payments on the Covered Bonds will be direct and unconditional obligations of the Issuer. Prior to an Issuer Event on each Cover Pool Payment Date the Issuer will apply any funds available to it (including, but not limited to, funds arising in relation to the assets comprised in the Cover Pool) to pay all items which are listed in the Post Issuer Event Priority of Payments. After the occurrence of an Issuer Event on each Cover Pool Payment Date, the Servicer will apply the Covered Bonds Available Funds in accordance with the relevant Priority of Payments. Following the occurrence of a Cover Pool Event of Default and the delivery of a Notice of Default, on any Athens Business Day, all funds deriving from the Cover Pool Assets and the Transaction Documents will be applied in accordance with the Post-Cover Pool Event of Default Priority of Payments.
Security for the Covered Bonds	In accordance with the Greek Covered Bond Legislation, by virtue of the Transaction Documents and pursuant to any Registration Statement, the Cover Pool and all cashflows derived therefrom (including any amounts standing to the credit of the Collection Account) will be available both prior to and following a winding up of the Issuer, to satisfy the obligations of the Issuer to the Covered Bondholders and the other Secured Creditors in priority to the Issuer's obligations to any other creditors, until the repayment in full of the Covered Bonds. In accordance with the Deed of Charge, security will be created for the benefit of the Trustee on behalf of the Secured Creditors in respect of the Hedging Agreements and any other Transaction Documents governed by English law. "**Secured Creditors**" means the Covered Bondholders, the Couponholders, the Trustee, any Receiver, the Asset Monitor, the Account Bank, the Agents, the Servicer, the Hedging Counterparties and any other creditor of the Issuer pursuant to any Transaction Document entered into in the course of the Programme having recourse to the Cover Pool (provided that where NBG performs any of the above roles, NBG will not be a Secured Creditor). "**Receiver**" means any person or persons appointed (and any additional person or persons appointed or substituted) as an administrative receiver, receiver, manager, or receiver and manager of the Charged Property by the Trustee pursuant to the Deed of Charge.

	"**Charged Property**" means the property, assets and undertakings charged by the Issuer pursuant to Clause 3 of the Deed of Charge together, where applicable, the property pledged pursuant to the Statutory Pledge.
Cross-collateralisation and Recourse	By operation of Article 152 and in accordance with the Transaction Documents, the Cover Pool Assets shall form a single portfolio, irrespective of the date of assignment to the Cover Pool and shall be held for the benefit of the Covered Bondholders and the other Secured Creditors irrespective of the Issue Date of the relevant Series. The Covered Bondholders and the other Secured Creditors shall have recourse to the Cover Pool. The Cover Pool Assets may not be seized or attached in any form by creditors of the Issuer other than by the Trustee on behalf of the Covered Bondholders and the other Secured Creditors. In order to ensure that the Cover Pool is, at any time, sufficient to meet the payment obligations of the Issuer under the Covered Bonds, the Issuer shall be obliged, within certain limits and upon certain conditions, to effect certain changes to the Cover Pool Assets comprising the Cover Pool. See "*Optional Changes to the Cover Pool*" below.
Issue Price	Covered Bonds of each Series may be issued at par or at a premium or discount to par on a fully-paid basis (in each case, the "**Issue Price**" for such Series or Tranche) as specified in the relevant Final Terms in respect of such Series.
Interest Payment Dates	In relation to any Series of Covered Bonds, the meaning given in the applicable Final Terms (as the case may be).
Cover Pool Payment Date	The 20th day of each month and if such day is not an Athens Business Day the first Athens Business Day thereafter (the "**Cover Pool Payment Date**"). "**Athens Business Day**" means a day (other than a Saturday or Sunday) on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in Athens.
Final maturity and extendable obligations under the Covered Bonds	The final maturity date for each Series (the "**Final Maturity Date**") will be specified in the relevant Final Terms as agreed between the Issuer and the relevant Dealer(s). Unless specified otherwise in the Final Terms or previously redeemed as provided in the Conditions, the Covered Bonds of each Series will be redeemed at the Final Redemption Amount on the relevant Final Maturity Date. If the **Issuer** has failed to pay the Final Redemption Amount in respect of a Series of Covered Bonds on the applicable Final Maturity Date specified in the Final Terms, then (subject as provided below) payment of any unpaid Final Redemption

	Amount by the Issuer shall be automatically deferred until the Extended Final Maturity Date and the relevant Series of Covered Bonds shall become Pass-Through Covered Bonds, provided that any amount representing the Final Redemption Amount due and remaining unpaid on such Series of Pass-Through Covered Bonds after the Final Maturity Date shall be paid by the Issuer on any Interest Payment Date occurring thereafter up to (and including) the relevant Extended Final Maturity Date. Following the occurrence of an Issuer Event and breach of the Amortisation Test all Series of Covered Bonds become Pass-Through Covered Bonds and the Issuer shall redeem all Series of Covered Bonds on each Interest Payment Date, in accordance with and subject to the relevant Priority of Payments. Failure to pay by the Issuer of the Final Redemption Amount on any Series of Covered Bonds on the Final Maturity Date shall not constitute a Cover Pool Event of Default for the purposes of Condition (a) (but, for the avoidance of doubt, such failure to pay shall be deemed to be a payment default and, accordingly, constitute an Issuer Event). Following service of a Notice of Default, any amount outstanding shall bear interest in accordance with Condition 6.8 (*Late Payment*).
Ratings	Each Series issued under the Programme will be assigned a rating by each of the Rating Agencies.
Approval, listing and admission to trading	Application has been made to the CSSF to approve this document as a base prospectus. Application has also been made and will be made to the Luxembourg Stock Exchange for Covered Bonds issued under the Programme after the date hereof to be admitted to trading on the Luxembourg Stock Exchange's regulated market and to be listed on the official list of the Luxembourg Stock Exchange. Covered Bonds may be unlisted or may be listed or admitted to trading, as the case may be, on a regulated market for the purposes of the Markets in Financial Instruments Directive, as may be agreed between the Issuer, the Trustee and the relevant Dealer(s) in relation to each issue. The Final Terms relating to each Tranche of the Covered Bonds will state whether or not the Covered Bonds are to be listed and/or admitted to trading and, if so, on which regulated markets.
Clearing Systems	Euroclear Bank S.A./N.V. (Euroclear), and/or Clearstream Banking, *société anonyme* (Clearstream, Luxembourg) in relation to any Series of Covered Bonds or any other clearing system as may be specified in the relevant Final Terms.

Selling Restrictions	There are restrictions on the offer, sale and transfer of the Covered Bonds in the United States, the European Economic Area (including the United Kingdom, the Hellenic Republic and Luxembourg) and Japan and such other restrictions as may be required in connection with the offering and sale of a particular Tranche of Covered bonds. See "*Subscription and Sale*" below.
Greek Covered Bond Legislation	The Covered Bonds will be issued pursuant to the Greek Covered Bond Legislation. For further information on the Greek Covered Bond Legislation, see "*Overview of Greek Covered Bond Legislation*" below.
Governing law	The Servicing and Cash Management Deed, the Trust Deed, the Deed of Charge, the Agency Agreement, the Asset Monitor Agreement, the Bank Account Agreement, the Programme Agreement, each Custody Agreement, each Subscription Agreement and each Hedging Agreement will be governed by, and construed in accordance with, English law. The Covered Bonds are governed by and construed in accordance with English law. The Statutory Pledge referred to in Condition 2 (*Status of the Covered Bonds*), is governed by and construed in accordance with Greek Law.

CREATION AND ADMINISTRATION OF THE COVER POOL

Principal source of payments under Covered Bonds	Payments on the Covered Bonds will be direct and unconditional obligations of the Issuer. Prior to an Issuer Event on each Cover Pool Payment Date the Issuer will apply any funds available to it (including, but not limited to, funds arising in relation to the assets comprised in the Cover Pool) to pay all items in the Post Issuer Event of Default Priority of Payments. After the occurrence of an Issuer Event on each Cover Pool Payment Date, the Servicer will apply the Covered Bonds Available Funds in accordance with the relevant Priority of Payments.
The Cover Pool	Pursuant to the Greek Covered Bond Legislation, the Issuer will be entitled to create the Statutory Pledge over: (a) certain eligible assets set out in paragraph 8(b) of Section B of the Bank of Greece Act No 2588/20-8-2007 "Calculation of Capital Requirements for Credit Risk according to the Standardised Approach", including, but not limited to claims deriving from loans and credit facilities of any nature comprising the aggregate of all principal sums, interest, costs, charges, expenses, and other moneys, all additional loan advances under such loans and credit facilities due or owing with respect to such loan and/or credit facilities

provided that such loans and credit facilities are secured by residential real estate (the "**Loans**") together with any mortgages, mortgage pre-notations, guarantees or indemnity payments which may be granted or due, as the case may be, in connection therewith (the "**Related Security**", and together with the Loans the "**Loan Assets**"); following the entry into force of Regulation 575/2013 on 1 January 2014, the reference to paragraph 8(b) should be read as a reference to article 129 of Regulation 575/2013;

(b) derivative financial instruments including but not limited to the Hedging Agreements satisfying the requirements of paragraph I. 2(b) of the Secondary Covered Bond Legislation;

(c) deposits with credit institutions (including any cash flows deriving therefrom) provided that such deposits comply with paragraph 8(b) of Section B of the Bank of Greece Act No. 2588/20-8-2007, as amended and in force, (including the Transaction Accounts, to the extent that they comply with the relevant regulations but excluding the Collection Account); and

(d) Marketable Assets (as defined below).

(each a "**Cover Pool Asset**" and collectively the "C**over Pool**").

By virtue of the Registration Statement(s) filed with the Athens Pledge Registry on or prior to the Issue Date for the first Series of Covered Bonds, the Issuer shall segregate the Cover Pool in connection with the issuance of Covered Bonds for the satisfaction of the rights of the Covered Bondholders and the other Secured Creditors.

CHANGES TO THE COVER POOL

Optional changes to the Cover Pool The Issuer shall be entitled, subject to filing a Registration Statement so providing, to:

(a) *Allocation of Further Assets*: allocate to the Cover Pool Additional Cover Pool Assets for the purposes of issuing further Series of Covered Bonds and/or complying with the Statutory Tests and/or maintaining the rating(s) assigned to the Covered Bonds provided that, in respect of any New Asset Type (A) Moody's (to the extent it is rating any Covered Bonds at that time) has provided confirmation in writing that the ratings on the Covered Bonds would not be adversely affected by, or withdrawn as a result of such addition of the New Asset Type to the Cover Pool (and in the case of any other Rating Agency (to the extent it is rating any Covered Bonds at that time), such Rating Agency has been notified of such addition); and (B) the risk

weighting of the Covered Bonds will not be negatively affected; and

(b) *Removal or substitution of Cover Pool Assets*: prior to the occurrence of an Issuer Event and provided that no breach of any Statutory Test has occurred or would occur as a result of such removal or substitution (i) remove Cover Pool Assets from the Cover Pool or (ii) substitute Cover Pool Assets with Additional Cover Pool Assets, provided that for any substitution of Additional Cover Pool Assets which are New Asset Types, Moody's (to the extent it is rating any Covered Bonds at that time) has provided confirmation in writing that the ratings on the Covered Bonds would not be adversely affected by, or withdrawn as a result of, such substitution (and in the case of any other Rating Agency (to the extent it is rating any Covered Bonds at that time), such Rating Agency has been notified of such addition) .

Any further assets added to the Cover Pool at the option of the Issuer in accordance with the above shall form part of the Cover Pool.

Upon any addition to the Cover Pool of any additional Cover Pool Assets where the relevant transfer date is also an Issue Date or the Issuer ceases to have the Minimum Credit Ratings, the Issuer shall deliver to the Trustee a solvency certificate stating that the Issuer is, at such time, solvent.

"**New Asset Type**" means a new type of mortgage loan originated by the Issuer, which the Issuer intends to assign to the Cover Pool as an Additional Cover Pool Asset, the terms and conditions of which are materially different (in the opinion of the Issuer acting reasonably) from any of the Cover Pool Assets in the Cover Pool. For the avoidance of doubt, a mortgage loan will not constitute a New Asset Type if it differs from any of the Cover Pool Assets in the Cover Pool solely due to it having different interest rates and/or interest periods and/or time periods for which it is subject to a fixed rate, capped rate or any other interest rate or the benefit of any discounts, cash-backs and/or rate guarantees.

"**Minimum Credit Rating**" means at least Baa3 by Moody's and BB(L) by DBRS.

Disposal of the Loan Assets

Following the occurrence of an Issuer Event, which is continuing, the Servicer shall be obliged to sell in whole or in part the Loan Assets in accordance with the provisions of the Servicing and Cash Management Deed. The proceeds from any such sale will be credited to the Transaction Account and applied in accordance with the relevant Priority of Payments.

In certain circumstances the Issuer shall have the right to prevent the sale of Loan Assets to third parties by removing the

Loan Assets made subject to sale from the Cover Pool and transferring within 10 Athens Business Days from the receipt of an offer letter, to the Transaction Account, an amount equal to the price set forth in such offer letter, subject to the provision of a solvency certificate. See "*Description of the Transaction Documents – The Servicing and Cash Management Deed*".

Following the occurrence of a Cover Pool Event of Default, the Trustee shall be entitled to direct the Servicer to dispose of the Cover Pool.

Undertakings of the Issuer in respect of the Cover Pool

Pursuant to the Transaction Documents, the Issuer undertakes to manage the Cover Pool in the interest of the Covered Bondholders and the other Secured Creditors and undertakes to take any actions required in order to ensure that the servicing of the Loan Assets is conducted in accordance with the collection policy and recovery procedure applicable to the Issuer.

Representations and Warranties of the Issuer

Under the Servicing and Cash Management Deed, the Issuer has made and will make certain representations and warranties regarding itself and the Cover Pool Assets including, *inter alia*:

(i) its status, capacity and authority to enter into the Transaction Documents and assume the obligations expressed to be assumed by it therein;

(ii) the legality, validity, binding nature and enforceability of the obligations assumed by it;

(iii) the existence of the Cover Pool Assets, the absence of any lien attaching to the Cover Pool Assets;

(iv) its full, unconditional, legal title to the Cover Pool Assets; and

(v) the validity and enforceability against the relevant debtors of the obligations from which the Cover Pool Assets arise.

Individual Eligibility Criteria

Each Loan Asset to be included in the Cover Pool shall comply with the following criteria (the "**Individual Eligibility Criteria**"):

(i) it is an existing Loan, denominated in euro and is owed by Borrowers who are individuals;

(ii) it is governed by Greek Law and the terms and conditions of such Loan do not provide for the jurisdiction of any court outside Greece;

(iii) its nominal value remains a debt, which has not been paid or discharged;

(iv) it is secured by a valid and enforceable first ranking Mortgage and/or Pre-Notation over property located in Greece that may be used for residential purposes;

(v) notwithstanding (iv) above, if the Mortgage and/or Pre-Notation is of lower ranking, the Loans that rank higher have also been originated by the Issuer and are included in the Cover Pool;

(vi) only completed properties secure the Loan;

(vii) (a) in the case of Loans originated by the relevant Originators, all lending criteria and preconditions applied by the relevant Originator's credit policy and customary lending procedures and the "European Code of Conduct on Mortgage Loans" have been satisfied with regards to the granting of such Loan, and (b) in the case of Loans acquired by the Issuer, each loan has been administered by the Issuer from the date of acquisition according to a level of skill, care and diligence of a reasonable, prudent mortgage lender;

(viii) the purpose of such Loan is either to buy, construct or renovate a property or refinance a loan granted by another bank for one of these purposes;

(ix) it is either a fixed or floating rate Loan or a combination of both;

(x) it is not an interest only Loan;

(xi) it is a Loan that is fully disbursed and in relation to which there is no obligation or possibility to make additional disbursements;

(xii) on the date on which such Loan is added in the Cover Pool it has a maturity of no longer than the day falling 8 years before the Extended Final Maturity Date of the Earliest Maturing Covered Bonds then outstanding.

"**Mortgage**" means the legal charge, standard security, mortgage or charge securing a Loan.

Pre-Notation means a judicial mortgage pre-notation under Articles 1274 et seq. of the Greek Civil Code granted in respect of a Property.

"**OEK**" means the Greek Worker Housing Association.

"**Subsidised Interest Amounts**" means the interest subsidy amounts, which for the avoidance of doubt shall only be denominated in euro, due and payable from the Greek State in respect of the State Subsidised Loans and/or from the OEK in respect of the OEK Subsidised Loans and/or from any other

Greek State subsidised entity in respect of any other Subsidised Loan (as the case may be).

"**Subsidised Loan**" means either the OEK Subsidised Loans, the State Subsidised Loans or the State/OEK Subsidised Loan or loans subsidised by any additional Greek State subsidised or owned entity, which for the avoidance of doubt are only denominated in euro.

"**OEK Subsidised Loans**" means those Loans, which for the avoidance of doubt are only denominated in euro, in respect of which the OEK makes payment of Subsidised Interest Amounts pursuant to the applicable laws and the bilateral agreements pursuant to which the OEK pays subsidies to the Issuer in respect of such Loans.

"**State/OEK Subsidised Loans**" means those Loans, which for the avoidance of doubt are only denominated in euro, which are both State Subsidised Loans and OEK Subsidised Loans.

"**State Subsidised Loans**" means those Loans, which for the avoidance of doubt are only denominated in euro, in respect of which the Hellenic Republic makes payment of Subsidised Interest Amounts pursuant to all applicable laws.

Monitoring of the Cover Pool

Prior to an Issuer Event, the Servicer shall verify that the Cover Pool satisfies the following aggregate criteria:

(i) the Cover Pool satisfies the Nominal Value Test;

(ii) the Cover Pool satisfies the Net Present Value Test; and

(iii) the Cover Pool satisfies the Interest Cover Test,

(collectively, the "**Statutory Tests**" and each a "**Statutory Test**").

The Servicer shall provide such verifications on each Applicable Calculation Date.

"**Applicable Calculation Date**" means:

(a) in respect of the Nominal Value Test, each Calculation Date; and

(b) in respect of the Net Present Value Test and the Interest Cover test, each Calculation Date which falls in March, June, September and December of each year.

Statutory Tests

Pursuant to the Greek Covered Bond Legislation, the Cover Pool is subject to the Statutory Tests as set out in the Secondary Covered Bond Legislation. Failure of the Issuer to cure a breach of any one of the Statutory Tests within two Athens Business Days will result in the Issuer not being able to

issue further Covered Bonds. The Statutory Tests will include the following:

(a) *The Nominal Value Test:* Prior to an Issuer Event which is continuing the Issuer must ensure that on each Calculation Date, the Principal Amount Outstanding of all Series of Covered Bonds, together with all accrued interest thereon, is not greater than 81 per cent. (or any such percentage which the Issuer may determine in accordance with any alternative methodologies of the relevant Rating Agencies rating any Covered Bonds at that time) of the nominal value of the Cover Pool (as determined in accordance with the Servicing and Cash Management Deed). In order to assess compliance with this test, all of the assets comprising the Cover Pool shall be evaluated at their Nominal Value but not including the Interest Rate Swap and the Covered Bond Swaps.

"**Nominal Value**" has the meaning ascribed to it in the Servicing and Cash Management Deed.

"**Marketable Assets**" has the meaning given to that term in the Act of the Monetary Policy Council of the Bank of Greece No. 96/22.4.2015 (which replaced the Act of the Monetary Policy Council of the Bank of Greece No. 54/27-2-2004), as in force and amended from time to time, and which comply with the requirements for Eligible Investments, are allowed to be included in the Cover Pool and will be included in assessing compliance with the Nominal Value Test, provided that such assets in the Cover Pool do not exceed the difference in value between the Principal Amounts Outstanding of Covered Bonds then outstanding plus accrued interest and the nominal value of the Cover Pool plus accrued interest.

(b) *The Net Present Value Test*: Prior to an Issuer Event, which is continuing, the Issuer must ensure that on each Calculation Date falling in March, June, September and December of each year the Net Present Value of liabilities under the Covered Bonds then outstanding is less than or equal to the Net Present Value of the Cover Pool, including the Interest Rate Swap and the Covered Bond Swaps.

The Net Present Value Test must also be satisfied under the assumption of parallel shifts of the yield curve by 200 basis points.

In addition, the Issuer must ensure that on each Calculation Date, the Net Present Value of the Interest Rate Swap, the Covered Bond Swaps and the Transaction Account (if not held with the Issuer) are in aggregate less than or equal to 15% of the nominal

value (being principal) of the Covered Bonds plus accrued interest thereon.

(c) *The Interest Cover Test:* Prior to the occurrence of an Issuer Event, which is continuing, the Issuer must ensure that on each Calculation Date falling in March, June, September and December of each year the amount of interest due on all Series of Covered Bonds does not exceed the amount of interest expected to be received (including, in respect of Subsidised Loan, for these purposes any Subsidised Interest Amounts that are expected to be received during such period but excluding any amounts from Borrowers which represent the cost to the Issuer of the Levy in respect of such Loan) in respect of the assets comprised in the Cover Pool (including the Interest Rate Swap and the Covered Bond Swaps) and the Marketable Assets which are to be included for the purpose of valuation in accordance with paragraph I.6 of the Secondary Covered Bond Legislation, in each case, during the period of 12 months from such Calculation Date and the Hedging Agreements (if included, at the discretion of the Issuer) must be included for assessing compliance with this test.

"**Calculation Date**" means five Athens Business Days prior to each Cover Pool Payment Date.

"**Eligible Investments**" means any Marketable Assets denominated in Euro, provided that, in all cases:

(a) such investments are immediately repayable on demand, disposable without penalty or have a maturity date falling on or before the next Cover Pool Payment Date;

(b) such investments provide a fixed principal amount at maturity (such amount not being lower than the initially invested amount); and

(c) (i) each of the debt securities or other debt instruments and the issuing entity or (in the case of debt securities or other debt instruments which are fully and unconditionally guaranteed on an unsubordinated basis) the guaranteeing entity are rated at least:

(A) A2 and P-1 by Moody's or AAA and R-1 (high) by DBRS and AA- and A-1 by S&P, with regards to investments having a maturity of up to 365 days where such investments are given both a short-term and a long-term rating by the relevant Rating Agency; or

(B) P-1 by Moody's or R-1 (middle) by DBRS and A-1 by S&P with regards to investments having a maturity of up to 365 days where such investments are given a short-term rating but not a long-term rating by the relevant Rating Agency,

provided that if the then outstanding Covered Bonds are rated Ba1 or lower by Moody's or BB(H) or lower by DBRS and BB or lower by S&P:

(1) A or R-1 (low) by DBRS or A2 or P-1 by Moody's or BBB and A2 by S&P with regards to investments having a maturity of up to 365 days where such investments carry both short term and long term ratings; and

(2) P-1 by Moody's or R-1 (low) by DBRS and A2 by S&P with regards to investments having a maturity of up to 365 days where such investment, are given a short-term rating but not a long-term rating by the relevant Rating Agency; or

(ii) each of the debt securities or other debt instruments is issued by a money market fund or variable net asset value fund, in each case having a money market fund rating from Moody's or DBRS and S&P in each case that would comply with the requirement in (c)(i) above;

For the purposes of calculating the Interest Cover Test set out above, each Loan will be deemed to have an outstanding principal balance of and bear interest on an amount equal to the lower of:

(a) the Euro Equivalent of the actual Outstanding Principal Balance of the relevant Loan in the Cover Pool as calculated on each Application Calculation Date; and

(b) the Euro Equivalent of the latest of either the physical valuation or the Prop Index Valuation relating to that Loan multiplied by 0.80, less the Outstanding Principal Balance of any first-ranking Loan if such

Loan is a second-ranking Loan, provided that such Loan can never be given a value of less than zero;

(c) if the relevant Loan is in arrear of more than 90 days, zero; and

(d) and each Loan shall be deemed to bear interest on the lower of the amounts calculated in (i), (ii) and (iii) above.

In addition, in calculating such tests, all Loans that do not comply with the representations and warranties during the immediately preceding calculation period, shall be given a zero value.

"**Prop Index Valuation**" means the index of movements in house prices issued by Prop Index SA in relation to residential properties in Greece.

Breach of Statutory Tests

If on an Applicable Calculation Date any one or more of the Statutory Tests being tested on such Applicable Calculation Date are not satisfied, the Issuer must take immediate action to cure any breach(es) of the relevant Statutory Tests.

The Servicer or (where NBG is not the Servicer) the Issuer, as the case may be will immediately notify in writing the Trustee of any breach of any of the Statutory Tests.

In the event that the Issuer breaches any Statutory Test, the Issuer will not be permitted to issue any further Covered Bonds until such time as such Statutory Test breach has been cured.

Amortisation Test

In addition to the Statutory Tests and pursuant to the Servicing and Cash Management Deed, following an Issuer Event, which is continuing, will be subject to an amortisation test (the "**Amortisation Test**"). The Amortisation Test is intended to ensure that the Cover Pool Assets are sufficient to meet the obligations under all Covered Bonds outstanding together with senior expenses that rank in priority or *pari passu* with amounts due on the Covered Bonds.

The Amortisation Test will be tested by the Servicer on each Calculation Date following the occurrence of an Issuer Event. Following a breach of the Amortisation Test all Series of Covered Bonds become Pass-Through Covered Bonds and the Issuer shall redeem all Series of Covered Bonds on each Interest Payment Date, in accordance with and subject to the relevant Priority of Payments.

The Servicer will immediately notify in writing the Trustee of any breach of any of the Amortisation Test.

Amendment to definitions

The Servicing and Cash Management Deed will provide that the definitions of Cover Pool, Cover Pool Asset, Statutory Test and Amortisation Test may be amended by the Issuer from time to time as a consequence of, *inter alia*, the inclusion in the Cover Pool, of a New Asset Type without the consent of the Trustee provided that each of the Rating Agencies has provided confirmation in writing that the rating on the Covered Bonds would not be adversely affected by, or withdrawn as a result of such amendment. The Servicing and Cash Management Deed shall set forth the conditions for any such amendment to be effected.

See "*Description of the Transaction Documents – The Servicing and Cash Management Deed – Amendment to Definitions*".

Issuer Events

Prior to the occurrence of a Cover Pool Event of Default, if any of the following events (each, an Issuer Event) occurs and is continuing:

(a) an Issuer Insolvency Event;

(b) the Issuer fails to pay any principal or interest in respect of any series of Covered Bonds within a period of seven Athens Business Days from the due date thereof;

(c) the Issuer fails to pay the Final Redemption Amount in respect of any Series of Covered Bonds on the Final Maturity Date (notwithstanding that the relevant Series of Covered Bonds has an Extended Final Maturity Date);

(d) default is made by the Issuer in the performance or observance of any obligation, condition or provision binding on it (other than any obligation for the payment of amounts due under the Covered Bonds or Coupons of any Series) under the Trust Deed, the Deed of Charge or any other Transaction Document to which the Issuer is a party which, in the opinion of the Trustee would have a materially prejudicial effect on the interests of the Covered Bondholders of any Series and (except where such default is or the effects of such default are, in the opinion of the Trustee, not capable of remedy when no such continuation and notice as is hereinafter mentioned will be required), such default continues for 30 days (or such longer period as the Trustee may permit) after written notice has been given by the Trustee to the Issuer requiring the default to be remedied;

(e) any present or future Indebtedness in respect of moneys borrowed or raised in an amount of €10,000,000 or more (other than Indebtedness under this Programme) of the Issuer becomes due and

payable prior to the stated maturity thereof as extended by any grace period originally applicable thereto; or if any present or future guarantee of, or indemnity given by the Issuer in respect of such Indebtedness is not honoured when called upon or within any grace period originally applicable thereto; or

(f) if there is a breach of a Statutory Test on an Applicable Calculation Date and such breach is not remedied within two Athens Business Days,

then (i) no further Covered Bonds will be issued, (ii) the Servicer will procure that any and all payments due under the Cover Pool Assets effected on the Collection Account are transferred henceforth directly to the Transaction Account pursuant to the provision of the Servicing and Cash Management Deed, (iii) all collections of principal and interest on the Cover Pool Assets will be dedicated exclusively to the payment of interest and repayment of principal on the Covered Bonds and to the fulfilment of the obligations of the Issuer *vis-à-vis* the Secured Creditors in accordance with the Post-Issuer Event Priority of Payments and (iv) if NBG is the Servicer, its appointment as Servicer will be terminated and a new servicer will be appointed pursuant to the terms of the Servicing and Cash Management Deed and the Secondary Covered Bond Legislation.

However, for the avoidance of doubt, an Issuer Event shall not be deemed to have occurred where there has been a failure to pay the Principal Amount Outstanding on the Covered Bonds on the Final Maturity Date where the Extended Final Maturity Date is applicable.

"**Indebtedness**" means all indebtedness in respect of moneys borrowed on the capital markets.

Authorised Investments

Pursuant to the Servicing and Cash Management Deed, the Servicer is entitled to draw sums from time to time standing to the credit of the Transaction Account for effecting Authorised Investments.

In accordance with the terms of the Servicing and Cash Management Deed, prior to an Issuer Event, the Servicer may, in its discretion, invest sums in Authorised Investments.

Authorised Investments means each of:

a) Euro denominated demand or time deposits, certificates of deposit, long-term debt obligations and short-term debt obligations (including commercial paper) provided that in all cases such investments are rated at least, the DBRS Minimum Rating by DBRS, at least P-1 by Moody's and at least BBB or A2 by S&P (or such other ratings that may be agreed by the Rating Agencies from time to time), have a remaining period

to maturity of 30 days or less and mature on or before the next following Cover Pool Payment Date and (i) the long-term and short-term issuer default rating of the issuing or guaranteeing entity or the entity with which the demand or the deposits are made are rated at least the DBRS Minimum Rating by DBRS, (ii) the long-term or short-term issuer default rating of the issuing or guaranteeing entity or the entity with which the demand or the deposits are made are rated at least BBB or A2 respectively by S&P and (iii) the short-term, unsecured, unguaranteed and unsubordinated debt obligations of the issuing or guaranteeing entity or the entity with which the demand or time deposits are made are rated at least P-1 by Moody's (or such other ratings that may be agreed by the Rating Agencies from time to time);

b) Euro denominated government and public securities, provided that such investments have a remaining period to maturity of 30 days or less and mature on or before the next following Cover Pool Payment Date and which are rated Aaa by Moody's, the DBRS Minimum Rating by DBRS and BBB or A2 by S&P (or such other ratings that may be agreed by the Rating Agencies from time to time); and

c) Euro denominated residential mortgage backed securities provided that such investments have a remaining period to maturity of 30 days or less and mature on or before the next following Cover Pool Payment Date, are actively traded in a continuous, liquid market on a recognised stock exchange, are held widely across the financial system, are available in an adequate supply and which are rated at least Aaa by Moody's, and AA by S&P (or such other ratings that may be agreed by the Rating Agencies from time to time) and the DBRS Minimum Rating by DBRS,

provided that such Authorised Investments (i) shall provide a fixed principal amount due at its maturity (such amount not being lower than the initially invested amount) and shall not include any embedded options (i.e. it shall not be callable, putable, or convertible), unless full payment of principal is paid in cash upon the exercise of the embedded option and (ii) satisfy the requirements for eligible assets that can collateralise covered bonds under paragraph I.2(a) of the Secondary Covered Bond Legislation;

Servicing and collection procedures

The Servicer will be responsible for the servicing of the Cover Pool, including, *inter alia*, for the following activities:

(a) collection and recovery in respect of each Cover Pool Asset;

(b) administration and management of the Cover Pool;

(c) management of any judicial or extra judicial proceeding connected to the Cover Pool;

(d) keeping accounting records of the amounts due and collected under the Loan Assets and the Hedging Agreements;

(e) preparation, upon request of the Issuer, the Trustee or the Rating Agencies, of monthly reports (to be delivered to the Issuer, the Trustee and the Rating Agencies (in each case if requested) on the amounts due by debtors, and on the collections and recoveries made in respect of the Loan Assets and Hedging Agreements; and

(f) carrying out the reconciliation of the amounts due and the amounts effectively paid by the debtors under the Loans on the relevant Cover Pool Payment Date.

ACCOUNTS AND CASH FLOW STRUCTURE:

Collection Account

Prior to an Issuer Event, which is continuing, the Issuer (or the Servicer on behalf of the Issuer) will deposit on a daily basis within one Athens Business Day of receipt, all collections of interest and principal it receives on the Cover Pool Assets and all moneys received from Marketable Assets and Authorised Investments, if any, included in the Cover Pool into a segregated euro-denominated account maintained at NBG (the "**Collection Account**"). NBG will not commingle any of its own funds and general assets with amounts standing to the credit of the Collection Account. For the avoidance of doubt, any cash amounts standing to the credit of the Collection Account shall not comprise part of the Cover Pool for purposes of the Statutory Tests.

To the extent not otherwise pre-funded by the Servicer, prior to the occurrence of an Issuer Event which is continuing, the Servicer shall procure that all Subsidy Payments received from the OEK and/or the Greek State or any other Greek State owned entity in respect of the Subsidised Loans will be deducted from the applicable Subsidy Bank Account and paid into the Collection Account within three Athens Business Days of receipt.

All amounts deposited in, and standing to the credit of, the Collection Account shall constitute segregated property distinct from all other property of NBG pursuant to paragraph 9 of Article 152 and by virtue of an analogous application of paragraphs 14 through 16 of Article 10 of Greek Law 3156/2003 or other than as created under or permitted pursuant to the Deed of Charge.

"**Subsidy Bank Account**" means the OEK Savings Account, the NBG BoG Account and any other bank accounts in the name of the OEK, the Greek State or any other Greek State owned entity maintained in respect of the Subsidised Loans with either the Bank of Greece, NBG, the Replacement Servicer, or if the Replacement Servicer is not a Credit Institution, with the Credit

Institution appointed by such Replacement Servicer in accordance with the Servicing and Cash Management Deed, as applicable;

"**Subsidy Payments**" means the aggregate of all amounts, which for the avoidance of doubt shall only be denominated in euro, actually received from the OEK, the Greek State and any other Greek State subsidised entity representing the Subsidised Interest Amounts in respect of the Subsidised Loans comprised in the Cover Pool.

"**OEK Savings Account**" means the savings bank account in the name of the OEK maintained in respect of the OEK Subsidised Loans with NBG, the Replacement Servicer or, if the Replacement Servicer is not a Credit Institution, with the Credit Institution appointed by such Replacement Servicer in accordance with Servicing and Cash Management Deed, as applicable.

"**NBG BoG Account**" means the bank account in the name of NBG, maintained in respect of the State Subsidised Loans with the Bank of Greece.

"**Credit Institution**" means a credit institution for the purposes of Greek Law 4261/2014 of the Hellenic Republic.

"**Replacement Servicer**" means any entity appointed as a substitute servicer in accordance with Clause 22 of the Servicing and Cash Management Deed.

Transaction Account

On or about the Programme Closing Date, a segregated Euro denominated account will be established with the Account Bank (the "**Transaction Account**").

Following the occurrence of an Issuer Event (as defined above), the Servicer shall (i) procure that within two days after the occurrence of such Issuer Event, all collections of principal and interest on deposit in the Collection Account be transferred to the Transaction Account. Following the occurrence of an Issuer Event, the Transaction Account will be used for the crediting of the following amounts:

(a) any amounts standing to the credit of the Collection Account;

(b) any amounts received by the Issuer or the Servicer in respect of the Loan Assets and the Marketable Assets;

(c) all amounts received by the Issuer for effecting payments on the Covered Bonds;

(d) all amounts received by the Issuer to effect an optional substitution of Cover Pool Assets (including any amount deposited by the Issuer to prevent a sale of the Loan Assets to a third party);

(e) all amounts received in connection with the sale of a Cover Pool Asset;

(f) all amounts received by the Issuer pursuant to the Interest Rate Swap and the Covered Bond Swaps (other than Swap Collateral Excluded Amounts (if any);

(g) all amounts deriving from the maturity or liquidation of Authorised Investments; and

(h) any Subsidy Payments received from the OEK and/or the Greek State and/or any other Greek State subsidised or owned entity.

The Issuer (or the Servicer on its behalf) will maintain records in relation to the Transaction Account in accordance with the Transaction Documents.

Covered Bonds Available Funds

Following the occurrence of an Issuer Event, the Issuer shall transfer any amounts it receives in respect of any Cover Pool Assets to the Transaction Account within two Athens Business Days of receipt.

The Transaction Account will be maintained with the Account Bank for as long as the Account Bank is an Eligible Institution.

Following the occurrence of an Issuer Event, payments on the Covered Bonds will be made from the Covered Bonds Available Funds in accordance with the relevant Priority of Payments.

"**Covered Bonds Available Funds**" means, at any time upon or after the occurrence of an Issuer Event in respect of any Cover Pool Payment Date, as the case may be, the aggregate of:

(a) all amounts standing to the credit of the Transaction Account at the immediately preceding Calculation Date (other than amounts standing to the credit of the General Reserve Ledger);

(b) all amounts (if any) paid or to be paid on or prior to such Cover Pool Payment Date by the Hedging Counterparties into the Transaction Account pursuant to the Hedging Agreement(s);

(c) all amounts of interest paid on the Transaction Account during the Interest Period immediately preceding such Cover Pool Payment Date;

(d) the General Reserve Withdrawal Amount; and

(e) all amounts deriving from repayment at maturity of any Authorised Investment on or prior to such Cover Pool Payment Date.

For the avoidance of doubt:

(i) should there be any duplication in the amounts included in the different items of the Covered Bonds Available Funds above, the Servicer shall avoid such duplication when calculating the Covered Bonds Available Funds; and

(ii) the Covered Bonds Available Funds will not include any asset (including, without limitation, cash or securities) which is paid or transferred by any Hedging Counterparty to the Issuer as collateral to secure the performance by such Hedging Counterparty of its obligations under a Hedging Agreement together with any income or distributions received in respect of such asset and any equivalent or replacement of such asset into which such asset is transferred but which may not be applied at such time in satisfaction of the obligations of the relevant Hedging Counterparty under the terms of such Hedging Agreement.

"**Swap Collateral**" means, at any time, any asset (including, without limitation, cash and/or securities) which is paid or transferred by a Swap Provider to the Issuer as collateral in respect of the performance by such Swap Provider of its obligations under the relevant Hedging Agreement together with any income or distributions received in respect of such asset and any equivalent of such asset into which such asset is transformed.

Cover Pool Event of Default

If, following an Issuer Event, any of the following events occurs (a "**Cover Pool Event of Default**"):

(a) on the Extended Final Maturity Date in respect of any Series of Pass-Trough Covered Bonds there is a failure to pay any amount of principal due on such Pass-Trough Covered Bonds on such date and such default is not remedied within a period of seven Athens Business Days from the due date thereof;

(b) on any Interest Payment Date, a default in the payment of the amount of interest due on any Series of Pass-Trough Covered Bonds and any other Series Covered Bonds occurs and such default is not remedied within a period of 14 Athens Business Days from the due date thereof;

then the Trustee shall, upon receiving notice from the Principal Paying Agent, or the Servicer, of the occurrence of such Cover Pool Event of Default, serve a notice (a "**Notice of Default**") on the Issuer.

Following the service of a Notice of Default, the Covered Bonds of each Series shall become immediately due and payable.

Following the occurrence of a Cover Pool Event of Default, the Trustee shall be entitled to direct the Servicer to dispose of the Cover Pool. See "*Description of Principal Documents - Servicing and Cash Management Deed*".

Priority of Payments Prior to the delivery of a Notice of Default

Following an Issuer Event but prior to the delivery of a Notice of Default, the Servicer shall apply all Covered Bonds Available Funds on each Cover Pool Payment Date in making the following payments and provisions in the following order of priority (the "**Post Issuer Event Priority of Payments**") (in each case only if and to the extent that payments of a higher priority have been made in full):

(i) *first*, in or towards satisfaction of all amounts then due and payable or to become due and payable prior to the next Cover Pool Payment Date to the Trustee (including remuneration payable to it) under the provisions of the Trust Deed together with interest and applicable VAT (or other similar taxes) thereon to the extent provided therein;

(ii) *second*, *pari passu* and *pro rata* according to the respective amounts thereof to pay any additional fees, costs, expenses and taxes due and payable on the Cover Pool Payment Date or to provide for all such amounts that will become due and payable prior to the next Cover Pool Payment Date to fund any notice to be given to any parties in accordance with any of the Transaction Documents or to the Covered Bondholders;

(iii) *third*, to pay all amounts due and payable on the Cover Pool Payment Date, or to provide for all such amounts that will become due and payable prior to the next Cover Pool Payment Date (and for which payment has not been provided for elsewhere in the relevant Priorities of Payments), to any Secured Creditors other than the Covered Bondholders with the exception of any amount due to be paid, or that will become due and payable prior to the next Cover Pool Payment Date, to the Hedging Counterparties under the Hedging Agreements;

(iv) *fourth*, *pari passu* and *pro rata*, according to the respective amounts thereof (a) to pay all amounts of interest due and payable on the Pass-Through Covered Bonds and on the Covered Bonds on the Cover Pool Payment Date, or to provide for all such amounts that will become due and payable prior to the next Cover Pool Payment Date on any Covered Bonds and (b) to pay any amounts due and payable on the Cover Pool Payment Date, or to provide for all such amounts that will become due and payable prior to the next Cover Pool Payment Date under any Hedging Agreement other than Subordinated Termination Payments to any Hedging Counterparties under any such Hedging Agreements;

(v) *fifth*, to pay *pari passu* and pro rata, according to the respective amounts thereof all amounts of principal due and payable in respect of any Series of Pass-Through Covered Bonds and any other Series of Covered Bonds

then outstanding on the Cover Pool Payment Date, or to provide for all such amounts that will become due and payable prior to the next Cover Pool Payment Date (if any) on any Series of Pass-Through Covered Bonds or any other Series of Covered Bonds;

(vi) *sixth*, for so long as any Covered Bonds remain outstanding, any remaining Covered Bonds Available Funds will remain standing to the credit of the Transaction Account, or, as applicable, be deposited in the Transaction Account;

(vii) *seventh*, to pay *pari passu* and *pro rata*, according to the respective amounts thereof, any amount due and payable on the Cover Pool Payment Date, or to provide for all such amounts that will become due and payable prior to the next Cover Pool Payment Date to any Hedging Counterparties arising out of any Subordinated Termination Payment; and

(viii) *eighth*, to pay any excess to the Issuer.

"**Subordinated Termination Payment**" means any termination payments due and payable to any Hedging Counterparty under a Hedging Agreement where such termination results from (a) an Additional Termination Event - "Ratings Event" as specified in the schedule to the relevant Hedging Agreement, (b) bankruptcy of the relevant Hedging Counterparty, or (c) any default and/or failure to perform by such Hedging Counterparty under the relevant Hedging Agreement, other than, in the event of (a) or (c) above, the amount of any termination payment due and payable to such Hedging Counterparty in relation to the termination of such transaction to the extent of any premium received by the Issuer from a replacement hedging counterparty.

Following the occurrence of a Cover Pool Event of Default and the delivery of a Notice of Default all funds deriving from the Cover Pool Assets and the Transaction Documents, standing to the credit of the Transaction Account shall be applied on any Athens Business Day in accordance with the following order of priority of payments (the "**Post Cover Pool Event of Default Priority of Payments**" and, together with the Post Issuer Event Priority of Payments, the "**Priorities of Payments**" and, each of them a "**Priority of Payments**") (in each case only if and to the extent that payments of a higher priority have been made in full) provided that any such amount has not been paid by the Issuer using funds not forming part of the Cover Pool:

(i) *first*, to pay any Indemnity to which the Trustee is entitled pursuant to the Trust Deed and any costs and expenses incurred by or on behalf of the Trustee (a) following the occurrence of a Potential Cover Pool Event of Default in connection with or as a result of serving on the Issuer a Notice of Default (to the extent that any such amounts have not yet been paid out of the Covered Bonds

Available Funds before the delivery of a Notice of Default) and (b) following the delivery of a Notice of Default in connection with or as a result of the enforcement of (A) the security granted under the Statutory Pledge and the Deed of Charge and/or (B) any other right or remedy that the Trustee is entitled to, or is required to pursue, under or in connection with the Transaction Documents and the Covered Bonds for the purpose of protecting the interests of the Covered Bondholders and the other Secured Creditors;

(ii) *second*, *pari passu* and *pro rata* according to the respective amounts thereof, (a) to pay all amounts of interest and principal then due and payable on any Covered Bonds, (b) to pay any additional fees, costs, expenses and taxes due and payable in connection with any listing or deposit of the Covered Bonds or to fund any notice to be given to any parties in accordance with any of the Transaction Documents or to the Covered Bondholders, (c) to pay all amounts due and payable to any Secured Creditors, other than the Covered Bondholders and (d) any amounts due and payable under any Hedging Agreement other than the Subordinated Termination Payments to any Hedging Counterparties under any such Hedging Agreements; and

(iii) *third*, to pay *pari passu* and *pro rata*, according to the respective amounts thereof, any amount due and payable to any Hedging Counterparties arising out of any Subordinated Termination Payment; and

(iv) *fourth*, following the payment in full of all items under (i) to (iii) above, to pay all excess amounts to the Issuer.

"**Indemnity**" means any indemnity amounts due to the Trustee under Clause 14 of the Trust Deed.

Servicing and Cash Management Deed

Under the terms of the Servicing and Cash Management Deed entered into on the Programme Closing Date between the Issuer, the Trustee and the Servicer (as amended and restated, the "**Servicing and Cash Management Deed**"), the Issuer has been authorised, subject to the conditions specified therein, to administer the cash flows arising from the Cover Pool.

The Servicing and Cash Management Deed sets forth the terms and conditions upon which the Servicer shall be required to administer the Cover Pool Assets.

Pursuant to the Servicing and Cash Management Deed the Servicer has undertaken to prepare and deliver certain reports in connection with the Loan Assets. Pursuant to the Servicing and Cash Management Deed, the Servicer will agree to perform certain obligations in connection with the management of the Cover Pool.

The Servicing and Cash Management Deed contains provisions under which the Issuer shall be obliged upon the terms and subject to the conditions specified therein, to appoint an appropriate entity to perform the Servicing and Cash Management Activities to be performed by the Servicer.

"**Programme Closing Date**" means 26 November 2008.

See "*Description of the Principal Documents – The Servicing and Cash Management Deed*".

Asset Monitor Agreement

Under the terms of the asset monitor agreement entered into on the Programme Closing Date between the Asset Monitor, the Servicer, the Issuer and the Trustee (as amended and restated, the "**Asset Monitor Agreement**"), the Asset Monitor has agreed to carry out various testing and notification duties in relation to the calculations performed by the Servicer in relation to the Statutory Tests and, if required, the Amortisation Test.

Trust Deed

Under the terms of the Trust Deed entered into on the Programme Closing Date (as amended and restated) between the Issuer and the Trustee, the Trustee will be appointed to act as the Covered Bondholders' representative in accordance with paragraph 2 of Article 152.

Deed of Charge

The Issuer shall, where necessary, assign its rights arising under the Hedging Agreements and any Transaction Document governed by English law to the Trustee (on trust for itself and on behalf of the Covered Bondholders and the other Secured Creditors) in accordance with a deed of charge (the "**Deed of Charge**").

In addition, the Covered Bondholders and the other Secured Creditors have agreed that, upon the occurrence of an Issuer Event, all the Covered Bonds Available Funds will be applied in or towards satisfaction of all the Issuer's payment obligations towards the Covered Bondholders and the other Secured Creditors, in accordance with the terms of the Servicing and Cash Management Deed and the relevant Priority of Payments.

The Trustee has been authorised, in accordance with the Servicing and Cash Management Deed, subject to a Notice of Default being delivered to the Issuer following the occurrence of a Cover Pool Event of Default or upon failure by the Issuer to exercise its rights under the Transaction Documents, to exercise, in the name and on behalf of the Issuer, all the Issuer's rights arising out of the Transaction Documents to which the Issuer is a party.

The Deed of Charge shall be governed by English Law.

Agency Agreement

Under the terms of an agency agreement entered into on the Programme Closing Date between the Issuer, the Agents and the Trustee (as amended and restated) (the "**Agency Agreement**"), the Agents have agreed to provide the Issuer with certain agency

services and the Paying Agents have agreed, *inter alia*, to make available for inspection such documents as may be required from time to time by the rules of the Luxembourg Stock Exchange and to arrange for the publication of any notice to be given to the Covered Bondholders.

Bank Account Agreement

Under the terms of the bank account agreement entered into on the Programme Closing Date between the Account Bank, the Servicer, the Issuer and the Trustee (as amended and restated) (the "**Bank Account Agreement**"), the Account Bank has agreed to operate the Transaction Account and any Swap Collateral Accounts (together with the Transaction Account, the "**Bank Accounts**") in accordance with the instructions given by the Servicer.

Custody Agreement

The Issuer may enter into any custody agreement, after the Programme Closing Date, between, *inter alios*, the Custodian and the Issuer (the "**Custody Agreement**") (as any of the same may be amended, restated, supplemented, replaced or novated from time to time).

Hedging Agreements

The Issuer may, from time to time during the Programme, enter into Interest Rate Swap Agreements and Covered Bond Swap Agreements, (together the "**Hedging Agreements**") with one or more Hedging Counterparties for the purpose of, *inter alia*, protecting itself against certain risks (including, but not limited to, interest rate, liquidity, currency and credit) related to the Loan Assets and/or the Covered Bonds. In accordance with the terms set forth in the Servicing and Cash Management Deed, the Issuer may include the claims of the Issuer arising from the Hedging Agreements, together with the cash flows deriving therefrom in the Cover Pool provided that, *inter alia* the terms and conditions of such Hedging Agreements shall not adversely affect the ratings of the then outstanding Covered Bonds.

The Hedging Agreements shall be governed by English Law.

The Issuer's rights arising from the Hedging Agreements will be included as part of the Cover Pool at the Issuer's discretion.

Transaction Documents

The Servicing and Cash Management Deed, the Programme Agreement, each Subscription Agreement, the Agency Agreement, the Trust Deed, the Deed of Charge, the Bank Account Agreement, the Asset Monitor Agreement, the Master Definitions and Construction Schedule, each of the Final Terms, each Registration Statement, the Conditions, the Hedging Agreements, any agreement entered into with a new Servicer, any custody agreement entered into from time to time in connection with the holding of any Authorised Investments or the Swap Collateral together with any additional document entered into in respect of the Covered Bonds and/or the Cover Pool and designated as a Transaction Document by the Issuer and the Trustee, are together referred to as the "**Transaction Documents**".

	"**Subscription Agreement**" means an agreement supplemental to the Programme Agreement (by whatever name called) in or substantially in the form set out in the Programme Agreement or in such other form as may be agreed between the Issuer and the Lead Manager or one or more Dealers (as the case may be).
Investor Report	On the day which falls two Athens Business Days prior to the Cover Pool Payment Date falling in March, June, September and December of each year (each an "**Investor Report Date**"), the Servicer will produce an investor report (the "**Investor Report**"), which will contain information regarding the Covered Bonds and the Cover Pool, including statistics relating to the financial performance of the Cover Pool Assets. Such report will be available to the prospective investors in the Covered Bonds and to Covered Bondholders at the offices of Citibank, N.A., London Branch, on Bloomberg and on the website www.nbg.gr.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents which have previously been published and have been filed with the CSSF shall be incorporated by reference, and form part of, this Base Prospectus:

(a) Unaudited interim condensed consolidated financial statements of National Bank of Greece S.A. as at and for the nine month period ended 30 September 2019 (the "**Nine Months 2019 Financial Statements**") which have been prepared in accordance with IFRS (available at https://www.nbg.gr/english/the-group/investor-relations/Documents/Financial%20Results%20Announcements/Financial%20Report%2030%2009%202019%20EN.pdf);

(b) Unaudited interim condensed consolidated financial statements of National Bank of Greece S.A. as at and for the six month period ended 30 June 2019 (the "**Six Months 2019 Financial Statements**") which have been prepared in accordance with IFRS (available at https://www.nbg.gr/english/the-group/investor-relations/financial-information/annual-interim-financial-statements/Documents/Annual%20and%20interim%20financial%20statements/Financial%20Report%2030%2006%202019%20EN.pdf);

(c) Group and Bank 2018 Annual Financial Report, which includes the Certification of the Board of Directors, the Board of Directors' Report, the Independent Auditor's Report and the Audited Separate and Consolidated Financial Statements for the Bank and the Group as at and for the year ended 31 December 2018, which have been prepared in accordance with IFRS as endorsed by the EU (the "**2018 Annual Financial Statements**") (available at https://www.nbg.gr/english/the-group/investor-relations/financial-information/annual-interim-financial-statements/Documents/Annual%20and%20interim%20financial%20statements/Financial%20Report%2031-12-2018_EN.pdf);

(d) Group and Bank 2017 Annual Financial Report, which includes the Certification of the Board of Directors, the Board of Directors' Report, the Independent Auditor's Report and the Audited Separate and Consolidated Financial Statements for the Bank and the Group as at and for the year ended 31 December 2017, which have been prepared in accordance with IFRS as endorsed by the EU (the "**2017 Annual Financial Statements**") (available at https://www.nbg.gr/english/the-group/investor-relations/financial-information/annual-interim-financial-statements/Documents/Annual%20and%20interim%20financial%20statements/NBG%20FS%2031%2012%202017%20%CE%95%CE%9D.pdf);

the 2018 Annual Financial Statements and the 2017 Annual Financial Statements are collectively referred to as the "**Annual Financial Statements**".

(e) the section entitled "*Terms and Conditions of the Covered Bonds*" set out on pages 111 – 146 (inclusive) of the base prospectus dated 9 April 2019 (for the avoidance of doubt, the applicable Final Terms for a Series or Tranche of Covered Bonds will indicate the Terms and Conditions applicable to such Series or Tranche and unless otherwise indicated in the applicable Final Terms, the Terms and Conditions of all Covered Bonds issued after the date hereof shall be those set out in full in this Base Prospectus) (available at: https://www.nbg.gr/english/the-group/investor-relations/dept-investors/Documents/Base-Prospectus-2019-04-09.pdf).

Following the publication of this Base Prospectus a supplement to this Base Prospectus may be prepared by the Issuer and approved by the CSSF in accordance with Article 23 of the Prospectus Regulation. Statements contained in any such supplement (or contained in any document incorporated by reference therein) shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede statements contained in this Base Prospectus or in a document which is incorporated by reference in this Base Prospectus. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Base Prospectus.

Copies of documents incorporated by reference in this Base Prospectus can be obtained free of charge from the registered office of the Issuer at 86 Eolou Street, 10559 Athens, the Issuer's website www.nbg.gr, the Luxembourg Stock Exchange website www.bourse.lu and from the specified offices of the Paying Agents for the time being in London and Luxembourg. Any non-incorporated parts of a document referred to herein, which for the avoidance of doubt are not mentioned in the cross-reference list below, are either deemed not relevant for an investor or are otherwise covered elsewhere in this Base Prospectus.

In accordance with Article 19 of the Prospectus Regulation, any information contained in any of the documents specified above which is not incorporated by reference in this Base Prospectus is either not relevant to investors or is covered elsewhere in this Base Prospectus.

The Issuer will, in the event of any significant new factor, material mistake or inaccuracy relating to information included in this Base Prospectus which is capable of affecting the assessment of any Covered Bonds, prepare a supplement to this Base Prospectus or publish a new Base Prospectus for use in connection with any subsequent issue of Covered Bonds.

CROSS-REFERENCE LIST RELATING TO THE AUDITOR'S REPORT AND AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF NATIONAL BANK OF GREECE S.A. FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2018 AND 31 DECEMBER 2017

	31 December 2018	31 December 2017
Information Incorporated		
Statement of Financial Position	p. 79	p. 66
Income Statement	p. 80	p. 67
Statement of changes in equity	p. 82-83	p. 69-70
Cash-flow statement	p. 84	p. 71
Accounting policies and explanatory notes	p. 85-210	p. 72-178
Auditor's report	p. 73-78	p. 60-65

The information incorporated by reference that is not included in the cross reference list is considered as additional information and is not required by the relevant schedules of Commission Delegated Regulation (EU) 2019/980.

CROSS-REFERENCE LIST RELATING TO THE UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS OF NATIONAL BANK OF GREECE S.A. FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2019

Information Incorporated	30 June 2019
Review report	p. 27
Statement of Financial Position	p. 30
Income Statement	p. 31
Statement of changes in equity	p. 35-36
Cash-flow statement	p. 37
Accounting policies and explanatory notes	p. 38-67

The information incorporated by reference that is not included in the cross reference list is considered as additional information and is not required by the relevant schedules of Commission Delegated Regulation (EU) 2019/980.

CROSS-REFERENCE LIST RELATING TO THE UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS OF NATIONAL BANK OF GREECE S.A. FOR THE NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2019

	30 September 2019
Information Incorporated	
Statement of Financial Position	p. 3
Income Statement	p. 4
Statement of changes in equity	p. 8
Cash-flow statement	p. 9
Accounting policies and explanatory notes	p. 10-38

The information incorporated by reference that is not included in the cross reference list is considered as additional information and is not required by the relevant schedules of Commission Delegated Regulation (EU) 2019/980.

TERMS AND CONDITIONS OF THE COVERED BONDS

The following are the Terms and Conditions of the Covered Bonds which will be incorporated by reference into each Global Covered Bond (as defined below) and each Definitive Covered Bond (as defined below), in the latter case only if permitted by the relevant stock exchange or other relevant authority (if any) and agreed by the Issuer and the relevant Dealer at the time of issue but, if not so permitted and agreed, such Definitive Covered Bond will have endorsed thereon or attached thereto such Terms and Conditions. The applicable Final Terms in relation to any Series or Tranche of Covered Bonds may specify other terms and conditions which shall, to the extent so specified complete the following Terms and Conditions for the purpose of such Covered Bonds. The applicable Final Terms (or the relevant provisions thereof) will be endorsed upon, or attached to, each Global Covered Bond and Definitive Covered Bond. Reference should be made to "Form of the Covered Bonds" for a description of the content of Final Terms which will specify which of such terms are to apply in relation to the relevant Covered Bonds.

This Covered Bond is one of a Series (as defined below) of Covered Bonds issued by National Bank of Greece S.A. (the "**Issuer**") pursuant to the Trust Deed (as defined below).

References herein to the Covered Bonds shall be references to the Covered Bonds of this Series and shall mean:

(a) in relation to any Covered Bonds represented by a global Covered Bond (a "**Global Covered Bond**"), units of the lowest denomination specified in the relevant Final Terms ("**Specified Denomination**") in the currency specified in the relevant Final Terms ("**Specified Currency**");

(b) any Global Covered Bond; and

(c) any definitive Covered Bonds (each a "**Definitive Covered Bond**") issued in exchange for a Global Covered Bond.

The Covered Bonds and the Coupons (as defined below) are constituted by a trust deed (such trust deed as amended and/or supplemented and/or restated from time to time, the "**Trust Deed**") dated the Programme Closing Date and made between *inter alios* the Issuer, Citibank, N.A., London Branch (the "**Trustee**", which expression includes the trustee or trustees for the time being of the Trust Deed) as trustee for the Covered Bondholders.

The Covered Bonds and the Coupons (as defined below) have the benefit of an agency agreement (such agency agreement as amended and/or supplemented and/or restated from time to time, the "**Agency Agreement**") dated the Programme Closing Date and made between *inter alios* the Issuer, Citibank N.A. as principal paying agent (the "**Principal Paying Agent**", which expression shall include any successor principal paying agent), and the other paying agents named therein (together with the Principal Paying Agent, the "**Paying Agents**", which expression shall include any additional or successor paying agents).

Interest bearing Definitive Covered Bonds have interest coupons ("**Coupons**") and, if indicated in the applicable Final Terms, talons for further Coupons ("**Talons**") attached on issue. Any reference herein to Coupons or coupons shall, unless the context otherwise requires, be deemed to include a reference to Talons or talons. Global Covered Bonds do not have Coupons or Talons attached on issue.

The Final Terms for this Covered Bond (or the relevant provisions thereof) are set out in Part A of the Final Terms attached to or endorsed on this Covered Bond which complete these Terms and Conditions (the "**Conditions**") and may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the Conditions, replace or modify the Conditions for the

purposes of this Covered Bond. References to the applicable Final Terms are to Part A of the Final Terms (or the relevant provisions thereof) attached to or endorsed on this Covered Bond.

Any reference to Covered Bondholders or holders in relation to any Covered Bonds shall mean the holders of the Covered Bonds and shall, in relation to any Covered Bonds represented by a Global Covered Bond, be construed as provided below. Any reference herein to "**Couponholders**" shall mean the holders of the Coupons and shall, unless the context otherwise requires, include the holders of the Talons.

As used herein, "**Tranche**" means Covered Bonds which are identical in all respects (including as to listing and admission to trading) and "**Series**" means a Tranche of Covered Bonds together with any further Tranche or Tranches of Covered Bonds which are (a) expressed to be consolidated and form a single series and (b) identical in all respects (including as to listing and admission to trading) except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices.

Copies of the applicable Final Terms are available for viewing at the registered office of the Issuer and of the Principal Paying Agent and copies may be obtained from those offices save that, if this Covered Bond is neither admitted to trading on a regulated market in the European Economic Area or the UK nor offered in the European Economic Area or the UK in circumstances where a prospectus is required to be published under the Prospectus Regulation, the applicable Final Terms will only be obtainable by a Covered Bondholder holding one or more Covered Bonds and such Covered Bondholder must produce evidence satisfactory to the Issuer and the relevant Paying Agent as to its holding of such Covered Bonds and identity. The Covered Bondholders and the Couponholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Trust Deed and the applicable Final Terms which are applicable to them. The statements in the Conditions include summaries of, and are subject to, the detailed provisions of the Trust Deed.

Except where the context otherwise requires, capitalised terms used and not otherwise defined in these Conditions shall bear the meanings given to them in the applicable Final Terms and/or the master definitions and construction schedule made between the parties to the Transaction Documents on or about the Programme Closing Date as the same may be amended, varied or supplemented from time to time (the "**Master Definitions and Construction Schedule**"), a copy of each of which may be obtained as described above.

1. Form, Denomination and Title

The Covered Bonds are in bearer form and, in the case of Definitive Covered Bonds, serially numbered, in the Specified Currency and the Specified Denomination(s). Covered Bonds of one Specified Denomination may not be exchanged for Covered Bonds of another Specified Denomination.

This Covered Bond may be a Fixed Rate Covered Bond, a Floating Rate Covered Bond, a Zero Coupon Covered Bond or a combination of any of the foregoing, depending upon the Interest Basis shown in the applicable Final Terms.

The Covered Bonds will be issued in such denominations as may be agreed between the Issuer and the relevant Dealer(s) and set out in the applicable Final Terms save that the minimum denomination of each Covered Bond will be €100,000 (or, if the Covered Bonds are denominated in a currency other than euro, the equivalent amount in such currency) or such other higher amount as is required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency.

It is a condition precedent to the issuance of a new Series or Tranche of Covered Bonds that (i) there is no Issuer Event outstanding and that such issuance would not cause an Issuer Event, (ii) such issuance would not result in a breach of any of the Statutory Tests, (iii) the

Rating Agencies, to the extent they are rating any Covered Bonds at that time, have been notified of such issuance, (iv) such issuance has been notified to the Bank of Greece in accordance with paragraph II.3 of the Secondary Covered Bond Legislation and (v) if applicable, in respect of any Series or Tranche, a Hedging Agreement is entered into.

Definitive Covered Bonds are issued with Coupons attached, unless they are Zero Coupon Covered Bonds in which case references to Coupons and Couponholders in these Conditions are not applicable.

Subject as set out below, title to the Covered Bonds and Coupons will pass by delivery. The Issuer, the Paying Agents and the Trustee will (except as otherwise required by law) deem and treat the bearer of any Covered Bond or Coupon as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of any Global Covered Bond, without prejudice to the provisions set out in the next succeeding paragraph.

For so long as any of the Covered Bonds are represented by a Global Covered Bond held on behalf of Euroclear Bank S.A./N.V. ("**Euroclear**") and/or Clearstream Banking, *société anonyme* ("**Clearstream, Luxembourg**"), each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of a particular nominal amount of such Covered Bonds (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of such Covered Bonds standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error and any such certificate or other document may comprise any form of statement or printout of electronic records provided by the relevant clearing system (including, without limitation, Euroclear's EUCLID or Clearstream's Cedcom system) in accordance with its usual procedures and in which the holder of a particular nominal amount of the Covered Bonds is clearly identified with the amount of such holding) shall be treated by the Issuer, the Paying Agents and the Trustee as the holder of such nominal amount of such Covered Bonds for all purposes other than with respect to the payment of principal or interest on such nominal amount of such Covered Bonds, for which purpose the bearer of the relevant Global Covered Bond shall be treated by the Issuer, any Paying Agent and the Trustee as the holder of such nominal amount of such Covered Bonds in accordance with and subject to the terms of the relevant Global Covered Bond and the expressions "**Covered Bondholder**" and "**holder of Covered Bonds**" and related expressions shall be construed accordingly.

Covered Bonds which are represented by a Global Covered Bond will be transferable only in accordance with the rules and procedures for the time being of Euroclear and Clearstream, Luxembourg, as the case may be.

References to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms or as may otherwise be approved by the Issuer, the Principal Paying Agent and the Trustee.

2. Status of the Covered Bonds

Status

The Covered Bonds constitute direct, unconditional and unsubordinated obligations of the Issuer secured by (i) the statutory pledge provided by paragraph 4 of Article 152 of the Greek Covered Bond Legislation (the "**Statutory Pledge**") in respect of the Greek Law governed Cover Pool Assets and (ii) the Deed of Charge in respect of the other Cover Pool Assets.

They are issued in accordance with Greek Covered Bond Legislation and are backed by the assets of the Cover Pool. They will at all times rank *pari passu* without any preference among themselves.

3. Priorities of Payments

Post-Issuer Event Priority of Payments

Following an Issuer Event but prior to the delivery of a Notice of Default, the Servicer shall apply all Covered Bonds Available Funds on each Cover Pool Payment Date in making the following payments and provisions in the following order of priority (the "**Post- Issuer Event Priority of Payments**") (in each case only if and to the extent that payments of a higher priority have been made in full):

(i) *first*, in or towards satisfaction of all amounts then due and payable or to become due and payable prior to the next Cover Pool Payment Date to the Trustee (including remuneration payable to it) under the provisions of the Trust Deed together with interest and applicable VAT (or other similar taxes) thereon to the extent provided therein;

(ii) *second*, *pari passu* and *pro rata* according to the respective amounts thereof to pay any additional fees, costs, expenses and taxes due and payable on the Cover Pool Payment Date or to provide for all such amounts that will become due and payable prior to the next Cover Pool Payment Date to fund any notice to be given to any parties in accordance with any of the Transaction Documents or to the Covered Bondholders;

(iii) *third*, to pay all amounts due and payable on the Cover Pool Payment Date, or to provide for all such amounts that will become due and payable prior to the next Cover Pool Payment Date (and for which payment has not been provided for elsewhere in the relevant Priorities of Payments), to any Secured Creditors other than the Covered Bondholders with the exception of any amount due to be paid, or that will become due and payable prior to the next Cover Pool Payment Date, to the Hedging Counterparties under the Hedging Agreements;

(iv) *fourth*, *pari passu* and *pro rata*, according to the respective amounts thereof (a) to pay all amounts of interest due and payable on the Pass-Through Covered Bonds and on the Covered Bonds on the Cover Pool Payment Date, or to provide for all such amounts that will become due and payable prior to the next Cover Pool Payment Date on any Covered Bonds and (b) to pay any amounts due and payable on the Cover Pool Payment Date, or to provide for all such amounts that will become due and payable prior to the next Cover Pool Payment Date under any Hedging Agreement other than Subordinated Termination Payments to any Hedging Counterparties under any such Hedging Agreement;

(v) *fifth*, to pay *pari passu and pro rata*, according to the respective amounts thereof all amounts of principal due and payable in respect of any Series of Pass-Through Covered Bonds and any other Series of Covered Bonds then outstanding on the Cover Pool Payment Date, or to provide for all such amounts that will become due and payable prior to the next Cover Pool Payment Date (if any) on any Series of Pass-Through Covered Bonds and any other Series of Covered Bonds;

(vi) *sixth*, for so long as any Covered Bonds remain outstanding, any remaining Covered Bonds Available Funds will remain standing to the credit of the Transaction Account, or, as applicable, be deposited in the Transaction Account;

(vii) *seventh*, to pay *pari passu* and *pro rata*, according to the respective amounts thereof, any amount due and payable on the Cover Pool Payment Date, or to provide for all such amounts that will become due and payable prior to the next Cover Pool Payment Date to any Hedging Counterparties arising out of any Subordinated Termination Payment; and

(viii) *eighth*, to pay any excess to the Issuer.

Post-Cover Pool Event of Default Priority of Payments

Following the occurrence of a Cover Pool Event of Default and the delivery of a Notice of Default all funds deriving from the Cover Pool Assets and the Transaction Documents, standing to the credit of the Transaction Account shall be applied on any Athens Business Day in accordance with the following order of priority of payments (the "**Post Cover Pool Event of Default Priority of Payments**" and, together with the Post-Issuer Event Priority of Payments, the "**Priorities of Payments**" and, each of them a "**Priority of Payments**") (in each case only if and to the extent that payments of a higher priority have been made in full) provided that any such amount has not been paid by the Issuer using funds not forming part of the Cover Pool:

(i) *first*, to pay any Indemnity to which the Trustee is entitled pursuant to the Trust Deed and any costs and expenses incurred by or on behalf of the Trustee (a) following the occurrence of a Potential Cover Pool Event of Default in connection with or as a result of serving on the Issuer a Notice of Default (to the extent that any such amounts have not yet been paid out of the Covered Bonds Available Funds before the delivery of a Notice of Default) and (b) following the delivery of a Notice of Default in connection with or as a result of the enforcement of (A) the security granted under the Statutory Pledge and the Deed of Charge and/or (B) any other right or remedy that the Trustee is entitled to, or is required to pursue, under or in connection with the Transaction Documents and the Covered Bonds for the purpose of protecting the interests of the Covered Bondholders and the other Secured Creditors;

(ii) *second*, *pari passu* and *pro rata* according to the respective amounts thereof, (a) to pay all amounts of interest and principal then due and payable on any Covered Bonds, (b) to pay any additional fees, costs, expenses and taxes due and payable in connection with any listing or deposit of the Covered Bonds or to fund any notice to be given to any parties in accordance with any of the Transaction Documents or to the Covered Bondholders, (c) to pay all amounts due and payable to any Secured Creditors, other than the Covered Bondholders and (d) any amounts due and payable under any Hedging Agreement other than the Subordinated Termination Payments to any Hedging Counterparties under any such Hedging Agreements;

(iii) *third*, to pay *pari passu* and *pro rata*, according to the respective amounts thereof, any amount due and payable to any Hedging Counterparties arising out of any Subordinated Termination Payment; and

(iv) *fourth*, following the payment in full of all items under (i) to (iii) above, to pay all excess amounts to the Issuer.

4. Interest

4.1. Interest on Fixed Rate Covered Bonds

Each Fixed Rate Covered Bond bears interest on its Principal Amount Outstanding from (and including) the Interest Commencement Date at the rate(s) per annum equal to the Rate(s) of

Interest. Interest will be payable, subject as provided in these Conditions, in arrear on the Interest Payment Date(s) in each year up to (and including) the Final Maturity Date.

Except as provided in the applicable Final Terms, the amount of interest payable on each Interest Payment Date in respect of the Fixed Interest Period ending on (but excluding) such date will amount to the amount of interest payable on each Interest Payment Date in respect of the Fixed Interest Period ending on but excluding such date ("**Fixed Coupon Amount**"). Payments of interest on any Interest Payment Date will, if so specified in the applicable Final Terms, amount to the broken amount specified in the relevant Final Terms (the "**Broken Amount**") so specified.

As used in the Conditions, "**Fixed Interest Period**" means the period from (and including) an Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.

If interest is required to be calculated for a period other than a Fixed Interest Period, such interest shall be calculated by applying the Rate of Interest to each Specified Denomination, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

4.2. Floating Rate Covered Bond Provisions

(a) Interest on Payment Dates

Each Floating Rate Covered Bond bears interest on its Principal Amount Outstanding from (and including) the Interest Commencement Date and such interest will be payable in arrear on either*:*

(i) the Specified Interest Payment Date(s) in each year specified in the applicable Final Terms; or

(ii) if no Specified Interest Payment Date(s) is/are specified in the applicable Final Terms, each date (each such date, together with each Specified Interest Payment Date, an "**Interest Payment Date**") which falls the number of months or other period specified as the "**Specified Period**" in the applicable Final Terms after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

Such interest will be payable in respect of each Interest Period. In these Conditions, the expression "**Interest Period**" shall mean the period from (and including) an Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.

(b) Rate of Interest

The Rate of Interest payable from time to time in respect of Floating Rate Covered Bonds will be determined in the manner specified in the applicable Final Terms.

(i) ISDA Determination for Floating Rate Covered Bonds

Where "**ISDA Determination**" is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will be the relevant ISDA Rate plus or minus (as indicated in the applicable Final Terms) the Margin (if any). For the purposes of this subparagraph (i),

"**ISDA Rate**" for an Interest Period means a rate equal to the Floating Rate that would be determined by the Principal Paying Agent or other person specified in the applicable Final Terms under an interest rate swap transaction if the Principal Paying Agent or that other person were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. and as amended and updated as at the Issue Date of the first Tranche of the Covered Bonds (the "**ISDA Definitions**"), and under which:

(A) the Floating Rate Option is as specified in the applicable Final Terms;

(B) the Designated Maturity is the period specified in the applicable Final Terms; and

(C) the relevant Reset Date is either (I) if the applicable Floating Rate Option is based on the London inter-bank offered rate (LIBOR) or on the Euro-zone inter-bank offered rate (EURIBOR), the first day of that Interest Period or (II) in any other case, as specified in the applicable Final Terms.

For the purposes of this subparagraph (i), (1) "**Floating Rate**", "**Calculation Agent**", "**Floating Rate Option**", "**Designated Maturity**" and "**Reset Date**" have the meanings given to those terms in the ISDA Definitions and (2) "**Euro-zone**" means the region comprising the member states of the European Union that adopt or have adopted the single currency in accordance with the Treaty establishing the European Community, as amended from time to time.

When this subparagraph (i) applies, in respect of each relevant Interest Period the Principal Paying Agent or the above-mentioned person will be deemed to have discharged its obligations under Condition 4.2(d) below in respect of the determination of the Rate of Interest if it has determined the Rate of Interest in respect of such Interest Period in the manner provided in this subparagraph (i).

(ii) Screen Rate Determination for Floating Rate Covered Bonds

Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will, subject as provided below, be either:

(A) the offered quotation (if there is only one quotation on the Relevant Screen Page); or

(B) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at 11.00 a.m. (London time, in the case of LIBOR, or Brussels time, in the case of EURIBOR) on the Interest Determination Date in question plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Principal Paying Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Principal Paying Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

The Agency Agreement contains provisions for determining the Rate of Interest pursuant to this subparagraph (ii) in the event that the Relevant Screen Page is not available or if, in the case of (A) above, no such offered quotation appears or, in the case of (B) above, fewer than three such offered quotations appear, in each case as at the time specified in the preceding paragraph.

If the Reference Rate from time to time in respect of Floating Rate Covered Bonds is specified in the applicable Final Terms as being other than LIBOR or EURIBOR, the Rate of Interest in respect of such Covered Bonds will be determined as provided in the applicable Final Terms.

(c) Minimum Rate of Interest and/or Maximum Rate of Interest

If the applicable Final Terms for a Floating Rate Covered Bond specifies a Minimum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (b) above is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period shall be such Minimum Rate of Interest.

If the applicable Final Terms for a Floating Rate Covered Bond specifies a Maximum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (b) above is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such Maximum Rate of Interest.

(d) Determination of Rate of Interest and calculation of Interest Amounts

The Principal Paying Agent, in the case of Floating Rate Covered Bonds will at or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant Interest Period.

The Principal Paying Agent will calculate the amount of interest (the Interest Amount) payable on the Floating Rate Covered Bonds for the relevant Interest Period by applying the Rate of Interest to:

(i) in the case of Floating Rate Covered Bonds which are represented by a Global Covered Bond, the aggregate outstanding nominal amount of the Covered Bonds represented by such Global Covered Bond (or, if they are Partly Paid Covered Bonds, the aggregate amount paid up); or

(ii) in the case of Floating Rate Covered Bonds in definitive form, the Calculation Amount,

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Floating Rate Covered Bond in definitive form comprises more than one Calculation Amount, the Interest Amount payable in respect of such Covered Bond shall be the aggregate of the amounts (determined in the manner provided above) for each Calculation Amount comprising the Specified Denomination without any further rounding.

(e) Notification of Rate of Interest and Interest Amounts

The Principal Paying Agent will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Issuer, the Trustee and to any stock exchange or other relevant competent authority or quotation system on which the relevant Floating Rate Covered Bonds are for the time being listed, quoted and/or traded or by which they have been admitted to listing or trading and to be published in accordance with Condition 16 (*Notices*) as soon as possible after their determination but in no event later than the fourth Business Day (as defined in Condition 4.5) thereafter and in the case of any notification to be given to the Luxembourg Stock Exchange on or before the first Business Day of each Interest Period. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. Any such amendment or alternative arrangements will be promptly notified to the Trustee and each stock exchange or other relevant authority on which the relevant Floating Rate Covered Bonds are for the time being listed, quoted and/or traded or by which they have been admitted to listing or trading and to Covered Bondholders in accordance with Condition 16 (Notices).

(f) Determination or Calculation by Trustee

If for any reason at any relevant time after the Issue Date, the Principal Paying Agent or, as the case may be, the Calculation Agent defaults in its obligation to determine the Rate of Interest or the Principal Paying Agent defaults in its obligation to calculate any Interest Amount in accordance with subparagraph 4.2(b)(i) or 4.2(b)(ii) above or as otherwise specified in the applicable Final Terms, as the case may be, and in each case in accordance with paragraph 4.2(d) above, the Trustee may determine the Rate of Interest at such rate as, in its absolute discretion (having such regard as it may think fit to the foregoing provisions of this Condition, but subject always to any Minimum Rate of Interest or Maximum Rate of Interest specified in the applicable Final Terms), it shall deem fair and reasonable in all the circumstances or, as the case may be, the Trustee may calculate the Interest Amount(s) in such manner as it shall deem fair and reasonable in all the circumstances. In making any such determination or calculation, the Trustee may appoint and rely on a determination or calculation by a calculation agent (which shall be an investment bank or other suitable entity of international repute). If such determination or calculation is made the Trustee shall as soon as reasonably practicable notify the Issuer and the Stock Exchange of such determination or calculation and each such determination or calculation shall be deemed to have been made by the Principal Paying Agent or the Calculation Agent, as the case may be.

(g) Certificates to be final

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 4.2, whether by the Principal Paying Agent, the Calculation Agent or the Trustee shall (in the absence of wilful default or manifest error) be binding on the Issuer, the Principal Paying Agent, the Calculation Agent, the other Paying Agents, the Trustee and all Covered Bondholders and Couponholders and (in the absence of wilful default, gross negligence, bad faith or fraud) no liability to the Issuer the Covered Bondholders or the Couponholders shall attach to the Principal Paying Agent, the Calculation Agent or the Trustee in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

(h) Benchmark Replacement

In addition, notwithstanding the provisions above in this Condition 4.2 (Floating Rate Covered Bond Provisions), if the Issuer determines that the relevant Reference Rate specified in the relevant Final Terms has ceased to be published on the Relevant Screen Page as a result of such benchmark ceasing to be calculated or administered when any Rate of Interest

(or the relevant component part thereof) remains to be determined by such Reference Rate, then the following provisions shall apply:

(i). the Issuer shall use reasonable endeavours to appoint, as soon as reasonably practicable, an Independent Adviser to determine (acting in good faith and in a commercially reasonable manner as an expert and in consultation with the Issuer), no later than 5 Business Days prior to the relevant Interest Determination Date relating to the next succeeding Interest Period (the **Relevant Interest Determination Date),** a Successor Rate (as defined below) or, alternatively, if there is no Successor Rate, an Alternative Reference Rate (as defined below) for purposes of determining the Rate of Interest (or the relevant component part thereof) applicable to the Covered Bonds;

(ii). if the Issuer is unable to appoint an Independent Adviser, or the Independent Adviser appointed by it fails to determine a Successor Rate or an Alternative Reference Rate prior to the Relevant Interest Determination Date, the Issuer (acting in good faith and in a commercially reasonable manner) may determine a Successor Rate or, if there is no Successor Rate, an Alternative Reference Rate;

(iii). if a Successor Rate or, failing which, an Alternative Reference Rate (as applicable) is determined in accordance with the preceding provisions, such Successor Rate or, failing which, an Alternative Reference Rate (as applicable) shall be the Reference Rate for each of the future Interest Periods (subject to the subsequent operation of, and to adjustment as provided in, this Condition 5.2(i) (Benchmark Replacement)); provided, however, that if sub-paragraph (ii) applies and the Issuer is unable to or does not determine a Successor Rate or an Alternative Reference Rate prior to the relevant Interest Payment Date, the Rate of Interest applicable to the next succeeding Interest Period (as applicable) shall be equal to the Rate of Interest last determined in relation to the Covered Bonds in respect of the preceding Interest Period (or alternatively, if there has not been a first Interest Payment Date, the rate of interest shall be the Rate of Interest specified in the relevant Final Terms) (subject, where applicable, to substituting the Margin that applied to such preceding Interest Period for the Margin that is to be applied to the relevant Interest Period); for the avoidance of doubt, the proviso in this sub-paragraph (iii) shall apply to the relevant Interest Period only and any subsequent Interest Periods are subject to the subsequent operation of, and to adjustment as provided in, this Condition 5.2(i) (Benchmark Replacement));

(iv). if the Independent Adviser or the Issuer determines a Successor Rate or, failing which, an Alternative Reference Rate (as applicable) in accordance with the above provisions, the Independent Adviser or the Issuer (as applicable), may also specify changes to these Conditions, including but not limited to the Day Count Fraction, Relevant Screen Page, Business Day Convention, Business Days, Interest Determination Date and/or the definition of Reference Rate applicable to the Covered Bonds, and the method for determining the fallback rate in relation to the Covered Bonds, in order to follow market practice in relation to the Successor Rate or the Alternative Reference Rate (as applicable). If the Independent Adviser (in consultation with the Issuer) or the Issuer (as applicable), determines that an Adjustment Spread is required to be applied to the Successor Rate or the Alternative Reference Rate (as applicable) and determines the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Adjustment Spread shall be applied to the Successor Rate or the Alternative Reference Rate (as applicable). If the Independent Adviser or the Issuer (as applicable) is unable to determine the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Successor Rate or Alternative Reference Rate (as

applicable) will apply without an Adjustment Spread. Covered Bondholder consent shall not be required in connection with effecting the Successor Rate or Alternative Reference Rate (as applicable) or such other changes; and

(v). the Issuer shall promptly, following the determination of any Successor Rate or Alternative Reference Rate (as applicable), give notice thereof to the Agents and the Covered Bondholders, which shall specify the effective date(s) for such Successor Rate or Alternative Reference Rate (as applicable) and any consequential changes made to the Conditions.

For the purposes of this Condition 4.2(i) (Benchmark Replacement):

Adjustment Spread means a spread (which may be positive or negative) or formula or methodology for calculating a spread, which the Independent Adviser (in consultation with the Issuer) or the Issuer (as applicable), determines is required to be applied to the Successor Rate or the Alternative Reference Rate (as applicable) in order to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as applicable) to Covered Bondholders and Couponholders as a result of the replacement of the Reference Rate with the Successor Rate or the Alternative Reference Rate (as applicable) and is the spread, formula or methodology which:

(i). in the case of a Successor Rate, is formally recommended in relation to the replacement of the Reference Rate with the Successor Rate by any Relevant Nominating Body; or

(ii). in the case of a Successor Rate for which no such recommendation has been made or in the case of an Alternative Reference Rate, the Independent Adviser (in consultation with the Issuer) or the Issuer (as applicable) determines is recognised or acknowledged as being in customary market usage in international covered bonds transactions which reference the Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Reference Rate (as applicable); or

(iii). if no such customary market usage is recognised or acknowledged, the Independent Adviser (in consultation with the Issuer) or the Issuer in its discretion (as applicable), determines (acting in good faith and in a commercially reasonable manner) to be appropriate;

Alternative Reference Rate means the rate that the Independent Adviser or the Issuer (as applicable) determines has replaced the relevant Reference Rate in customary market usage in the international bond markets for the purposes of determining rates of interest in respect of bonds denominated in the Specified Currency and of a comparable duration to the relevant Interest Period, or, if the Independent Adviser or the Issuer (as applicable) determines that there is no such rate, such other rate as the Independent Adviser or the Issuer (as applicable) determines in its discretion (acting in good faith and in a commercially reasonable manner) is most comparable to the relevant Reference Rate;

Independent Adviser means an independent financial institution of international repute or other independent financial adviser experienced in the international bond markets, in each case appointed by the Issuer at its own expense;

Relevant Nominating Body means, in respect of a reference rate:

(i). the central bank for the currency to which the reference rate relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the reference rate; or

(ii). any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank for the currency to which the reference rate relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of the reference rate, (c) a group of the aforementioned central banks or other supervisory authorities, or (d) the Hellenic Financial Stability Board or any part thereof; and

Successor Rate means the rate that the Independent Adviser or the Issuer (as applicable) determines is a successor to or replacement of the Reference Rate which is formally recommended by any Relevant Nominating Body.

(i) Benchmark Replacement Modifications

Notwithstanding the provisions of Condition 14 (Meetings of Covered Bondholders, Modification and Waiver) but subject as provided in the next following paragraph, the Trustee shall be obliged, without any consent or sanction of the Covered Bondholders or any of the other Secured Creditors, to concur with the Issuer in making any modification to these Conditions or any other Transaction Document to which it is a party or in relation to which it holds security or entering into any new, supplemental or additional documents that the Issuer certifies to the Trustee is considered by the Issuer necessary or advisable for the purpose of changing the Reference Rate to a Successor Rate or Alternative Reference Rate in accordance with Condition 4.2(i) (such certification being a **Benchmark Rate Modification Certificate**).

When implementing any modification pursuant to this Condition 4.2(i) (Benchmark Replacement Modifications), (i) the Trustee shall not consider the interests of the Covered Bondholders, any other Secured Creditor or any other person and shall act and rely solely and without further investigation, on any Benchmark Rate Modification Certificate and shall not be liable to the Covered Bondholders, any other Secured Creditor or any other person for so acting or relying, irrespective of whether any such modification is or may be materially prejudicial to the interests of any such person; and (ii) the Trustee shall not be obliged to agree to any modification which, in the sole opinion of the Trustee would have the effect of (A) exposing the Trustee to any liability against which it has not been indemnified and/or secured and/or pre-funded to its satisfaction or (B) increasing the obligations or duties, or decreasing the rights or protection, of the Trustee in the Transaction Documents and/or these Conditions.

4.3. Interest on Zero Coupon Covered Bonds

Zero Coupon Covered Bonds will be offered and sold at a discount to their nominal amount and will not bear interest. When a Zero Coupon Covered Bond becomes repayable prior to its Maturity Date it will be redeemed at the Early Redemption Amount calculated in accordance with Condition 6.5 (*Early Redemption Amounts*). In the case of late payment the amount due and repayable shall be calculated in accordance with Condition 6.8 (*Late Payment*).

4.4. Accrual of interest

Interest (if any) will cease to accrue on each Covered Bond (or in the case of the redemption of part only of a Covered Bond, that part only of such Covered Bond) on the due date for redemption thereof unless, upon due presentation thereof, payment of principal is improperly withheld or refused or unless default is otherwise made in respect of payment, in which event, interest will continue to accrue as provided in Condition 6.8 (*Late Payment*).

4.5. Business Day, Business Day Convention, Day Count Fractions and other adjustments

(a) In these Conditions, "**Business Day**" means:

(i) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in London and Athens and any Additional Business Centre specified in the applicable Final Terms; and

(ii) either (A) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (if other than London and any Additional Business Centre) or as otherwise specified in the applicable Final Terms or (B) in relation to any sum payable in euro, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer ("**TARGET2**") System (the "**TARGET2 System**") is open.

(b) If a Business Day Convention is specified in the applicable Final Terms and (x) if there is no numerically corresponding day in the calendar month in which an Interest Payment Date should occur or (y) if any Interest Payment Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

(i) in any case where Specified Periods are specified in accordance with Condition 4.2(a)(ii), the "**Floating Rate Convention**", such Interest Payment Date (1) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (II) below shall apply mutatis mutandis, or (2) in the case of (y) above, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (I) such Interest Payment Date shall be brought forward to the immediately preceding Business Day, and (II) each subsequent Interest Payment Date shall be the last Business Day in the month which falls within the Specified Period after the preceding applicable Interest Payment Date occurred; or

(ii) the "**Following Business Day Convention**", such Interest Payment Date shall be postponed to the next day which is a Business Day; or

(iii) the "**Modified Following Business Day Convention**", such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding Business Day; or

(iv) the "**Preceding Business Day Convention**", such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

(c) "**Day Count Fraction**" means, in respect of the calculation of an amount of interest for any Interest Period:

(i) if "**Actual/Actual (ICMA)**" is specified in the applicable Final Terms:

(A) in the case of Covered Bonds where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the "**Accrual Period**"**)** is equal to or shorter than the Determination Period (as defined in Condition 4.5(e)) during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (I) the

number of days in such Determination Period and (II) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; or

(B) in the case of Covered Bonds where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of (I) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and (II) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year;

(ii) if "**Actual/Actual**" or "**Actual/Actual (ISDA)**" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (i) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366, and (ii) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);

(iii) if "**Actual/365 (Fixed)**" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365;

(iv) if "**Actual/365 (Sterling)**" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;

(v) if "**Actual/360**" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 360;

(vi) if "**30/360**"**,** "**360/360**" or "**Bond Basis**" is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y^2 - Y^1)] + [30 \times (M^2 - M^1)] + (D^2 - D^1)}{360}$$

where:

"Y^1" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y^2" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M^1" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M^2" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D^1" is the first calendar day, expressed as a number, of the Interest Period, unless such number is 31, in which case D^1 will be 30; and

"D^2" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31 and D^1 is greater than 29, in which case D^2 will be 30;

(vii) if "**30E/360**" or "**Eurobond Basis**" is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y^2 - Y^1)] + [30 \times (M^2 - M^1)] + (D^2 - D^1)}{360}$$

where:

"Y^1" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y^2" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M^1" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M^2" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D^1" is the first calendar day, expressed as a number, of the Interest Period, unless such number would be 31, in which case D^1 will be 30; and

"D^2" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31, in which case D^2 will be 30;

(viii) if "**30E/360 (ISDA)**" is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows

$$\text{Day Count Fraction} = \frac{[360 \times (Y^2 - Y^1)] + [30 \times (M^2 - M^1)] + (D^2 - D^1)}{360}$$

where:

"Y^1" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y^2" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M^1" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M^2" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D^1" is the first calendar day, expressed as a number, of the Interest Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D^1 will be 30; and

"D^2" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless (i) that day is the last day of February but not the Final Maturity Date or (ii) such number would be 31 and D^2 will be 30.

(d) "**Determination Date**" has the meaning given in the applicable Final Terms.

(e) "**Determination Period**" means each period from (and including) a Determination Date to (but excluding) the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date).

(f) "**Fixed Interest Period**" means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.

(g) "**Interest Commencement Date**" means in the case of interest-bearing Covered Bonds, the date specified in the applicable Final Terms from (and including) which the relevant Covered Bonds will accrue interest.

(h) "**Interest Payment Date**" means, in respect of Fixed Rate Covered Bonds, the meaning given in the applicable Final Terms and in respect of Floating Rate Covered Bonds, the meaning given in Condition 4.2, together the "**Interest Payment Dates**".

(i) "**Interest Period**" means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.

(j) "**Principal Amount Outstanding**" means in respect of a Covered Bond on any day the principal amount of that Covered Bond on the relevant Issue Date thereof less principal amounts received by the relevant Covered Bondholder in respect thereof on or prior to that day provided that the Principal Amount Outstanding in respect of a Covered Bond that has been purchased and cancelled by the Issuer shall be zero.

(k) If "**adjusted**" is specified in the applicable Final Terms against the Day Count Fraction, interest in respect of the relevant Interest Period shall be payable in arrear on the relevant Interest Payment Date and calculated from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date, as such Interest Payment Date shall, where applicable, be adjusted in accordance with the Business Day Convention.

(l) If "**not adjusted**" is specified in the applicable Final Terms against the Day Count Fraction, interest in respect of the relevant Interest Period shall be payable in arrear on the relevant Interest Payment Date and calculated from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date, but such Interest Payment Dates shall not be adjusted in accordance with any Business Day Convention.

(m) "**sub-unit**" means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, euro 0.01.

5. Payments

5.1. Method of payment

Subject as provided below:

(i) payments in a Specified Currency other than euro will be made by credit or transfer to an account in the relevant Specified Currency (which, in the case of a payment in Yen to a non-resident of Japan, shall be a non-resident account) maintained by the payee with, or, at the option of the payee, by a cheque in such Specified Currency drawn on, a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney and Auckland, respectively);

(ii) payments in euro will be made by credit or electronic transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by a euro cheque; and

(iii) payments in U.S. Dollars will be made by transfer to a U.S. Dollar account maintained by the payee with a bank outside of the United States (which expression, as used in this Condition 5, means the United States of America, including the State and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction), or by cheque drawn on a United States bank.

In no event will payment in respect of Covered Bonds be made by a cheque mailed to an address in the United States. All payments of interest in respect of Covered Bonds will be made to accounts located outside the United States except as may be permitted by United States tax law in effect at the time of such payment without detriment to the Issuer.

Payments will be subject in all cases to any fiscal or other laws and regulations applicable thereto in the place of payment but without prejudice to the provisions of Condition 7 (*Taxation*). References to Specified Currency will include any successor currency under applicable law.

5.2. Presentation of Definitive Covered Bonds and Coupons

Payments of principal and interest (if any) (other than instalments of principal prior to the final instalment) will (subject as provided below) be made in accordance with Condition 5.1 (*Method of payment*) only against presentation and surrender of Definitive Covered Bonds or Coupons (or, in the case of part payment of any sum due, endorsement of the Definitive Covered Bond (or Coupon), as the case may be, only at a specified office of any Paying Agent outside the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction).

Fixed Rate Covered Bonds in definitive bearer form (other than Long Maturity Covered Bonds) should be presented for payment together with all unmatured Coupons appertaining thereto (which expression shall include Coupons falling to be issued on exchange of matured Talons), failing which an amount equal to the face value of any missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmatured Coupon as the sum so paid bears to the total amount due) will be deducted from the amount due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relative missing Coupon at any time before the expiry of ten years after the Relevant Date (as defined in Condition 10 (*Prescription*) in respect of such principal (whether or not such Coupon would otherwise have become void

under Condition 10 (*Prescription*) or, if later, five years from the date on which such Coupon would otherwise have become due but in no event thereafter.

Upon amounts in respect of any Fixed Rate Covered Bond in definitive bearer form becoming due and repayable by the Issuer prior to its Final Maturity Date (or, as the case may be, Extended Final Maturity Date), all unmatured Talons (if any) appertaining thereto will become void and no further Coupons will be issued in respect thereof.

Upon the due date for redemption of any Floating Rate Covered Bond in definitive bearer form, all unmatured Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof. A "**Long Maturity Covered Bond**" is a Fixed Rate Covered Bond (other than a Fixed Rate Covered Bond which on issue had a Talon attached) whose nominal amount on issue is less than the aggregate interest payable thereon provided that such Covered Bond shall cease to be a Long Maturity Covered Bond on the Interest Payment Date on which the aggregate amount of interest remaining to be paid after that date is less than the Principal Amount Outstanding of such Covered Bond.

If the due date for redemption of any Definitive Covered Bond is not an Interest Payment Date, interest (if any) accrued in respect of such Covered Bond from (and including) the preceding Interest Payment Date or, as the case may be, the Interest Commencement Date shall be payable only against presentation and surrender of the relevant Definitive Covered Bond.

5.3. Payments in respect of Global Covered Bonds

Payments of principal and interest (if any) in respect of Covered Bonds represented by any Global Covered Bond will (subject as provided below) be made in the manner specified above in relation to Definitive Covered Bonds and otherwise in the manner specified in the relevant Global Covered Bond against presentation or surrender, as the case may be, of such Global Covered Bond if the Global Covered Bond is not intended to be issued in new global covered bond ("**NGCB**") form at the specified office of any Paying Agent outside the United States. On the occasion of each payment, (i) in the case of any Global Covered Bond which is not issued in NGCB form, a record of such payment made on such Global Covered Bond, distinguishing between any payment of principal and any payment of interest, will be made on such Global Covered Bond by the Paying Agent and such record shall be prima facie evidence that the payment in question has been made and (ii) in the case of any Global Covered Bond which is issued in NGCB form, the Paying Agent shall instruct Euroclear and Clearstream, Luxembourg to make appropriate entries in their records to reflect such payment. No payments of principal, interest or other amounts due in respect of a Global Covered Bond will be made by mail to an address in the United States or by transfer to an account maintained in the United States.

5.4. General provisions applicable to payments

The bearer of a Global Covered Bond or the Trustee shall be the only person entitled to receive payments in respect of Covered Bonds represented by such Global Covered Bond and the obligations of the Issuer will be discharged by payment to, or to the order of, the holder of such Global Covered Bond (or the Trustee, as the case may be) in respect of each amount so paid. Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the beneficial holder of a particular nominal amount of Covered Bonds represented by such Global Covered Bond must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for his share of each payment so made by the Issuer to, or to the order of, the holder of such Global Covered Bond (or the Trustee, as the case may be). No person other than the holder of the relevant Global Covered Bond (or, as provided in the

Trust Deed, the Trustee) shall have any claim against the Issuer in respect of any payments due on that Global Covered Bond.

Notwithstanding the foregoing provisions of this Condition, payments of principal and/or interest in respect of Covered Bonds in U.S. Dollars will only be made at the specified office of a Paying Agent in the United States if:

(i) the Issuer has appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment in U.S. Dollars at such specified offices outside the United States of the full amount of principal and/or interest on the Covered Bonds in the manner provided above when due;

(ii) payment of the full amount of such principal and interest at such specified offices outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions on the full payment or receipt of principal and interest in U.S. Dollars; and

(iii) such payment is then permitted under United States law without involving, in the opinion of the Issuer adverse tax consequences to the Issuer.

5.5. Payment Day

If the date for payment of any amount in respect of any Covered Bond or Coupon is not a Payment Day (as defined below), the holder thereof shall not be entitled to payment of the relevant amount due until the next following Payment Day and shall not be entitled to any interest or other sum in respect of any such delay. In this Condition (unless otherwise specified in the applicable Final Terms), "**Payment Day**" means any day which (subject to Condition 10 (*Prescription*) is:

(i) a day on which commercial banks and foreign exchange markets settle payments and are

open for general business (including dealing in foreign exchange and foreign currency deposits) in:

(A) the relevant place of presentation;

(B) London;

(C) Athens; and

(D) any Additional Financial Centre specified in the applicable Final Terms; and

(ii) either (i) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (if other than the place of presentation, Athens, London and any Additional Financial Centre) or as otherwise specified in the applicable Final Terms or (ii) in relation to any sum payable in euro, a day on which the TARGET2 System is open.

5.6. Interpretation of principal and interest

Any reference in these Conditions to principal in respect of the Covered Bonds shall be deemed to include, as applicable:

(i) any additional amounts which may be payable with respect to principal under Condition 7 (*Taxation*) or under any undertakings or covenants given in addition thereto, or in substitution therefor, pursuant to the Trust Deed;

(ii) the Final Redemption Amount (as defined in the Final Terms) (the "**Final Redemption Amount**") of the Covered Bonds;

(iii) the Early Redemption Amount of the Covered Bonds but excluding any amount of interest referred to therein;

(iv) the Optional Redemption Amount(s) (if any) of the Covered Bonds;

(v) in relation to Zero Coupon Covered Bonds, the Amortised Face Amount (as defined in Condition 6.5(iii); and

(vi) any premium and any other amounts (other than interest) which may be payable under or in respect of the Covered Bonds.

Any reference in these Conditions to interest in respect of the Covered Bonds shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 7 (*Taxation*) or under any undertakings given in addition thereto, or in substitution therefor, pursuant to the Trust Deed.

5.7. Redenomination

Where redenomination is specified in the applicable Final Terms as being applicable, the Issuer may, without the consent of the Covered Bondholders and the Couponholders, on giving prior written notice to the Trustee and the Agents, Euroclear and Clearstream, Luxembourg and at least 30 days' prior notice to the Covered Bondholders in accordance with Condition 16 (*Notices*), elect that, with effect from the Redenomination Date specified in the notice, the Covered Bonds shall be redenominated in euro. In relation to any Covered Bonds where the applicable Final Terms provides for a minimum Specified Denomination in the Specified Currency which is equivalent to at least €100,000 and which are admitted to trading on a regulated market in the European Economic Area or the UK, it shall be a term of any such redenomination that the holder of any Covered Bonds held through Euroclear and/or Clearstream, Luxembourg must have credited to its securities account with the relevant clearing system a minimum balance of Covered Bonds of at least €100,000.

The election will have effect as follows:

(i) the Covered Bonds shall be deemed to be redenominated in euro in the denomination of euro 0.01 with a nominal amount for the Covered Bond equal to the nominal amount of that Covered Bond in the Specified Currency, converted into euro at the Established Rate, provided that, if the Issuer determines, in consultation with the Agents that the then market practice in respect of the redenomination in euro of internationally offered securities is different from the provisions specified above, such provisions shall be deemed to be amended so as to comply with such market practice and the Issuer shall promptly notify the Covered Bondholders, the competent listing authority, stock exchange and/or market (if any) on or by which the Covered Bonds may be listed and/or admitted to trading and the Paying Agents of such deemed amendments;

(ii) save to the extent that an Exchange Notice has been given in accordance with paragraph (iv) below, the amount of interest due in respect of the Covered Bonds will be calculated by reference to the aggregate nominal amount of Covered Bonds presented (or, as the case may be, in respect of which Coupons are presented) for payment by the relevant holder and the amount of such payment shall be rounded down to the nearest euro 0.01;

(iii) if Definitive Covered Bonds are required to be issued after the Redenomination Date, they shall be issued at the expense of the Issuer in the denominations of €100,000 and/or such higher amounts as the Agents may determine and notify to the Covered Bondholders and any remaining amounts less than €100,000 shall be redeemed by the Issuer and paid to the Covered Bondholders in euro in accordance with Condition 7 (*Taxation*);

(iv) if issued prior to the Redenomination Date, all unmatured Coupons denominated in the Specified Currency (whether or not attached to the Covered Bonds) will become void with effect from the date on which the Issuer gives notice (the "**Exchange Notice**") that replacement euro-denominated Covered Bonds and Coupons are available for exchange (provided that such securities are so available) and no payments will be made in respect of them. The payment obligations contained in any Covered Bonds and Coupons so issued will also become void on that date although those Covered Bonds and Coupons will continue to constitute valid exchange obligations of the Issuer. New euro-denominated Covered Bonds and Coupons will be issued in exchange for Covered Bonds and Coupons denominated in the Specified Currency in such manner as the Agents may specify and as shall be notified to the Covered Bondholders in the Exchange Notice. No Exchange Notice may be given less than 15 days prior to any date for payment of principal or interest on the Covered Bonds;

(v) after the Redenomination Date, all payments in respect of the Covered Bonds and the Coupons, other than payments of interest in respect of periods commencing before the Redenomination Date, will be made solely in euro as though references in the Covered Bonds to the Specified Currency were to euro. Payments will be made in euro by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by a euro cheque;

(vi) if the Covered Bonds are Fixed Rate Covered Bonds and interest for any period ending on or after the Redenomination Date is required to be calculated for a period ending other than on an Interest Payment Date, it will be calculated by applying the Rate of Interest to each Specified Denomination, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention;

(vii) (if the Covered Bonds are Floating Rate Covered Bonds, the applicable Final Terms will specify any relevant changes to the provisions relating to interest; and

(viii) such other changes shall be made to this Condition (and the Transaction Documents) as the Issuer may decide, after consultation with the Agents and as may be specified in the notice, to conform it to conventions then applicable to instruments denominated in euro.

5.8. Definitions

In these Conditions, the following expressions have the following meanings:

"**Accrual Yield**" has, in relation to a Zero Coupon Covered Bond, the meaning given in the applicable Final Terms.

"**Calculation Amount**" has the meaning given in the applicable Final Terms.

"**Earliest Maturing Covered Bonds**" means, at any time, the Series of the Covered Bonds (other than any Series which is fully collateralised by amounts standing to the credit of the Transaction Account) that has or have the earliest Final Maturity Date as specified in the applicable Final Terms (ignoring any acceleration of amounts due under the Covered Bonds prior to a Cover Pool Event of Default).

"**Early Redemption Amount**" means the amount calculated in accordance with Condition 6.5 (*Early Redemption Amounts*).

"**Established Rate**" means the rate for the conversion (if any) of the relevant Specified Currency (including compliance with rules relating to roundings in accordance with applicable European Community regulations) into euro established by the Council of the European Union pursuant to Article 123 of the Treaty.

"**euro**" means the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty.

"**Extraordinary Resolution**" means a resolution of the Covered Bondholders passed as such under the terms of the Trust Deed.

"**Minimum Rate of Interest**" means in respect of Floating Rate Covered Bonds the percentage rate per annum (if any) specified in the applicable Final Terms.

"**Notice of Default**" has the meaning given to it in Condition 9 (*Cover Pool Events of Default and Enforcement*).

"**Optional Redemption Amount**" has the meaning (if any) given in the applicable Final Terms.

"**Potential Cover Pool Event of Default**" means any condition, event or act which, with the lapse of time and/or the issue, making or giving of any notice, certification, declaration, demand, determination and/or request and/or the taking of any similar action and/or the fulfilment of any similar condition, would constitute a Cover Pool Event of Default.

"**Rate of Interest**" means the rate of interest payable from time to time in respect of Fixed Rate Covered Bonds, Floating Rate Covered Bonds, as determined in, or as determined in the manner specified in, the applicable Final Terms.

"**Redenomination Date**" means (in the case of interest bearing Covered Bonds) any date for payment of interest under the Covered Bonds or (in the case of Zero Coupon Covered Bonds) any date, in each case specified by the Issuer in the notice given to the Covered Bondholders pursuant to Condition 5.7 (*Redenomination*) above and which falls on or after the date on which the country of the relevant Specified Currency first participates in the third stage of European economic and monetary union.

"**Reference Price**" has, in respect of a Zero Coupon Covered Bond, the meaning given in the applicable Final Terms.

"**Screen Rate Determination**" means, if specified as applicable in the applicable Final Terms, the manner in which the Rate of Interest on Floating Rate Covered Bonds is to be determined in accordance with Condition 4.2(b)(ii).

"**Secured Creditors**" means the Covered Bondholders, the Couponholders, the Trustee, any Receiver, the Asset Monitor, the Account Bank, the Agents, the Servicer, the Hedging Counterparties and any other creditor of the Issuer pursuant to any Transaction Document

entered into in the course of the Programme having recourse to the Cover Pool (provided that where NBG performs any of the above roles, NBG will not be a Secured Creditor).

"**Treaty**" means the Treaty establishing the European Community, as amended.

6. Redemption and Purchase

6.1. (a) Final redemption

(i) Unless previously redeemed in full or purchased and cancelled as specified below, each Covered Bond will be redeemed by the Issuer at its Final Redemption Amount specified in, or determined in the manner specified in, the applicable Final Terms in the relevant Specified Currency on the Final Maturity Date.

(b) Extension of maturity

(i) Without prejudice to Condition 8 (*Issuer Events*) and Condition 9 (*Cover Pool Events of Default and Enforcement*), if the Issuer has failed to pay the Final Redemption Amount in respect of a Series of Covered Bonds on the applicable Final Maturity Date specified in the Final Terms, then (subject as provided below) payment of any unpaid Final Redemption Amount by the Issuer shall be automatically deferred until the Extended Final Maturity Date and the relevant Series of Covered Bonds shall become Pass-Through Covered Bonds, provided that any amount representing the Final Redemption Amount due and remaining unpaid on such Series of Pass-Through Covered Bonds after the Final Maturity Date shall be paid by the Issuer on any Interest Payment Date occurring thereafter up to (and including) the relevant Extended Final Maturity Date.

(ii) The Issuer shall confirm to the Rating Agencies, any relevant Hedging Counterparty, the Trustee and the Principal Paying Agent as soon as reasonably practicable and in any event at least four Athens Business Days prior to the Final Maturity Date of any inability of the Issuer to pay in full the Final Redemption Amount in respect of a Series of Covered Bonds on the Final Maturity Date. Any failure by the Issuer to notify such parties shall not affect the validity of effectiveness of the extension nor give rise to any rights in any such party.

(iii) Following the occurrence of an Issuer Event and breach of the Amortisation Test all Series of Covered Bonds become Pass-Through Covered Bonds and the Issuer shall redeem all Series of Covered Bonds on each Interest Payment Date, in accordance with and subject to the relevant Priority of Payments.

(iv) Failure to pay by the Issuer of the Final Redemption Amount on any Series of Covered Bonds on the Final Maturity Date shall not constitute a Cover Pool Event of Default for the purposes of Condition 9.1(a) (but, for the avoidance of doubt, such failure to pay shall be deemed to be a payment default and, accordingly, constitute an Issuer Event)

6.2. Redemption for taxation reasons

The Covered Bonds may be redeemed at the option of the Issuer in whole, but not in part, at any time (if the relevant Covered Bond is not a Floating Rate Covered Bond) or on any Interest Payment Date (if the relevant Covered Bond is a Floating Rate Covered Bond), on giving not less than 30 nor more than 60 days' notice to the Trustee and, in accordance with Condition 16 (*Notices*), the Covered Bondholders (which notice shall be irrevocable), if the Issuer satisfies the Trustee immediately before the giving of such notice that on the occasion

of the next date for payment of interest on the relevant Covered Bonds, the Issuer is or would be required to pay additional amounts as provided or referred to in Condition 7 (*Taxation*). Covered Bonds redeemed pursuant to this Condition 6.2 (*Redemption for taxation reasons*) will be redeemed at their Early Redemption Amount referred to in Condition 6.5 (*Early Redemption Amounts*) together (if appropriate) with interest accrued to (but excluding) the date of redemption.

6.3. Redemption at the option of the Issuer (Issuer Call)

If an issuer call is specified in the applicable Final Terms ("**Issuer Call**"), the Issuer may, having given:

(i) not less than 15 nor more than 30 days' notice to the Covered Bondholders and the Trustee in accordance with Condition 16 (*Notices*) below with a copy of such notice to be provided to the Trustee; and

(ii) not less than 15 days before the giving of the notice referred to in (i), notice to the Principal Paying Agent;

which notice shall be irrevocable and shall specify the date fixed for redemption (the "**Optional Redemption Date**"), redeem all or some only of the Covered Bonds then outstanding on any Optional Redemption Date and at the "**Optional Redemption Amount(s)** " specified in, or determined in the manner specified in, the applicable Final Terms together, if applicable, with interest accrued to (but excluding) the relevant Optional Redemption Date. Any such redemption must be of a nominal amount not less than the Minimum Redemption Amount and not more than the Maximum Redemption Amount (if any) as specified in the applicable Final Terms. In the case of a partial redemption of Covered Bonds, the Covered Bonds to be redeemed (the "**Redeemed Covered Bonds**") will be selected individually by lot, in the case of Redeemed Covered Bonds represented by Definitive Covered Bonds, and in accordance with the rules of Euroclear and/or Clearstream, Luxembourg, (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion) in the case of Redeemed Covered Bonds represented by a Global Covered Bond, in each case, not more than 30 days prior to the date fixed for redemption (such date of selection being hereinafter called the "**Selection Date**"). In the case of Redeemed Covered Bonds represented by Definitive Covered Bonds, a list of the serial numbers of such Redeemed Covered Bonds will be published in accordance with Condition 16 (*Notices*) not less than 15 days (or such shorter period as may be specified in the applicable Final Terms) prior to the date fixed for redemption. The aggregate nominal amount of Redeemed Covered Bonds represented by Definitive Covered Bonds or represented by Global Covered Bonds shall, in each case, bear the same proportion to the aggregate nominal amount of all Redeemed Covered Bonds as the aggregate nominal amount of Definitive Covered Bonds or Global Covered Bonds outstanding bears, in each case, to the aggregate nominal amount of the Covered Bonds outstanding on the Selection Date, provided that such nominal amounts shall, if necessary, be rounded downwards to the nearest integral multiple of the Specified Denomination. No exchange of the relevant Global Covered Bond will be permitted during the period from (and including) the Selection Date to (and including) the date fixed for redemption pursuant to this Condition 6.3 and notice to that effect shall be given by the Issuer to the Covered Bondholders in accordance with Condition 16 (*Notices*) at least five days (or such shorter period as is specified in the applicable Final Terms) prior to the Selection Date.

6.4. Redemption at the option of the Covered Bondholders (Investor Put)

(i) If an investor put is specified in the Final Terms (the "**Investor Put**"), then if and to the extent specified in the applicable Final Terms, upon the holder of this Covered

Bond giving to the Issuer not less than 30 nor more than 60 days' (or such other notice period specified in the applicable Final Terms) notice (which notice shall be irrevocable), the Issuer will, upon the expiry of such notice, redeem subject to, and in accordance with, the terms specified in the applicable Final Terms, such Covered Bond on the Optional Redemption Date and at the relevant Optional Redemption Amount as specified in, or determined in the manner specified in, the applicable Final Terms, together, if applicable, with interest accrued to (but excluding) the relevant Optional Redemption Date.

(ii) If this Covered Bond is in definitive form, to exercise the right to require redemption of this Covered Bond, the holder of this Covered Bond must deliver such Covered Bond, on any Business Day (as defined in Condition 4.5) falling within the above-mentioned notice period at the specified office of any Paying Agent, accompanied by a duly signed and completed notice of exercise of the Investor Put in the form (for the time being current) obtainable from any specified office of any Paying Agent (a "**Put Notice**") and in which the holder must specify a bank account (or, if payment is by cheque, an address) to which payment is to be made under this Condition 6.4.

(iii) Any Put Notice given by a Covered Bondholder of any Covered Bond pursuant to this Condition shall be irrevocable.

It may be that before an Investor Put can be exercised, certain conditions and/or circumstances will need to be satisfied. Where relevant, the provisions will be set out in the applicable Final Terms.

6.5. Early Redemption Amounts

For the purpose of Condition 6.1 (*Final redemption*), Condition 6.2 (*Redemption for taxation reasons*) and Condition 9 (*Cover Pool Events of Default and Enforcement*), each Covered Bond will be redeemed at the Early Redemption Amount calculated as follows:

(i) in the case of a Covered Bond with a Final Redemption Amount equal to the Issue Price, at the Final Redemption Amount thereof;

(ii) in the case of a Covered Bond other than a Zero Coupon Covered Bond, with a Final Redemption Amount which is or may be less or greater than the Issuer Price or which is payable in a Specified Currency other than that in which the Covered Bond is denominated, at the amount specified in, or determined in the manner specified in, the applicable Final Terms or, if no such amount or manner is so specified in the applicable Final Terms, at its Principal Amount Outstanding, together with interest accrued to (but excluding) the date fixed for redemption; and

(iii) in the case of a Zero Coupon Covered Bond, at an amount (the "**Amortised Face Amount**") equal to the sum of:

(A) the Reference Price; and

(B) the product of the Accrual Yield (compounded annually) being applied to the Reference Price from (and including) the Issue Date of the first Tranche of the Covered Bonds to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Covered Bond becomes due and repayable.

Where such calculation in paragraph (ii) above is to be made for a period which is not a whole number of years, it shall be made (A) in the case of a Zero Coupon Covered Bond

payable in a Specified Currency other than euro, on the basis of a 360-day year consisting of 12 months of 30 days each, or (B) in the case of a Zero Coupon Covered Bond payable in euro, on the basis of the actual number of days elapsed divided by 365 (or, if any of the days elapsed falls in a leap year, the sum of (x) the number of those days falling in a leap year divided by 366 and (y) the number of those days falling in a non-leap year divided by 365) or (C) on such other calculation basis as may be specified in the applicable Final Terms.

6.6. Purchases

The Issuer or any subsidiary of the Issuer may at any time purchase or otherwise acquire Covered Bonds (provided that, in the case of Definitive Covered Bonds, all unmatured Coupons and Talons appertaining thereto are attached thereto or surrendered therewith) at any price in the open market either by tender or private agreement or otherwise. If purchases are made by tender, tenders must be available to all Covered Bondholders alike. Such Covered Bonds may be held, reissued, resold or, at the option of the Issuer or the relevant subsidiary, surrendered to any Paying Agent for cancellation.

6.7. Cancellation

All Covered Bonds which are redeemed will forthwith be cancelled (together with, in the case of Definitive Covered Bonds, all unmatured Coupons and Talons attached thereto or surrendered therewith at the time of redemption). All Covered Bonds so cancelled and any Covered Bonds purchased and surrendered for cancellation pursuant to Condition 6.6 (*Purchases*) and cancelled (together with, in the case of Definitive Covered Bonds, all unmatured Coupons and Talons cancelled therewith) shall be forwarded to the Principal Paying Agent and cannot be reissued or resold.

6.8. Late Payment

If any amount payable in respect of any Covered Bond is improperly withheld or refused upon its becoming due and repayable or is paid after its due date, the amount due and repayable in respect of such Covered Bond (the "**Late Payment**") shall itself accrue interest (both before and after any judgment or other order of a court of competent jurisdiction) from (and including) the date on which such payment was improperly withheld or refused or, as the case may be, became due, to (but excluding) the Late Payment Date in accordance with the following provisions:

(i) in the case of a Covered Bond other than a Zero Coupon Covered Bond at the rate determined in accordance with Condition 4.1 (*Interest on Fixed Rate Covered Bonds*) or 4.2 (*Floating Rate Covered Bond Provisions*), as the case may be; and

(ii) in the case of a Zero Coupon Covered Bond, at a rate equal to the Accrual Yield,

in each case on the basis of the Day Count Fraction specified in the applicable Final Terms or, if none is specified, on a 30/360 basis.

For the purpose of this Condition 6.8, the Late Payment Date shall mean the earlier of:

(i) the date which the Principal Paying Agent determines to be the date on which, upon further presentation of the relevant Covered Bond, payment of the full amount (including interest as aforesaid) in the relevant currency in respect of such Covered Bond is to be made; and

(ii) the seventh day after notice is given to the relevant Covered Bondholder (whether individually or in accordance with Condition 16 (*Notices*) that the full amount

(including interest as aforesaid) in the relevant currency in respect of such Covered Bond is available for payment,

provided that in the case of both (i) and (ii), upon further presentation thereof being duly made, such payment is made.

6.9. Portfolio Manager

If within one calendar month of the First Refinance Date or, if applicable, within one calendar month of the further Refinance Date (if applicable), the Servicer has not completed the appointment of a Portfolio Manager in accordance with the Servicing and Cash Management Deed and provided that no Portfolio Manager has already been appointed in respect of another Series of Covered Bonds where that appointment is continuing, then following notice from the Servicer (pursuant to Clause 6.4(d) of the Servicing and Cash Management Deed) that no Portfolio Manager has been appointed (the "**Servicer's Notice**"), Covered Bondholders holding not less than one-tenth of the aggregate Principal Amount outstanding of all Series of Covered Bonds may within 10 Athens Business Days of receipt of a Servicer's Notice, nominate a Portfolio Manager in writing (such nomination to contain evidence to the reasonable satisfaction of the Trustee to verify the relevant Covered Bondholder's holdings (which could include a screenshot of the Covered Bondholder's holdings) to the Trustee and Servicer for appointment by the Servicer. The Trustee shall notify the Covered Bondholders of each nomination it receives within five Athens Business Days of receipt. Following receipt of that notice and provided that no Portfolio Manager has already been appointed in respect of another Series of Covered Bonds, Covered Bondholders holding more than 50 per cent. of the aggregate Principal Amount outstanding of a Series of Covered Bonds may jointly within three Athens Business Days of receipt of a notice of a Portfolio Manager nomination from the Trustee object to that nomination provided that the objection is made in writing to the Trustee and Servicer and includes a nomination of an alternative Portfolio Manager to the Trustee and Servicer for appointment by the Servicer. The Trustee shall notify the Covered Bondholders of each alternative nomination it receives within five Athens Business Days of receipt. Provided that no Portfolio Manager has already been appointed in respect of another Series of Covered Bonds (and provided that appointment is continuing) the Servicer shall appoint the Portfolio Manager nominated in the most recent Portfolio Manager nomination received from Covered Bondholders holding not less than one-tenth of the aggregate Principal Amount outstanding of all Series of Covered Bonds and to which no objection has been received in accordance with this Condition 6.9 or, should any such objection be received, the Portfolio Manager nominated from more than 50 per cent. of the aggregate Principal Amount outstanding of a Series of Covered Bonds. For the purposes of this Condition, if Covered Bonds of any Series are held by or on behalf of the Issuer or any of its Subsidiaries as beneficial owner, then those Covered Bonds shall be deemed not to remain outstanding for the purposes of voting under this Condition, except if the Issuer or any of its Subsidiaries hold all outstanding Covered Bonds under the Programme. For the avoidance of doubt, the Trustee shall not be obliged to appoint a Portfolio Manager should the Servicer fail to do so (and shall have no liability for such failure) and shall not be responsible for determining the identity of the Portfolio Manager to be appointed by the Servicer following a nomination or determining or approving the terms of appointment of a Portfolio Manager.

7. Taxation

(a) All payments (if any) of principal and interest in respect of the Covered Bonds and the Coupons (if any) by or on behalf of the Issuer shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatsoever nature imposed, levied, collected, withheld or assessed by the Hellenic Republic or any political subdivision or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law. Neither the Issuer, nor any other entity shall

be obliged to pay any additional amount to any Covered Bondholder on account of such withholding or deduction.

(b) If the Issuer becomes subject at any time to any taxing jurisdiction other than the Hellenic Republic, references in the Conditions to the Hellenic Republic shall be construed as references to the Hellenic Republic and/or such other jurisdiction.

8. Issuer Events

Prior to, or concurrent with the occurrence of a Cover Pool Event of Default, if any of the following events (each, an "**Issuer Event**") occurs and is continuing:

(i) an Issuer Insolvency Event (as defined below);

(ii) the Issuer fails to pay any principal or interest in respect of any Series of Covered Bonds within a period of seven Athens Business Days from the due date thereof;

(iii) the Issuer fails to pay the Final Redemption Amount in respect of any Series of Covered Bonds on the Final Maturity Date (notwithstanding that the relevant Series of Covered Bonds has an Extended Final Maturity Date);

(iv) default is made by the Issuer in the performance or observance of any obligation, condition or provision binding on it (other than any obligation for the payment of amounts due under the Covered Bonds or Coupons of any Series) under the Trust Deed, the Deed of Charge or any other Transaction Document to which the Issuer is a party which, in the opinion of the Trustee would have a materially prejudicial effect on the interests of the Covered Bondholders of any Series and (except where such default is or the effects of such default are, in the opinion of the Trustee, not capable of remedy when no such continuation and notice as is hereinafter mentioned will be required) such default continues for 30 days (or such longer period as the Trustee may permit) after written notice has been given by the Trustee to the Issuer requiring the default to be remedied;

(v) any present or future Indebtedness in respect of moneys borrowed or raised in an amount of €10,000,000 or more (other than Indebtedness under this Programme) of the Issuer becomes due and payable prior to the stated maturity thereof as extended by any grace period originally applicable thereto; or if any present or future guarantee of, or indemnity given by the Issuer in respect of such Indebtedness is not honoured when called upon or within any grace period originally applicable thereto; or

(vi) if there is a breach of a Statutory Test on an Applicable Calculation Date and such breach is not remedied within two Athens Business Days,

then (i) no further Covered Bonds will be issued, (ii) the Servicer will procure that any and all payments due under the Cover Pool Assets effected on the Collection Account are transferred henceforth directly to the Transaction Account pursuant to the provisions of the Servicing and Cash Management Deed, (iii) all collections of principal and interest on the Cover Pool Assets will be dedicated exclusively to the payment of interest and repayment of principal on the Covered Bonds and to the fulfilment of the obligations of the Issuer vis-à-vis the Secured Creditors in accordance with the Post-Issuer Event Priority of Payments and (iv) if NBG is the Servicer, its appointment as Servicer will be terminated and a new servicer will be appointed pursuant to the terms of the Servicing and Cash Management Deed and the Secondary Covered Bond Legislation.

"**Issuer Insolvency Event**" means, in respect of NBG:

(i) NBG stops payment of part or all of its debts;

(ii) NBG having resolved to enter into voluntary liquidation, other than in respect of reconstruction, merger or amalgamation as approved in writing by the Trustee;

(iii) NBG admits in writing its inability to pay or meet its debts;

(iv) NBG is forced to enter into liquidation pursuant to Greek Law, other than in respect of reconstruction, merger or amalgamation as approved in writing by the Trustee;

(v) a creditors' collective enforcement procedure is commenced against NBG (including such procedure under the Greek Banking Legislation) and is not discharged or temporarily revoked (for so long as such temporary revocation remains in effect or otherwise becomes permanent) within 30 days;

(vi) the appointment of any administrator, liquidator or administrative or other receiver of NBG or all or a substantial part of its property or assets; and

(vii) any action or step is taken which has a similar effect to the foregoing.

9. Cover Pool Events of Default and Enforcement

9.1. Cover Pool Events of Default

If, following an Issuer Event, any of the following events occurs, and is continuing:

(a) on the Extended Final Maturity Date in respect of any Series of Pass-Through Covered Bonds there is a failure to pay any amount of principal due on such Pass-Through Covered Bonds on such date and such default is not remedied within a period of seven Athens Business Days from the due date thereof; or

(b) on any Interest Payment Date, a default in the payment of the amount of interest due on any Series of Pass-Through Covered Bonds and any other Series of Covered Bonds occurs and such default is not remedied within a period of 14 Athens Business Days from the due date thereof;,

then the Trustee shall, upon receiving notice from the Principal Paying Agent or, in respect of (c) the Servicer, of such Cover Pool Event of Default, serve a notice (a "**Notice of Default**") on the Issuer.

Following the service of a Notice of Default, the Covered Bonds of each Series shall become immediately due and payable.

9.2. Enforcement

The Trustee may at any time, at its discretion and without further notice, take such proceedings against the Issuer and/or any other person as it may think fit to enforce the provisions of the Deed of Charge, the Trust Deed, the Covered Bonds or any other Transaction Document in accordance with its terms and the pledge created under the Greek Covered Bond Legislation and may, at any time after the Security has become enforceable, take such proceedings or steps as it may think fit to enforce the Security, but it shall not be bound to take any such proceedings or steps unless (i) it shall have been so directed by an Extraordinary Resolution of all the Covered Bondholders of all Series (with the Covered

Bonds of all Series taken together as a single Series and (if applicable) converted into Euro at either the relevant Covered Bond Swap Rate (if applicable) or the Established Rate) or a request in writing by the holders of not less than 25 per cent. of the aggregate Principal Amount Outstanding of the Covered Bonds of all Series then outstanding (taken together as a single Series and converted into Euro at either the relevant Covered Bond Swap Rate (if applicable) or the Established Rate), and (ii) it shall have been indemnified and/or secured and/or pre-funded to its satisfaction.

In exercising any of its powers, trusts, authorities and discretions under this Condition 9.2 the Trustee shall only have regard to the general interests of the Covered Bondholders of all Series taken together and shall not have regard to the interests of any other Secured Creditors.

No Covered Bondholder or Couponholder shall be entitled to proceed directly against the Issuer, the Guarantor or to take any action with respect to the Trust Deed, any other Transaction Document, the Covered Bonds, the Coupons, or the Security unless the Trustee, having become bound so to proceed, fails so to do within a reasonable period and such failure shall be continuing.

10. Prescription

Claims against the Issuer for payment of principal and interest in respect of the Covered Bonds will be prescribed and become void unless made, in the case of principal, within ten years or, in the case of interest, five years after the Relevant Date.

There shall not be included in any Coupon sheet issued on exchange of a Talon any Coupon the claim for paying in respect of which would be void pursuant to this Condition 10 or Condition 5 (*Payments*).

As used herein, the "**Relevant Date**" means the date on which payment in respect of the Covered Bond or Coupon first becomes due and payable but, if the full amount of the moneys payable on such date has not been received by the Principal Paying Agent on or prior to such date, the Relevant Date shall be the date on which such moneys shall have been so received and notice to that effect has been given to Covered Bondholders in accordance with Condition 16 (*Notices*).

11. Replacement of Covered Bonds, Coupons and Talons

If any Covered Bond, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Principal Paying Agent (and, if the Covered Bonds are then listed on any stock exchange which requires the appointment of an Agent in any particular place, the Paying Agent having its specified office in the place required by such stock exchange), subject to all applicable laws and stock exchange requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer may reasonably require. Mutilated or defaced Covered Bonds, Talons or Coupons must be surrendered before replacements will be issued.

12. Exchange of Talons

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of the Principal Paying Agent or any other Paying Agent in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to (and including) the final date for the payment of interest due in respect of the Covered Bond to which it appertains) a further Talon, subject to the provisions of Condition 10

(*Prescription*). Each Talon shall, for the purposes of these Conditions, be deemed to mature on the Interest Payment Date on which the final Coupon comprised in the relevant Coupon sheet matures.

13. Trustee and Agents

(a) In acting under the Agency Agreement and in connection with the Covered Bonds and the Coupons, the Agents act solely as agents of the Issuer and do not assume any obligations towards or relationship of agency or trust for or with any of the Covered Bondholders or Couponholders.

(b) The initial Agents and their initial specified offices are set forth in the Base Prospectus and in the Master Definitions and Construction Schedule. The initial Calculation Agent (if any) is specified in the relevant Final Terms. The Issuer reserves the right at any time to vary or terminate the appointment of any Agent and to appoint a successor Principal Paying Agent or Calculation Agent and additional or successor paying agents *provided, however, that*:

(i) so long as the Covered Bonds are listed on any stock exchange or admitted to listing by any other relevant authority there will at all times be a Paying Agent (which may be the Principal Paying Agent), in the case of Covered Bonds, with a specified office in such place as may be required by the rules and regulations of such stock exchange or other relevant authority;

(ii) if a Calculation Agent is specified in the relevant Final Terms, the Issuer (or following the occurrence of an Issuer Event, the Servicer) shall at all times maintain a Calculation Agent;

(iii) if and for so long as the Covered Bonds are listed on any stock exchange which requires the appointment of an Agent in any particular place, the Issuer (or following the occurrence of an Issuer Event, the Servicer) shall maintain an Agent having its specified office in the place required by such stock exchange; and

(iv) the Issuer (or following the occurrence of an Issuer Event, the Servicer) shall at all times

maintain a paying agent in an Member State that will not be obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC implementing or complying with, or introduced in order to conform to, such Directive.

Notice of any change in any of the Agents or in their specified offices shall promptly be given to the Covered Bondholders in accordance with Condition 16 (*Notices*).

(c) Under the Trust Deed and the Deed of Charge, the Trustee is entitled to be indemnified and/or secured and/or pre-funded to its satisfaction and relieved from responsibility in certain circumstances and to be paid its remuneration, costs and expenses in priority to the claims of the Covered Bondholders and the other Secured Creditors.

14. Meetings of Covered Bondholders, Modification and Waiver

(a) *Meetings of Covered Bondholders*: The Trust Deed contains provisions for convening meetings of Covered Bondholders of each Series to consider matters relating to the Covered Bonds, including the modification of any provision of these Conditions. Any such modification may be made if sanctioned by an Extraordinary Resolution of the Covered Bondholders of the relevant Series. Such a meeting may be convened by the Issuer or the Trustee and shall be convened by the Issuer upon the request in writing signed by Covered

Bondholders holding not less than one-tenth of the aggregate principal amount of the outstanding Covered Bonds of the relevant Series. The quorum at any meeting convened to vote on an Extraordinary Resolution will be two or more persons holding or representing one more than half of the aggregate principal amount of the outstanding Covered Bonds of the relevant Series or, at any adjourned meeting, two or more persons being or representing Covered Bondholders of the relevant Series whatever the principal amount of the Covered Bonds of such Series held or represented; *provided, however, that* certain Series Reserved Matters, described in the Trust Deed, may only be sanctioned by an Extraordinary Resolution passed at a meeting of Covered Bondholders of the relevant Series at which two or more persons holding or representing one more than half or, at any adjourned meeting, one- quarter of the aggregate principal amount of the outstanding Covered Bonds of the relevant Series form a quorum. Any Extraordinary Resolution duly passed at any such meeting shall be binding on all the Covered Bondholders and Couponholders of the relevant Series, whether present or not.

Notwithstanding the provisions of the immediately preceding paragraph, any Extraordinary Resolution to direct the Trustee to take any enforcement action pursuant to Condition 9.2 (*Enforcement*) (each a **Programme Resolution**) shall only be capable of being passed at a single meeting of the holders of the Covered Bonds of all Series then outstanding. Any such meeting to consider a Programme Resolution may be convened by the Issuer or the Trustee or by Covered Bondholders holding at least 25.0% of the aggregate Principal Amount Outstanding of the Covered Bonds of all Series then outstanding. The quorum at any such meeting for passing a Programme Resolution is one or more persons holding or representing at least a clear majority of the aggregate Principal Amount Outstanding of the Covered Bonds of all Series for the time being outstanding, or at any adjourned such meeting one or more persons holding or representing Covered Bonds whatever the nominal amount of the Covered Bonds of all Series then outstanding. A Programme Resolution passed at any meeting of the Covered Bondholders of all Series shall be binding on all Covered Bondholders of all Series, whether or not they are present at the meeting and Couponholders in respect of such Covered Bonds.

The right of the Issuer to (i) attend and vote at any meeting of the holders of Covered Bond of any Series or (ii) sign a resolution in writing according to paragraph 19 of Schedule 3 (*Provisions for Meetings of Covered Bondholders*) of the Trust Deed shall be excluded in accordance with the definition of "outstanding" in the Master Definitions and Construction Schedule.

In connection with any meeting of the holders of Covered Bonds of more than one Series where such Covered Bonds are not denominated in Euro, the nominal amount of the Covered Bonds of any Series not denominated in Euro shall be converted into Euro at the relevant Covered Bond Swap Rate.

In addition, a resolution in writing signed by or on behalf of Covered Bondholders of not less than three-fourths in aggregate Principal Amount Outstanding of the relevant Series of Covered Bonds who for the time being are entitled to receive notice of a meeting of that Series of Covered Bondholders will take effect as if it were an Extraordinary Resolution. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Covered Bondholders.

(b) *Rating Agency Confirmation and Notification*: Any such modification referred to in paragraph (a) above may only be effected provided that each of the Rating Agencies then rating any Covered Bonds has been notified.

(c) *Modification*: The Trustee may, without the consent or sanction of any of the Covered Bondholders, and/or the Couponholders of any Series or the consent of the other Secured

Creditors (other than the Swap Providers in respect of modification to the Post-Issuer Event Priority of Payments, the Post-Cover Pool Event of Default Priority of Payments, these Conditions, the Individual Eligibility Criteria or the Servicing and Cash Management Deed) at any time and from time to time concur with the Issuer and any other party, to:

(i) any modification (other than in respect of a Series Reserved Matter) of the terms and conditions applying to the Covered Bonds of one or more Series (including these Conditions), the related Coupons or any Transaction Document provided that in the sole opinion of the Trustee such modification is not materially prejudicial to the interests of any of the Covered Bondholders of such Series, or

(ii) any modification of the terms and conditions applying to Covered Bonds of any one or more Series (including these Conditions), the related Coupons or any Transaction Document which is in the sole opinion of the Trustee of a formal, minor or technical nature or is to correct a manifest error,

and Moody's (to the extent it is rating any Covered Bonds at that time) has confirmed to the Issuer that such amendment, modification or variation will not adversely affect the then current ratings of the Covered Bonds (and in the case of any other Rating Agency (to the extent it is rating any Covered Bonds at that time), such Rating Agency has been notified of such modification).

"Series Reserved Matter" in relation to Covered Bonds of a Series means:

(i) reduction or cancellation of the amount payable or, where applicable, modification of the method of calculating the amount payable or modification of the date of payment or, where applicable, modification of the method of calculating the date of payment in respect of any principal or interest in respect of the Covered Bonds other than in accordance with the terms thereof;

(ii) alteration of the currency in which payments under the Covered Bonds and Coupons are to be made other than in accordance with Condition 5.7;

(iii) alteration of the majority required to pass an Extraordinary Resolution;

(iv) the sanctioning of any such scheme or proposal for the exchange or sale of the Covered Bonds for or the conversion of the Covered Bonds into, or the cancellation of the Covered Bonds in consideration of, shares, stock, covered bonds, bonds, debentures, debenture stock and/or other obligations and/or securities of the Issuer or any other company formed or to be formed, or for or into or in consideration of cash, or partly for or into or in consideration of such shares, stock, bonds, covered bonds, debentures, debenture stock and/or other obligations; and

(v) alteration of the definition of Series Reserved Matter.

15. Further Issues

The Issuer may from time to time, without the consent of the Covered Bondholders or the Couponholders, create and issue further Covered Bonds having the same terms and conditions as the Covered Bonds in all respects (or in all respects except for the first payment of interest thereon, issue date and/or issue price) so as to form a single series with the Covered Bonds provided that (i) there is no outstanding Issuer Event and that such issuance would not cause an Issuer Event, (ii) such issuance would not result in a breach of any of the Statutory Tests, (iii) the Rating Agencies have been notified of such issuance, (iv) such issuance has been notified to the Bank of Greece in accordance with paragraph II.3 of the Secondary Covered

Bond Legislation and (v) if applicable, in respect of any Series or Tranche, a Hedging Agreement is entered into.

16. Notices

All notices regarding the Covered Bonds will be valid if published in one leading English language daily newspaper of general circulation in London or any other daily newspaper in London approved by the Trustee and, (for so long as any Covered Bonds are listed on the official list of the Luxembourg Stock Exchange) if published in a daily newspaper of general circulation in Luxembourg or on the website of the Luxembourg Stock Exchange www.bourse.lu. It is expected that such publication will be made in the Financial Times in London and (in relation to Covered Bonds listed on the official list of the Luxembourg Stock Exchange) in the *Luxemburger Wort* or the *Tageblatt* in Luxembourg. The Issuer or, in the case of a notice given by the Trustee, the Trustee shall also ensure that notices are duly published in a manner which complies with the rules and regulations of any stock exchange or any other relevant authority on which the Covered Bonds are for the time being listed. Any such notice shall be deemed to have been given on the date of first publication (or if required to be published in more than one newspaper, on the first date on which publication shall have been made in all the required newspapers or where published in such newspapers on different dates, the last date of such first publication). If publication as provided above is not practicable, notice will be given in such other manner, and will be deemed to have been given on such date, as the Trustee shall approve.

Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the Covered Bondholders.

Notices to be given by any Covered Bondholder shall be in writing and given by lodging the same, together (in the case of any Covered Bond in definitive form) with the relevant Covered Bond or Covered Bonds, with the Principal Paying Agent. Whilst the Covered Bonds are represented by Global Covered Bonds any notice shall be deemed to have been duly given to the relevant Covered Bondholder if sent to the Clearing Systems for communication by them to the holders of the Covered Bonds and shall be deemed to be given on the date on which it was so sent and (so long as the relevant Covered Bonds are admitted to trading on, and listed on the official list of, the Luxembourg Stock Exchange), any notice shall also be published in accordance with the relevant listing rules (which includes publication on the website of the Luxembourg Stock Exchange, www.bourse.lu).

17. Substitution of the Issuer

(a) If so requested by the Issuer, the Trustee shall, without the consent of any Covered Bondholder or Couponholder, agree with the Issuer to the substitution in place of the Issuer of any other body incorporated in any country in the world as the debtor in respect of the Covered Bonds, any Coupons and the Trust Deed (the "**New Company**") upon notice by the Issuer and the New Company to be given in accordance with Condition 16 (*Notices*), *provided that*:

(i) the Issuer is not in default in respect of any amount payable under the Covered Bonds;

(ii) the Issuer and the New Company have entered into such documents (the "**Documents**") as are necessary to give effect to the substitution and in which the New Company has undertaken in favour of each Covered Bondholder to be bound by these Conditions and the provisions of the Trust Deed as the debtor in respect of the Covered Bonds in place of the Issuer (or of any previous substitute under this Condition 17 (*Substitution of the Issuer*);

(iii) if the New Company is resident for tax purposes in a territory (the "**New Residence**") other than that in which the Issuer prior to such substitution was resident for tax purposes (the "**Former Residence**"), the Documents contain an undertaking and/or such other provisions as may be necessary to ensure that each Covered Bondholder has the benefit of an undertaking in terms corresponding to the provisions of this Condition 17 (*Substitution of the Issuer*), with the substitution of references to the Former Residence with references to the New Residence;

(iv) the New Company and the Issuer have obtained all necessary governmental approvals and consents for such substitution and for the performance by the New Company of its obligations under the Documents;

(v) legal opinions shall have been delivered to the Trustee (with a copy of such legal opinions also to be provided to each Rating Agency then rating any Covered Bons) from lawyers of recognised standing in the jurisdiction of incorporation of the New Company, in England and in Greece as to matters of law relating to the fulfilment of the requirements of this Condition 17 (*Substitution of the Issuer*) and that the Covered Bonds and any Coupons and/or Talons are legal, valid and binding obligations of the New Company;

(vi) if Covered Bonds issued or to be issued under the Programme have been assigned a credit rating by the Rating Agencies, each Rating Agency has been notified of the proposed substitution and with respect to each Rating Agency either: (A) the relevant Rating Agency has confirmed, within 30 days of receiving such notice, that the then current rating of the then outstanding Covered Bonds would not be downgraded as a result of such substitution or (B) the Issuer certifies to the Trustee that, 30 days after receipt of such notice by the Rating Agency, the relevant Rating Agency has not indicated that such substitution would result in a downgrade, withdrawal or suspension of the then current ratings assigned to the Covered Bonds by such Rating Agency or such Rating Agency placing any Covered Bonds on ratings watch negative (or equivalent);

(vii) each stock exchange on which the Covered Bonds are listed shall have confirmed that, following the proposed substitution of the New Company, the Covered Bonds will continue to be listed on such stock exchange; and

(viii) if applicable, the New Company has appointed a process agent in England to receive service of process on its behalf in relation to any legal proceedings arising out of or in connection with the Covered Bonds and any Coupons.

(b) Upon such substitution the New Company shall succeed to, and be substituted for, and may exercise every right and power, of the Issuer under the Covered Bonds, any Coupons and the Trust Deed with the same effect as if the New Company has been named as the Issuer herein, and the Issuer shall be released from its obligations under the Covered Bonds, Coupons and/or Talons and under the Trust Deed.

(c) After a substitution pursuant to Condition 17(a) the New Company may, without the consent of any Covered Bondholder or Couponholder, effect a further substitution. All the provisions specified in Conditions 17(a) and 17(b) shall apply *mutatis mutandis*, and references in these Conditions to the Issuer shall, where the context so requires, be deemed to be or include references to any such further New Company.

(d) After a substitution pursuant to Condition 17(a) or 17(c) any New Company may, without the consent of any Covered Bondholder or Couponholder, reverse the substitution, *mutatis mutandis*.

(e) The Documents shall be delivered to, and kept by, the Principal Paying Agent. Copies of the Documents will be available free of charge during normal business hours at the specified office of the Principal Paying Agent.

18. Renominalisation and Reconventioning

If the country of the Specified Currency becomes or, announces its intention to become, a Participating Member State, the Issuer may, without the consent of the Covered Bondholders and Couponholders, on giving at least 30 days' prior notice to the Covered Bondholders and the Paying Agents, designate a date (the "**Redenomination Date**"), being an Interest Payment Date under the Covered Bonds falling on or after the date on which such country becomes a Participating Member State to redenominate all, but not some only, of the Covered Bonds of any series.

19. Governing Law and Jurisdiction

The Covered Bonds and all matters arising from or connected with the Covered Bonds are governed by, and shall be construed in accordance with, English law, save that the security under the Statutory Pledge referred to in Condition 2 (*Status of the Covered Bonds*) above, shall be governed by, and construed in accordance with Greek Law.

The courts of England have exclusive jurisdiction to settle any dispute (a "**Dispute**"), arising from or connected with the Covered Bonds.

20. Third Parties

No person shall have any right to enforce any term or condition of this Covered Bond under the Contracts (Rights of Third Parties) Act 1999.

FORMS OF THE COVERED BONDS

The Covered Bonds of each Series will be in bearer form, with or without receipts, interest coupons and/or talons attached. Covered Bonds will be issued outside the United States in reliance on Regulation S.

Each Tranche of Covered Bonds will be in bearer form initially issued in the form of a temporary global covered bond without interest coupons attached (a "**Temporary Global Covered Bond**") which will:

(a) if the Global Covered Bonds (as defined below) are issued in new global covered bond ("**NGCB**") form, as stated in the applicable Final Terms, be delivered on or prior to the issue date of the relevant Tranche to a common safekeeper (the "**Common Safekeeper**") for Euroclear Bank S.A./N.V. ("**Euroclear**") and Clearstream Banking, *société anonyme* ("**Clearstream, Luxembourg**"); and

(b) if the Global Covered Bonds are not issued in NGCB form, be delivered on or prior to the issue date of the relevant Tranche to a common depositary (the "**Common Depositary**") for Euroclear and Clearstream, Luxembourg.

Whilst any Covered Bond is represented by a Temporary Global Covered Bond, payments of principal, interest (if any) and any other amount payable in respect of the Covered Bonds due prior to the Exchange Date (as defined below) will be made (against presentation of the Temporary Global Covered Bond if the Temporary Global Covered Bond is not issued in NGCB form) only to the extent that certification (in a form to be provided by Euroclear and/or Clearstream, Luxembourg) to the effect that the beneficial owners of interests in such Covered Bond are not U.S. persons or persons who have purchased for resale to any U.S. person, as required by U.S. Treasury regulations, has been received by Euroclear and/or Clearstream, Luxembourg and Euroclear and/or Clearstream, Luxembourg, as applicable, has given a like certification (based on the certifications it has received) to the Principal Paying Agent.

On and after the date (the "**Exchange Date**") which is 40 days after a Temporary Global Covered Bond is issued, interests in such Temporary Global Covered Bond will be exchangeable (free of charge) upon a request as described therein either for (a) interests in a permanent global covered bond without interest coupons attached (a "**Permanent Global Covered Bond**" and, together with the Temporary Global Covered Bonds, the "**Global Covered Bonds**" and each a "**Global Covered Bond**") of the same Series or (b) for Definitive Covered Bonds of the same Series with, where applicable, interest coupons and talons attached (as indicated in the applicable Final Terms and subject, in the case of Definitive Covered Bonds, to such notice period as is specified in the applicable Final Terms), in each case against certification of non-U.S. beneficial ownership as described above unless such certification has already been given. The holder of a Temporary Global Covered Bond will not be entitled to collect any payment of interest, principal or other amount due on or after the Exchange Date unless, upon due certification, exchange of the Temporary Global Covered Bond for an interest in a Permanent Global Covered Bond or for Definitive Covered Bonds is improperly withheld or refused.

Payments of principal, interest (if any) or any other amounts on a Permanent Global Covered Bond will be made through Euroclear and/or Clearstream, Luxembourg against presentation or surrender (as the case may be) of the Permanent Global Covered Bond (if the Permanent Global Covered Bond is not issued in NGCB form) without any requirement for certification.

The applicable Final Terms will specify that a Permanent Global Covered Bond will be exchangeable (free of charge), in whole but not in part, for Definitive Covered Bonds with, where applicable, interest coupons and talons attached upon either (a) provided the Covered Bonds have a minimum Specified

Denomination, or integral multiples thereof, not less than 60 days' written notice from Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Permanent Global Covered Bond) to the Principal Paying Agent as described therein or (b) upon the occurrence of an Exchange Event. For these purposes, "**Exchange Event**" means that (i) the Issuer has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, whether statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and no successor clearing system is available or (ii) the Issuer has or will become subject to adverse tax consequences which would not be suffered were the Global Covered Bond (and any interests therein) exchanged for Definitive Covered Bonds. The Issuer will promptly give notice to Covered Bondholders of each Series of Global Covered Bonds in accordance with Condition 16 (*Notices*) if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Permanent Global Covered Bond) or the Trustee may give notice to the Principal Paying Agent requesting exchange and, in the event of the occurrence of an Exchange Event as described in (b) above, the Issuer may also give notice to the Principal Paying Agent requesting exchange. Any such exchange shall occur not later than 45 days after the date of receipt of the first relevant notice by the Principal Paying Agent.

Global Covered Bonds, Definitive Covered Bonds and any Coupons or Talons attached thereto will be issued pursuant to the Trust Deed.

The following legend will appear on all Covered Bonds that have an original maturity of more than one year and on all interest coupons relating to such Covered Bonds:

"ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE."

The sections referred to provide that United States holders, with certain exceptions, will not be entitled to deduct any loss on Covered Bonds, interest coupons and will not be entitled to capital gains treatment of any gain on any sale or other disposition in respect of such Covered Bonds, or interest coupons.

Covered Bonds which are represented by a Global Covered Bond will only be transferable in accordance with the rules and procedures for the time being of Euroclear or Clearstream, Luxembourg, as the case may be.

General

Pursuant to the Agency Agreement (as defined under "*Terms and Conditions of the Covered Bonds*"), the Principal Paying Agent shall arrange that, where a further Tranche of Covered Bonds is issued which is intended to form a single Series with an existing Tranche of Covered Bonds, the Covered Bonds of such further Tranche shall be assigned a common code and ISIN and, where applicable, CINS number which are different from the common code, ISIN and CINS number assigned to Covered Bonds of any other Tranche of the same Series until at least the Exchange Date applicable to the Covered Bonds of such further Tranche.

Any reference herein to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any successor operator and/or successor clearing system and/or additional or alternative clearing system specified in the applicable Final Terms or as may otherwise be approved by the Issuer, the Principal Paying Agent and the Trustee.

No Covered Bondholder or Couponholder shall be entitled to proceed directly against the Issuer unless the Trustee, having become so bound to proceed, fails so to do within a reasonable period and the failure shall be continuing.

FORM OF FINAL TERMS

Set out below is the form of Final Terms which will be completed for each Tranche of Covered Bonds issued under the Programme. Text in this section appearing in italics does not form part of the Final Terms but denotes directions for completing the Final Terms.

[*Date*]

PROHIBITION OF SALES TO EEA AND UK RETAIL INVESTORS – The Covered Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**") or in the United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or (ii) a customer within the meaning of Directive (EU) 2016/97 (the "**Insurance Distribution Directive**") where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No. 1286/2014 (the "**PRIIPs Regulation**") for offering or selling the Covered Bonds or otherwise making them available to retail investors in the EEA or in the UK has been prepared and therefore offering or selling the Covered Bonds or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIIPs Regulation.

MiFID II PRODUCT GOVERNANCE/PROFESSIONAL INVESTORS AND ECPs ONLY TARGET MARKET – Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Covered Bonds has led to the conclusion that: (i) the target market for the Covered Bonds is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Covered Bonds to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Covered Bonds (a "**Distributor**") should take into consideration the manufacturers' target market assessment; however, a Distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Covered Bonds (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

NATIONAL BANK OF GREECE S.A.
Issue of [*Aggregate Nominal Amount of Tranche*] [*Title of Covered Bonds*]
Under the €10 billion
Global Covered Bond Programme

PART A – CONTRACTUAL TERMS

[Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions set forth in the Base Prospectus dated 17 March 2020 [and the supplement to the Base Prospectus dated (*date*)] which [together] constitute[s] a base prospectus for the purposes of the Prospectus Regulation (Regulation (EU) 2017/1129) as amended from time to time (the "**Prospectus Regulation**"). This document constitutes the final terms of the Covered Bonds described herein for the purposes of Article 8.2 (a) of the Prospectus Regulation and must be read in conjunction with the Base Prospectus [as so supplemented]. Full information on the Issuer and the offer of the Covered Bonds is only available on the basis of the combination of this Final Terms and the Base Prospectus. Copies of the Base Prospectus [and the supplement to the Base Prospectus] are available free of charge to the public at the registered office of the Issuer and from the specified office of each of the Paying Agents. The Base Prospectus [and the supplement to the Base Prospectus] are published on the website of the Luxembourg Stock Exchange (www.bourse.lu).]

(*The following alternative language applies if the first Tranche of an issue which is being increased was issued under a Base Prospectus with an earlier date.*)

[Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions (the "**Terms and Conditions**") set forth in the Base Prospectus dated [9 April 2019] which are being incorporated by reference in the Base Prospectus dated 17 March 2020 [and the supplement to the Base Prospectus dated (*date*)]. This document constitutes the final terms of the Covered Bonds described herein for the purposes of Article 8.2 of the Prospectus Regulation (Regulation (EU) 2017/1129) as amended from time to time (the "**Prospectus Regulation**") and must be read in conjunction with the Base Prospectus dated 17 March 2020 [and the Base Prospectus dated 9 April 2019] [and the supplement to the Base Prospectus dated (*date*)], which [together] constitute[s] a base prospectus for the purposes of the Prospectus Regulation, save in respect of the Terms and Conditions which are extracted from the Base Prospectus dated [9 April 2019]. Full information on the Issuer and the Group and the offer of the Covered Bonds is only available on the basis of the combination of this Final Terms and the Base Prospectus dated [9 April 2019] and the Base Prospectus dated 17 March 2020 [and the supplement to the Base Prospectus dated (*date*)]. Copies of such Base Prospectuses are available free of charge to the public at the registered office of the Issuer and from the specified office of each of the Paying Agents.] The Base Prospectus [and the supplement to the Base Prospectus] are published on the website of the Luxembourg Stock Exchange (www.bourse.lu).]

(*Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or subparagraphs.*)

1.	(i)	Series Number:	[●]
	(ii)	Tranche Number:	[●]
	(iii)	Date on which the Covered Bonds will be consolidated and form a single Series	The Covered Bonds will be consolidated and form a single Series with (*Provide issued amount/ISIN/maturity issue/issue date of earlier Tranches*) on [the Issue Date/exchange of the Temporary Global Covered Bond for interests in the Permanent Global Covered Bond, as referred to in paragraph [•] below, which is expected to occur on or about (*date*)] / [Not Applicable]
2.	Specified Currency or Currencies:		[●]
3.	Aggregate Nominal Amount of Covered Bonds:		[●]
	[(i)]	Series:	[●]
	[(ii)]	Tranche:	[●]
4.	Issue Price:		[ ] per cent. of the Aggregate Nominal Amount [plus accrued interest from (*insert date*) (*if applicable*)]
5.	(i)	Specified Denominations:	[●]

			[(*N.B. Where multiple denominations above €100,000 or equivalent are being used the following sample wording should be followed: €100,000 and integral multiples of [€1,000] in excess thereof up to and including [€199,000]. No Covered Bonds in definitive form will be issued with a denomination above [€199,000]*.) (*N.B. If an issue of Covered Bonds is (i) NOT admitted to trading on a regulated market within a European Economic Area and/or UK exchange; and (ii) only offered in the European Economic Area and/or UK in circumstances where a prospectus is not required to be published under the Prospectus Regulation, the [€100,000] minimum denomination is not required.*)
	(ii)	Calculation Amount:	[●]
6.	(i)	Issue Date:	[●]
	(ii)	Interest Commencement Date:	[●] (*NB: An Interest Commencement Date will not be relevant for certain Covered Bonds, for example Zero Coupon Covered Bonds*)
7.	(i)	Final Maturity Date:	[Fixed rate – (*specify date/Floating Rate*) - Interest Payment Date falling in or nearest to the relevant month and year]
	(ii)	Extended Final Maturity Date	[Fixed rate – specify date/Floating rate – Interest Payment Date falling in or nearest to (*specify month and year*)] (*N.B. Zero Coupon Covered Bonds are not to be issued with an Extended Final Maturity Date unless otherwise agreed with the Dealers and the Trustee*)
8.	Interest Basis:		[[●]% Fixed Rate] [[LIBOR/EURIBOR] [●]% [Floating Rate] [Zero Coupon]
9.	Redemption/Payment Basis:		Redemption at par (*N.B. the Covered Bonds will always be redeemed at least 100% of the nominal value*)

10.	Change of Interest Basis or Redemption/ Payment Basis:	(*Specify details of any provision for convertibility of Covered Bonds into another Interest Basis or cross refer to paragraphs 15, 16 and 17 below to identify details*)
11.	Put/Call Options:	[Not Applicable] [Investor Put] [Issuer Call]
12.	[Date [Board] approval for issuance of Covered Bonds obtained:]	[●] / [Not Applicable] (*N.B Only relevant where Board (or similar) authorisation is required for the particular tranche of Covered Bonds*)
13.	Method of distribution:	[Syndicated/Non-syndicated]
14.	Prohibition of Sales to EEA and UK Retail Investors	[Syndicated/Non-syndicated]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15.	**Fixed Rate Covered Bond Provisions**		[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i)	Rate[(s)] of Interest:	[●] per cent. per annum [payable [annually/semi-annually/quarterly/monthly/other (*specify*)] in arrear]
	(ii)	Interest Payment Date(s):	[[●] in each year up to and including the Final Maturity Date, or the Extended Final Maturity Date, if applicable]/[(*specify other*)]
	(iii)	Business Day Convention	[Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]
	(iv)	Business Day(s)	[●]
	(v)	Additional Business Centre(s)	[●]
	(vi)	Fixed Coupon Amount[(s)]: (*Applicable to Covered Bonds in definitive form*)	[●] per Calculation Amount
	(vii)	Broken Amount(s): (*Applicable to Covered Bonds in definitive form*)	[●] per Calculation Amount payable on the Interest Payment Date falling [in/on] [●]

	(viii)	Day Count Fraction:	[[Actual/Actual (ICMA)][Actual/Actual - Actual/Actual (ISDA)][Actual/365 (Fixed)][Actual/365 (Sterling)][Actual/360][30/360 - 360/360 - Bond Basis][30E/360 - Eurobond Basis][30E/360 (ISDA)]][adjusted/not adjusted] (*N.B. If interest is not payable on a regular basis (for example, if Broken Amounts are specified*) *Actual/Actual (ICMA) may not be a suitable Day Count Fraction*)
	(ix)	Determination Date	[●] in each year (*N.B. Only relevant where Day Count Fraction is Actual/Actual* (*ICMA*)) (*Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon*) (*This will need to be amended in the case of regular interest payment dates which are not of equal durations*)
16.	**Floating Rate Covered Bond Provisions**		[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i)	Interest Period(s):	[●]
	(ii)	Specified Interest Payment Dates:	[●]
	(iii)	First Interest Payment Date:	[●]
	(iv)	Business Day Convention:	[Floating Rate Convention/Following Business Day Convention/ Modified Following Business Day Convention/Preceding Business Day Convention]
	(v)	Business Day(s)	[●]
	(vi)	Additional Business Centre(s):	[●]
	(vii)	Manner in which the Rate(s) of Interest is/are to be determined:	[Screen Rate Determination / ISDA Determination / [(*specify other*)]]
	(viii)	Party responsible for calculating the Rate of Interest and Interest Amount (if not the Principal Paying Agent):	[●]
	(ix)	Screen Rate Determination:	

	Reference Rate:	[●] (*Either LIBOR, EURIBOR or other. If other, provide additional information, including amendment to fallback provisions in the Agency Agreement*)
	Interest Determination Date(s):	[●] *(Second London business day prior to the start of each Interest Period if LIBOR (other than Sterling or Euro LIBOR or EURIBOR), first day of each Interest Period if Sterling LIBOR and the second day on which the TARGET2 System is open prior to the start of each Interest Period if EURIBOR or Euro LIBOR)* (*N.B. Specify the Interest Determination Date(s) up to and including the Extended Final Maturity Date, if applicable*)
	Relevant Screen Page:	[●] (*In the case of EURIBOR, if not Reuters EURIBOR 01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately*)
	Relevant Time:	[(*For example, 11.00 a.m. London time/Brussels time*)]
	Relevant Financial Centre:	[(*For example, London/Euro-zone (where Euro-zone means the region comprised of the countries whose lawful currency is the euro*)]
(x)	ISDA Determination:	
	Floating Rate Option:	[●]
	Designated Maturity:	[●]
	Reset Date:	[●]
(xi)	Margin(s):	[+/-][●] per cent. per annum
(xii)	Minimum Rate of Interest:	[●] per cent. per annum
(xiii)	Maximum Rate of Interest:	[●] per cent. per annum
(xiv)	Day Count Fraction:	[[Actual/Actual (ICMA)][Actual/Actual - Actual/Actual (ISDA)][Actual/365 (Fixed)][Actual/365 (Sterling)][Actual/360][30/360 - 360/360 - Bond Basis][30E/360 - Eurobond Basis][30E/360 (ISDA)]] [adjusted/not adjusted] (*N.B. If interest is not payable on a regular basis (for example, if Broken Amounts are specified*) *Actual/Actual (ICMA) may not be a suitable Day Count Fraction*)

	(xv)	Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Covered Bonds, if different from those set out in the Conditions:	[●]
17.	**Zero Coupon Covered Bond Provisions**		[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i)	[Amortisation/Accrual] Yield:	[●] per cent. per annum
	(ii)	Reference Price:	[●]
	(iii)	Any other formula/basis of determining amount payable:	(*Consider applicable Day Count Fraction if not U.S. dollar denominated*)
	(iv)	Business Day Convention:	[Floating Rate Convention/Following Business Day Convention/ Modified Following Business Day Convention/Preceding Business Day Convention]
	(v)	Business Day(s):	[●]
	(vi)	Additional Business Centre(s):	[●]
	(vii)	Day Count Fraction in relation to Early Redemption Amounts and late payments:	[Conditions 6.5 (*Early Redemption Amounts*) and 6.8 (*Late Payment*) apply]/ [Actual/Actual (ICMA)][Actual/Actual -Actual/Actual (ISDA)][Actual/365 (Fixed)][Actual/365 (Sterling)][Actual/360][30/360 - 360/360 - Bond Basis][30E/360 - Eurobond Basis][30E/360 (ISDA)][adjusted/not adjusted] (*N.B. If interest is not payable on a regular basis (for example, if Broken Amounts are specified*) *Actual/Actual (ICMA) may not be a suitable Day Count Fraction*)

PROVISIONS RELATING TO REDEMPTION

18.	**Issuer Call**		[Applicable/Not Applicable]
	(i)	Optional Redemption Date(s):	[●]
	(ii)	Optional Redemption Amount(s) of each Covered Bond and method, if any, of calculation of such amount(s):	[●] per Calculation Amount

	(iii)	(If redeemable in part:	
	(iv)	Minimum Redemption Amount:	[●] per Calculation Amount
	(v)	Maximum Redemption Amount:	[●] per Calculation Amount
	(vi)	Notice period (if other than as set out in the Terms and Conditions)	[●] (*N.B. If setting notice periods which are different to those provided in the Terms and Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Principal Paying Agent and the Trustee*)
19.	(i)	Investor Put	[Applicable/Not Applicable]
	(ii)	Optional Redemption Date(s):	[●]
	(iii)	Optional Redemption Amount(s) of each Covered Bond and method, if any, of calculation of such amount(s):	[●] per Calculation Amount
	(iv)	Notice period:	[●] (*N.B. If setting notice periods which are different to those provided in the Terms and Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Principal Paying Agent and the Trustee*)
20.	**Final Redemption Amount of each Covered Bond**		[●] per Calculation Amount (*N.B. the Final Redemption Amount shall be an amount equal to at least 100% of the nominal amount of the Covered Bonds*)
21.	**Early Redemption Amount**		

	Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons or on event of default or other early redemption and/or the method of calculating the same (if required or if different from that set out in the Conditions):	[●]

GENERAL PROVISIONS APPLICABLE TO THE COVERED BONDS

22.	Form of Covered Bonds:	[Temporary Global Covered Bond exchangeable for a Permanent Global Covered Bond which is exchangeable for Definitive Covered Bonds [on 60 days' notice given at any time/only upon an Exchange Event]] *(N.B. The exchange upon notice should not be expressed to be applicable if the Specified Denomination of the Covered Bonds in paragraph 6 includes language substantially to the following effect: "[€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€199,000].")*
23.	New Global Covered Bond:	[Yes/No]
24.	Talons for future Coupons to be attached to Definitive Covered Bonds (and dates on which such Talons mature):	[Yes/No. (*If yes, give details*)]
25.	Redenomination, renominalisation and reconventioning provisions:	[Not Applicable/The provisions [in Condition [●] ([•])] apply]

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

(i)	Listing and admission to trading:	[Application has been made by the Issuer (or on its behalf) for the Covered Bonds to be admitted to trading on the regulated market of the [Bourse de Luxembourg] and to be listed on the Official List of the Luxembourg Stock Exchange] (*Specify relevant regulated market and, if relevant, listing on an official list*) with effect from [●].] [Application is expected to be made by the Issuer (or on its behalf) for the Covered Bonds to be admitted to trading on the [regulated market of the Bourse de Luxembourg and to be listed on the Official List of the Luxembourg Stock Exchange] (*Specify relevant regulated market and, if relevant, listing on an official list*) with effect from [ ].] [Not Applicable.] (*NB: Where documenting a fungible issue need to indicate that original Covered Bonds are already admitted to trading.*)
(ii)	Estimate of total expenses related to admission to trading:	[●]

2. RATINGS

	Ratings:	The Covered Bonds to be issued have been rated: [Moody's: [●][Insert brief explanation of the meaning of the rating if this has been previously published by Moody's]] [[DBRS: [●][Insert brief explanation of the meaning of the rating if this has been previously published by DBRS]] [[Other]: [●][Insert brief explanation of the meaning of the rating if this has been previously published by [Other]]]

(The above disclosure should reflect the rating allocated to Covered Bonds of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)

N.B. Consult the relevant Rating Agencies in relation to Covered bonds which may have a Final Redemption Amount of less than 100% of the nominal value.

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

"Save for any fees payable to the [Managers/Dealers], so far as the Issuer is aware, no person involved in the issue of the Covered Bonds has an interest material to the offer." The [Managers/Dealers] and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.

[(When adding any other description, consideration should be given as to whether such matters described constitute "significant new factors" and consequently trigger the need for a supplement to the Base Prospectus under Article 23 of the Prospectus Regulation.)]

4. REASONS FOR THE OFFER – TOTAL EXPENSES AND ESTIMATED NET PROCEEDS

(i) Reasons for the offer	[[The net proceeds from the issue of the Covered Bonds will be used to [meet part of the Group's general financing requirements][finance or refinance [Green Eligible Projects][and/or][Social Eligible Projects] (as defined in "*Use of Proceeds*" within the "*General Information*" section of the Base Prospectus)].] /*Give details*] [*Provide details of Green Eligible Projects and/or Social Eligible Projects, as applicable.*]
(ii) Estimated total expenses	[●]
(iii) Estimated net proceeds	[●]

5. YIELD (Fixed Rate Covered Bonds only)

Indication of yield: [●]/[Not Applicable]

6. HISTORIC INTEREST RATES: (Floating Rate Covered Bonds only).

Details of historic [LIBOR/EURIBOR/other] rates can be obtained from [Reuters]/[●] [Not Applicable].

7. OPERATIONAL INFORMATION

ISIN Code:	[●]
Common Code:	[●]
(*insert here any other relevant codes such as CINS codes*):	[●]
Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, *société anonyme* and the relevant identification number(s) and addresses:	[Not Applicable/give name(s) and number(s)]
Delivery:	Delivery [against/free of] payment
Names and addresses of initial Paying Agent(s):	[●]
Names and addresses of additional Paying Agent(s) (if any):	[●]/[Not Applicable]
Intended to be held in a manner which would allow Eurosystem eligibility:	[Yes][No] [Covered Bond that the designation "yes" simply means that the Covered Bonds are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Covered Bonds will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.] [I*nclude this text if "yes" selected in which case the Covered Bonds must be issued in NGCB form*]

8. EU BENCHMARKS REGULATION

Article 29(2) statement on benchmarks:	[Not Applicable]
	[Applicable: Amounts payable under the Covered Bonds are calculated by reference to [EURIBOR]/[LIBOR][insert name[s] of benchmark(s)], which [is/are] provided by [insert name[s] of the administrator[s] – if more than one specify in relation to each relevant benchmark].

[As at the date of these Final Terms, [insert name[s] of the administrator[s]] [is/are] [not] included in the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 of the Benchmarks Regulation (Regulation (EU) 2016/1011). [repeat as necessary]]

INSOLVENCY OF THE ISSUER

The Greek Covered Bond Legislation contains provisions relating to the protection of the Covered Bondholders and other Secured Creditors upon the insolvency of the Issuer.

In the event of insolvency of the Issuer, the Greek Covered Bond Legislation provides that the Cover Pool will at all times remain segregated from the insolvency estate of the Issuer until payment of any amounts due to the Covered Bondholders has been made in full. Upon registration of the Registration Statements with the public registry, the issue of the Covered Bonds, the creation of the Statutory Pledge and the security in rem governed by foreign law (including pursuant to the Deed of Charge), the payments to Covered Bondholders and other Secured Creditors and the entry into of any agreement relating to the issue of Covered Bonds will not be affected by the commencement of insolvency proceedings in respect of the Issuer. All collections from the Cover Pool Assets shall be applied solely towards payment of amounts due to the Covered Bondholders and other Secured Creditors.

Pursuant to the Greek Covered Bond Legislation, both before and after the commencement of insolvency proceedings in respect of the Issuer, the Cover Pool may be autonomously managed until full payment of the amounts due to the Covered Bondholders and the other Secured Creditors has been made. To ensure continuation of the servicing in the event of insolvency of the Issuer acting as the Servicer the Greek Covered Bond Legislation provides that the Transaction Documents may provide for the substitution of the Servicer upon the insolvency of the Issuer.

In the event that no Replacement Servicer is appointed pursuant to the Transaction Documents, and in the event of the Issuer's insolvency under Greek Law 4261/2014, (which implemented CRD IV in Greece), including the appointment of an administrator (Epitropos) in accordance with article 137, or the placing into liquidation in accordance with article 145 of Greek Law 4261/2014, the Bank of Greece may appoint a servicer, if the trustee fails to do so. Such person may either be (a) an administrator or a liquidator (under articles 137 or 145 respectively of Greek Law 4261/2014), and in such an event servicing of the Cover Pool will be included in their general powers over the Issuer's assets; or (b) in addition to such persons, a person specifically carrying out the servicing of the Cover Pool. Any such person appointed as described in paragraph (a) or (b) above shall be obliged to service the Cover Pool in accordance with the terms of the Servicing and Cash Management Deed.

Any of the aforementioned parties performing the role of the servicer, as well as the special liquidator that will be appointed by the Bank of Greece to undertake the management of the Issuer, will be required to treat the Cover Pool as a segregated pool of assets on the basis of the segregation provisions of Article 152 and in accordance with the Servicing and Cash Management Deed, the terms of which, including, inter alia, the termination, substitution and replacement provisions, will at all times apply.

In the event that the Issuer is placed into liquidation in accordance with article 145 of Greek Law 4261/2014, Covered Bondholders and the other Secured Creditors shall be satisfied in respect of the portion of their claims that is not paid off from the Cover Pool from the remaining assets of the Issuer as unsecured creditors (i.e. after satisfaction of preferred creditors in accordance with article 145A of the CRD Law (added through par. 1 of article 120 of Greek Law 4335/2015, as amended and currently in force).

Moreover, in the event that resolution measures are ordered with respect to the Issuer under Greek Law 4335/2015, as in force, which implemented the BRRD in Greece, the Issuer's liabilities under Covered Bonds issued under the Programme will be excluded from the liabilities which may be subject to the BRRD Bail-in Tool of article 44 of Greek Law 4335/2015, as in force (which

transposed into Greek Law article 44 of Directive 2014/59/EU) to the extent that they are secured and all Cover Pool Assets should remain unaffected, segregated and with sufficient funding.

OVERVIEW OF THE GREEK COVERED BOND LEGISLATION

The following is an overview of the provisions of the Greek Covered Bond Legislation relevant to the transactions described in this Base Prospectus and of which prospective Covered Bondholders should be aware. The overview does not purport to be, and is not, a complete description of all aspects of the Greek legislative and regulatory framework pertaining to covered bonds and prospective Covered Bondholders should also read the detailed information set out elsewhere in this Base Prospectus.

Introduction

The transactions described in this Base Prospectus are the subject of specific legislation, the Greek Covered Bond Legislation. As mentioned elsewhere in the Base Prospectus, the Greek Covered Bond Legislation includes Article 152 of the CRD Law (such law being published in the Government Gazette No. 107/A/5-5-2014 and dealing with, *inter alia*, the capital adequacy of investment firms and credit institutions, by implementation of Directive 2013/36/EU) (defined elsewhere in this Base Prospectus as Article 152) and the Act of the Governor of the Bank of Greece No. 2598/2007 entitled "Regulatory framework for covered bonds issued by credit institutions" and published in the Government Gazette No. 2236/B/21-11-2007, as amended and restated by the codifying Act of the Governor of the Bank of Greece No. 2620/2009 (published in the Government Gazette No. 2107/B/29-9-2009) (defined elsewhere in this Base Prospectus as the "**Secondary Covered Bond Legislation**" and, together with Article 152 the "**Greek Covered Bond Legislation**"). The Greek Covered Bond Legislation has been enacted, with a view, *inter alia*, to complying with the standards of article 52(4) of Directive 2009/65/EC, and entitles credit institutions to issue (directly or through a special purpose vehicle) covered bonds with preferential rights in favour of the holders thereof and certain other creditors over a cover pool comprised by certain assets discussed in further detail below.

The provisions of the Greek Covered Bond Legislation that are relevant to the Programme may be summarised as follows:

Article 152

Covered Bonds may be issued by credit institutions pursuant to the provisions of Article 152 and the general provisions of Greek Law on bonds (articles 1-9, 12 and 14 of Greek Law 3156/2003).

In deviation from the Greek general bond law provisions, the bondholders' representative (also referred to as the trustee) may be a credit institution or an affiliated company of a credit institution entitled to provide services in the European Economic Area and/or the UK. Unless otherwise set out in the terms and conditions of the bonds the trustee is liable towards bondholders for wilful misconduct and gross negligence.

Cover Pool – composition of assets

Paragraph 3 of Article 152 provides that the assets forming part of the cover pool may include receivables deriving from loans and credit facilities of any nature and, on a supplementary basis, receivables deriving from financial instruments (such as, but not limited to, receivables deriving from interest rate swaps contracts), deposits with credit institutions and securities, as specified by a decision of the Bank of Greece.

Following authorisation originally provided by article 91 of Greek Law 3601/2007 and repeated by Article 152, the Bank of Greece has defined, in the Secondary Covered Bond Legislation, the cover pool eligible assets as follows:

(a) certain eligible assets set out in paragraph 8(b) of Section B of the Act of Governor of the Bank of Greece Act No. 2588/20- 8-2007 (on the "Calculation of Capital Requirements for Credit Risk according to the Standardised Approach"), as amended, including claims deriving from loans and credit facilities of any nature secured by residential real estate; Following the entry into force of Regulation 575/2013 on 1 January 2014, the reference to paragraph 8(b) should be read as a reference to article 129 of Regulation 575/2013;

(b) derivative financial instruments satisfying certain requirements as to the scope thereof and the capacity of the counterparty;

(c) deposits with credit institutions (including any cashflows deriving therefrom) provided that such deposits comply with paragraph 8(b) of Section B of the Bank of Greece Act No. 2588/20-8-2007 as amended. Following the entry into force of Regulation 575/2013 on 1 January 2014, the reference to paragraph 8(b) should be read as a reference to article 129 of Regulation 575/2013; and

(d) Marketable Assets.

Loans that are in arrears for more than 90 days shall not be included in the Cover Pool for the purposes of the calculations required under the Statutory Tests.

The Bank of Greece has also set out requirements as to the substitution and replacement of cover pool assets by other eligible assets (including, *inter alia*, marketable assets, as defined in the Act of the Monetary Policy Council of the Bank of Greece No. 96/22-4-2015, which replaced the Act of Monetary Policy Council of the Bank of Greece No. 54/27-02-2004).

Benefit of a prioritised claim by way of statutory pledge

Claims comprised in the cover pool are named in a document (defined elsewhere in this Base Prospectus as a Registration Statement) signed by the issuer and the trustee and registered in a summary form including the substantial parts thereof, in accordance with paragraph 5 of article 152 of Greek Law 4261/2014, in conjunction with article 3 of Greek Law 2844/2000. The form of the Registration Statement has been defined by Ministerial Decree No. 95630/8-9-2008 (published in the Government Gazette No 1858/B/12-9-2008) of the Minister of Justice. Receivables forming part of the cover pool may be substituted for others and receivables may be added to the cover pool in the same manner.

Holders of covered bonds and certain other creditors having claims relating to the issuance of the covered bonds (such as, *inter alios*, the trustee, the servicer and financial derivatives counterparties) named as secured creditors in the terms and conditions of the covered bonds are secured (by operation of paragraph 4 of Article 152) by a statutory pledge over the cover pool, or, where a cover pool asset is governed by foreign law, by a security *in rem* created under applicable law.

With respect to the preferential treatment of covered bondholders and other secured creditors and pursuant to paragraph 6 of Article 152, claims that have the benefit of a statutory pledge rank ahead of claims referred to in article 975 of the Greek Civil Procedure Code (a general provision of Greek Law on creditors' ranking), as in force, unless otherwise set out in the terms and conditions of the covered bonds. In the event of bankruptcy of the issuer, covered bondholders and other creditors secured by the statutory pledge shall be satisfied in respect of the portion of their claims that is not paid off from the cover pool in the same manner as unsecured creditors from the remaining assets of the issuer.

To ensure bankruptcy remoteness of the assets in the cover pool, paragraph 7 of Article 152 provides that upon registration of the Registration Statement with the public registry, the validity of the issue of the covered bonds, the creation of the statutory pledge and the real security governed by foreign law,

if any, the payments to covered bondholders and other creditors secured by the statutory pledge, as well as of the entry into force of any agreement relating to the issue of covered bonds may not be affected by the commencement of insolvency proceedings in respect of the issuer.

Paragraph 8 of Article 152 safeguards the interests of covered bondholders and other secured creditors in providing that assets included in the cover pool may not be attached/seized nor disposed by the issuer without the written consent of the trustee, unless otherwise set out in the terms and conditions of the covered bonds.

Paragraph 9 of Article 152 deals with the servicing of the cover pool. In particular, it provides that the terms and conditions of the covered bonds may specify that either from the beginning or following the occurrence of certain events, such as, but not limited to, the commencement of insolvency proceedings in respect of the issuer, the trustee may assign to third parties or carry out itself the collection of and, in general, the servicing of the cover pool assets by virtue of an analogous application of the Greek provisions on servicing applicable to securitisations (paragraphs 14 through 16 of article 10 of Greek Law 3156/2003).

Paragraph 9 of Article 152 also provides that the trustee may also, pursuant to the terms and conditions of the bonds and the terms of its relationship with the bondholders, sell and transfer the assets forming part of the cover pool either by virtue of an analogous application of articles 10 and 14 of Greek Law 3156/2003 concerning securitisation of receivables or pursuant to the general legislative provisions and utilise the net proceeds from the sale to pay the claims secured by the statutory pledge, in deviation from articles 1239 and 1254 of the Greek Civil Code on enforcement of pledges and any other legislative provision to the contrary. For the purposes of facilitating the transfer pursuant to the above-mentioned securitisation provisions of Greek Law 3156/2003 the transferor shall not be required to have a permanent establishment in Greece.

In the event of the issuer's insolvency the Bank of Greece may appoint a servicer, if the trustee fails to do so. Sums deriving from the collection of the receivables that are covered by the statutory pledge and the liquidation of other assets covered thereby are required to be applied towards the payment of the covered bonds and other claims secured by the statutory pledge pursuant to the terms and conditions of the covered bonds.

Paragraph 9 of Article 152 also deals with banking secrecy and personal data processing. In particular, it provides that the provisions of paragraphs 20 through 22 of article 10 of Greek Law 3156/2003 that regulate these issues in the securitisation transactions shall apply *mutatis-mutandis* to the sale, transfer, collection and servicing, in general, of the assets constituting the cover pool

Paragraph 11 of Article 152 confirms that covered bonds may be listed on a regulated market within the meaning of paragraph 10 of Article 2 of Greek Law 3606/2007, as in force, and paragraph 21 of article 4 of Directive 2014/65/EU and offered to the public pursuant to applicable provisions.

Article 152 authorises the Bank of Greece to deal both with specific issues, such as, the definition of the cover pool, the ratio between the value of the cover pool assets and that of covered bonds, the method for the evaluation of cover pool assets and requirements to ensure adequacy of the cover pool and any details in general for the implementation of Article 152.

The Secondary Covered Bond Legislation

The Secondary Covered Bond Legislation has been issued by the Bank of Greece by virtue of authorisations given by Article 152 as aforesaid. To this effect, the Secondary Covered Bond Legislation sets out requirements for the supervisory recognition of covered bonds, including, requirements as to the issuer's risk management and internal control systems; requirements as to a minimum amount of regulatory own funds on a consolidated basis and capital adequacy ratio;

definition and eligibility criteria as to the initial cover pool and the substitution and replacement of cover pool assets; requirements in respect of the ratio between the value of the cover pool assets and the value of covered bonds, the ratio between the net present value of liabilities under the covered bonds and the net present value of the cover assets, the ratio between interest payments on covered bonds and interest payments on cover pool assets and the revaluation of the value of the real estate property mortgaged; requirements for the performance of quarterly reviews by the servicer and annual audits thereof by independent chartered accountants; requirement to appoint a trustee; provisions regarding measures to be taken in the event of insolvency procedures in respect of the issuer; procedures for the submission of documents to obtain approval by the Bank of Greece in respect of the issuance of covered bonds; provisions relating to the position weighting of covered bonds; and data reporting and disclosure requirements.

THE ISSUER

Introduction

The Bank is one of the four systemic banks in Greece and one of the largest financial institutions in Greece by market capitalisation, holding a significant position in Greece's retail banking sector, with, as at 31 December 2019, more than 10 million deposit accounts, more than 2 million lending accounts, 390 branches and one private banking unit and 1,465 Automated Teller Machines ("**ATMs**") (for further information see "*Business Overview*"). The Bank and its consolidated subsidiaries (the "**Group**") provide a wide range of financial services, including retail (such as mortgage lending and consumer lending), commercial and investment banking services and asset management, through the Group's network of branches and subsidiaries in Greece and abroad. The Group's principal sources of income historically have been interest earned on customer loans and debt securities and income from fees and commissions. The Group funds its lending activities and its securities portfolio principally through (i) customer deposits in its branch network, (ii) funding from the Eurosystem through the Main Refinancing Operations ("**MROs**") and the Targeted Longer-term Refinancing Operations ("**TLTROs**") with the ECB and (iii) repurchase agreements (repos) with major foreign financial institutions.

The Issuer's website is: https://www.nbg.gr/en. The information on the Issuer's website does not form part of this Base Prospectus unless such information is incorporated by reference (see "*Documents Incorporated by Reference*" above).

History and Development of the Group

The Bank was founded in 1841 and incorporated as a société anonyme pursuant to Greek Law as published in the Greek Government Gazette No. 6 on 30 March 1841 (registered number G.E.MI 237901000). The Bank's current corporate form will expire on 27 February 2053, but may be further extended by a shareholder resolution passed at a General Meeting (as defined below). The Bank is domiciled in Greece. The Bank's headquarters and its registered office are located at 86 Eolou Street, 10559 Athens, Greece. The telephone number of the Bank is 181818 or +30 210 48 48 484 from abroad. The Bank operates under the laws of the Hellenic Republic.

The Bank has operated a commercial banking business for 179 years. Until the establishment of the Bank of Greece as the central bank of Greece in 1928, the Bank, in addition to commercial banking activities, was responsible for issuing currency in Greece.

Development of the Group

Since 2014, principally in connection with regulatory capital shortfalls identified by comprehensive assessments performed by the SSM (as defined below), the Group has developed capital plans, and raised capital through recapitalisation, restructurings or offerings to address such shortfalls. On 3 November 2015, the Board of Directors of the Bank approved the Capital Plan (as defined below, see "The Capital Plan"), which included the disposal of the Group's entire stake in its Turkish subsidiary, Finansbank A.S. ("**Finansbank**") together with its stake in Finans Leasing, thereby disposing of all of its operations in Turkey. This transaction was completed on 15 June 2016, on which date control of Finansbank passed to Qatar National Bank S.A.Q. ("QNB"). The detail of various plans or actions undertaken by the Bank since 2014 are described below.

2014 Comprehensive Assessment

Since 1 November 2014, all systemic Eurozone banks, including the Bank, have been under the direct supervision of the ECB (the "Single Supervision Mechanism" or "SSM"). Before the ECB assumed

its supervisory responsibilities, the Bank, as with all systemic European banks, was subject to an EU-wide comprehensive assessment including an Asset Quality Review ("AQR") and Stress Test ("**Stress Test**").

2015 Comprehensive Assessment

In accordance with the Euro Summit Statement of 12 July 2015 and the ECB decision of 5 August 2015, the ECB conducted a comprehensive assessment of the four systemic Greek banks, including the Bank, the results of which were announced on 31 October 2015 (the "**2015 Comprehensive Assessment**").

Under the baseline scenario (including AQR adjustments), the Stress Test generated an additional negative impact on the Bank's regulatory capital, resulting in a stressed CET1 ratio of 6.8% relative to the minimum CET1 ratio threshold set by the ECB at 9.5% for the baseline scenario, implying a capital shortfall of €1,576 million (reduced to €1,456 million (the "**Baseline Scenario Shortfall**") taking into account the positive impact stemming from the 2015 third quarter results). Under the adverse scenario, the Stress Test (including AQR adjustments) identified a capital shortfall of €4,482 million (the "**Adverse Scenario Shortfall**").

The Capital Plan

To address these capital shortfalls, the Bank undertook a number of capital actions to raise its CET1 capital. These capital actions were set out in a capital action plan (the "**Capital Plan**").

The following actions were completed in December 2015 (see "*2015 Recapitalisation*" below):

- the Liability Management Offers ("**LME Offers**") to eligible holders of seven series of outstanding debt and capital securities ("**Target Securities**");
- the International Offering (as defined below) and;
- the Greek Public Offer (as defined below).

Additionally, the Capital Plan included the sale to QNB of the Group's 99.81% stake in Finansbank A.S., together with the Bank's 29.87% direct stake in Finans Leasing (although the sale was not required to be and the Bank did not expect it to be completed by 11 December 2015 (the date by which the LME Offers, the International Offering and the Greek Public Offer were required to be completed).

2015 Recapitalisation

The 2015 recapitalisation (comprising the Capital Plan actions , the HFSF Subscription (as defined below) and the Burden Sharing Measures (as defined below)), enabled the Bank to raise the capital required to satisfy the Adverse Scenario Shortfall of €4,482 million through the issuance of an aggregate of 8,911,608,218 new ordinary shares of the Bank and the issuance of 20,292 CoCos (the "**2015 Recapitalisation**").

Burden Sharing Measures

As described above, the Capital Plan actions in the aggregate did not fully address the Adverse Scenario Shortfall, and therefore the Bank made a formal application for EU State aid on 3 December 2015. This EU State aid consisted of the subscription by the HFSF of CoCos (in a principal amount equal to 75% of the amount of EU State aid provided) and newly issued ordinary shares of the Bank (in respect of the remaining 25%) (the "**HFSF Subscription**"). Consistent with EU State aid rules,

EU State aid was provided by the HFSF after the application of the Burden Sharing Measures (as described below).

Since EU State aid was requested by the Bank following the completion of the above-mentioned measures as part of the Capital Plan, prior to the receipt of such EU State aid, the HFSF Bail in Tool was required to be applied to convert into ordinary shares outstanding classes of the Bank's hybrid capital instruments, all subordinated liabilities and certain senior unsecured liabilities which were not mandatorily preferred by law (together, the "**Burden Sharing Measures**"). These Burden Sharing Measures were applied to the securities issued by the Bank not subject to the LME Offers, and the Target Securities that were not purchased by the Bank pursuant to the terms of the LME Offers.

Revised Restructuring Plan as approved by the Directorate General for Competition on 10 May 2019 (the 2019 Revised Restructuring Plan)

The Group is subject to European Commission rules on EU State aid in light of the aid received from the HFSF and the Hellenic Republic. These rules are administered by the Directorate General for the Competition of the European Commission (the "**DG Comp**"). Under these rules, the Bank's operations are monitored and limited to the operations included in the 2019 Revised Restructuring Plan, which aims to ensure the Bank's return to long term viability.

The 2019 Revised Restructuring Plan was approved on 10 May 2019 by the European Commission. The 2019 Revised Restructuring Plan includes a number of commitments to implement certain measures and actions that have to be completed during the period 2019-2020 (the "**2019 Revised Restructuring Plan Commitments**"). The 2019 Revised Restructuring Plan Commitments relate both to domestic and foreign operations of the Group. Differentiations to the Revised Restructuring Plan relate to the deepening of the Bank's operational restructuring, some amendments on commitments and deadlines, as well as a commitment to sell the remaining stake (32.66%) in NBG Pangaea REIC ("**Pangaea**") in substitution for the commitment to dispose of its banking subsidiary in SEE, Stopanska.

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

(a) a further reduction of the number of branches in Greece;

(b) a further reduction of the number of employees in Greece; and

(c) a further reduction of total operating costs in Greece.

Domestic non-banking activities: The Bank will divest from certain domestic non-banking activities. More specifically under the 2019 Revised Restructuring Plan, the Bank must dispose at least 80% of NIC. The Bank relaunched the sales process in the fourth quarter of 2019, with binding offers expected to be received at the beginning of 2020. The Bank expects the sale to be highly probable and to be concluded within 2020. Furthermore, in line with the 2019 Revised Restructuring Plan, in May 2019 the Bank completed the sale of its remaining stake (32.66%) in Pangaea as referred above.

Divestment from international operations: The Bank will reduce its international activities, by disposing of certain subsidiaries and branches. More specifically, as part of the Revised Restructuring Plan, in 2016, the Bank completed the sale of 100% of its shareholdings in Finansbank and in NBGI Private Equity Limited. In June 2017, the Bank completed the sale of its 99.91% shareholding in UBB (Bulgaria) and its 100.00% shareholding in Interlease E.A.D. (Bulgaria) each to KBC Bank (Belgium). In December 2017, the Bank completed the sale of its 100.00% Serbian subsidiaries Vojvodjanska Banka a.d. Novi Sad, NBG Leasing d.o.o. Belgrade and NBG Services d.o.o. Belgrade to OTP Banka Srbija a.d. In July 2018, the Bank completed the sale its 100.00% subsidiary NBG Albania to ABI. In

October 2018, the Bank completed the sale of its 99.83% subsidiary S.A.B.A. to AFGRI. On 20 June 2019, a Share Sale Purchase Agreement (the "SPA") was signed between NBG and Banca de Export-Import a Romaniei EximBank S.A. (the "EximBank"), for 371,624,509 shares comprising 99.28% of the issued share capital of Banca Romaneasca ("the Company"). On 30 December 2019 the Bank lost control of the Company and proceeded with the derecognition of its assets and liabilities due to the fact that at that date were fulfilled all the conditions agreed between NBG and EximBank. The consideration less costs to sell amounted to €55 million and the amount was settled on 23 January 2020.

The incomplete divestments relate to the Branch Network in Egypt ("**NBG Egypt**") and National Bank of Greece Cyprus Ltd ("**NBG Cyprus**").

Lastly, the 2019 Revised Restructuring Plan provides for prolongation of the Revised Restructuring Plan's Commitments on corporate governance, commercial operations, acquisitions and advertising.

The implementation of the 2019 Revised Restructuring Plan Commitments set out in the 2019 Revised Restructuring Plan is monitored by the Monitoring Trustee.

2020 Stress Test

For information relating to the 2020 EU-wide stress test, including the results for the Bank, see "*Regulation and Supervision of Banks in Greece - EU-wide stress test 2020*".

Major Shareholders

By resolution of the Bank's Annual General Meeting of 26 July 2018, it was decided to simultaneously (i) increase the share capital by EUR 0.90, due to capitalisation of an equal part of the Bank's special reserve of article 4.4a of Codified Law 2190/1920, and (ii) increase the nominal value of each common registered voting share of the Bank from EUR 0.30 to EUR 3.00 and reduce the aggregate number of the Bank's old common registered shares from 9,147,151,527 to 914,715,153 new common registered shares with voting rights by means of a reverse split at a rate of ten (10) old common shares of the Bank to one (1) new common share of the Bank.

Further to the above, as at 19 February 2020, the Bank's outstanding issued share capital consisted of 914,715,153 common shares of a nominal value of EUR 3.00 each.

Common Shares

The following table sets forth certain information regarding holders of the Bank's common shares, based on information known to or ascertainable by the Bank as at 19 February 2020:

	Number of common shares	Percentage holding
HFSF (with restricted voting rights)	13,481,859	1.47 %
HFSF (with full voting rights)	355,986,916	38.92%
Legal entities and individuals outside of Greece	418,090,963	45.71%
Legal entities and individuals in Greece	122,334,021	13.37%
Domestic pension funds	4,204,869	0.46%
Other domestic public sector related legal entities and Church of Greece	615,088	0.07%
Other	1,437	0.00%
Private placement by investors	—	—
Total common shares	**914,715,153**	**100.00%**

The Bank's ordinary shares are listed for trading on the Athens Exchange ("**ATHEX**").

Other than the above, the Bank does not know of any other persons who, directly or indirectly, jointly or individually, exercise or could exercise control over the Bank.

Other than the HFSF, no single shareholder beneficially owns 5.00% or more of the Bank's common shares.

State Interests

In the context of the recapitalisation in December 2015, the HFSF acquired 40.39% or 3,694,687,756 (369,468,775 respectively after the reverse split, as mentioned hereinabove) of the Bank's share capital though holding shares of which 134,818,596 (13,481,859 respectively after the reverse split) fall under the restrictions of article 7a paragraph 2 of the HFSF Law.

Relationship with the Hellenic Republic

Hellenic Republic as Shareholder

As at 19 February 2020 and following completion of the recapitalisation in December 2015, the HFSF owns 40.39% of the Bank's common share capital. See also "*Risk Factors – Risks relating to the Issuer's Recapitalisation and Receipt of State aid"*and *"Major Shareholders*" above.

Moreover, for powers vested in the HFSF as it participates in the Bank, please also see "*Regulation and Supervision of Banks in Greece—The Hellenic Financial Stability Fund – The Greek Recapitalisation Framework*" below.

Hellenic Republic as Customer

The Hellenic Republic, including state related entities, is a large customer of the Bank in terms of loans and deposits. At 31 December 2018, 1.3% of the Bank's outstanding loans were to the Hellenic Republic and state related entities, and 12.1% of the Bank's deposits were from the Hellenic Republic and state related entities. The commercial relationship between the Bank, the Hellenic Republic and other state-owned enterprises is conducted on a normal "arm's length" basis. The Bank believes that the commercially oriented strategy currently being implemented will continue for the foreseeable future.

Hellenic Republic as Regulator

Through various agencies, including the Bank of Greece, the Hellenic Republic is also the regulator of the Group's business activities. For more information see "*Regulation and Supervision of Banks in Greece*" below.

Organisational Structure

Set forth below is a chart indicating the individual companies within the Group and the Group's participation (direct and indirect) in each company at 30 September 2019.

Primary Operating Area	Country of incorporation	Direct	Indirect	Total
Corporate & Investment Banking				

Ethniki Leasing S.A.	Greece	100.00%	—	100.00%
Ethniki Factors S.A	Greece	100.00%	—	100.00%
Probank Leasing S.A.	Greece	99.87%	—	99.87%
Titlos Plc.(1), (2)	UK	—	—	—
SINEPIA Designated Activity Company(1)	Ireland	—	—	—
International				
National Bank of Greece (Cyprus) Ltd(3)	Cyprus	100.00%	—	100.00%
National Securities Co (Cyprus) Ltd(2)	Cyprus	—	100.00%	100.00%
NBG Management Services Ltd	Cyprus	100.00%	—	100.00%
Stopanska Banka A.D. (Skopje)	FYROM	94.64%	—	94.64%
Bankteco E.O.O.D.	Bulgaria	100.00%	—	100.00%
Banca Romaneasca S.A.(3), (5)	Romania	99.28%	—	99.28%
NBG Leasing IFN S.A	Romania	100.00%	—	100.00%
NBG (Malta) Holdings Ltd	Malta	—	100.00%	100.00%
NBG Bank Malta Ltd	Malta	—	100.00%	100.00%
CAC Coral Limited	Cyprus	100.00%	—	100.00%
Global Markets & Asset Management				
National Securities S.A	Greece	100.00%	—	100.00%
NBG Asset Management Mutual Funds S.A.	Greece	100.00%	—	100.00%
Probank M.F.M.C. (2)	Greece	95.00%	5.00%	100.00%
I-Bank Direct S.A.(4)	Greece	99.90%	0.10%	100.00%
NBG Greek Fund Ltd	Cyprus	100.00%	—	100.00%
NBG Finance Plc	UK	100.00%	—	100.00%
NBG Finance (Dollar) Plc	UK	100.00%	—	100.00%
NBG Finance (Sterling) Plc.(2)	UK	100.00%	—	100.00%
NBG International Ltd	UK	100.00%	—	100.00%
NBGI Private Equity Ltd(2)	UK	—	100.00%	100.00%
NBG Asset Management Luxembourg S.A	Luxemburg	94.67%	5.33%	100.00%
Insurance				
Ethniki Hellenic General Insurance S.A.(3)	Greece	100.00%	—	100.00%
NBG Insurance Brokers S.A	Greece	99.90%	0.10%	100.00%
Ethniki Insurance (Cyprus) Ltd(3)	Cyprus	—	100.00%	100.00%
Ethniki General Insurance (Cyprus) Ltd(3)	Cyprus		100.00%	100.00%
National Insurance Agents & Consultants Ltd(3)	Cyprus	—	100.00%	100.00%
S.C. Garanta Asigurari S.A.(3)	Romania	—	94.96%	94.96%
Other				
NBG Property Services S.A	Greece	100.00%	—	100.00%
Pronomiouhos S.A. Genikon Apothikon Hellados	Greece	100.00%	—	100.00%
KADMOS S.A.	Greece	100.00%	—	100.00%
DIONYSOS S.A.	Greece	99.91%	—	99.91%
EKTENEPOL Construction Company S.A.	Greece	100.00%	—	100.00%
Mortgage, Touristic Protypos S.A.	Greece	100.00%	—	100.00%
Hellenic Touristic Constructions S.A.	Greece	78.04%	—	78.04%
Ethniki Ktimatikis Ekmetalefsis S.A.	Greece	100.00%	—	100.00%
NBG International Holdings B.V.	The Netherlands	100.00%	—	100.00%
ARC Management One SRL(1)	Romania	—	100.00%	100.00%
ARC Management Two EAD(1)	Bulgaria	—	100.00%	100.00%

(1) Special Purpose Entity in which the Bank is the primary beneficiary.

(2) Companies under liquidation.

(3) NIC and its subsidiaries, Romaneasca, and National Bank of Greece (Cyprus) Ltd., have been reclassified to non-current assets held for sale.

(4) Profinance S.A. previously under liquidation, was revived, and renamed to I-Bank Direct S.A

(5) On 30 December 2019 the Bank lost control of the Romaneasca and proceeded with the derecognition of its assets and liabilities, where the consideration amount was settled on 23 January 2020.

Credit Ratings

The table below sets forth the credit ratings that have currently been assigned to the Bank by Moody's, Standard & Poor's and Fitch.

Rating agency	**Date of ratings**	**Long-term Issuer rating[(1)]**	**Short-term Issuer rating[(1)]**
Moody's.....	16 July 2019	Caa1	NP
S&P.....	8 November 2019	B	B
Fitch.....	8 October 2018	CCC+	C

(1) A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time.

BUSINESS OVERVIEW

Introduction

The Bank is one of the four systemic banks in Greece and it holds a significant position in Greece's retail banking sector, with as at 31 December 2019, 390 branches, one private banking unit and 1,465 ATMs. The Group offers to its customers a wide range of integrated financial services, including:

- retail banking;
- corporate and investment banking;
- leasing and factoring;
- stock brokerage and asset management;
- insurance; and
- real estate and consulting services.

The Bank is the principal operating company of the Group, representing 94.1% of the Group's total assets, excluding non-current assets held for sale, as at 30 June 2019. The Bank's liabilities represent 97.0% of the Group's total liabilities, excluding liabilities associated with non-current assets held for sale, as at 30 June 2019. While the Bank conducts most of the Group's banking activities, it is supported by two non-Greek banking subsidiaries: Stopanska Banka A.D.—Skopje ("**Stopanska Banka**") and NBG Bank (Malta) Ltd. ("**NBG Malta**").

The Bank holds significant positions in many financial services products in Greece. Based on internal analysis of the published financial statements based on IFRS from the four systemic banks (NBG, Piraeus Bank, Alpha Bank and Eurobank) regarding the Bank's outstanding amounts as at 30 June 2019, the Bank had significant market share of mortgage loans in Greece, with a share of 26.5% and holds a significant position in core deposits (which consist of sight deposits and savings accounts and exclude repos and time deposits), with a market share of 31.2%. See also below the table with the Group's estimated market shares "*Banking Activities in Greece—Retail Banking*" below. The Group is also fourth in mutual fund management with a market share of 13.2% as at the same date according to the Hellenic Fund and Asset Management Association.

Strategic Priorities for 2020-2022

The Bank is currently pursuing six strategic priorities until 2022 as follows:

- Achieving a material reduction in NPEs to around 5% of gross loans by 2022, driven by frontloaded transactions, as well as an increase in concessionary long-term restructuring efforts. The internal Real Estate Owned ("**REO**") platform supporting liquidation targets and actively managing repossessed assets is expected to further improve the quality of the Bank's assets (see further "*Group Real Estate*" below).

- Developing efficient and agile operations with lower headcount and cost base, as well as enhanced productivity through material further improvements in the Bank's operating model. Such improvements include real estate spend optimisation, as well as a material reduction in other General & Administrative ("**G&A**") expenses through the introduction of a cost

demand management function.

- Boosting revenue generation through an increased focus on cross-selling and fee generation opportunities in the Retail bank and although deepening large client relationships and broadening the SME base of the Corporate bank. In the case of the Retail bank, this will be achieved through, segment-focused relationship managers, an accelerated migration to digital channels and a stronger focus on fee-generating products. In the case of the corporate bank, this will be achieved through, enhanced service levels, an increase in relationship managers' capacity and time spent on sales, and a drive to increase sales of ancillary products and fees.

- Modernising the Bank's technology infrastructure, and optimising core processes (both customer-facing and internal) through simplification, centralisation and automation levers, to enable improved service levels and the reduction of cost.

- Mobilising the Bank's human resources through the implementation of a new people strategy that rewards performance and aligns individual objectives to strategic goals, and redesigning the organisation to achieve a leaner structure and higher mobility.

- Enhancing data quality and availability to the Bank, strengthening risk culture, deploying new tools to enable decision making, and strengthening internal controls and risk practices across the organisation.

Banking Activities in Greece

In this section, financial information pertaining to the Bank relates to banking activities in Greece.

Most of the Bank's banking business is domestic and includes retail, corporate and investment banking. Banking activities in Greece include the Bank's domestic operations, Ethniki Leasing, Probank Leasing S.A. ("**Probank Leasing**") and Ethniki Factors S.A. ("**Ethniki Factors**"). The Group's domestic banking operations accounted for 95.3% of its total lending activities as at 30 June 2019 (the "**Domestic Banking Loans**") and for 96.9% of its deposits (the "**Domestic Banking Deposits**").

The following table sets forth details of the domestic loans before allowance for impairment and deposits as at 31 December 2017, 31 December 2018 and 30 June 2019:

	As at 31 December								As at 30 June			
	2017				2018				2019			
	Loans*		Deposits		Loans		Deposits		Loans		Deposits	
	Amount	% of Total	Amount	% of Total	Amount	% of Total	Amount	% of Total	Amount	% of Total	Amount	% of Total
	(€ million, except for percentages)											
Retail[(1)]	23,690	59.0	29,385	76.6	21,690	57.3	30,745	73.7	19,570	54.7	31,555	75,8
Corporate	15,932	39.7	5,853	15.2	15,649	41.4	5,938	14.2	15,711	44.0	6,099	14,7
Public Sector.....	524	1.3	3,143	8.2	489	1.3	5,058	12.1	465	1.3	3,955	9,5
Total.....	**40.146**	**100.0**	**38,381**	**100,0**	**37,828**	**100.0**	**41,741**	**100.0**	**35,746**	**100.0**	**41,609**	**100.0**

* Adjusted loans

(1) Retail loans include consumer loans, personal loans, mortgages, automobile financing, loans to SMEs and credit cards.

The Bank aims to attract domestic deposits from retail and corporate customers through:

- wide coverage of the Bank's domestic branch network;
- the respected status of the Bank's brand name among a large segment of the population; and
- a broad range of services and products offered by the Bank.

Greek Banking Distribution Channels

As at 30 September 2019, the Bank operated in Greece through 397 branches (including one private banking unit). As at 30 September 2019, the Bank operated 1,463 ATMs, 810 (offsite) of which were situated in key locations such as supermarkets, metro stations, shopping centres, hospitals and airports (51% of the Bank's ATMs are equipped with cash deposit devices).

In 2011, the Bank created the first "i-bank store", an innovative concept store which provides visitors with a true phygital (physical and digital) banking experience. As at 30 September 2019, the Bank operated 6 i-bank stores (three in Athens, one in Thessaloniki, one in Larissa and one in Xanthi).

In addition, since the end of 2014, the Bank has developed "i-bank Pay Spot", an integrated payments service for retail stores that allows consumers to make payments (mostly bill payments) in non-banking, convenient locations around Greece.

With "i-bank Pay Spot", consumers can pay in cash or by debit/credit card more than 230 bills (utilities, telecoms, insurance companies, etc.) in small retail stores in their neighbourhood (kiosks, newsstands, pharmacies, grocery stores, etc.). Consumers can also pay debts to public authorities (e.g. assessed tax debts, road tax for cars and motorcycles, etc.) and top up their fixed/mobile/internet connection. There are more than 1,300 i-bank Pay Spots already operating around Greece and the Bank aims to further expand the network.

The Bank's branches are located in almost every major city and town in Greece. Approximately 45% of the Bank's branches are located in the Attica and Thessaloniki prefectures, the major population centres in Greece. The Bank is engaged in a continuous process of rationalizing the organisation of its branch network in order to reduce costs, primarily by centralizing back-office functions to free more employees to work on sales activities directly with customers. In addition, the Bank is continuing to consolidate redundant branches in order to maintain equivalent geographic coverage at a lower cost.

Retail Banking

All of the Group's retail banking activities in Greece are conducted by the Bank. The Bank offers retail customers a number of different types of deposit and investment products, as well as a wide range of traditional banking services and products.

As a result of the economic crisis, the Bank has continued to apply a conservative approach to new consumer lending, with a greater emphasis on risk-averse lending criteria. As a result, the Bank experienced a reduction in balances in 2016 and 2017 and declining origination of mortgage lending. Please see "*Mortgage Lending Products*" below.
The following table illustrates the Bank's estimated market share in Greece for certain categories of retail banking activities as at the dates indicated:

	As at 31 December		As at 30 June
	2017	2018	2019
Mortgage lending (balances)	25.9%	25.9%	26.5%
Consumer loans and credit cards (balances)	19.8%	19.3	19.2%
Core deposits[(1)]	31.7%	31.2%	31.7%

(1) Core deposits consist of sight deposits and savings accounts and exclude repos and time deposits.

The Bank believes that its strong corporate image and brand recognition in Greece, its large customer base and its extensive network of branches and ATMs are advantages that will facilitate the Bank's access to a diverse depositor base in Greece, providing the Bank with a large, stable and low-cost source of funding.

Savings and Investment Products

Savings and investment products of the Bank are offered in euro and in other currencies. In addition to other products, the Bank offers investment products with yields that are higher than its basic deposit products, including capital-guaranteed principal products, Greek government bonds and other bonds from the Bank's trading portfolio, repurchase agreements between the Bank and its clients and a wide range of mutual funds and unit trust products provided by NBG Asset Management Mutual Funds S.A. ("**NBG Asset Management**"), which is 100.00% owned by Group companies. See "*Global Investment & Asset Management*" below.

Global Transaction Services

NBG Global Transaction Services Division serves all customer segments, covering large corporations, SMEs, small businesses, individuals and financial institutions, offering these products including all type of collections and payments, letters of credit, letters of guarantee, and supply & trade financing.

During 2019, Global Transaction Services ("**GTS**") has provided the market with approximately €2.95 billion of credit instruments and approximately €343 million of liquidity through trade financing.

The Bank maintains a leading market share in import and export products by SWIFT Traffic, as well as in local payments.

GTS's investment in the new "Trade Finance Systems Phase 2" is under implementation. A new customer front-end application has also become available since last year, fully integrated in internet banking and back-end application. Furthermore, letters of credit and relevant financing have been migrated in the new trade finance platform while bonds & guarantees implementation is on-going.

In the context of the Bank's strategy for improving operational efficiency and utilising GTS' expertise, the centralisation of domestic letter of guarantees and documentary collections processing is in progress. GTS has launched the digital certificate project, which is within analysis phase aiming to improve customer experience and offer fast track services.

The Bank consistently exploits and innovates structured solutions under International Trade Facilitation Programs ("**TFPs**"), enabling Greek corporates to access alternative financing channels with favorable cost.

As a result, NBG GTS continues to gain global recognition from clients and business partners across all industries.

Supported by industry experts, analysts, and Greek companies' (corporates & SME) votes in the Euromoney Trade Finance Survey 2020, the Bank was granted two awards: Market Leader and Best Service in Greece.

NBG GTS has also been named for the sixth time "Best Trade Finance Bank" by the internationally acclaimed "Global Finance" magazine.

Swift Global Payments Innovation ("**GPI**") implementation for cross-border payments is ongoing, aiming to offer transparency and on-time tracking, "**Global Pay Plus**" upgrade is in a pre-user acceptance testing stage as an interim step of Pan European Instant Payments implementation.

GTS Trade Finance hub set up in NBG Malta is under development in cooperation with local management.

Leveraging on NBG's competitive strengths, GTS plan to engage stronger cross-unit partnerships, under the Bank's transformation pillars and initiatives, to achieve increased penetration in existing customers' wallet as well as target new clients improving profitability.

Consumer Lending Products

During the crisis period the Bank had mainly focused on effectively managing its existing loan portfolio. Due to the effects of the economic recession and as a result of targeted deleveraging, the balance of the domestic consumer loan portfolio (auto financing, other, consumer lending and credit cards) before any allowance for impairment decreased from €3.9 billion as at 31 December 2017 to €3.1 billion, as at 31 December 2018, mainly due to write-offs and sales, and further decreased to € 2.3 billion as at 30 June 2019.

However, the Bank in parallel during the last 3 years set the basis for growth of new lending, mainly through loans for specific purposes (against documentation).

With regard to new business development, apart from the promotion of the Bank's products through its branch network, the Bank is now in the position to cater for the shifting market trends and support consumer products and car purchase financing via strategic partnerships with retail chains and car importing companies or dealers.

Opting to support this, the Bank has been able to invest and capitalise on key collaborations, in order to expand its respective market shares and penetration rates, through innovative and advanced products that involve swift and safe processes, an extensive network of sales persons and one-stop-shop services. As a result, a significant proportion of the Bank's consumer lending disbursements currently takes place through these channels, with partners increasingly taking responsibility for delinquencies, partly or in total.

Moreover, in 2019 the Bank continued focusing on "green" banking, by participating in the "Energy Efficiency at Household Buildings II" programme, providing loans with favourable terms and conditions for energy improvements at home.

At the same time, the Bank is working on establishing alternative channels for new lending, as well as on the further growth of its debit, credit and prepaid cards portfolio. The Bank additionally is focused in gaining market share in the card clearing market an area that has significant perspectives in Greece due to the economic environment and the obligatory use of cards due to tax reasons.

In this context, applications for new lending keep being examined under a strict set of underwriting criteria, a risk-based pricing and credit policy and rules embedded in the Bank's underwriting systems, to safeguard the new business expansion.

The optimisation and automation of the lending procedures, the digitalisation of customers' services and the exploitation of various cross selling initiatives, are a part of the Bank's transformation programme towards consumer lending.

Mortgage Lending Products

Due to the recession, house prices in Greece declined for a prolonged period (from 2008 to 2017 cumulatively by 42.0% (in nominal values) (Source: Bank of Greece Governor Report for 2017,

February 2018)), with a decelerating trend during the last two years before increasing 1.8% year-on-year in 2018. The recovery in the real estate market gained further momentum in 2019, with house prices increasing by 5.3% year-on-year in the first quarter and by 7.7% year-on-year in the second quarter of 2019 – the strongest annual pace in 12 years (Source: Bank of Greece, Bulletin of Conjunctural Indicators, November-December 2019).

As at 30 June 2019, the residential mortgage loan portfolio, before any allowance for impairment, was €15.0 billion, compared to €15.6 billion at 31 December 2018 and €16.3 billion at 31 December 2017.

However, the strengthened prospects of the Greek economic recovery and the stabilisation of the taxation system combined with announcements for taxation decreases and prospects for further increases in house prices and real estate transactions are expected to offer an impetus in mortgage activity.

Since 2018 the Bank has focused on increasing its mortgage loans portfolio. After a significant time period, in 2019 the Bank launched a new mortgage loan product for main residences, with an initial low installment (interest-only) period up to 3 years. Moreover, the Bank introduced a mortgage-repair loan without mortgage prenotation, for clients who wish to perform home upgrades without being obliged to provide a pledge (maximum loan amount €20.000 and repayment period up to 10 years).

In addition, the review of existing pricing policy in January 2019 improved the terms of new mortgage lending.

As part of the Bank's transformation program, the mortgage lending process redesign that is heading towards completion, aims at improving, simplifying and accelerating processes in order to improve customer experience.

Small Business Lending

Products

The Small Business & Retail Lending Division ("**SB & RL Division**") is the unit responsible for managing credit provision to small businesses with annual turnover of up to €2.5 million and total exposure of up to €1.0 million, in accordance with the Bank's applicable Credit & Collection policy and approved authority levels. It operates through three credit centres in the main urban centres (Athens, Thessaloniki and Patra), which handle small business loan credit applications.

One of the main responsibilities is the development of the relative SBL products in order to offer a full range of financial solutions to the customers. Apart from the development of new products related to the standard types of loans offered by the Bank, the unit also cooperates with national and European bodies in order to offer special products and financial instruments, such as COSME, EaSI, TEPIX 2. The aim of these programs is to provide SMEs with the necessary for their growth funds, while reducing:

- the need for collateral (COSME and EaSI) thanks to the guarantee provided by the EFSI to the Bank with the support of the European Union;

- the cost of financing, since a zero interest rate is applied on 40% of the loan thanks to the non-interest-bearing portion of the financing supplied by the Entrepreneurship Fund.

As at 31 December 2018, the domestic SBL gross outstanding portfolio amounted to €2,952 million, decreasing by 14.0% compared to €3,431 million at 31 December 2017 and further decreased as at 30 June 2019 to €2,247 million.

The SB & RL Division also supports small businesses that experience difficulties in early stages, by agreeing more favourable terms and conditions for the modification of their debts.

As part of the Bank's transformation program, the redesign of the SBL lending project, which is currently under development, aims to optimise the process and improve customer experience.

Corporate and Investment Banking

Commercial Loans

The Group offers corporate clients a wide range of products and services, including financial and investment advisory services, deposit accounts, loans denominated in euro and other currencies, foreign exchange services, insurance products, custody arrangements and trade finance services.
The Bank extends financing to all sectors of the economy. As at 31 December 2018, domestic commercial lending amounted to €15.6 billion and represented 41.4% of the total domestic loan portfolio of the Group, compared to €15.9 billion as at 31 December 2017, representing 39.7% of the total adjusted domestic loan portfolio of the Group. As at 30 June 2019, domestic commercial lending amounted to €15.7 billion and represented 44.0% of the total domestic loan portfolio of the Group.

The Bank lends primarily in the form of short-term credit lines and medium/long-term loans. Apart from financing, the Bank provides standby letters of credit and financial guarantees for its customers, which amounted to €3.4 billion as at 30 June 2019 compared to € 3.3 billion as at 31 December 2018 and €3.4 billion as at 31 December 2017.

Shipping Finance

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

The Bank has traditionally provided long-term financing, mainly to shipping companies trading in the dry bulk and wet bulk sectors and, to a lesser extent to liner and ferry businesses, with a consistent view to minimising risk and enhancing the portfolio's profitability. Nearly all of the Bank's shipping loans are fully secured by mortgages over vessels.

Structured Financing

In 2018, the Bank revamped its Structured Financing business, upgrading it to a core growth arm of its Corporate and Investment Banking ("**CIB**") department.

Structured Financing focuses on originating, managing and executing wholesale, event-driven primary financings of high technical complexity across four pillars: Energy Finance, Real Estate Finance, Concessions / Advisory and Leveraged Acquisition Finance. Transactions are mostly executed on a non-recourse basis, either in bilateral or syndicated format, mobilising the team's in-house placement capabilities, as required. Beyond customary support of local sponsors, Structured Financing is particularly focused on facilitating foreign direct investment of international sponsors in Greece across the aforementioned financial sectors, enjoying strong collaboration with the Large Corporate and Investment Banking units in order to cover their needs holistically.

Via a dedicated team of 16 professionals with international structuring, financing and advisory background, Structured Financing represents a major budget carrier within CIB both from a net credit growth and a profitability perspective. In 2018, Structured Financing marked a net credit growth of approximately 63% year-on-year, accompanied by an increase of approximately 79% year-on-year in

credit lending profitability and contributing almost 50% to CIB's net credit growth and almost 30% to CIB's credit lending profitability.

Such performance trend is continuing both in terms of net credit growth and profitability, with the Bank anchoring a financially significant part of systemically important investments of the country, sponsored either by local or international counterparties. Structured Financing 2018- (year to date) 2019 landmark transactions included: i) 100% hard underwriting of an approximate €357m facility for the international energy consortium of SNAM, Enagas and Fluxys, in connection with the acquisition of 66% of DESFA shares, ii) 50% hard underwriting of an up to €665.6m facility for the 20-year extension of the Airport Development Agreement of Athens International Airport, (iii) 50% hard underwriting of an up to €100m facility for capital expenditure purposes of Athens International Airport, iv) 100% underwriting of Renewable Energy transactions in excess of 250MW and v) mandate for 100% hard underwriting of an approximate €220m total debt pack in support of the participation of GMR Airports Limited and GEK TERNA Group in the new international airport at Heraklion, Crete.

Leasing

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

Probank Leasing

Probank Leasing leases land and buildings, machinery, transport equipment, furniture and appliances, computers and communications equipment. Since July 2013, after the acquisition from the Group, Probank Leasing has come to recession and gradually stopped new contracts.

Factoring

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

Investment Banking

In 2018, the NBG Securities' Investment Banking Division provided advisory services focused on Mergers & Acquisitions, Debt and Equity Capital Markets. Among others, NBG Securities acted as 1) Sole Financial Advisor and Joint Coordinator & Bookrunner in relation to the issuance by GEK-TERNA S.A. of a €120 million common bond loan listed on ATHEX, 2) Joint Coordinator & Bookrunner in relation to the issuance by CORAL S.A. (member of the Motor Oil Group) of a €90 million common bond loan listed on ATHEX, 3) Financial Advisor for the provision of a Financial Report to the Board of Directors of DRUCKFARBEN HELLAS S.A., pursuant to article 15 paragraph 2 of Law 3461/2006, as in force, in relation to the voluntary tender offer made by KAZAR INVESTMENTS S.A., and 4) Financial Advisor for the provision of a Financial Report to the Board of Directors of TITAN CEMENT COMPANY S.A., pursuant to article 15 paragraph 2 of Law 3461/2006, as in force, in relation to the voluntary tender offer made by TITAN CEMENT INTERNATIONAL S.A.

Global Investment & Asset Management

Treasury

The Bank carries out its own treasury activities within the prescribed position and counterparty limits. These activities include:

- Greek and other sovereign securities trading;
- foreign exchange trading;
- interbank lending and borrowing in euro and other currency placements and deposits;
- repurchase agreements;
- corporate bonds; and
- derivative products, such as forward rate agreement trading, options and interest rate and currency swaps.

The Treasury is active across a broad spectrum of capital market products and operations, including bonds and securities, interbank placements in the international money and foreign exchange markets and market-traded and over-the-counter financial derivatives. It supplies the branch network with value-added deposit products, and its client base includes institutions, large corporations, insurance funds and large private-sector investors. In general, the Bank enters into derivatives transactions for economic hedging purposes or in response to specific customer requirements.

The Bank is active in the primary and secondary trading of Greek government securities, as well as in the international Eurobond market, especially EGBs, EFSF and ESM issues. The Bank is a founding member of the Group of Greek Government Securities Primary Dealers which was established by the Bank of Greece in early 1998 and of the Group of EFSF-ESM Securities Primary Dealers which was established in 2010.

Private Banking

2018 continued to be a difficult year for the Private Banking business given the restrictions on capital movement imposed which continued to be in effect, which diminished clients' available options for participation in investment products as well as discouraging the gathering of assets from international competition. Achieving a second consecutive year-on-year business expansion result, is a strong reassurance that the business changes devised and introduced gradually over the last two years that aimed to introduce a more outward-looking, professional and competitive business model, had a very positive effect.

Further to delivering the above mentioned targets, 2018 was another year during which operations were further streamlined with a supplemental reduction in costs. Additionally, significant emphasis was paid in the development and introduction of business practices that promote cooperation and synergies with the other business segments of the Bank and primarily with the Retail segment. Such co-operation is aimed at boosting the business performance of both segments over the next years.

Custodian Services

The Bank offers custody services to domestic and foreign institutional clients, as well as to its retail customer base, covering the Greek and major international markets. For the coverage of international markets the Bank cooperates with top global custody providers and International Securities Depositaries, while in countries of SEE where the Bank maintains presence, regional subsidiaries act as sub-custodians in the region.

Asset Management

The Group's domestic fund management business is operated by NBG Asset Management, which is wholly owned by the Group and is the first mutual fund management company established in Greece. Set up in 1972. NBG Asset Management manages private and institutional client funds, made available to customers through the Bank's extensive branch network.

The 21 mutual funds of NBG Asset Management, among them 4 in Luxembourg, cover a wide range of investment categories (Equity, Bond, Balanced and Fund of Funds) in Greece and International markets. Such wide spectrum of investment products gives great flexibility to investors who wish to build their personal investment plan according to their investment profile and objectives through mutual fund portfolios with a high degree of diversification.

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

- discretionary portfolio management investment services;
- advisory services;
- administration and safekeeping of UCITS units

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

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

Stock Brokerage

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

Banking Activities outside of Greece

As at 30 June 2019, the Bank's international network comprised 68 branches (including foreign subsidiaries and Bank branches in the United Kingdom and Cyprus), which offer traditional banking services and financial products and services. The Bank has two commercial banking subsidiaries in FYROM and Malta. The Bank's banking subsidiaries in Romania and Cyprus, and the branch in Egypt remain as non-current assets held for sale, as discussed further above in "*History and Development of the Group—Acquisitions, Divestitures and Capital Expenditures*" above.

The Bank's international operations contributed €31 million or 5.2% of net interest income of the Group from continuing operations and accounted for €2.2 billion or 3.6% of the Group's total assets excluding non-current assets held for sale as at and for the period ended 30 June 2019. Total loans and advances to customers were €1.4 billion at 30 June 2019, whereas due to customer deposits amounted to €1.3 billion at 30 June 2019.

Other

Group Real Estate

In 2019, Group Real Estate further expanded its activities and accelerated its efforts to contribute to the Bank's NPE Reduction strategy, contained in the Healthy Balance Sheet Transformation

Initiative, in which Real Estate plays an active role through the repossession and sale of foreclosed assets.

Since 2018, Group Real Estate has expanded beyond its traditional real estate management activities to assist the Bank in its NPE reduction effort. In this context, and in line with the Bank's transformation program, a dedicated real estate assets owned ("**REO**") Division has been established within Group Real Estate (July 2019) for the efficient management of assets throughout the REO life cycle, from onboarding to monetization. To increase REO management efficiency, the new Division has acquired THESIS, an integrated IT platform for managing REOs, supporting the full REO cycle through workflow functionality. Moreover, to further boost its sales operations, the Bank has updated its commercialization policy, incorporating new sales strategies for higher volumes (including cluster sales) and elements of business agility, multiple distribution channels including real estate agents as well as digital solutions such as electronic tenders, whilst maintaining full transparency and competitiveness in its processes.

In 2019 Group Real Estate surpassed its REO sales target and achieved a record year with respect to monetization of NBG Group Properties held for sale, in addition to commercialization of landmark buildings in its portfolio via long term leases

For the purpose of promoting sales of REOs and other Group properties, the Bank has activated an online portal (www.realestateonline.gr) which was the first site in Greece to promote public e-auction assets by displaying properties scheduled to be auctioned and posted on www.eauction.gr. The portal is currently upgraded to support live electronic tendering of selected REOs, through a 100% online competitive bidding process allowing for transparency and flexibility in real estate transactions.

NPE and NPL management

The Bank has established two dedicated and independent internal units, one responsible for the management of the Bank's retail loans (the "**Retail Collection Unit**" or "**RCU**") and the other for the Bank's corporate delinquent exposures (the "**Special Assets Unit**" or "**SAU**"). The two units have the end-to-end responsibility for their respective troubled asset exposures. Regarding corporate governance, the units report to the Troubled Assets Group General Manager, as well as to a dedicated committee (the "**Arrears and NPL Management Body**"), which in turn reports to the Board Risk Committee of the Group. The findings of the Board Risk Committee are vetted by the CRO. The Board Risk Committee's objective is to oversee the NPE and NPL management strategy. Furthermore, there are tangible Group initiatives regarding the management of real estate, related to workout actions (auctions, foreclosures and repossessions) with strong involvement of the Group Real Estate Management experts and the top management monitoring.

The Bank is continuously enhancing its NPL and NPE management strategies whilst augmenting its operational capabilities towards accomplishing the Bank's objective of reducing its NPL and NPE stock.

Retail Collections Unit

The RCU was established in 2010 as the independent unit of the Bank responsible for the management of past due and troubled retail loans. It is a centralised function with an end-to-end responsibility for the management of past due loans, from the first day of delinquency all the way to the eventual write off. As at 30 June 2019, the retail NPE loan portfolio (bank level) under RCU management amounted to €8.0 billion compared to €9.3 billion as at 31 December 2018, and €10.2 billion as at 31 December 2017.

RCU's strategy for managing delinquent retail clients is performed through a combination of channels, such as the internal collections centre ("**ICC**"), dedicated personnel in the Bank's branch

network, external debt collection agencies and external law firms. It makes extensive use of information technology, call strategy and monitoring tools in the ICC to perform rigorous collections in the early stages of delinquency, while outsourcing certain (typically smaller, consumer credit) cases to external agencies which are given incentive based remuneration. It utilises a set of key performance indicators to implement restructuring solutions in respect of borrowers, which involve an analysis of such factors as the income and living expenses of the borrower, the presence and amount of collateral and the days past due of the loan. Depending on the risk profile and delinquency status of the loan, the RCU determines the strategy in accordance with a statistically driven framework. Tools employed by the RCU in respect of restructurings include additional collateral, incentives to remain current (such as forgiveness of interest or capital at maturity), maturity extension, monthly payment reduction for three to six years, or partial debt freezes ("**split balance**").

The "Split and Settle" product substituting the "Split and Freeze" is envisaged in the new strategy as a potentially more efficient debt forgiveness resolution tool expected to contribute in improving recovery rates.

The "Split & Settle" offering highlights are:

- newly implemented restructuring solution;
- provides higher debt forgiveness compared to previous products, covered by provisions stock.

The "Split & Settle" offering advantages are:

- more sustainable;
- more affordable instalment;
- greater LTV haircut to <100%;
- simpler for clients to understand and for branches to implement.

In the case of late stage delinquencies, settlements may be implemented, which include the forgiving of off balance sheet interest as well as a percentage of capital depending on the collateral and duration of the repayment schedule.

Special Assets Unit (SAU)

The Special Assets Unit ("**SAU**"), established in June 2014, is an independent and centralized unit, with end-to-end responsibility for the management of Large Corporate, SME, Shipping and SBL (exposure with NBG above €150K) NPEs.

As at 30 June 2019, the Corporate NPE loan portfolio (bank level) under SAU management amounted to € 4.3 billion compared to € 5.3 billion as at 31 December 2018, and €6.1 billion as at 31 December 2017.

The SAU proposes customised loan modification and debt restructuring solutions to enterprises that are facing difficulties meeting their obligations and have operational and financial weaknesses.

There is a clear prioritisation strategy per portfolio managed, based on aging, size, collateralisation levels and status of legal actions. The SAU assesses the creditworthiness of the borrower using analytical tools and metrics, taking into consideration a number of factors, including but not limited to: cooperativeness of the borrower, the size of exposure, the borrower's viability and debt repayment capacity, collateral levels, market and competitive conditions and the industry in which it operates. Based on the results of its assessment, the SAU proposes customised loan modification and

restructuring solutions for the borrowers' loans, also taking into consideration the results of a "net present value" tool. A number of restructuring products and debt settlement solutions for small customers respectively are also in place.

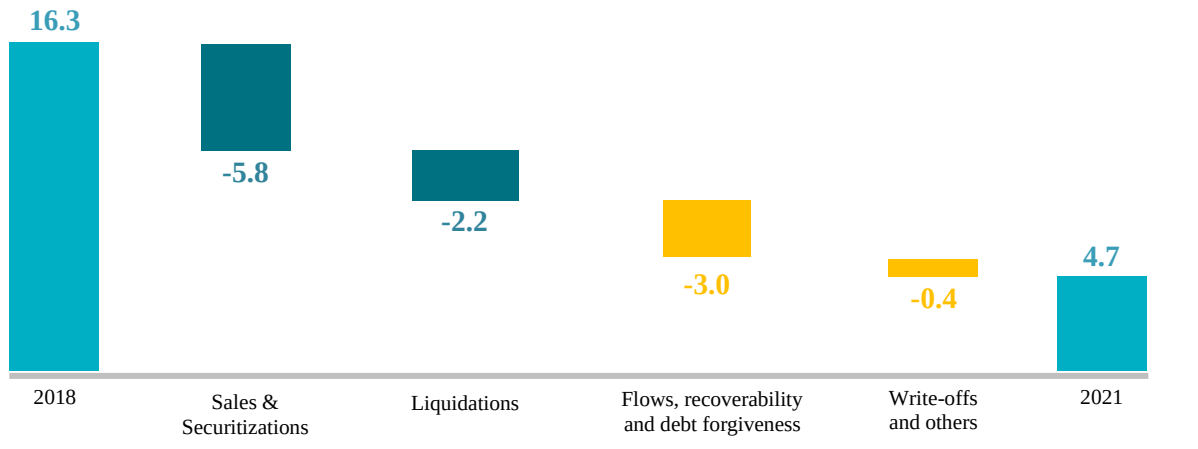
As at 30 June 2019, total bank forborne loans (forborne non-performing exposures and forborne performing exposures) amounting to €2.1 billion were under SAU management (31 December 2018: €2.3 billion and 31 December 2017: € 2.5 billion).

NPE reduction targets

From December 2015 to December 2018, the Bank has achieved a decrease of €6.1 billion through a combination of write offs, sales and liquidations, amounting to €4.3 billion and negative NPE formation of €1.8 billion. NPE reduction continued in 2019, with the stock of NPEs down by €5.2 billion, mainly driven by the nearly completed NPE disposals (Projects Symbol Mirror and Shipping loan portfolio, see below).

Finally, new operational targets were submitted to the SSM in March 2019 for the period 2019-2021 (see below Chart 1). The new plan is ambitious and frontloaded, calling for an NPE reduction by 2021 of €11.5 billion and €11.0 billion for the Group and the Bank, respectively, from the end of December 2018 (€16.3 billion and €15.4 billion for the Group and the Bank, respectively), of which a €4.5 billion reduction is targeted in 2019**.** Half of the envisaged reduction comprises organic actions consisting of more aggressive restructurings, including debt forgiveness and liquidations. The other half derives from portfolio sales and securitisations, facilitated by the Bank's high NPE coverage ratio of 56%. Upon achieving these targets, the NPE ratio will have been reduced to a low-teens level by 2021, and to approximately 5% in 2022, without utilizing any additional dilutive capital.

CHART 1
NPE REDUCTION TARGET FOR 2018-2021 (GROUP, € billion)



Disposal of NPE portfolios

As part of the implementation of the Transformation Program, the Bank has completed the disposal of two portfolios consisting of non-performing exposures.

In particular, on 29 July 2019, the Bank announced that it has entered into a definite agreement with a consortium of funds (the "**Consortium**") advised by affiliates of Centerbridge Partners, LLP and funds advised by Elliott Advisors (UK) Limited for the disposal of a portfolio of 12,774 secured non-performing Small Business Lending and Small & Medium Enterprises loans (8,306 properties

distributed across Greece) with total principal amount of €0.9 billion (Project Symbol). The transaction completed on 9 December 2019 and the Consortium assigned the servicing of the portfolio to Cepal Hellas Financial Services S.A., which has been licensed by the Bank of Greece under Greek Law 4354/2015. The consideration of the transaction was equivalent to 28.3% of the principal amount of the portfolio and was capital accretive to NBG (based on the third quarter of 2019 Common Equity Tier ("**CET**") 1 ratio). This transaction was implemented in the context of NBG's NPE Strategy and Operational Targets, as submitted to the SSM (see above "*NPE reduction targets*").

Furthermore, on 1 August 2019, the Bank announced that it has entered into a definitive agreement with CarVal Investors, for the disposal of a portfolio of unsecured non-performing portfolio of credit cards, consumer loans, small business loans ("**SBL**") and SME with total principal amount of €1.2 billion (Project Mirror). The transaction completed on 18 November 2019 and the servicing of the portfolio was assigned, by the investor, to QQuant Master Servicer S.A. which has been licensed and is regulated by the Bank of Greece under Greek Law 4354/2015. The consideration of the transaction amounted to more than 9.1% of the principal portfolio amount and was capital accretive to NBG. This transaction was implemented in the context of NBG's NPE Strategy and Operational Targets, as submitted to the SSM (see above "*NPE reduction targets*").

Additionally, on 27 November 2019, the Bank announced that it has entered into sale and purchase agreements with certain funds advised by Cross Ocean Partners (the "**Investors**"), for the sale of a shipping loans' portfolio of a total size of €262 million. The transactions was completed on 13 December 2019 and the Investors assigned the servicing of the above portfolio to QQuant Master Servicer S.A. which has been licensed by the Bank of Greece under Greek Law 4354/2015. The consideration of the transaction was 49.5% of the portfolio's on balance-sheet amount (cut-off date 30 June 2019) and had a marginal impact on NBG Group's capital (based on the third quarter of 2019 CET 1 ratio). All transactions above are being implemented in the context of NBG's NPE reduction Strategy.

Cooperation with specialised servicers

On 31 July 2018, the four systemic Greek banks (Alpha Bank, the Bank, Eurobank and Piraeus Bank) entered into a servicing agreement with a credit institution, doBank S.p.A., which specialises in servicing of NPLs. This agreement is part of the strategic framework of the Greek systemic banks, including the Bank, to reduce their NPEs by protecting the viability of small and medium enterprises and supporting the recovery of the Greek economy.

As part of its ongoing efforts to optimize its NPE management strategies, the Bank expects to examine further cooperation opportunities with specialised servicers.

Legal and Arbitration Proceedings

NBG Auxiliary Pension Fund (LEPETE)

Status of open litigation between the Bank and LEPETE and former employees

The Bank, up to October 2017, provided financial assistance to the Auxiliary Pension Plan ("**LEPETE**") in order for LEPETE to cover cash shortfalls. Subsequently, the Board of Directors decided that the Bank would not provide any additional assistance to LEPETE from October 2017 onwards. Since February 2018, LEPETE has ceased making payments to the pensioners. There are pending legal actions against the Bank from LEPETE and former employees who are disputing the defined contribution status of the plan, claiming that the Bank has an obligation to cover any deficit arising.

Up to 15 January 2020, nine applications for preliminary injunctions were rejected, 21 temporary injunctive measures were ruled in favour of the Bank, whereas six injunction orders were ruled in favour of former employees. For these injunction orders against the Bank, the Bank recognises the relevant expense as incurred. Up to 18 February 2020, the Bank has paid in a total of €744 thousand. Furthermore, there have been 113 legal claims of which 108 have been heard in court and 62 decisions have been issued. 16 first instance court decisions were not in favour of the Bank, and the Bank has filed 12 appeals while 46 decisions were in favour of the Bank for which 44 appeals have been filed until now. It is noted that the Bank has appealed directly to the Supreme Court for one of the above 16 negative decisions. The appeal was heard before the Supreme Court on 17 December 2019 and the decision is pending. In the same case, the Bank has filed for interim measures of suspension of the unfavourable decision and the Supreme Court has approved the application and granted the requested interim measures.

The Bank has not made any payment yet with respect to any of the decisions against it and has not recorded any provisions for these pending legal actions, since management has assessed that the likelihood of the final outcome of the outstanding legal claims being negative is remote.

Introduction of Greek Law 4618/2019

On 10 June 2019, a legislative amendment (Greek Law 4618/2019 art.24) was enacted effectively transferring Bank employees and pensioners from LEPETE to the Unified Fund for Auxiliary Insurance and Lump Sum Benefits ("**ETEAEP**"), the state auxiliary pension plan. The legislative amendment stipulated, *inter alia*, that the Bank should cover the following costs:

(a) the normal employer's contributions for the employees transferred to ETEAEP, from 1 January 2019 and onwards. The applicable rates are 3.50% from 1 January to 31 May 2019, 3.25% from 1 June 2019 to 31 May 2022 and 3.00% from 1 June 2022 and onwards;

(b) a retrospective payment in relation to the 2018 pensions to be calculated on the basis provided by Law 4618/2019. This amount has been estimated by the Bank at €50 million. The Greek Law 4618/2019 provides that the 1/5 of the total amount was payable by 31 August 2019 whereas the remaining amount is due in instalments and at the latest by 31 December 2020;

(c) supplementary social security contributions of €40 million per annum from 2019 to 2023;

(d) supplementary employer's contributions from 1 January 2024 onwards to be defined following a study to be prepared by the Greek National Actuarial Authority. The Bank cannot provide a reasonable estimate of the related costs, as Greek Law 4618/2019 does not provide the basis under which the relevant study would be carried out, nor the required clarity as to the extent that any shortfalls would be covered by the Bank; and

(e) the normal employees' contributions for the period from 1 January to 31 May 2019, only.

Further to this legislative amendment and related Ministerial Decision 28153/276/21.6.2019, on 5 July 2019, the Bank addressed a statement to ETEAEP informing it that it will continue to pay to ETEAEP, as from 1 June 2019 onwards, the corresponding, in accordance with the applicable provisions, auxiliary pension employer's and employee's contributions with regard to the persons (employees) who had been insured by LEPETE up to the enactment of the aforementioned legislative amendment. The Bank in the same statement pointed out that any private relationship between the Bank and LEPETE has been terminated and thus no payment of any kind will be carried out in the future.

The Bank considers that the above legislative amendment opposes fundamental constitutional provisions and, in this context, filed with the Council of State an application for the annulment of the

relevant administrative decisions issued on the basis of Greek Law 4618/2019, which was planned for hearing before the Plenary Session of the Council on 7 February 2020. However, the hearing has been postponed for 6 March 2020. An application for the suspension of enforcement of the above has been rejected for reasons not related to the core of the case.

On 5 August 2019, the Bank received the decision of the Council of State that rejected the application for the suspension of enforcement of the ministerial decision, but purely due to formal and procedural reasons as, according to the court ruling, the request for suspension related in substance to the suspension of provisions of the actual law, which is not compatible with procedural rules and court jurisprudence. On the other hand the Council of State through the reasoning of its decision connects its final judgment as concerns the application for the annulment to the outcome of the proceedings before the Civil Courts (especially before the Supreme Court). Furthermore, it considers that the aforementioned law does not impose on the Bank the burden of covering deficits nor of paying the retirement amounts to the retirees itself and consequently, that the Greek Law 4618/2019 does not establish any liability for the Bank from 1 January 2024 onwards.

On 2 July 2019 and 29 November 2019, the Bank paid amounts of €36 million and €4 million, respectively, with respect to the supplementary contribution for 2019 and on and 3 February 2020 the Bank paid the first instalment of the supplementary social security contributions for 2020 of amount €20 million, as required by the ministerial decision (see (c) above). In addition, as of the date of this Base Prospectus, the Bank has had to pay €5 million corresponding to the employer's and employees' contributions for January to May 2019 (see (a) and (e) above) but due to technical issues of ETEAEP systems, the payment has not yet been made.

The Bank has recognised in personnel expenses, the collective amount of €40 million paid in July and November 2019 as an expense, due to the uncertainty of its recovery. No other expense or provision in relation to items (b) to (e) above has been recognised, as management estimates that the said legislative amendment, stipulating that the Bank should assume costs relating to existing pensioners to which the Bank considers that it had no liability under the previous regime (LEPETE scheme), will be deemed unconstitutional by the Council of State, taking also into account that the likelihood of the final outcome of the outstanding legal claims before the Civil Courts being negative is remote. In this context, the Bank expects that any amounts paid or to be paid under items (b) to (e), prior to the decision of the Council of State in relation to the petition for annulment, will be either reimbursed or off-set against future contributions to ETEAEP (item (a) above).

Depending on the outcome of the petition for annulment before the Council of State, the appeal to the Supreme Court and any further legal actions the Bank may proceed with, the assessment of management as to the probability of outflows may change, in which case the Bank may need to record significant provisions in future periods with respect to the above issue.

Legal proceedings

The Group is a defendant in certain claims and legal actions arising in the ordinary course of business. For the cases for which a provision has not been recognized, management is unable to estimate the possible losses because the proceedings may last for many years, many of the proceedings are in early stages, there is uncertainty of the likelihood of the final result, there is uncertainty as to the outcome of the pending appeals and there are significant issues to be resolved. However, in the opinion of the management, after consultation with its legal counsel, the ultimate disposition of these matters is not expected to have a material adverse effect on the consolidated or separate Statement of Financial Position, Income Statement and Cash Flow Statement, taking into account that at 30 June 2019 the Group has provided for cases under litigation an amount of €64 million (31 December 2018: €67 million).

Capital Requirements

The table below sets out Pillar 1 and Pillar 2 capital requirements for the Group for 2019 and 2018:

	CET1 Capital Requirements		**Overall Capital Requirements**	
	2019	**2018**	**2019**	**2018**
Pillar 1	4.5%	4.5%	8.0%	8.0%
Pillar 2	3.0%	3.0%	3.0%	3.0%
Capital Conservation Buffer	2.5%	1.875%	2.5%	1.875%
O-SII Buffer	0.25%	0.00%	0.25%	0.00%
Total	**10.25%**	**9.375%**	**13.75%**	**12.875%**

The capital adequacy ratios for the Group and the Bank as at 30 June 2019 and 31 December 2018 are set out in Note 19 to the June 2019 Interim Financial Statements (which are incorporated by reference in this Base Prospectus). See also "*Risk Factors – Factors that may affect the ability of the Issuer to fulfil its obligations under Covered Bonds issued under the Programme - The Group may not be allowed to continue to recognize the main part of deferred tax assets as regulatory capital or as an asset, which may have an adverse effect on its operating results and financial condition"*.

Enhancement of the internal control system and management of risk

Objectives of the Internal Control System

Aiming to safeguard the reputation and credibility of the Bank and the Group towards its shareholders, customers, investors and the supervisory and other independent authorities, the Bank provides for the continuous enhancement, at Group level, of its Internal Control System (**ICS**). The ICS refers to the set of controls and processes that mitigate risks and cover all activities on an ongoing basis and is designed to ensure that the Bank and the Group operate effectively.

The ICS aims to achieve, among other things, the following key objectives:

- Consistent implementation of the Group business strategy through the efficient use of available resources;
- Identification and management of all undertaken risks, including operational risk;
- Completeness and reliability of data and information that are necessary for the accurate and timely preparation of the Bank and the Group's financial statements and the presentation of reliable financial information regarding the Bank and the Group's financial performance;
- Compliance with the local, European and international legal and regulatory framework that governs the operation of the Bank and the Group, including internal regulations, IT systems and code of ethics;
- Adoption of international corporate governance best practices; and

- Prevention and detection of any errors and irregularities that may put at risk the reputation and the interests of the Bank and the Group, their shareholders and customers.

In the context of developing the business strategy and identifying the main business risks, the Board of Directors, with the support of its committees, adopts appropriate policies aiming to ensure an adequate and effective ICS for the Bank and the Group. Management is responsible for the design and implementation of effective internal controls and adequate and efficient procedures, relevant to the range, risks and nature of the activities undertaken by the Bank and the Group, for identifying and assessing any ICS's deficiencies and for undertaking the necessary corrective actions. Specifically, the risk management and ICS related activities are performed on three different levels, in order to create three lines of defence, as follows:

- **First Line of Defence** ("**1LoD**"): includes the units at the first level which are responsible for identifying, assessing and minimising the risks they undertake, by establishing and implementing internal rules and controls to their on-going business.

- **Second Line of Defence** ("**2LoD**"): includes the units that oversee the effectiveness of the risk management activities, through monitoring of the 1LoD units activities.

- **Third Line of Defence** ("**3LoD**"): the Internal Audit function of the Bank and the Group, which reports directly to the Board of Directors through the Audit Committee, acting as an independent reviewer, focusing on the effectiveness of the risk management framework and control environment.

The Board of Directors and management aim to continuously enhance the ICS in order to reduce losses and operate effectively. In this context, senior management has made the following enhancements to the ICS during the first half of 2019 with the aim to further improve the coordination between the three lines of defence by:

- **Establishment of the Internal Control Coordination Committee** ("**ICCC**") in February 2019, with the aim to support the Board, its Committees and Senior Management fostering coordination and cooperation among the various control functions, (i.e. 2LoD; Group Operational Risk Management, Internal Control Function, Group Compliance & Regulatory Affairs, Group Corporate Governance & Corporate Social Responsibility, Group Cyber Security & Data Governance, Regulatory Affairs and HFSF Relations as well as 3LoD and Group Internal Audit).

- **Establishment of the Internal Control Function** ("**ICF**") in May 2019 with the purpose of addressing the ExCo and the Board's need for a holistic view on the Bank's internal controls. The ICF is responsible for:

  (a) establishing an integrated internal control framework, in close cooperation with the other 2LoD functions;

  (b) enhancing Bank-wide internal controls;

  (c) monitoring remediation actions;

  (d) monitoring and reporting on the effectiveness and efficiency of internal controls; and

  (e) promoting Bank-wide internal control culture.

- **Strengthening the Operational Risk Management Function** by establishing, in January 2019, a separate Group Operational Risk Management Division under the CRO, to:

  (a) design, propose, support and periodically validate the Operational Risk Management Governance Framework ("**ORMGF**"), ensuring that it is aligned with the best practices, the regulatory requirements and the directions set by the Board of Directors;

  (b) ensure the development of policies, methods and systems for the identification, measurement and monitoring of operational risks and their periodic assessment and validation;

  (c) address all operational risk related issues as per the directions and decisions of the Board Risk Committee;

  (d) continuously monitor and review the Group operational risk profile and report to senior management and the supervisory authorities.

RISK MANAGEMENT

Risk Management Governance

The Group adopts practices regarding risk-management governance, taking into account all relevant guidelines and regulatory requirements, as set by the Basel Committee on Banking Supervision, the EBA, the ECB and the Bank of Greece and the Hellenic Capital Markets Commission ("**HCMC**"), as well as any decisions of the competent authorities supervising the Group's entities (see *"Regulation and Supervision of Banks in Greece*" below).

The Group's risk-governance framework comprises a number of different constituents. In particular, the Board of Directors of the Bank (the "**Board**") has established the Board Risk Committee ("**BRC**") overseeing all risk-management functions across the Group. All risk-management units report to the Group Risk Control and Architecture Division ("**GRCAD**"), the Group Financial and Liquidity Risk Management Division ("**GFLRMD**"), the Model Validation Unit ("**MVU**"), the Group Operational Risk Management Division ("**GORMD**") and the Group Strategic Risk Management Division ("**GSRM**") which are supervised by the Group Chief Risk Officer (the "**CRO**"). Additionally, the Chief Credit Officer, also operating under the CRO, supervises three Credit Units, which are involved in the credit approval procedures for the Group's corporate banking, retail banking and subsidiaries portfolios. The Credit Units perform unbiased control of the risks undertaking in respect of each portfolio and have the right of veto. A separate compliance function, the Compliance Division, oversees all internal and external compliance matters, such as applicable Greek and EU laws and regulations, as well as accounting standards. The Internal Audit Division of the Bank and the Group, which reports directly to the Board through the Audit Committee, complements the risk-management framework and acts as an independent reviewer (as a third line of defence in addition to the Board Risk Committee and the Compliance Division), focusing on the effectiveness of the risk-management framework and control environment.

Management of Specific Risks

Credit Risk

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

The Group's internal controls implemented for the above processes include proper management of the credit-granting functions, periodical and timely remedial actions on deteriorating credits, and independent, ongoing assessments of the credit risk management processes by the Internal Audit Division, covering in particular the credit risk systems/models employed by the Group. Additionally, the GRCAD measures and monitors credit risk on an on-going basis through documented credit risk policies, internal rating systems, as well as information systems and analytical techniques that enable measurement of credit risk inherent in all relevant activities. Thus, the Group achieves active credit risk management through the application of appropriate limits for exposures to a particular single or group of obligors, use of credit risk mitigation techniques, estimation of risk adjusted pricing for most products and services, and a formalised validation process, encompassing all risk rating models, conducted by the Bank's independent MVU.

The Credit Policies for the Corporate and the Retail Banking portfolios of the Bank and its subsidiaries set the minimum credit criteria, present the fundamental policies, procedures and guidelines for the identification, measurement, approval, monitoring and managing of credit risk

undertaken in Corporate and Retail Banking Portfolios respectively, both at the Bank and Group levels.

The Credit Policies of the Bank are approved by the Board of Directors upon recommendation of the Board Risk Committee ("**BRC"**) following proposal by the Group CRO to the BRC and the Executive Committee, and are reviewed on an annual basis and amended whenever it is needed and at least every two years.

The Credit Policies of each subsidiary are approved by the competent local boards or committees, following a recommendation by the responsible officers or subsidiaries' bodies, according to the decisions of the Bank and the provisions of the Credit Policies. Each proposal must bear the prior consent of the Group CRO, or the Head of NBG's Group International Credit Division in cooperation with the Head of NBG's Group Risk Control and Architecture Division for issues falling under their responsibility. The subsidiaries' Credit Policies are subject to periodical revision.

Any exception to the Credit Policies of the subsidiaries is ultimately approved by the Group CRO, or the Head of NBG's Group International Credit Division in cooperation with the Head of NBG's Group Risk Control and Architecture Division, for issues falling under their responsibility. All exceptions and their justification are duly recorded and have either an expiry date or a review date.

Through the application of the Retail Banking Credit Policy, the evaluation and estimation of credit risk, for new as well as for existing products, are effectively facilitated. NBG's top management is regularly informed on all aspects regarding the Credit Policy. Remedial action plans are set to resolve the issues, whenever necessary, within the risk appetite and strategic orientation of the Bank. Retail Banking Credit Policy is subject to regular reviews during which all approved policy changes are incorporated in the Policy Manual.

Concentration Risk

One of the most significant types of credit risk for the Group is Concentration Risk. The fundamental instruments for controlling Corporate Portfolio concentration are obligor limits (which reflect the maximum permitted level of exposure for a specific obligor, given his or her risk rating) and sector limits. Any risk exposure in excess of the authorized internal obligor limits must be approved by a Credit Approving Body of a higher level, based on the Credit Approval Authorities as presented in the Corporate Credit Policy. Both obligor limits and sector limits are subject to BRC approval on an annual basis.

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

Finally, within the Internal Capital Adequacy Assessment Process, the Bank has adopted a methodology to measure the risk arising from concentration to economic sectors (sectoral concentration) and to individual companies (name concentration).

Market Risk

Market risk is the current or prospective risk to earnings and capital arising from adverse movements in interest rates, equity and commodity prices and exchange rates, and their levels of volatility. The Group engages in moderate trading activities in order to enhance profitability and service its clients. These trading activities create market risk, which the Group seeks to identify, estimate, monitor and manage effectively through a framework of principles, measurement processes and a valid set of limits that apply to all of the Group's transactions. The most significant types of market risk for the Group are interest rate, equity and foreign exchange risk.

Interest Rate Risk

Interest rate risk is the risk related to the potential loss on the Group's portfolio due to adverse movements in interest rates. A principal source of interest rate risk exposure arises from the interest rate, over-the-counter ("**OTC**") and exchange traded, derivative transactions as well as from the trading and the held to collect and sell ("**HTCS**") bond portfolios.

The most significant contributor to market risk in the Group is the Bank. More specifically, the Bank is active in the interest rate and cross currency swap market and engages in vanilla and more sophisticated transactions for hedging and proprietary purposes and it maintains positions in bond and interest rate futures, mainly as a means of hedging and to a lesser extent for speculative purposes. Additionally, the Bank retains a portfolio of Greek T-Bills and government bonds and other EU sovereign debt, EFSF bonds, as well as moderate positions in Greek and international corporate issues.

Equity Risk

Equity risk is the risk related to the potential loss due to adverse movements in the prices of stocks and equity indices. The Group holds a limited portfolio of stocks, the majority of which are traded on the ATHEX and retains positions in stock and equity index derivatives traded on the ATHEX, as well as, on international exchanges. The cash portfolio comprises of trading (i.e. short-term) and held to collect and sell (i.e. long-term) positions. The portfolio of equity derivatives is used for proprietary trading, as well as for the hedging of equity risk arising from the Bank's cash position and equity-linked products offered to its clients. In the same context and to a lesser extent, the Group enters into OTC equity derivative transactions for trading and hedging purposes.

Foreign Exchange Risk

Foreign exchange risk is the risk related to the potential loss due to adverse movements in foreign exchange rates. The Open Currency Position ("**OCP**") of the Bank primarily arises from foreign exchange spot and forward transactions. The OCP is distinguished between trading and structural. The structural OCP contains all of the Bank's assets and liabilities in foreign currency (for example loans, deposits, etc.), along with the foreign exchange transactions performed by the Treasury Division. Apart from the Bank, the foreign exchange risk undertaken by the rest of the Group's subsidiaries is insignificant.

The Group trades in all major currencies, holding mainly short-term positions for trading purposes and for servicing its institutional/corporate, domestic and international clientele. According to the Bank's policy, the OCP should remain within the limits set by the Treasury Division and the GFLRMD at the end of each trading day. The same policy applies to all of the Group's subsidiaries.

Market risk on trading and held to collect and sell —Value-at-Risk (VaR)

The Bank uses market risk models and specific processes to assess and quantify the portfolio's market risk, based on best practice and industry-wide accepted risk metrics. More specifically, the Bank estimates the market risk of its trading and HTCS portfolios using the VaR methodology. This has been implemented in the Bank's risk platform which is RiskWatch by Algorithmics. In particular, the Bank has adopted the variance-covariance ("**VCV**") methodology, with a 99% confidence interval and a 1-day holding period. The VaR is calculated on a daily basis for the Bank's trading and HTCS portfolios, along with the VaR per risk type (interest rate, equity and foreign exchange risk). The VaR estimates are used internally as a risk-management tool, as well as for regulatory purposes. The GFLRMD calculates the VaR of the Bank's trading and HTCS portfolios, for internal use, on a daily basis, using the latest 75 exponentially weighted daily observations to construct the VCV matrices. For regulatory purposes, the calculations apply only on the trading portfolio and the VCV matrices are based on 252, equally weighted, daily observations. The risk factors relevant to the financial products

in the Bank's portfolio are interest rates, equity indices, foreign exchange rates and commodity prices. Additionally, the GFLRMD calculates the stressed VaR ("**sVaR**") of the Bank's trading portfolio, which is defined as the VaR, where model inputs are calibrated to historical data from a continuous 1-year period of significant financial stress, relevant to the Bank's portfolio. The relevant VCV matrices are identified over a 10-year period, starting on January 2008. Similarly to VaR, the Bank calculates sVaR on a daily basis, using a 1-day holding period and 99% confidence level. Finally, the GFLRMD calculates the VaR of the Bank's portfolios by applying the historical simulation approach, for comparative purposes.

The Bank has also established a framework of VaR limits in order to control and manage the risks to which it is exposed in a more efficient way. These limits are based on the Bank's Risk Appetite, as outlined in the Bank's Risk Appetite Framework ("**RAF**"), the anticipated profitability of the Treasury, as well as on the level of the Bank's own funds (capital budgeting), in the context of the Group strategy. The VaR limits refer not only to specific types of market risk, such as interest rate, foreign exchange and equity, but also to the overall market risk of the Bank's trading and available-for-sale portfolios taking into account the respective diversification between portfolios. Moreover, the same set of limits are used to monitor and manage risk levels on the regulatory trading book, on an overall basis and per risk type, since this is the aggregation level relevant for the calculation of the own funds requirements for market risk, under the Internal Model Approach (pursuant to Title IV, Chapter 5 of the CRR).

The operation of the market risk management unit as a whole, including the VaR calculation framework, have been thoroughly reviewed and approved by the Bank of Greece, as well as by external advisors. Also, the Internal Audit assesses the effectiveness of the relevant internal controls on a regular basis. Moreover, the adequacy of the market risk management framework as well as the appropriateness of the VaR model used for the calculation of the Bank's capital requirements, were successfully reassessed during the on-site investigation that took place in the last quarter of 2017, in the context of the TRIM performed by the ECB. The successful completion of the TRIM assured the use of the Bank's internal model for the calculation of own funds requirements for market risk.

The Bank is mostly exposed to interest rate risk, which is quantified through interest rate VaR. The evolution of the interest rate VaR depends on the sensitivity of the Bank's trading and HTCS portfolios to key risk factors, namely the euro swap rates and the respective government yields, as well as on the level of their volatilities.

Within the first six months of 2019, the VaR of the Bank's trading and HTCS portfolios were mainly affected by the evolution of the volatilities of the Greek sovereign yields. In particular, since mid-May 2019, the VaR followed an upward path which was primarily attributed to the increase in the yield volatilities, triggered by the compression of the respective sovereign spreads of Greece.

Back-testing

The Bank performs back-testing on a daily basis, in order to verify the predictive power of the VaR model. In accordance with the guidelines set out in the CRR, the calculations only refer to the Bank's trading portfolio and involve the comparison of the hypothetical and actual daily gains/losses of the portfolio with the respective estimates of the VaR model used for regulatory purposes. The hypothetical gains/losses is the change in the value of the portfolio between days t and t+1, assuming that the portfolio remains the same between the two days. In the same context, the actual gains/losses is the change in the value of the portfolio between days t and t+1, including all the transactions that took place in day t+1, excluding fees, commissions and net interest income.

Any excess of the hypothetical/actual losses over the VaR estimate is reported to the regulatory authorities within five business days. During the first six months of 2019, there was only one case in which the back-testing result exceeded the respective VaR calculation.

Stress Testing

The VaR model is based on certain theoretical assumptions, which do not fully capture the potential bigger movements known as "tail events" in the markets.

To enhance the predictability of the Bank's VaR model and minimise the effect of the aforementioned limitations, the Bank performs stress testing on a weekly basis. The aim of stress testing is to evaluate the gains or losses that may occur under extreme market conditions and applies on both trading and held to collect and sell portfolios.

Counterparty Credit Risk

Counterparty credit risk ("**CCR**") for the Group stems from OTC derivative and other interbank secured and unsecured funding transactions, as well as commercial transactions and is due to the potential failure of a counterparty to meet its contractual obligations.

For the efficient management of CCR, the Bank has established a framework of counterparty limits. The GFLRMD is responsible for setting these limits and monitoring the respective exposures.

Counterparty limits are based on the credit rating of the financial institutions as well as the product type. The credit ratings are provided by internationally recognised rating agencies, in particular by Moody's and S&P. According to the Bank's policy, if the agencies diverge on the creditworthiness of a financial institution, the lowest credit rating is considered.

Counterparty limits apply to all financial instruments in which the Treasury is active in the interbank market. The Bank is also active in international trade finance; therefore a limit framework is in place for the efficient management of counterparty credit risk arising from funded commercial transactions. The limits framework is revised according to the business needs of the Bank and the prevailing conditions in international and domestic financial markets. A similar limit structure for the management of counterparty credit risk applies across all of the Group's subsidiaries.

The estimation of the exposure to each counterparty depends on the type of the financial product. In the case of money market placements and commercial transactions, exposure is equal to the face amount of the transaction. In OTC transactions, exposure is calculated based on Credit Equivalent Factors, according to the type of transaction, its maturity, netting and collateralisation.

The Group seeks to reduce counterparty credit risk by standardising its transactions with counterparties through International Swaps and Derivatives Association ("**ISDA**") and Global Master Repurchase Agreement ("**GMRA**") contracts, which encompass all necessary netting and margining clauses. Additionally, for almost all active counterparties, Credit Support Annexes ("**CSAs**") have been signed, so that net current exposures are managed through margin accounts, on a daily basis, by exchanging cash or debt securities as collateral, thus minimising counterparty credit risk.

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

Interest Rate Risk in the Banking Book

Interest rate risk in the banking book ("**IRRBB**") is the current or prospective risk to earnings (net interest income) and capital due to adverse movements in interest rates affecting the banking book positions. Exposure to interest rate risk in the banking book arises from re-pricing mismatches between assets and liabilities. The Group**'**s banking book consists mainly of loans and advances to customers, cash and balances with central banks, due from banks, securities measured at amortised cost and FVTOCI, due to customers, due to banks, debt securities in issue and other borrowed funds that are measured at amortised cost. The Group maintains adequate measurement, monitoring, and control functions for interest rate risk in the banking book, including:

- measurement systems of interest rate risk that capture all material sources of interest rate risk and that assess the effect of interest rate changes in ways that are consistent with the scope of the Group's activities. The Group has recently upgraded its measurement capabilities in this area, through the implementation of a new IRRBB calculation engine;

- measurement of vulnerability to loss under stressful market conditions;

- processes and information systems for measuring, monitoring, controlling, and reporting interest rate risk exposures in the banking book; and

- a documented policy regarding the management of interest rate risk in the banking book.

IRRBB is measured, monitored and controlled by the Risk Management function (**GFLRMD**), based on the Group's established risk appetite framework. Specifically, GFLRMD calculates a number of risk metrics for the purpose of monitoring and controlling IRRBB:

- Net Interest Income ("**NII**") sensitivity, a measure of the effect of interest rate changes to the Group's expected interest earnings. NII sensitivity measures changes to interest income under varying interest rate scenarios over a one-year horizon and assuming a constant balance sheet over this period. Its main purpose is to measure the vulnerability of the Group's profitability to changing interest rates conditions; and

- Economic Value of Equity ("**EVE**") Sensitivity, a measure of the change of the net present value of the balance sheet due to adverse interest rate changes. EVE Sensitivity is calculated on the entire balance sheet under a run-off assumption, i.e., no replenishment of matured transactions.

Both metrics are used in establishing the Group's IRRBB capital requirements.

Country Risk

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

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

- participation in the equity of the Group's subsidiaries, which operate in other countries;

- interbank secured and unsecured placements and the risk that arises from OTC transactions, with financial institutions which operate abroad;

- loans to corporations or financial institutions that operate abroad, positions in corporate bonds and cross-border project finance loans;

- funded and unfunded commercial transactions with foreign counterparties; and

- holdings of foreign sovereign debt.

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

GMORMD monitors the country risk arising from the Bank's operations on a daily basis, mainly focusing on the countries where the Group has a presence.

Liquidity Risk

Liquidity risk is defined as the current or prospective risk to earnings and capital arising from the institution's inability to meet its liabilities when they come due without incurring unacceptable losses.

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

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

In addition, top management receives, on a daily basis, a liquidity report which presents a detailed analysis of the Group's funding sources, counterbalancing capacity, cost of funding and other liquidity metrics related to the RAF, Recovery Plan and Contingency Funding Plan. Moreover, the Asset Liability Committee ("**ALCO**") monitors the gap in maturities between assets and liabilities, as well as the Bank's funding requirements based on various assumptions, including conditions that might have an adverse impact on the Bank's ability to liquidate investments and trading positions and its ability to access the capital markets. On a long-term perspective, the Loans-to-Deposits ratio is monitored. This ratio stood at 68.5% and 69.7% as of 30 June 2019, on a domestic (Greece) and on a Group level, respectively.

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

The Bank's principal sources of liquidity are its deposit base, Eurosystem funding currently via the **MROs** and the **TLTROs** with ECB and repos with major foreign Financial Institutions ("**FIs**"). ECB funding and repos with FIs are collateralised mainly by high quality liquid assets, such as, EU sovereign bonds, Greek government bonds and T-Bills, as well as by other assets, such as highly rated corporate loans and covered bonds issued by the Bank.

Following a milestone year for the Bank's liquidity in 2018, where the Bank was the first Greek systemic bank to fully restore both Basel III liquidity metrics (LCR and NSFR) within the regulatory limits, the Bank's liquidity profile was further enhanced during the first half of 2019, marking its strong position on the liquidity front and ensuring its ability to fund the recovering Greek economy and contributing to a healthy balance sheet. More specifically, the LCR and the NSFR currently stand comfortably above the respective regulatory limits, while the Bank maintains a very comfortable

liquidity buffer, a stable and improving deposit base, historically low ECB funding and full access to the secured interbank markets.

Insurance risk

The insurance policies issued by the Group carry a degree of risk. The risk under any insurance policy is the possibility of the insured event resulting in a claim. By the very nature of an insurance policy, risk is based on fortuity and is therefore unpredictable.

The principal risk that the Group may face under its insurance policies is that the actual claims and benefit payments or the timing thereof, differ from expectations. This could occur because the frequency or severity of claims is greater than estimated. Depending on the insurance product, this risk is influenced by macroeconomic changes, changes in customer behaviour, changes in public health, pandemics and catastrophic events such as earthquakes, industrial disasters, fires, riots or terrorism.

The above risk exposure is mitigated by diversification across a large portfolio of insurance policies. The variability of risks is also improved by the careful selection and implementation of the Group's underwriting policy, reinsurance strategy and internal guidelines, within an overall risk management framework. Pricing is based on assumptions and statistics and the Group's empirical data, taking into consideration current trends and market conditions.

Reinsurance arrangements include proportional, optional facultative, excess of loss and catastrophe coverage.

Operational risk

Operational risk ("**OR**") is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. OR includes legal risk, but excludes strategic and business risk, but it also takes into consideration the reputational impact of OR.

The main subcategories of OR are: Legal risk, Compliance risk, Conduct risk, Information & Communication Technology ("**ICT**") risk and Model risk.

The Group, recognises the importance of OR, and has established a high quality effective framework, namely the Operational Risk Management Framework ("**ORMF**") for its management across all Group operations since 2007.

OR management is integrated into the day-to-day business, adding value to the organisation based on the following elements:

- The "Risks and Controls Self-Assessment" ("**RCSA**") process, alongside with the assessment of the relevant control environment; its purpose is establishing a formal procedure for the identification, assessment, monitoring and mitigation of potential operational risks within a business entity.
- The "**Loss Collection process",** as well as the maintenance of a sound and consistent loss database; OR losses are collected at a Group level. All organizational entities of the Bank, as well as all Greek and foreign subsidiaries are responsible for recording operational incidents or/and losses following certain guidelines, under a standardized methodology.
- The determination, update and monitoring of "**Action Plans**"; these are all the necessary steps and measures intended to mitigate/reduce operational risks.

- The definition and monitoring of "**Key Risk Indicators"**; their purpose is to assist in the identification and monitoring of potential risk exposures, by acting as early detection/warning indicators by identifying issues that cause risk events to arise.
- The "**Scenario Analysis";** a systematic process of obtaining expert opinions, based on reasoned assessments of the likelihood and impact of plausible severe operational losses.
- The "Training **Initiatives and Risk Culture awareness";** The Operational Risk Group fosters awareness and knowledge of OR at all levels of the organization.

All of the above components improve the control environment and strengthen the Group's OR culture, while generating a positive reputational impact.

In 2019, the Group Operational Risk Management Unit was established as -a separate division, with responsibility to:

- Establish, oversee, support and continuously update and improve the ORMF;
- Ensure the development of policies, methods and systems for the identification, measurement and monitoring of operational risks and their periodic assessment and validation; and
- Continuously monitor and review the Group operational risk profile providing adequate information to all stakeholders in compliance with regulatory requirements.

DIRECTORS AND MANAGEMENT

Board of Directors of the Bank

The Bank is managed by the Board of Directors (the "**Board**"), which is responsible for ensuring strategic direction, management supervision and adequate control of the Bank, with the ultimate goal of increasing the long-term value of the Bank and protecting the corporate interest at large, in compliance with the current legislation and regulatory framework, including the provisions of the Amended Relationship Framework Agreement between the Bank and the HFSF and the obligations of the Bank towards the Monitoring Trustee.

The Board's tasks, key responsibilities and authorities are set out in Greek Law 4548/2018, Greek Law 4261/2014, EU Regulation 468/2014, Greek Law 3016/2002, Greek Law 3864/2010, as each time in force, and the Relationship Framework Agreement between the Bank and the HFSF and in the Bank's Articles of Association and in its Corporate Governance Code.

The business address of each Board of Directors and Executive members is: 86 Eolou Street, 10559 Athens, Greece.

Appointment of Directors and Operation of the Board

The members of the Board are elected by the Bank's General Meeting of Shareholders for a term that cannot exceed three years and ends at the ordinary General Meeting of the Shareholders in the year in which such term expires. Uneven terms of office may be provisioned for each Director, insofar as this is prescribed by the current legal and regulatory framework. All members can be re-elected. The General Meeting of Shareholders determines each time the exact number of the members of the Board (the Board may consist of a minimum of 7 up to a maximum of 15 members and must always be an odd number) and its independent members.

An HFSF representative also participates in the Bank's Board, in line with Greek Law 3864/2010, as in force. In accordance with the Amended Relationship Framework Agreement between the Bank and the HFSF, signed in December 2015, the HFSF is also entitled to the appointment of an observer without voting rights (the "**HFSF Observer**"). Currently, Mr. Christoforos Koufalias is the HFSF's Observer to the Bank's Board of Directors and Board Committees.

In June 2017, an Employees' representative was appointed as observer in the Board (the "**Observer Employee Representative**") with all rights of a board member except voting rights. The Observer Employee Representative has consultation rights on the Human Resources and Remuneration Committee agenda, monthly access to the Chair of the Human Resources and Remuneration Committee to discuss proposals or matters of concern and the right to address the Human Resources and Remuneration Committee on request.

Moreover, in July 2019, following the election of new members on the Bank's Board of Directors by the Annual General Meeting of Shareholders, the Bank's Board of Directors appointed, from among its independent non-executive members, a Senior Independent Director with the duties of (indicatively): acting as a sounding board for the Chairman; discussing with other Directors issues on which the Chairman might have a conflict of interest and acting as intermediary between Directors and the Chairman, as necessary; being available to shareholders if they have concerns which contact through the normal channels of Chairman, CEO or other Executive Directors has failed to resolve or for which such contact is inappropriate; and leading the annual evaluation of the Chairman according to the Bank's Board Evaluation Policy.

Responsibilities of the Board

Among other matters, the Board is responsible for:

- reviewing and approving the strategic direction of the Bank and the Group, including the business plan, the annual budget and the key strategic decisions as well as providing guidance to the Bank's and the Group's Management;
- reviewing the Group's corporate structure, monitoring its embedded risks and ensuring the cohesiveness and effectiveness of the Group's corporate governance system;
- acquiring shareholdings in other banks in Greece or abroad, or divestment thereof;
- establishing branches, agencies, and representation offices in Greece and abroad;
- establishing associations and foundations under Article 108 and participating in companies falling under Article 784 of the Greek Civil Code;
- approving the Bank's internal labour regulations;
- nominating General Managers and other executives of the Bank, as appropriate in line with the applicable framework and accordingly following proposals by the Bank's responsible bodies;
- reviewing and approving the Group and the Bank's annual and interim financial report;
- issuing Bonds of any type, with the exception of those for which the Bank's General Meeting is exclusively responsible in accordance with the Greek Law;
- approving and reviewing a Code of Ethics for the employees of the Bank and the Group and the Code of Ethics for financial professionals;
- approving the Bank's and the Group's corporate social responsibility ("**CSR**") Policy; and
- approving and reviewing the Group Remuneration Policy upon decision of its non-executive members, following recommendation by the Human Resources and Remuneration Committee of the Board.

Moreover, pursuant to article 10 of Greek Law 3864/2010 (the "**HFSF Law**"), as in force, as well as according to the Amended Relationship Framework Agreement entered into with the HFSF, the representative of the HFSF may, *inter alia*, veto the decision making process of the Board in relation to dividend allocation and remuneration of the Chairman of the Board and Board members, the Chief Executive Officer and Board members as well as the General Managers and their substitutes.

The Bank's Board is supported by six Board Committees, which have been established and operate for this purpose, namely the "Strategy and Transformation Committee", the "Board Risk Committee", the "Audit Committee", the "Corporate Governance and Nominations Committee", the "Human Resources and Remuneration Committee" and the "Ethics and Culture Committee". The Board Committees operate in accordance with their applicable legislation and regulatory framework applicable in each case, including, where applicable, the provisions of the Amended Relationship Framework Agreement between the Bank and the HFSF and the obligations of the Bank towards the Monitoring Trustee (See "*Board Committees*" below).

Board Structure

Pursuant to Greek Law 3864/2010 and the Amended Relationship Framework Agreement between the Bank and the HFSF, the HFSF participates in the Board through the appointment of a representative (the HFSF Observer, as described above). As notified to the Bank by HFSF's Letter dated 23 July 2018, the duties of the HFSF's Representative, in the context of Law 3864/2010, are exercised by Mr Periklis Drougkas. The HFSF representative is entitled to participate in Board Committees and

committees which do not solely comprise executive members, and has the rights and authorities prescribed by Greek Law 3864/2010 as in force and the Relationship Framework Agreement between the National Bank of Greece and the HFSF.

In the context of overseeing the implementation of the restructuring plan of the banking sector, and specifically, the implementation of any other commitments undertaken by the Greek Government relating to the Bank's operations, Grant Thornton has been appointed as "Monitoring Trustee" with a view to ensuring compliance of the Bank with the aforesaid commitments. (See also below "*Monitoring Trustee*" and "*The Issuer – History and Development of the Group – Revised Restructuring Plan as approved by the Directorate General for Competition on 10 May 2019 (the 2019 Revised Restructuring Plan)*"). The Monitoring Trustee is entitled to participate as an observer in meetings of the Board and certain Board/Executive Committees and has full access to any of the Bank's records including board minutes.

Moreover, in June 2017, the Observer Employee Representative was appointed as observer in the Board with all rights of a board member except voting rights. The Observer Employee Representative has consultation rights on the Human Resources and Remuneration Committee's agenda, monthly access to the Chair of the Human Resources and Remuneration Committee to discuss proposals or matters of concern and the right to address the Human Resources and Remuneration Committee on request.

Furthermore, in July 2019, the Bank's Board of Directors appointed, from among its independent non-executive members, a Senior Independent Director with the duties of (indicatively): acting as a sounding board for the Chairman; discussing with other Directors issues on which the Chairman might have a conflict of interest and acting as intermediary between Directors and the Chairman, as necessary; being available to shareholders if they have concerns which contact through the normal channels of Chairman, CEO or other Executive Directors has failed to resolve or for which such contact is inappropriate; and leading the annual evaluation of the Chairman according to the Bank's Board Evaluation Policy.

The following table sets forth the current Board:

Name	Position in Board	Start of Term*	End of Term	Profession/ Main Expertise, Experience	Principal activities performed outside of NBG
Board of Directors of the Bank					
Costas Michaelides	Chair (Non-executive Member)	26 July 2018	2021	Chair of the Board	-
Aikaterini Beritsi	Vice – Chair (Non-executive Member)	31 July 2019	2021	Vice Chair of the Board	Participation in the Board of Directors of EYDAP S.A.
Executive members					

Pavlos Mylonas	Chief Executive Officer	26 July 2018	2021	Chief Executive Officer	-
Christina Theofilidi	Executive Member	31 July 2019	2021	Executive Board Member	-

Independent non-executive members

Gikas Hardouvelis	Senior Independent Director	31 July 2019	2021	Professor/Economist/Risk, Strategy and Corporate Governance Experience	Professor, Department of Banking and Financial Management at the University of Piraeus, Participation in the Board of Directors of the Foundation for Economic and Industrial Research (IOBE) and of the Multinational Finance Society, participation in the Board of Trustees of Anatolia College, Member of the Academic Council of Cyprus International Institute of Management and Research Fellow at the Centre for Economic Policy Research, London

Claude Piret	Member	26 July 2018	2021	Independent Non-Executive Expert Member as prescribed by Art.10 of Greek Law 3864/2010 as in force. Risk experience/ Financial Services	-
Avraam Gounaris	Member	31July 2019	2021	Economist / Financial Services	Participation in the Board of Directors of ECUSA and Euroconsultants
Wietze Reehoorn	Member	31 July 2019	2021	Independent Non-Executive Expert Member as prescribed by Art. 10 of Greek Law 3864/2010 as in force Risk, Strategy and Corporate Governance Experience	Participation as member of the Supervisory Council of Rijksuniversiteit Groningen and of Frans Hals Museum, Chairman of the Supervisory Council of Stichting Topsport Community, participation in the Board of Directors of ABE Bonnema Stichting and member/Director of Koninklijke Hollandsche Maatschappij der Wetencchappen

Andrew McIntyre	Member	26 July 2018	2021	Independent Non-Executive Expert Member as prescribed by Art.10 of Greek Law 3864/2010 as in force. Risk and Financial Audit Expertise	Participation in Board of Directors of Ecclesiastical Insurance Group plc, C. Hoare & Co, Lloyds Bank Corporate Markets plc, Chair of the Audit Committee at Hermes Property Unit Trust and at Cavamont Holdings Limited (non-directorships)
Elena Ana Cernat	Member	31 July 2019	2021	Banking/Digital Banking Experience	Participation in Board of Directors of Alior Bank Warsaw and Yoga Vidya Romania
Representative of the HFSF (Greek Law 3864/2010)					
Periklis Drougkas	Member	26 July 2018	2021	Economist	Participation in the Board of Directors of Tirana Bank Sh. A.
Board and Board Committees' Secretary					
Panos Dasmanoglou		26 July 2018	2021	General Manager of Group Compliance and Corporate Governance	-

***Date of election of the Members of the Board by the Annual General Meeting of Shareholders of 2018 and 2019 respectively.**

During 2019, the following changes took place as regards composition of the Board:

- On 24 January 2019, Mr. Dimitrios Kapotopoulos was elected as executive member of the Board of Directors, replacing the resigned executive member Mr. Dimitrios Dimopoulos.

- On 10 July 2019, at the Board of Directors meeting, Ms. Eva Cederbalk and Mr. Haris Makkas resigned from their positions as independent non-executive members of the Board of Directors. At the same date Mr. Yiannis Zographakis resigned from his position as non-executive member of the Board. Moreover, at the same meeting of the Board of Directors held on 10 July 2019, it was announced that Mr. Panos Dasmanoglou will no longer serve as executive member of the Board and will remain as General Manager at the Bank and Company Secretary, with the same duties.

- On 31 July 2019, Ms. Aikaterini Beritsi was elected as non-executive member of the Board by the Annual General Meeting of the Bank's Shareholders and was appointed Vice Chair of the Board of Directors. Moreover, the Annual General Meeting of the Bank's Shareholders elected Ms. Christina Theofilidi as member of the Board of Directors as well as Mr. Gikas Hardouvelis, Mr. Avraam Gounaris, Mr. Wietze Reehoorn and Ms. Elena Ana Cernat as new independent non-executive members of the Board.

- On 29 August 2019, at the Board of Directors meeting, the resignation of Mr. John McCormick from his position as independent non-executive member of the Board of Directors was announced.

It is noted that on 30 January 2020, at the Boards of Directors meeting, the resignation of Mr. Dimitrios Kapotopoulos from his position as executive member of the Board of Directors was announced.

HFSF influence

Pursuant to the HFSF Law and the Presubscription Agreement dated 28 May 2012, as amended and restated on 21 December 2012, the HFSF initially appointed a representative on the Bank's Board in 2012. The HFSF representative, according also to the stipulations of the Amended Relationship Framework Agreement between the Bank and the HFSF, participates in the Board Committees. Additionally, according the provisions of the Amended Relationship Framework Agreement between the Bank and the HFSF, the HFSF also appoints an Observer to the Board and Board Committees (without voting rights).

Pursuant to the 2015 Recapitalisation, the HFSF participated in the Bank's recapitalisation by contributing ESM notes and acquiring in exchange common shares with full voting rights representing 38.92% of the share capital of the Bank, and CoCos which were fully repaid on 15 December 2016. Additionally, the HFSF retains common shares with restrictions on the exercise of voting rights, as per article 7a of the HFSF Law as in force, corresponding to 1.47% of the share capital of the Bank, which could have full voting rights shares upon certain conditions.

Subject to the Amended Relationship Framework Agreement applicable law and the Bank's Articles of Association, the Bank's decision making bodies will continue to determine independently, amongst others, the Bank's commercial strategy and policy in compliance with the Revised Restructuring Plan and the decisions on the day to day operation of the Bank will continue to rest with the Bank's competent bodies and officers, as the case may be, in accordance with their statutory, legal and fiduciary responsibilities.

Monitoring Trustee

From January to February 2013, monitoring trustees (each, a "**Monitoring Trustee"**), acting on behalf of the European Commission, were appointed in all banks under restructuring—including the

Bank, in accordance with the commitments undertaken by the Hellenic Republic towards the European Commission in 2012, regarding banks under restructuring, in the Memorandum of Economic and Financial Policies, contained in the First Review of the Second Economic Adjustment Programme for Greece.

The Monitoring Trustees are respected international auditing or consulting firms approved by the European Commission on the basis of their competence, their independence from the banks and the absence of any potential conflict of interest. In each credit institution under restructuring, the Monitoring Trustees work on behalf and under the direction of the European Commission, within the terms of reference agreed with the European Committee, ECB and IMF staff.

Grant Thornton has been the Bank's Monitoring Trustee since 16 January 2013.

The commitments undertaken in 2012 were updated and included as an Annex in the 2014 Restructuring Plan. The commitments were further updated in December 2015 and included as an Annex in the Revised Restructuring Plan. On 10 May 2019, the Directorate General for Competition of the European Commission approved the Bank's 2019 Revised Restructuring Plan.

In addition to the appointment of Monitoring Trustees, for the commitments undertaken by the Greek government see to the "*The Issuer – History and Development of the Group – Revised Restructuring Plan as approved by the Directorate General for Competition on 10 May 2019 (the 2019 Revised Restructuring Plan)*" above.

The commitments include the commitments regarding the implementation of the restructuring plan and the commitments on corporate governance and commercial operations. The restructuring period shall end on 31 December 2020 at the latest. The commitments apply throughout the restructuring period unless the individual commitment states otherwise.The Monitoring Trustee has the duty to monitor the Bank's compliance with the Commitments.

The Monitoring Trustee submits relevant reports to the EC/ECB/IMF on a quarterly basis.

The Trustee monitors closely the Bank's commercial practices. The Monitoring Trustee participates as an observer in meetings of the Board and certain Board/Executive Committees and has full access to any of the Bank's records including Board minutes.

Board Committees

Six Committees, namely the "Strategy and Transformation Committee", the "Board Risk Committee", the "Audit Committee", the "Corporate Governance and Nominations Committee", the "Human Resources and Remuneration Committee" and the "Ethics and Culture Committee", have been set up and operate at Board level (the "**Board Committees**" or "**Committees**"). The Board Committees members are remunerated annually for their participation in each Committee.

Audit Committee

The Audit Committee (the "**AC**") was established in 1999 and operates in accordance with the provisions of the Bank of Greece Governor's Act No. 2577/2006 and Greek Law 4449/2017 (article 44).

The AC is comprised of the following members:

Chair	Andrew McIntyre
Vice Chair	Claude Piret

Member	Aikaterini Beritsi
Member	Avraam Gounaris
Member	Periklis Drougkas (HFSF representative)

Human Resources and Remuneration Committee

The human resources and remuneration committe ("**Human Resources and Remuneration Committee"** or "**HRRC**") was established by Board decision (meeting no. 1259/5 May 2005).

The HRRC is comprised of the following members:

Chair	
Vice Chair	Elena Ana Cernat (Acting Chair)
Member	Claude Piret
Member	Aikaterini Beritsi
Member	Periklis Drougkas (HFSF representative)

Corporate Governance and Nominations Committee

The corporate governance and nominations committee ("**Corporate Governance and Nominations Committee"** or "**CGNC**") was established by Board decision (meeting no. 1259/5 May 2005).

The CGNC is comprised of the following members:

Chair	Wietze Reehoorn
Vice Chair	Aikaterini Beritsi
Member	Gikas Hardouvelis
Member	Claude Piret
Member	Periklis Drougkas (HFSF representative)

Board Risk Committee

The board risk committee (the "Board **Risk Committee**" or "**BRC**") was established by Board decision (meeting no. 1308/20 July 2006) in accordance with the requirements of Bank of Greece Governor's Act No. 2577/9 March 2006. The BRC has a dual role, having specific competence also over NPLs/NPEs and operating also as the Bank's special Committee that deals with NPLs in accordance with article 10 paragraph 8 of Greek Law 3864/2010, as in force.

The BRC is comprised of the following members:

Chair	Claude Piret
Vice Chair	Gikas Hardouvelis
Member	Andrew McIntyre
Member	Wietze Reehoorn
Member	Elena Ana Cernat
Member	Periklis Drougkas (HFSF representative)

Strategy & Transformation Committee

The strategy committee was established by Board decision (meeting no. 1387/29 September 2009) and was renamed the strategy and transformation committee ("**Strategy and Transformation Committee**" or the "**STC**") by Board decision (meeting no. 1622/26.07.2018). The STC supports the executive Board members in developing the Group's strategic options, assists the Board in taking decisions on all issues related to the Group strategy and regularly reviews the implementation of the Group's strategy by the Group's management team.

The STC is comprised of the following members:

Chair	Wietze Reehoorn
Member	Gikas Hardouvelis
Member	Claude Piret
Member	Avraam Gounaris
Member	Elena Ana Cernat
Member	Periklis Drougkas (HFSF representative)

Ethics & Culture Committee

The ethics and culture committee ("**Ethics and Culture Committee**" or the "**ECC**") was established by Board decision (meeting no. 1622/26.07.2018), aiming to ensure, *inter alia*, the application of the highest standards of ethics and integrity throughout all of the activities of the Bank in accordance with international best practice.

The ECC is comprised of the following members:

Chair	Andrew McIntyre
Member	Avraam Gounaris
Member	Periklis Drougkas (HFSF representative)

Executive Committees

According to the Bank's Management, the following Executive Committees are included in the supervisory, management and administrative bodies of the Bank, being the key Executive Committees which have, apart from strategic and executive duties, approval authority as well: 1) the Senior Executive Committee and Extended Executive Committee, 2) the ALCO, 3) the Executive Credit Committee, 4) the Provisions and Write-Off Committee. The committees are composed of executive Board members, General Managers and Assistant General Managers of the Bank.

Senior Executive Committee

The senior executive committee ("**Senior Executive Committee**" or the "**SEC**") was established in 2004 and operates via specific Charter. It is the supreme executive body that supports the Chief Executive Officer of the Bank in his duties.

The SEC is comprised of the following members:

Chairman	Pavlos Mylonas	CEO
Member	Christina Theofilidi	Executive Member of the BoD
Member	Vassilis Karamouzis	General Manager of Corporate and Investment Banking

Member	Vasileios Kavalos	General Manager - Group Treasury and Financial Markets
Member	Fotini Ioannou	General Manager - Special Assets
Member	Ioannis Vagionitis	General Manager of Group Risk Management, Chief Risk Officer
Member	Christos Christodoulou***	General Manager, Group CFO
Member	-	General Manager, Group COO**
Member	Ernestos Panagiotou	General Manager – Transformation and Business Strategy
Member without voting rights	Panos Dasmanoglou	General Manager of Group Compliance and Corporate Governance
Member without voting rights	Georgios Triantafillakis	General Manager of Legal Services

An Extended Executive Committee also operates which, additionally to the above members, is comprised of the following members:

Member	Evi Hatzioannou	General Manager of Group Human Resources Strategy & Development
Member	Ioannis Kyriakopoulos*	General Manager, Group Real Estate
Member	Chara Dalekou	General Manager of Group Marketing
Member	Kostas Adamopoulos	Assistant General Manager – Strategic Transactions
Member	Beate Randulf	Assistant General Manager – Chief Control Officer

* Mr Christos Christodoulou participates in the Board of Directors of Flexfin *LTD Asset and Liability Committee*

** Mr Nikos Christodoulou was General Manager, Group Chief Operating Officer and member of the Committee until 30.10.2018.
In case of not filling the position of Chief Operating Officer of the Bank and the Group, Mr Stratos Molyviatis - Assistant General Manager, Group Chief Information Officer shall attend the meetings of the Executive Committee

*** Mr Ioannis Kyriakopoulos participates in the Board of Directors of Athens Exchange Group and Prodea Investments ("**PANGAIA**")

ALCO was established in 1993. ALCO's key purpose is to establish the Bank's and its Group financial sector entities' strategy and policy as to matters relating to the structuring and management of assets and liabilities taking into account the current regulatory framework and market conditions, as well as the risk limits set by the Bank.

ALCO is comprised of the following members:

Chairman	Pavlos Mylonas	CEO
Deputy Chairman & Member	Ioannis Vagionitis	General Manager of Group Risk Management, Chief Risk Officer
Member	Chirstina Theofilidi	Executive Member of the BoD
Member	Christos Christodoulou	General Manager, Group CFO
Member	Vasileios Kavalos	General Manager—Group Treasury and Financial Markets

ALCO convenes regularly once a month or extraordinarily, at the invitation of its Chairman.

At the invitation of its Chairman, it is possible for other executives of the Bank and the Group to attend its meetings.

ALCO members do not receive any remuneration for their participation in ALCO.

Executive Credit Committee

The executive credit committee (the "**EXCC**") was established in 2008 and its purpose is the optimisation and the sound operation of the risk taking limits.

The EXCC is comprised of the following members*:

Chairman	Pavlos Mylonas	CEO
Member	Vassilis Karamouzis	General Manager of Corporate and Investment Banking
Member	Ioannis Vagionitis	General Manager of Group Risk Management, Chief Risk Officer
Member	Constantinos Vossikas	General Manager, Chief Credit Officer

* In the case of meetings where issues regarding corporate special assets are discussed, Mrs Fotini Ioannou, General Manager Special Assets, participates in the committee.

Provisions and Write Offs Committee

The provisions and write offs committee ("**Provisions and Write Offs Committee**" or the "**PWOC**") was established in 2010. Its purpose is the decision making process on the provisions and write offs of the Group claims of any nature, which are considered by the PWOC to be liable of a loss in value in accordance with the relevant "Provisions and Write Offs Policy" of the Group.

The PWOC is comprised of the following members:

Chairman	Pavlos Mylonas	CEO
Member	Christos Christodoulou	General Manager, Group CFO

Member	Ioannis Vagionitis	General Manager of Group Risk Management, Chief Risk Officer

Potential Conflicts of Interests

There are no potential conflicts of interest between the duties to the Bank of the persons listed above and their private interests and / or other duties.

Employees

As at 30 June 2019, the Bank employed a total of 8,434 staff of which 281 are in the Bank's foreign branches, compared to 8,853 and 271 respectively, as at 31 December 2018. Additionally, the Group's subsidiaries in Greece and abroad employed approximately 3,678 employees as at 30 June 2019, compared to 3,759 as at 31 December 2018.
Most of the Bank's employees belong to a union and the Greek banking industry has been subject to strikes over the issues of pensions and wages. Bank employees throughout the Hellenic Republic went on strike for 6 days in 2018.

REGULATION AND SUPERVISION OF BANKS IN GREECE

The Group is subject to financial services laws, regulations, administrative acts and codes applying in each jurisdiction in which it operates.

Further to this, the Group is subject to the European Union regulatory framework and Greek Laws and regulations and to supervision by the ECB/SSM and the Bank of Greece.

Single Supervisory Mechanism (SSM)

Council Regulation (EU) No. 1024/2013 ("**Regulation 1024/2013**") established the SSM for Eurozone credit institutions. The SSM maintains an important distinction between significant and non-significant entities, which will be subject to differing supervisory regimes. The Bank is included in the list of significant supervised entities which the ECB updates and publishes regularly (last update 1 January 2020). As a result, the ECB has been granted certain supervisory powers as from 4 November 2014, which include:

- the authority to grant and revoke authorisations regarding credit institutions;
- with respect to credit institutions established in a participating Member State establishing a branch or providing cross border services in Member States that are not part of the Eurozone, to carry out the tasks of the competent authority of the home Member State;
- the power to assess notifications regarding the acquisition and disposal of qualifying holdings in credit institutions;
- the power to ensure compliance with respect to provisions regarding requirements on own funds securitisation, large exposure limits, liquidity, leverage, as well as on the reporting and public disclosure of information on those matters;
- the power to ensure compliance with respect to corporate governance, including fit and proper requirements for the persons responsible for the management of credit institutions, risk management processes, internal control mechanisms, remuneration policies and practices and effective internal capital adequacy assessment processes (including internal ratings based models);
- the power to carry out supervisory reviews, including, where appropriate and in coordination with the EBA, stress tests and supervisory reviews which may lead to the imposition of specific additional own funds requirements, specific publication requirements, specific liquidity requirements and other measures;
- the power to supervise credit institutions on a consolidated group basis, extending supervision over parent entities established in a Member State; and
- the power to carry out supervisory tasks in relation to recovery plans, provide early intervention where a credit institution or group does not meet or is likely to breach the applicable prudential requirements and, only in the cases explicitly permitted under law, implement structural changes to prevent financial stress or failure, excluding any resolution powers.

The SSM framework Regulation 468/2014 (ECB/2014/17) sets out the practical arrangements for the SSM, while Regulation 2014/1163, as amended by Regulation 2019/2155, lays down the methodology and procedure regarding the annual supervisory fees which are born by the supervised credit institutions.

In Greece, as a Member State whose currency is the euro, the ECB exercises its supervisory responsibilities in cooperation with the Bank of Greece. The ECB is responsible for the effective and consistent functioning of the SSM and exercises oversight over the functioning of the system, based on the distribution of responsibilities between the ECB and National Competent Authorities ("**NCAs**"), which in Greece is the Bank of Greece. To ensure efficient supervision, credit institutions are categorised as "significant" or "less significant": the ECB directly supervises significant banks, whereas the NCAs are in charge of supervising less significant banks, with the ECB exercising indirect supervision. The Bank is currently categorised as "significant" and is therefore subject to direct supervision by the ECB. The day-to-day supervision is conducted by Joint Supervisory Teams, which comprise staff from both NCAs and the ECB.

Supervisory Review Evaluation Process

The Bank is subject to continuous evaluation of its capital adequacy in the context of the SSM and could be requested to operate with higher than minimum regulatory capital and/or liquidity ratios. Such evaluations are carried out by the ECB mainly through the SREP.

Following the completion of SREP for 2018, the ECB notified the Group of its new total SREP capital requirement ("**TSCR**"), which applies from 1 March 2019. According to this decision, the ECB requires the Bank to maintain, on a consolidated and on an individual basis, a TSCR of 11%.

The TSCR of 11% includes:

- the minimum Pillar I own funds requirement of 8% to be maintained at all times in accordance with Article 92(1) of the CRR (as defined below), and

- an additional Pillar II own funds requirement of 3% to be maintained at all times in accordance with Article 16(2)(a) of Regulation 1024/2013, to be made up entirely of Common Equity Tier 1 ("**CET1**") capital.

Following the completion of the 2019 SREP cycle, in December 2019 the Bank received the final SREP Decision letter from the ECB which establishes the capital requirements for 2020. In particular for 2020, the Pillar 2 Requirement will remain stable at 3%, but OCR will increase to 14% (from 13.75% in 2019) due to the phase-in of the O-SII buffer (0.25%). The Total Capital Requirements will increase to 16% due to the application of the P2G (2%) as of 2020.

In addition to the TSCR, the Group is also subject to the OCR. The OCR consists of TSCR and the combined buffer requirement as defined in point (6) of Article 128 of the CRD IV Directive (as defined above).

The combined buffer requirement is defined as the sum of:

- a capital conservation buffer (the "**Capital Conservation Buffer**");

- the institution specific Countercyclical Capital Buffer ("**CcyB**"); and

- the systemic risk buffer ("**Systemic Risk Buffer**") / systemically important institutions buffer ("**Systemically Important Institutions Buffer**"), as applicable.

The Capital Conservation Buffer stands at 2.5% for 2019 for all banks in the EU.

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

Bank of Greece defined its methodology for determining the CcyB in 2015 and consecutively set the CcyB at 0% for Greece throughout 2016, 2017, 2018, 2019 and the first quarter of 2020 (Bank of Greece Acts 55/2015, 83/2016, 97/2016, 103/2016, 107/2016, 115/2017, 119/2017, 122/2017, 127/2017,135/2018, 143/2018, 148/2018, 152/2018, 156/2019, 159/2019, 161/2019 and 164/2019). The CcyB is also currently 0% in all other countries in which the Group has significant exposures. Thus, the institution specific CcyB for the Group is currently 0%.

For Other Systemically Important Institutions ("**O-SIIs**") an additional capital buffer is applied, which was 0.25% for 2019 and increased to 0.50% for 2020 (as per the phase-in schedule) for all four credit institutions that where characterised as O-SIIs in Greece (including the Bank) (Bank of Greece, Executive Committee Act no 151/30.10.2018, Bank of Greece, Executive Committee Act no 163/1/1.11.2019).

See further "*Capital Requirements/Supervision*" below.

Revert to Standardised Approach for Capital Requirements Calculation

In 2008 (i.e. upon implementation of the Basel II framework) the Bank obtained the approval of the NCA to use the Internal Rating's Based ("**IRB**") approach for calculating own funds requirements for credit risk for the corporate (including Specialised Lending) and its residential mortgage exposures. In 2013, the Bank expanded the use of the IRB approach after relevant application in order to calculate own fund requirements for credit risk for the retail SME exposures.

Up to 31 December 2013, the regulatory documents governing the Standardised Approach (**SA**) and the IRB approach were the Bank of Greece Governor's Acts 2588/20.8.2007 and 2589/20.8.2007 respectively. As of 1 January 2014 these documents were superseded by the CRR. The change of the regulatory framework did not alter the approaches used to calculate the own funds requirements for credit risk as regards the Bank's portfolios.

The Bank had been using the Foundation-IRB approach (without own estimates of LGD or Conversion Factors) regarding its corporate exposures (including Specialised Lending) and the Advanced-IRB approach (with own estimates of LGD and/or Conversion Factors) regarding its residential mortgage and retail SME portfolios until the first quarter of 2019. In particular, 46% of total exposures were subject to credit risk under IRB, 18% under Advanced IRB and 28% under Foundation IRB respectively. The own funds requirements for credit risk for all other portfolios are calculated using the SA.

In July 2018 the Bank applied to the ECB for permission to revert to the use of the SA for the calculation of the risk-weighted exposure amounts currently under the IRB approach, in accordance with Article 149 of the CRR and following relevant approval by the Bank's Executive Committee and Board of Directors.

The main rationale for the reversal to the use of the SA request is the need for the Bank to prioritise on resources and investments towards addressing the most critical challenges such as the implementation of an ambitious strategy for the reduction of the stock of NPEs and operational costs reduction. Thus, the restriction of operational burden caused by the full roll-out and maintenance of the IRB Approach will allow the Bank to focus in the medium term on areas of strategic importance. Furthermore, RWAs will be more stable and predictable while an adverse immediate impact will be offset by the benefits of the planned NPE reduction.

NBG, following application for permission to migrate its credit IRB portfolios to Standardised Approach, has received a decision by ECB on permission to revert to the SA for calculating own funds requirements for credit risk as of 21 May 2019.

The reversal to the SA for calculating own funds requirements for credit risk was completed in the second quarter of 2019 and the Bank officially reported the capital requirements under the SA for the whole portfolio as of 30 June 2019.

The Bank will preserve its internal modelling infrastructure and intends to take advantage of the experience gained with credit risk models in order to maintain and develop further the use of the models and enhance modelling capabilities used for risk management purposes covering the following areas indicatively: a) credit approval and risk based pricing; b) IFRS 9 and credit risk adjustments calculation; c) risk management controls and monitoring; d) early warning systems; e) EVA and RAPM modelling and f) internal capital assessment and allocation.

EU-wide stress test 2020

On 31 January 2018, the ECB commenced the stress test exercise (the "**2018 Stress Test**") relating to the four systemic Greek banks (Alpha Bank, Eurobank, the Bank and Piraeus Bank) with the publication of the macroeconomic scenarios to be used by the banks. The stress test of the four systemic Greek banks was conducted on an accelerated timeline compared to the other in-scope banks in order to allow the results to be published before the end of the current European Stability Mechanism Programme for Greece (August 2018), but following the same EBA approach and methodologies as that applied to the other EU banks. The results for the four systemic Greek banks were announced by the Supervisory Board on 5 May 2018, and showed that in the adverse scenario, the average CET1 capital depletion was 9 percentage points, equivalent to EUR 15.5 billion.

Following the supervisory dialogue, the Bank was informed that the stress test outcome, along with other factors, have been assessed by SSM's Supervisory Board pointing to no capital shortfall and that no capital plan was deemed necessary as a result of the exercise.

On 7 November 2019, the EBA published a press release[1] to announce the publication of the final methodology and draft templates for the 2020 EU-wide stress test along with the key milestones of the exercise. The stress test exercise was formally launched by the EBA on 31 January 2020 and the results are expected to be published by 31 July 2020.

Similar to the 2018 exercise, the 2020 EU-wide stress test is a bottom-up exercise with constraints, including a static balance sheet assumption. The aim of the EU-wide stress test is to assess the resilience of EU banks to a common set of adverse economic developments in order to identify potential risks, inform supervisory decisions and increase market discipline. The exercise is primarily focused on the assessment of the impact of risk drivers on the solvency of banks. Banks are required to stress a common set of risks and in addition, banks are requested to project the impact of the scenarios on net interest income and to stress P&L and capital items not covered by other risk types.

According to the EBA's press release, the key milestone dates of the 2020 EU-wide stress test exercise are:

- Launch of the exercise at the end of January 2020;
- First submission of results to the EBA at the beginning of April 2020;
- Second submission to the EBA in mid-May 2020;
- Final submission to the EBA in mid-July 2020; and
- Publication of results by end-July 2020.

[1] https://eba.europa.eu/eba-publishes-2020-eu-wide-stress-test-methodology-and-draft-templates

Single Resolution Mechanism

The SRM Regulation establishes uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a SRM and the Fund. The SRM Regulation establishing a SRM for the Banking Union (as defined by the European Commission) entered into force on 19 August 2014. On 1 January 2016, the SRM became fully operational.

The SRM Regulation, which complements the SSM (as discussed under "*The Group may need additional capital and liquidity as a result of regulatory changes*" above), applies to all banks supervised by the SSM, including the Bank. These uniform rules and uniform procedures established under the SRM Regulation will be applied by a single resolution board (the "**Single Resolution Board**" or the "**SRB**") together with the EU Council and the European Commission and the national resolution authorities within the framework of the SRM. The Single Resolution Board shall have available the same range of tools as are available under the BRRD as described below. The SRM will be supported by the Fund. In the Banking Union, the national resolution funds set up under the BRRD were superseded by the Fund as at 1 January 2016 and those funds will be pooled together gradually. Therefore, as at 2016, the Single Resolution Board, calculates the annual contributions of all institutions authorised in the Member States participating in the SSM and the SRM. The European banking sector pays contributions to the Fund. The Council Implementing Regulation (EU) 2015/81 provides for an adjustment mechanism to avoid distortions between institutions and achieve a balanced distribution of contributions between the different types of institutions. This Regulation lays down rules specifying the conditions for implementing of the obligation of the SRB to calculate the contributions for individual institutions pursuant to Regulation (EU) 806/2014 to the Fund and the methodology for the calculation of those contributions, introducing also by derogation of the general methodology an adjusted methodology for an initial transitional period of eight years by way of a gradual phasing in of the SRM methodology. In May 2017 European Commission Delegated Regulation (EU) 2017/747 of 17 December 2015 entered into force, providing for criteria relating to the calculation of ex ante contributions, and the circumstances and conditions under which the payment of extraordinary ex post contributions to the Fund may be partially or entirely deferred.

The SRM works as follows:

- the SSM, as the supervisor, would signal when a bank in the euro area or established in a Member State participating in the Banking Union is in severe financial difficulties and needs to be resolved;

- the Single Resolution Board, the ECB and the European Commission, will carry out specific tasks to prepare for and carry out the resolution of a bank that is failing or likely to fail. The SRB decides whether and when to place a bank into resolution and sets out, in the resolution scheme, a framework for the use of resolution tools and the potential use of the Fund. The SRB is responsible for the effective and consistent functioning of the SRM and shall only use the Fund for the purpose of ensuring the efficient application of the resolution tools and exercise of resolution powers. The SRB is the owner of the Fund;

- the resolution scheme can then be approved or rejected by the European Commission or, in certain circumstances, by the Council within 24 hours;

- under the supervision of the SRB, national resolution authorities will be in charge of the execution of the resolution scheme;

- the SRB oversees the resolution. It monitors the execution at national level by the national resolution authorities and, should a national resolution authority not comply with its decision, directly addresses executive orders to the troubled banks.

The Fund was set up under the control of the SRB. It will ensure the availability of funding support while the bank is resolved. The European banking sector pays contributions to the Fund. The Fund can only contribute to resolution if at least 8% of the total liabilities and own funds of the bank have been written down or converted into equity.

Regulation (EU) 2019/877 amended the SRM Regulation as regards the loss-absorbing and recapitalisation capacity of credit institutions and investment firms. This Regulation shall apply from 28 December 2020. The SRB and national resolution authorities should ensure that institutions and entities have sufficient loss-absorbing and recapitalisation capacity to ensure a smooth and fast absorption of losses and recapitalisation in the event of resolution, with a minimum impact on taxpayers and financial stability. That should be achieved through compliance by institutions with an institution-specific MREL as set out in Regulation (EU) No 806/2014. Among the new provisions are included the following:

- In order to align denominators that measure the loss-absorbing and recapitalisation capacity of institutions and entities with those provided for in the TLAC (Total Loss-Absorbing Capacity) standard, the MREL (Minimum Requirement For Own Funds And Eligible Liabilities) should be expressed as a percentage of the total risk exposure amount and of the total exposure measure of the relevant institution or entity, and institutions or entities should meet simultaneously the levels resulting from the two measurements.

- The SRB, after consulting the competent authorities, including the ECB, shall determine the requirements for own funds and eligible liabilities, subject to write-down and conversion powers, which are to be met at all times by the entities and groups when the conditions for the application are met.

EBA published on 21 November 2019 a set of roadmaps outlining its approach and timelines for delivering the mandates stemming, among others, from BRRD II focused mainly in the area of resolution. In particular, on resolution, the EBA's work aims at facilitating effective resolution planning and preparedness, such as on MREL calibration and monitoring.

Capital Requirements/Supervision

In December 2010, the Basel Committee issued two prudential framework documents ("Basel III: A global regulatory framework for more resilient credit institutions and banking systems", and "Basel III: International framework for liquidity risk measurement, standards and monitoring") which contain the Basel III capital and liquidity reform package ("**Basel III**").

The Basel III framework has been implemented in the EU and the United Kingdom through the CRD IV Directive, which has been transposed into Greek legislation by the CRD Law, and the CRR which is legally binding and directly applicable in all Member States. Implementation began on 1 January 2014, with particular elements being phased in over a period of time, mainly until 2019.

Some major points of the framework include:

- ***Quality and Quantity of Capital.*** CRD IV revised the definition of regulatory capital and its components at each capital instrument level. It also imposed a minimum CET1 ratio of 4.5% and Tier 1 Ratio of 6.0%, and introduced a requirement for Additional Tier 1 and Tier 2 capital instruments "own funds" to have loss absorbing features allowing them to be written off or converted on the occurrence of a bail-in of the institution;

- ***Capital Buffer Requirements.*** In addition to the minimum CET1 ratio of 4.5%, credit institutions will have to hold the following CET1 capital buffers as fixed by the relevant authorities:

- A "***Capital Conservation Buffer***" of 2.5% that is applied gradually between 2016 and 2019 with an annual step up of 0.625%. In case of non-compliance the regulator will impose the constraints on dividends distribution and executive bonuses inversely proportional to the level of the actual CET1 ratio.

- A CCyB ranging between 0% and 2.5% depending on macroeconomic factors. This buffer is also applied gradually from 2016 to 2019 having a range of 0%–0.625% for 2016, 0%–1.25% for 2017, 0%–1.875% for 2018 and 0%–2.5% for 2019. Bank of Greece specified the CCyB at 0% for Greece for all quarters of 2016, 2017, 2018, 2019 and the first quarter of 2020 (the CCyB is currently set at 0% by the competent authorities of all countries in which the Group has significant exposures).

- A "***Systemic Risk Buffer***" of at least 1% made up of CET1 instruments set at the discretion of national authorities of Member States to be applied to institutions at consolidated or solo level, or even at the level of exposures in certain countries at which a banking group operates. Bank of Greece has not used this macro-prudential instrument thus far.

- A "***Systemically Important Institutions Buffer***" **("SIIs").** For globally systemically important institutions the additional buffer ranges between 1% and 3.5%, whereas for O-SIIs it could reach 2%. Bank of Greece specified a 0% capital buffer for 2016, 2017 and 2018 for all four institutions in Greece that were characterized as O-SIIs (including the Bank). However, starting from 2019, a buffer of 1% was gradually phased in during a four-year period (2019: 0.25%, 2020: 0.5%, 2021: 0.75%, 2022: 1%).

- ***Deductions from Common Equity Tier 1.*** CRD IV revised the definition of items that should be deducted from regulatory capital. In addition, most of the items that were required to be deducted from regulatory capital are now deducted in whole from the CET1 component;

- ***Central Counterparties.*** To address the systemic risk arising from the interconnectedness of credit institutions and other financial institutions through the derivatives markets, the new framework is supporting the efforts of the committee on payments and settlement systems and International Organization of Securities Commissions ("**IOSCO**") to establish strong standards for financial market infrastructures, including central counterparties ("**CCPs**"). A 2.0% risk-weight factor is introduced to certain trade exposures to qualifying CCPs (replacing the current 0% risk- weighting). The capitalisation of credit institution exposures to CCPs will be based in part on the compliance of the CCP with the IOSCO standards (since non-compliant CCPs will be treated as bilateral exposures and will not receive the preferential capital treatment referred to above);

- ***Counterparty Credit Risk.*** CRD IV is raising counterparty credit risk management standards in a number of areas, including for the treatment of so-called wrong-way risk, i.e., cases where the exposure increases when the credit quality of the counterparty deteriorates. For example, the proposal includes a capital charge for potential mark-to-market losses associated with a deterioration in the creditworthiness of a counterparty (i.e. CVA risk) and the calculation of expected positive exposure by taking into account stressed parameters;

- ***Leverage Ratio.*** CRD IV introduced an unweighted Tier I leverage ratio (the "**Leverage Ratio**") that applies for all credit institutions as part of the Pillar II framework from 1 January 2013.The ratio has migrated to a Pillar I minimum requirement now that CRR II (as defined below) has entered into force;

- ***Liquidity Requirements.*** From 1 October 2015, CRD IV progressively introduced a liquidity coverage ratio (which defines an amount of unencumbered, high quality liquid assets that must be held by a credit institution to offset estimated net cash outflows over a 30-day stress

scenario, and has been phased in gradually, starting at 60% in 2015, and set at 100% in 2018) (the "**LCR**"). CRD IV also provides for a net stable funding ratio (which defines an amount of longer-term, stable funding that must be held by a credit institution over a one-year timeframe based on liquidity risk factors assigned to assets and off balance sheet exposures) (the "**NSFR**"). On 8 March 2017, the EBA published the final guidelines on the liquidity coverage ratio disclosure. The final guidelines provide harmonised disclosure templates and tables for liquidity coverage ratio disclosure without altering the general disclosure framework provided for in the CRR. Moreover, on 17 April 2018 the EBA published its final draft of implementing technical standards amending the European Commission's Implementing Regulation (EU) No. 680/2014 on supervisory reporting. The updated implementing technical standards include changes to additional monitoring metrics for liquidity; and

- ***Maximum Distributable Amount.*** Pursuant to Article 131 of the CRD Law, the Bank may not make discretionary payments (as defined in the CRD Law), beyond the Maximum Distributable Amount.

It should be noted that Regulation (EU) 2019/876 amended Regulation (EU) No 575/2013 as regards the leverage ratio, the net stable funding ratio, requirements for own funds and eligible liabilities, counterparty credit risk, market risk, exposures to central counterparties, exposures to collective investment undertakings, large exposures, reporting and disclosure requirements, and Regulation (EU) No 648/2012. This Regulation shall apply from 28 June 2021 subject to certain exceptions.

In addition to CRD IV, the EBA produces a number of binding technical standards, guidelines and recommendations for its implementation.

Together with Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014, (see below "*Bank Recovery and Resolution Directive*") CRD IV forms the common financial regulatory framework in the EU, also known as 'the Single Rulebook'.

In addition to the substantial changes in capital and liquidity requirements introduced by Basel III and CRD IV, there are several new global initiatives, in various stages of finalisation, which represent additional regulatory pressure over the medium term and will impact the EU's future regulatory direction. These initiatives include, among others, the Markets in Financial Instruments Regulation (Regulation (EU) No 600/2014), applicable since 3 January 2018 and a revised Markets in Financial Instruments Directive (Directive 2014/65/EU) transposed into national legislation by Greek Law 4514/2018 published in Government Gazette Issue A No.14 of 30 January 2018.

In addition, on 23 November 2016, the European Commission published legislative proposals for amendments to the CRR, CRD IV Directive, the BRRD and the SRM Regulation (together, the "**EC Proposals**"), which proposals were subsequently amended during the approval process prior to formal approval of the final text by the European Council in May 2019. The final text was published in the Official Journal of the European Union on 7 June 2019 and entered into force on 27 June 2019. Among other things, these proposals aim to implement a number of new Basel standards (such as the leverage ratio, the net stable funding ratio, market risk rules and requirements for own funds and eligible liabilities) and to transpose the Financial Stability Board's Total Loss Absorbing Capacity termsheet into European law. The CRD IV Directive has subsequently been amended by the publication of Directive (EU) 2019/878 of the European Parliament and of the Council of 20 May 2019 (the "**CRD V Directive**") and the CRR has subsequently been amended by the publication of Regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019 ("**CRR II**"). The CRD V Directive and CRR II were both published in the Official Journal of the European Union on 7 June 2019. CRR II will enter into force on 28 June 2021, with some exceptional provisions, some of which have already entered into force on 27 June 2019. With regards to CRD V EU Member States shall adopt and publish, by 28 December 2020, the measures necessary to comply with it and apply these measures as of 29 December 2020 with certain exceptions. CRR II is directly

applicable to the Bank. However, the CRD V Directive will need to be transposed into Greek Law before taking effect.

Solvency II

As at 1 January 2016, Greek Law 4364/2016 came into force, replacing the previously existing Presidential Decree 400/70 and establishing in Greece the new Solvency II framework as detailed in Directive 2009/138/EC, which is a fundamental revision of the capital adequacy regime for the European insurance sector business.

Bank Recovery and Resolution Directive

On 15 May 2014, the European Parliament and the Council of the European Union adopted the BRRD, which establishes a harmonized framework for the recovery and resolution of credit institutions and investment firms incorporated under the laws and licensed by the competent authorities of any of the Member States, relying on a network of national resolution authorities and resolution funds to resolve banks. Directive (EU) 2017/2399 (Directive 2017/2399), which was transposed into Greek Law by Law 4583/2018 (published in the Government Gazette Issue A No. 212/18.12.2018), amends BRRD as regards the ranking of unsecured debt instruments in insolvency hierarchy.

By virtue of Greek Law 4335/2015 (the "**BRR Law**"), and in particular Article 2 "Recovery and resolution of credit institutions and investment firms and other provisions", the BRRD was transposed into Greek Law and the Bank of Greece has been designated as the national resolution authority (the "**National Resolution Authority**"). Greek Law 4335/2015 provides among others for the following:

(i) **Preparation and planning stage**: Preparation for adopting measures of recovery and resolution, including (a) drawing up and submitting recovery plans by credit institutions to the competent authority for evaluation, which provide the measures to be taken for restoring their financial position following a significant deterioration of their financial position and (b) drawing up of a resolution plan by the National Resolution Authority for each credit institution.

The Bank of Greece has specified the information to be included in the recovery plans. In particular, Bank of Greece Executive Committee Act No 99/18.7.2016 clarifies the information to be provided in the recovery plans and provides qualitative and quantitative recovery plan indicators and Bank of Greece Executive Committee Act No. 98/18.7.2016 specifies the range of scenarios to be used in recovery plans.

(ii) **Early Intervention stage**: When the institution breaches its licensing and operational requirements or it is likely to breach them in the near future due to rapid deterioration of its financial condition, the BRR Law:

a) requires that the board of directors of the credit institution updates the recovery plan and/or implement one or more of the measures provided in the recovery plan;

b) requires that the board of directors of the credit institution examines the situation, identifies measures to overcome any problems identified and draws up an action plan to overcome those problems, within a specific timeline;

c) requires that the board of directors of the credit institution convenes a general meeting of its shareholders or, in case the board of directors does not comply, promptly convene itself a general meeting of the shareholders of the credit institution;

d) requires that one or more members of the board of directors or senior management be removed or replaced if they are considered unsuitable to perform their duties;

e) requires that the board of directors of the credit institution draws up and submits for consultation a plan for debt restructuring with one or all of its creditors according to the recovery plan, where applicable;

f) requires the updating of the business strategy of the credit institution;

g) requires changes in the legal or business structures of the credit institutions, and

h) collects (through, *inter alia*, on-site inspections) and transmits to the National Resolution Authority all necessary information for the update of the resolution plan and the preparation of the potential resolution of the credit institution and the valuation of its assets and liabilities for the resolution purposes.

(iii) **Resolution measures**: The SRB is the resolution authority for significant banking groups whose parent entity is located in the Banking Union. Together with national resolution authorities it forms the SRM.

Where, pursuant to Regulation (EU) 806/2014, the SRB performs tasks and exercises powers which, pursuant to the BRRD, are to be performed or executed by the national resolution authority, the Board, shall, for the application of the Regulation (EU) 806/2014 and of the BRRD, be considered to be the relevant national resolution authority or, in the event cross-border group resolution, the relevant group – level resolution authority.

The SRB shall take action only if all of the following conditions are met:

(a) the institution is failing or is likely to fail,

(b) no alternative private sector measure, or supervisory action, including early intervention measures, would prevent the failure of the institution within a reasonable timeframe, and

(c) a resolution action is necessary in the public interest.

Before proceeding to resolution measures, the SRB shall ensure that a fair, prudent and realistic valuation of the assets and liabilities of the institution is carried out.

The Board of Directors must notify immediately the ECB, as Competent Authority, in cases that an institution is failing or likely to fail. EBA Guidelines on "the interpretation of the different circumstances when an institution shall be considered as failing or likely to fail" provide clarifications on the cases where an institution is assessed as "failing or likely to fail". Executive Committee Act 111/31.01.2017 of Bank of Greece took into consideration the EBA Guidelines and provided an interpretation of the different circumstances when an institution shall be considered as failing or likely to fail regarding the implementation of the obligation of the Board of Directors of the institution to notify the Bank of Greece.

The resolution measures that may be implemented either individually or in conjunction (save for the asset separation tool, which may only be applied in conjunction with another resolution tool), are the following:

- *Sale of business tool*: transfer to a purchaser who is not a bridge institution, of shares or other instruments of ownership and/or some or all of the assets of the institution under resolution, namely rights, obligations and contractual relationships, without the consent of the shareholders of the institution under resolution or of any third party other than the acquirer.

- *Bridge institution tool*: establishment of a bridge institution to which shares or other instruments of ownership and/or some or all of the assets of the institution under resolution, namely rights, obligations and contractual relationships, are transferred without the consent of the shareholders of the institution under resolution or of any third party.

- *Asset separation tool*: transfer of assets, namely rights, obligations and contractual relationships, of an institution under resolution or of a bridge institution to one or more asset management companies, without the consent of the shareholders of the institutions under resolution or of any third party other than the bridge institution. The asset management companies are legal persons owned in total or partially or controlled by one or more authorities, including the Fund or the National Resolution Authority.

- *Bail in tool* write-down or conversion of any obligations of an institution that meets the resolution conditions, except for the cases prescribed by BRRD.

Further to the above resolution tools, the SRB is entitled to decide on the exercise of the write-down or conversion powers in respect of Additional Tier 1 and Tier 2 capital instruments of the institution, either independently or in combination with the resolution tools, under the circumstances provided by the law, for example when it is established that the conditions for resolution are met or when the competent authority establishes that if the said power is not exercised, the institution will cease to be viable. If an institution meets the requirements for resolution and the SRB decides to implement a resolution tool, then the exercise of the above power is required.

Furthermore, it should be noted that the following EU Regulations have been issued:

- Commission Delegated Regulation (EU) 2016/860 specifies further the circumstances where exclusion from the application of write-down or conversion powers is necessary.

- Commission Delegated Regulation (EU) 2016/1401 established regulatory technical standards for methodologies and principles on the valuation of liabilities arising from derivatives.

- Commission Delegated Regulation (EU) 2017/867 on classes of arrangements to be protected in a partial property transfer.

- Commission Delegated Regulation (EU) 2016/1450 with regard to regulatory technical standards specifying the criteria relating to the methodology for setting the minimum requirement for own funds and eligible liabilities to be set by resolution authorities in order to determine the loss absorption amount which the institution or group should be capable of absorbing.

- Commission Delegated Regulation (EU) 2016/1075 regarding regulatory technical standards specifying the content of recovery plans, resolution plans and group resolution plans, the minimum criteria that the competent authority is to assess as regards recovery plans and group recovery plans, the conditions for group financial support, the requirements for independent valuers, the contractual recognition of write-down and conversion powers, the procedures and contents of notification requirements and of notice of suspension and the operational functioning of the resolution colleges.

- Commission Implementing Regulation (EU) 2016/911 provided implementing technical standards with regard to the form and the content of the description of group financial support agreements. In the same context Executive Committee Act 131/23.01.2018 of Bank of Greece specifies the conditions for the group financial support.

Directive (EU) 2019/879 amended Directive 2014/59/EU (BRRD) as regards the loss-absorbing and recapitalisation capacity of credit institutions and investment firms. Member States shall bring into force the laws, regulations and administrative provisions necessary to comply with this Directive by 28 December 2020. Directive (EU) 2019/879 will need to be transposed into Greek Law before taking effect.

Use of public funds in the context of the resolution framework

In cases of an exceptional systemic crisis, extraordinary public financial support may be provided with respect to institutions meeting the conditions for resolution. Extraordinary public financial support is provided under strict conditions by virtue of a decision of the Greek Minister of Finance, following a recommendation of the Systemic Stability Board of the Greek Ministry of Finance constituted by Greek Law 3867/2010 and a consultation with the resolution authority, through public financial stabilization tools as a last resort and only after having assessed and utilised, to the maximum extent, the other resolution tools, in order to avoid, through the direct intervention, the winding-up of the said institutions and in order for the resolution purposes to be accomplished. The public financial stabilization tools are:

a) public capital support provided by the Greek Ministry of Finance or by the HFSF following a decision by the Greek Minister of Finance; and

b) temporary public ownership of the institution, i.e. the transfer of the shares of an institution to a transferee of the Hellenic Republic or a company which is fully owned and controlled by the Hellenic Republic.

The following conditions must be cumulatively met in order for the public financial stabilisation tools to be implemented:

a) the institution meets the conditions for resolution;

b) the shareholders, owners of other instruments of ownership, holders of relevant capital instruments and the holders of eligible liabilities have contributed, through conversion, write-down or by any other means, to the absorption of losses and the recapitalization by an amount equal to at least 8% of the total liabilities, including own funds of the institution under resolution, calculated at the time of the resolution action in accordance with the valuation conducted; and

c) prior and final approval by the European Commission regarding the EU State aid framework for the use of the chosen tool has been granted.

In addition to the above, for the provision of public financial support, one of the following conditions must be met:

a) the application of the resolution tools would not suffice to avoid a significant adverse effect on the financial stability;

b) the application of the resolution tools would not suffice to protect the public interest, where extraordinary liquidity assistance from the central bank has previously been given to the institution; and

c) in respect of the temporary public ownership tool, the application of the resolution tools would not suffice to protect the public interest, where public equity support through the equity support tool has previously been given to the institution.

Use of public funds outside the resolution framework

By way of exception, extraordinary public financial support may be granted to a credit institution in the form of an injection of own funds or purchase of capital instruments without the involvement of resolution measures, under the following cumulative conditions:

- in order to remedy a serious disturbance in the economy of a Member State and preserve financial stability;
- to a solvent credit institution in order to address a capital shortfall identified in a stress test, assets quality reviews or equivalent exercises;
- at prices and on terms that do not confer an advantage upon the institution;
- on a precautionary and temporary basis;
- subject to final approval of the European Commission;
- not to be used to offset losses that the institution has incurred or is likely to incur in the near future;
- the credit institution has not infringed and there are no objective elements to support that the credit institution will, in the near future, infringe its authorization requirements in a way that would justify the withdrawal of its authorization;
- the assets of the credit institution are not and there are no objective elements to support that the assets of the credit institution will, in the near future, be less than its liabilities;
- the credit institution is not and there are no objective elements to support that the credit institution will be unable to pay its debts or other liabilities when they fall due; and
- the circumstances for the exercise of the write-down or conversion powers in respect of Additional Tier 1 and Tier 2 capital instruments of the institution do not apply.

MiFID II

MiFID II was transposed into Greek Law by Law 4514/2018.

MiFID II together with Regulation (EU) 600/2014 on markets in financial instruments ("**MiFIR**") introduced the new framework on financial markets. Both documents aim to have more efficient, resilient and transparent markets.

In particular, MiFID II introduced rules, *inter alia*, on high frequency trading, improves the transparency and oversight of financial markets, including derivatives markets, and addresses the issue of excessive price volatility in commodity derivatives markets. Furthermore, it expands supervision to all financial instruments admitted to trading, over-the-counter transactions and trading venues.

MiFID II also enhanced investor protection by introducing new product governance requirements and more stringent organisational and business conduct requirements.

MiFID II empowered the European Commission to adopt delegated and implementing acts to specify how competent authorities and market participants shall comply with the obligations laid down in the directive.

The Greek Regulatory Framework

The CRD IV framework, comprising CRD IV Directive (as transposed into Greek Law by way of the CRD Law on access to the activity of credit institutions) and the CRR on the prudential supervision of credit institutions and investment firms establishes the regulatory framework which governs the operation and supervision of credit institutions in the European Union. The CRD IV Directive has subsequently been amended by the publication of Directive (EU) 2019/878 of the European Parliament and of the Council of 20 May 2019 (the "**CRD V Directive**") and the CRR has subsequently been amended by the publication of Regulation (EU) 2019/876 ("**CRR II**"). The CRD V Directive and CRR II were both published in the Official Journal of the European Union on 7 June 2019. CRR II will enter into force on 28 June 2021, with some exceptional provisions, some of which have already entered into force on 27 June 2019. With regards to CRD V, Member States shall adopt and publish, by 28 December 2020, the measures necessary to comply with it and apply these measures as of 29 December 2020 with certain exceptions. CRR II is directly applicable to the Bank. However, the CRD V Directive will need to be transposed into Greek Law before taking effect.

The CRD Law replaced Greek Law 3601/2007. According to article 166 of Greek Law 4261/2014, regulatory decisions issued by ministers or competent authorities by virtue of Greek Law 3601/2007 remain in force as long as they are not contrary to the provisions of the CRD Law or Regulation No. 575/2013/EC and until replaced by new regulatory acts under Greek Law 4261/2014.

Under the current regulatory framework, credit institutions operating in Greece are, among others, required to:

- Observe the liquidity ratios prescribed by Regulation No. 575/2013/EC and relevant Acts of the Governor of the Bank of Greece, to the extent that (according to article 166 of Greek Law 4261/2014) such acts are not contrary to the provisions of the CRD Law or the CRR and until replaced by new regulatory acts issued under Greek Law 4261/2014;

- Observe the own funds requirements and calculation rules provided for by Regulation No. 575/2013/EC and Decision no 114/1/4.8.2014 of the Credit and Insurance Committee Decisions as in force;

- Maintain efficient and independent internal audit, compliance and risk management systems and procedures (Bank of Greece Governor Act No. 2577/2006, as supplemented and amended by subsequent decisions of the Governor of the Bank of Greece and of the Banking and Credit Committee of the Bank of Greece). The Monitoring Trustee mandate and the Amended Relationship Framework Agreement also include provisions regarding the maintenance of such systems and procedures;

- Submit to the Bank of Greece periodic reports and statements required under Bank of Greece Governor Act No. 2651/2012, as amended and currently applicable, and other relevant Acts of the Governor of the Bank of Greece;

- Disclose data regarding the credit institution's financial position and the risk management policy;

- Provide the Bank of Greece any other information requested;

- In connection with certain operations or activities, notify or request the prior approval of the Bank of Greece/SSM, in each case in accordance with the applicable laws of Greece

and the relevant acts, decisions and circulars of the Bank of Greece and the European regulatory framework; and

- Permit the Bank of Greece to conduct audits and inspect books and records of the credit institution, in accordance with Greek Law (including Greek Law 4261/2014) and certain Bank of Greece Governor's Acts;

If a credit institution breaches any law or a regulation falling within the scope of the supervisory power attributed to the Bank of Greece, the Bank of Greece is empowered, among others, to:

- Require the relevant bank to take appropriate measures to remedy the breach;

- Impose fines (article 55A of the Articles of Association of the Bank of Greece, as ratified by Law 2832/2000 and as amended by Bank of Greece Governor Act No. 2602/2008), and provisions of Greek Law 4261/2014;

- Revoke, in cooperation with the ECB according to Regulation 1024/2013, the license of the bank.

In the context of the SSM, the ECB and the NCAs (the Bank of Greece in Greece), Regulation 1024/2013 stipulates the supervisory tasks conferred upon the SSM and Regulation 468/2014 determines the framework of cooperation within the SSM.

The regulatory framework applicable to the Bank has been also affected by the establishment of the HFSF and the recapitalization framework. Moreover, Regulation (EU) 2016/445 specifies certain of the options and discretions conferred on competent authorities under Union law concerning prudential requirements for credit institutions that the ECB is exercising.

The Hellenic Financial Stability Fund—The Greek Recapitalisation Framework

Formation of the Hellenic Financial Stability Fund

The HFSF was established by Greek Law 3864/2010 (the "**HFSF Law**"), as a private law entity with capital funded by the Greek government out of the resources made available by the EU and the IMF to ensure adequate capitalization of the Greek banking system. Additionally, Greek Law 4389/2016 (article 188) prescribes HFSF as a subsidiary of Hellenic Corporation of Assets and Participations. It should be noted that Hellenic Corporation of Assets and Participations does not belong to the Greek public sector.

The purpose of the HFSF, according to the HFSF Law, is to maintain the stability of the Greek banking system for protection of the public interest. The duration of the HFSF has been set until and including 31 December 2022 and it may be extended upon decision of the Greek Minister of Finance, provided that such extension is necessary for the fulfillment of its purposes.

Amended Relationship Framework Agreement

Following the participation of the HFSF in the Bank's share capital in 2013, the Bank and the HFSF entered into the Relationship Framework Agreement. In connection with its receipt of State Aid as part of its recapitalization in December 2015, the Bank entered into an Amended Relationship Framework Agreement ("**Amended Relationship Framework Agreement**") with the HFSF on 3 December 2015. This Amended Relationship Framework Agreement replaced the earlier Relationship Framework Agreement entered into by the Bank in 2013.

According to the Amended Relationship Framework Agreement, the HFSF should, among others (i) monitor and assess how the Bank complies with the applicable restructuring plan, (ii) exercise its

shareholding rights in compliance with the rules of prudent management of its assets and in compliance with State Aid and competition rules of the European Union, (iii) ensure that the Bank operates on market terms, and (iv) that in due time the Bank returns to private ownership in an open and transparent manner. The Amended Relationship Framework Agreement determines the relationship between the Bank and HFSF certain matters relating to, amongst others: (a) the corporate governance of the Bank, (b) the Revised Restructuring Plan and its monitoring, (c) the monitoring of the implementation of the Bank's NPL management framework and of the Bank's performance on NPL resolution. In addition, the Amended Relationship Framework Agreement deals with, (d) the obligations that are defined as material for the purposes of the Amended Relationship Framework Agreement, including for the switch to full voting rights, (e) the monitoring of Bank's actual risk profile against the approved risk and capital strategy (f) the HFSF's consent for matters that are defined as material for the purposes of the Amended Relationship Framework Agreement and, in particular, for the HFSF's consent request, (g) litigation and other proceedings that are defined as material for the purposes of the Amended Relationship Framework Agreement and concern the Group, and (h) the duties, rights and obligations of HFSF's representative on the Board. Moreover, the Amended Relationship Framework Agreement states that, subject to its provisions, the applicable law, and the charter documents, the Bank's decision making bodies will continue to determine independently, amongst others, the Bank's commercial strategy and policy in compliance with the currently applicable restructuring plan and the decisions on the day-to-day operation of the Bank will continue to rest with the Bank's competent bodies and officers, as the case may be, in accordance with their statutory, legal and fiduciary responsibilities.

The Amended Relationship Framework Agreement prescribes the appointment of the HFSF representative to the Board of Directors and the appointment of an observer (without voting rights) also participating at the Board of Directors. Additionally, as prescribed by the Amended Relationship Framework Agreement, both the representative and the observer participate in the Board Committees.

According to the provisions of the applicable framework as outlined previously, the HFSF representative's rights as prescribed within the Amended Relationship Framework Agreement include the following:

i. To request the Board to convoke the General Assembly of Shareholders or to include items on the agenda to be discussed at a General Assembly to be convoked by the Board. The request regarding the convocation of the General Assembly shall be addressed to the Chairman of the Board in writing and shall include the proposed items on the agenda. The Board shall have the obligation to convoke the General Assembly upon respective request of the HFSF representative. Furthermore, the Board shall have the obligation to include the proposed items in the respective invitation for the convocation of the General Assembly.

ii. To request that the Board is convened within the next seven (7) calendar days from the HFSF's representative written request to the Chairman of the Board. The relevant request shall be addressed to the Chairman of the Board in writing and include the proposed items on the agenda. If the Chairman of the Board does not proceed to the convocation of the Board within the above deadline or does not include all the proposed items in the invitation, then the HFSF representative shall be entitled to convoke the Board within five (5) days as of the expiry of the above seven (7) days period.

iii. To include items in the agenda of a scheduled Board meeting, including any item which may be related to any entity of the Group. For this purpose, the HFSF representative will submit in writing to the Chairman of the Board the desired additional items on the agenda at least two (2) business days prior to the date of the Board meeting. The Chairman of the Board must include these items in the agenda of the scheduled Board meeting.

iv. To request an adjournment of any meeting of the Board or the discussion of any item up to three (3) business days, if it finds that the material, data or information and the supporting documents submitted to the HFSF pursuant to the items of the agenda of the forthcoming Board meeting are not sufficient.

Additionally, as per the Amended Relationship Framework Agreement, the HFSF representative has the following rights in Board Committees:

i. to include items on the agenda of a committee meeting scheduled. For this purpose, the HFSF representative will submit in writing to the Chairman of the Committee the proposed additional items of the agenda at least one (1) day prior to the date of the Committee meeting;

ii. to request that the committee is convened within the next seven (7) days from the HFSF representatives' written request to the Chairman of the committee. The relevant request shall include the proposed items of the agenda. If the Chairman of the committee does not proceed to the convocation of the committee within the above deadline or does not include all the proposed items in the invitation, then the HFSF representative shall be entitled to convoke the committee within five (5) days as of the expiry of the above seven (7) days period.

Further, the Amended Relationship Framework Agreement prescribes in detail requirements for the Bank to inform the HFSF representative and the HFSF Observer, including on the activities and decisions of Board committees in which they participate.

Under the Amended Relationship Framework Agreement, the Bank has the obligation to obtain the prior written consent of the HFSF for all material matters set forth within the agreement, including, among others, the Revised Restructuring Plan, including any amendment, extension or revision of the Plan, the Group policy governing relations with connected borrowers and any amendment, extension, revision or deviation thereof, the Group Risk and Capital strategy document(s) especially the risk appetite statements and risk governance and any amendment, extension, revision or deviation thereof, the Group Investment/Divestment Policy regarding participations, real estate and loan portfolios and any amendment, extension, revision or deviation thereof, and other matters particularly prescribed within the Amended Relationship Framework Agreement as material materials requiring prior-written consent and according to the exceptions the Amended Relationship Framework Agreement prescribes.

If the Bank breaches or defaults in performing or complying with or fails to perform or comply with any of its material obligations, the HFSF shall give to the Bank a default notice specifying such breach, default or failure and, in the case of a breach, default or failure capable of remedy, stipulating a period during which such breach, default or failure shall be remedied. Provided that such period is accepted by the HFSF, and if such event is still outstanding after a remedy period has been provided by the HFSF, whenever such period is applicable, and without prejudice to any other rights of the HFSF under the HFSF Law and the Amended Relationship Framework Agreement, restrictions of the HFSF's voting rights concerning the portion of shares to which these apply, shall be lifted and the HFSF shall have full voting rights with respect to the particular shares now subject to restrictions in accordance with article 7A of the HFSF Law, upon notification to the Bank of the respective decision of the General Council of the HFSF.

The Amended Relationship Framework Agreement requires that:

- The Bank shall at each time adopt and apply a corporate governance structure that ensures the implementation of the Amended Relationship Framework Agreement, compliant at any time with the requirements of the HFSF Law, the contractual obligations and the Revised Restructuring Plan.

- The Bank shall provide to the HFSF the documents, as required, in order to ensure the effective monitoring of the implementation of the Revised Restructuring Plan and NPL management framework, to effectively allow the HFSF to perform its statutory role. In December 2016 the Board Risk Committee Charter was revised, such that the Committee has a dual role, having specific competence over NPLs/NPEs and operating as the Bank's special Committee that deals with NPLs in accordance with article 10 paragraph 8 of the HFSF Law.

- If the Bank has engaged, prior to the signing of the Amended Relationship Framework Agreement, an external audit firm for more than five years, the Bank should replace the audit firm. The new engagement contracts should not exceed five years.The Bank's initial five-year period expired following the 2016 financial year. In this context, the Board of Directors approved at the meeting held on 18 January 2017 PwC as the most appropriate audit firm for the audit of the Group for the year ending 31 December 2017, following the recommendation of the Audit Committee. The selection was based on the results of the tender process run by the Bank. The appointment of PwC was approved by the 2017 Annual General Meeting of the Bank's shareholders. The 2018 Annual General Meeting of the Bank's shareholders appointed PwC to undertake the audit of the Group for the year ending 31 December 2018, following relevant proposal of the Audit Committee. The 2019 Annual General Meeting of the Bank's shareholders appointed PwC to undertake the audit of the Group for the year ending 31 December 2019, following relevant proposal of the Audit Committee.

- In case of any actual or reasonably foreseeable adverse deviations in the Bank's or the Group's performance and risk profile, relative to the base scenario of the Revised Restructuring Plan, or relative to the budget, or with respect to the Risk and Capital Strategy if adverse deviations have already been approved by the HFSF through the approval of the budget, the Board should promptly submit its recommended corrective strategic actions to the HFSF for its review and consent.

- Performance against the Revised Restructuring Plan as well as progress on key initiatives undertaken by the Bank (e.g. Divestments, Integrations, etc.) will be monitored as follows:

    i. Regular meetings between the Bank's management and the HFSF.

    ii. A formal monitoring review of performance against the Revised Restructuring Plan or relative to the budget, if adverse deviations have already been approved by the HFSF through the approval of the budget (see above), will be conducted on a quarterly basis, in line with the Bank's results reporting cycle. For the purpose of the monitoring reviews, the Bank will provide the HFSF with a report on its financial and business performance against the Revised Restructuring Plan or relative to the budget, if adverse deviations have already been approved by the HFSF through the approval of the budget (see above) quarterly targets, clearly highlighting performance to date against the currently applicable restructuring plan targets as well as against budget, key initiatives and expected impact for the next four quarters rolling and identifying any adverse deviations from the targets and associated corrective measures /initiatives, which must be approved by the HFSF.

- The HFSF will monitor and evaluate the performance of the Bank's Board of Directors and its Committees.

- The Bank will inform in writing the HFSF as soon as it executes a non-binding agreement /memorandum of understanding for the sale of (or receives any proposal from third parties for the acquisition of) a subsidiary of the Bank, or part of its business.

- The Board should conduct a self-assessment exercise on an annual basis not only as a whole, as per current legislation but also for each of its Committees. The results of this evaluation should be disclosed in the Annual Report on Corporate Governance.

- The Board should approve the following policies and amendments thereof: the Bank's Group Strategy, Policy and Governance regarding the management of its Arrears and Non-Performing Loans, Conflict of Interest policy, Related Party Transactions policy, Provisioning & Write-off policy, Sponsorship/Donation policy, Outsourcing policy, Board /Committees self-assessment policy.

The Amended Relationship Framework Agreement shall remain in force for as long the HFSF holds shares issued by the Bank, irrespective of its participation percentage. However, if its participation percentage falls below 15% of the Bank's share capital, only certain clauses of the Amended Relationship Framework Agreement shall remain in force, as particularly prescribed within the Amended Relationship Framework Agreement.

The Amended Relationship Framework Agreement is available at HFSF's website www.hfsf.gr/en/agreements_2015.htm (section: *agreements*). The information on this website is not incorporated by reference in this Base Prospectus.

Disposal of Shares

The HFSF will decide on the way and procedure for disposing its shares at a time it deems appropriate, whether in a single transaction or a series of transactions, and in any case within five years from entry into force of Greek Law 4340/2015 and in compliance with the EU state aid rules. The disposal of shares within the time limits stipulated above may not be made to any entity belonging directly or indirectly to the Hellenic Republic, in accordance with Greek Law. The Greek Minister of Finance, following a proposal by the HFSF, can extend the above-mentioned periods.

Specific Information on the Warrants issued by the HFSF

According to article 7 paragraph 4 of the HFSF Law, as in force, and of Cabinet Act 38/2012, as amended, issued on 26 June 2013, 245,779,626 warrants were granted to private investors participating in the capital increase of the Bank in 2013 according to the HFSF Law and Cabinet Act 38/2012. Trading of the warrants on the Athens Exchange began on 27 June 2013.

Warrants were transferable securities with no restrictions concerning their transfer. Each warrant incorporated the right of its holder to purchase HFSF shares, the corresponding number of which is determined based on the provisions of Cabinet Act 38/2012, as amended and in force. The warrants did not provide voting rights to holders or owners thereof.

The warrants could be exercised every six months, with the first exercise date being six months following their issuance and the last exercise date being fifty-four (54) months following their issuance. The ninth and final exercise date (27 December 2017) was the date of expiry of the warrants.

After the end of the ninth and final exercise process (27 December 2017), and following the settlement of participation orders including the fractional shares, 2,538 warrants in total on shares issued by the Bank and owned by the HFSF were exercised. The exercised warrants corresponded to 1,391 common shares , i.e. to 0.00002% of the total share capital, increasing commensurately the Bank's free float. The total consideration paid by the warrant holders to the HFSF amounted to EUR 112,803.57.

In accordance with the provisions of the HFSF Law and Cabinet Act 43/2015, which amended Cabinet Act 38/2012, the warrants which were not exercised until that date automatically expired and were cancelled by the HFSF after the settlement date of the exercise orders on 29 December 2017.

Monitoring Trustee

Information in respect of the Monitoring Trustee is included in "*Management and Employees – Monitoring Trustee*" above.

Capital Controls

As of 1 September 2019, the restrictions on cash withdrawals and capital transfers have been repealed by virtue of article 86 of Law 4624/2019. All relevant Ministerial Decisions and Decisions of the Committee for the approval of banking transactions that were adopted during the period that the restrictions on cash withdrawals and capital transfers were in force have been repealed by the abovementioned article of Law 4624/2019 as well.

Settlement of business and corporate debts

Greek Law 3816/2010, passed in January 2010, allowed borrowers who are physical or legal persons to apply for the settlement of professional and corporate debts, whether or not due (from 1 January 2005 onwards) to lending banks. To take advantage of the relevant provisions, an application must have been submitted by the debtor to the relevant bank by 15 April 2010.

Settlement of Amounts Due by Indebted Individuals

On 3 August 2010, Greek Law 3869/2010 (see also "*Restrictions on Enforcement of Granted Collateral*" below) was put in force with respect to the "settlement of amounts due by indebted individuals" and amended thereafter by various laws. The Greek Law 3869/2010 allows the settlement of amounts due by individuals evidencing permanent and general inability to repay their debts by submitting an application for a three-year settlement of their debts and writing off the remainder of their debts in accordance with the terms of the settlement agreed. All individuals, consumers and professionals are subject to the provisions of Greek Law 3869/2010, with the exception of individuals already subject to mercantile law.

All the debts of the abovementioned to private individuals fall within the law, including all debts to banks (consumer, mortgage, business loans), except for debts due to an offense committed by the borrower with intention or gross negligence, administrative fines, monetary sanctions and debts related to the obligation for child or spousal support. By virtue of Greek Law 4336/2015, Greek Law 3869/2010 was amended and its scope was also expanded to the settlement of debts owed to the Hellenic Republic, tax authorities, local authorities of grade A' and B' and to social security funds. In addition, the debtor may opt to include debts which at the date of filing of the petition are subject to an administrative, judicial or legal suspension or have been included in a restructuring or facilitation of partial payment which is still valid at the time of filing of the petition. Debts must have been contracted more than one year before the application date and relief may be used only once.

The amendments effected by Greek Law 4346/2015, among others, lay out the conditions for: (a) the protection of the primary residence of a debtor from forced sale, and (b) the partial funding by the Hellenic Republic of the amount of monthly payments set by court decision. In addition, it is provided that the debtor's obligation to act as a cooperating borrower also applies throughout the settlement plan period. These amendments became effective as from 1 January 2016.

Greek Law 3869/2010 was also amended by Greek Law 4549/2018, which introduced some changes that provide, among others, (a) that the acceptance of the inherited indebted property does not constitute, without the existence of other factors, ground for the rejection of the application, (b) a

waiver of the banking secrecy against the debtor has to be given by the latter, (c) a recourse right for co-borrowers and guarantors.

Before the submission of the application, the parties may have recourse to the preliminary settlement procedure. After the submission of the application, the hearing date of the application (compulsory within six-months from the completion of submission of the application) and the day of validation (within two months from the completion of the submission of the application) are set. On the day of validation, the court either validates any preliminary settlement or issues a preliminary injunction by virtue of which the court may order, *inter alia*, the suspension of prosecuting measures against the borrower and determines the amount of the monthly installments which the borrower has to pay to its creditors until the issuance of the decision. Following the day of validation and until the hearing date of the application, the parties may reach to a settlement at any stage of the procedure.

During the hearing date of the application, if the creditors do not accept the debtors' settlement plan, or if objections are submitted by some creditors and not substituted according to the above, the court confirms the existence of the disputed claims, the fulfillment of the conditions for settlement of debts and the borrower's relief. If the borrower's real estate property is not sufficient, after deducting the required amount for the coverage of the reasonable living expenses of the borrower and the members protected by the latter, including social security expenses borne by the borrower, the court orders the monthly payment of the remaining amount for the satisfaction of creditors' claims, pro rata distributed and for a period of three (3) years, pursuant to the borrowers' income and its real estate property.

Greek Law 4336/2015 introduced an accelerated settlement process regarding minor debts of particular indebted individuals. Indebted individuals, if certain conditions apply, are given a temporary relief for their debts and an eighteen-month period of supervision is granted, after the expiration of which, and only if the real estate property or income situation of the borrower remain unchanged, the borrower is discharged from the remainder of its debts.

If there are assets that can be liquidated and their liquidation is deemed necessary, a liquidator is appointed by the court. Special provisions were set for the protection of the main residence of the debtor, for applications submitted until 31 December 2018. The Act of Legislative Content dated 31 December 2018 extended to 28 February 2019 the protection of primary residence from being auctioned off.

Due performance by the debtor of the obligations under the settlement plan releases the debtor from any remaining unpaid balance of the claims, including claims of creditors who had not announced their claims. In case of delayed repayment of the aggregate amount equal to three monthly installments (consecutive or not) set out by the temporary order of the competent court or a debt settlement, debtor’s protection is rejected following a creditor’s out-of-court notice to the obligor and the other creditors, and the relevant information of the competent court.

The rights of creditors against co-borrowers or guarantors are not affected, unless such co-borrowers or guarantors are also subject to the same insolvency proceedings. Co-borrowers and guarantors have rights of recourse against the debtor for any amount paid by them. The rights of secured creditors are not affected.

As of 1 March 2019, the right of a borrower to request the exemption of their primary residence in the context of Law 3869/2010 has ceased to apply. Greek Law 4605/2019, which passed on 1 March 2019 and entered into force on 30 April 2019, provided for an amended framework for the settlement of amounts due by individuals for the purpose of protecting their main residence against liquidation proceedings.

Pursuant to the new legal framework, as amended and in force, over-indebted debtors who meet the below criteria may apply through electronic means until 30 April 2020 for the settlement of their debts by arranging a partial repayment of their due debts as prescribed by Greek Law 4605/2019, as

amended by Greek Law 4647/2019. Both consumers and professionals will be subject to the new provisions regardless of whether they have the capacity to be declared bankrupt under Greek Law 3588/2007 (the "**Greek Bankruptcy Code**").

Settlement is possible only for amounts owed to credit institutions and, in the case of a house loan, to the Hellenic Consignment Deposit and Loans Fund and credit companies and for which a mortgage or a mortgage pre-notation has been registered in favour of the aforementioned entities over the debtor's main residence and provided that the amounts owed are claims outstanding for at least 90 days as at 31 December 2018. The application can be filed by a person temporarily staying for professional reasons at a leased property or at a property the use of which has been granted to that person free of charge and which is located outside the prefecture where his/her main residence is located. The application can, also, be filed by any third-party individual that is the owner of the encumbered property. Ownership of the main residence does not have to be exclusive and complete in order to be protected. However, debts of natural persons cannot be settled if there is a guarantee by the Greek State for them.

The following criteria must also cumulatively be met:

(a) the main residence (which is the last residence declared to the Greek tax authorities) for which protection is requested is located in Greece and its objective value may not exceed €175,000 in case the debts include corporate loans and €250,000 for any other type of loan; (b) the total amount owed at the date of submitting the application does not exceed €130,000 (except for corporate loans in which case the total amount owed should not exceed €100,000); (c) no final court decision has been issued under the previous regime of Law 3869/2010, either accepting or rejecting the debtor's application. If such decision has been issued, the debtor may submit an application pursuant to Greek Law 4605/2019 provided that before the submission of the application the decision issued under the previous regime of Law 3869/2010 has been annulled by the court following an admission of an appeal or other remedy; (d) the available family income of the debtor does not exceed €12,500 the year preceding the application filing, increased by €8,500 for a married debtor or debtor which has entered into a cohabitation agreement, and by €5,000 for each "dependent member" (e.g. child) and for up to three (3) such dependent members; (e) deposits and other financial products or precious metals of the applicant, their wife or husband, including the persons with which the applicant has entered into a cohabitation agreement and of their "dependent member(s)" do not exceed €15,000 at the date of the submission of the application; and (f) if the total amounts owed exceed €20,000, the value of the real estate assets as well as the value of the vehicle(s) of the applicant, their wife or husband and "dependent member" do not exceed €80,000 the year of the application submission.

Moreover, for the protection of their main residence, the debtor should pay in equal monthly instalments and within 25 years, 120% of the value of its main residence plus interest 3-month EURIBOR + 2%. In case the aforementioned interest rate is negative, it will be deemed zero for the purposes of calculating the value of the main residence. In case 120% of the value of its main residence exceeds the total amounts owed (for which the request for settlement was submitted), the total amounts owed are paid respectively in equal monthly instalments. The Greek State also contributes to the payment of these monthly instalments under certain conditions.

It is also explicitly provided in the new law that (a) a single application per debtor may be filed for the settlement of amounts owed; (b) from the notification of the application to the creditor(s) until the lapse of the deadline provided by law for the debtor to request the judicial settlement, in case a consensus arrangement is not reached, auction proceedings against the debtor's main residence are suspended; (c) a settlement proposal accepted by both the creditor and the debtor constitutes an enforceable title by virtue of which enforcement proceedings may be either initiated in relation to the remaining debtor's assets (except for their main residence) or initiated also for their main residence in case the debtor fails to meet the payment settlement conditions (i.e. if the debtor owes in total more than three (3) monthly instalments); and (d) transfer of claims of credit institutions, the assignment of the debtor's claims to entities of Greek Law 4354/2015 or their securitisation according to the

provisions of Greek Law 3156/2003 (the "**Greek Securitisation Law**") or the replacement of the guarantor or co-debtor do not prevent the settlement of amounts owed by the over-indebted individuals.

In case a consensus arrangement is not reached between the parties (i.e. the credit institution or the Hellenic Consignment Deposit and Loans Fund and the debtor), the latter may request the protection of the main residence by the competent court, on the terms mentioned herein above.

If the borrower successfully completes the settlement plan and fully complies with it, then the remaining portion of the loan exceeding 120% of the value of the applicant's main residence plus interest 3-month EURIBOR + 2% will be written off. In addition, any mortgage or mortgage pre-notation that has been registered over the main residence securing a claim under the settlement plan, is lifted. Finally, if the debtor fails to meet the payment settlement conditions (i.e. if the debtor owes in total more than three (3) monthly instalments), enforcement proceedings may be initiated against the debtor.

Non-performing loans and loans in arrears

Pursuant to article 72 of Greek Law 4389/2016 a governmental council for private debt management (the "**Council**") has been created, whose objective is, among others:

(a) to form and disclose the strategy and policies for the organization of an integrated mechanism for the effective administration of private debt, as well as to form and review an action plan with binding timetables for the implementation of the abovementioned strategy;

(b) to identify weaknesses and propose amendments to the existing legal framework, both in terms of substance and procedure to enhance the effectiveness of private debt resolution issues, including the acceleration of the procedures relating to delayed loan repayment and the improvement of the legal framework governing the real estate market;

(c) to define actions of public awareness for the purpose of directly and efficiently informing and supporting citizens and other interested parties with respect to taking decisions on the above matters;

(d) to create a network for the provision of free consultancy services to individuals and legal entities on debt management and for planning of financial management awareness for households and SMEs;

(e) to set any timetables required for the implementation of a strategic plan for the efficient management of private debt and monitor whether such timetables are respected.

The Council provided a definition of "cooperating borrower" specifying when a borrower is classified as cooperating towards his/her lenders and assessed a methodology for determining "reasonable living expenses".

Moreover, Greek Law 4389/2016 (article 78) provides for a specialised secretariat for private debt management responsible for a) supporting the governmental council's for private debt management work, b) organizing and forming the policy for the provision of information and support to citizens interested in taking loans and to borrowers, as well as the financial education of households and small-medium enterprises, and c) business coordinating of the Steering Committee. Furthermore, the Greek Law 4389/2016 (article 81 as in force), also provides for 30 Borrowers' Service Centers, as regional offices of the specialised secretariat for private debt management, responsible for informing and supporting natural and legal persons (households and small-medium enterprises) and providing financial, legal and consulting services regarding taking up loans, management of debts and in general financial management issues.

Additionally, Greek Law 4224/2013, as in force, provides for the establishment, by virtue of a decision of the Bank of Greece, of a Code of Conduct for NPLs.

Greek Law 4224/2013, as in force, in conjunction with ministerial decision No.5921/2015, provides that the Consumer Ombudsman will act extra judicially as mediator solely for the amicable settlement of the dispute between lenders and borrowers for the purpose of settling non-accruing loans within the framework of the Code of Conduct for the management of non-accruing loans.

In the implementation of the above the Bank of Greece has published regulatory framework concerning the management of loans in arrears and nonaccruing loans and specifically:

- Executive Committee Act No. 42/30.5.2014 "Supervisory framework for the management of loans in arrears and non-accruing loans" as amended and in force.
- Credit and Insurance Committee Decision 116/1/25.8.2014 of Bank of Greece "Introduction of a Code of Conduct under Greek Law 4224/2013", further amended by Credit and Insurance Committee Decision No. 148/1/05.10.2015 and as revised by Credit and Insurance Committee Decision No. 195/1/29.7.2016, as in force, regarding the Revision of the Code of Conduct under Greek Law 4224/2013.

Executive Committee Act No. 42/30.5.2014, as in force, lays down a special framework of requirements for credit institutions' management of past due and non-accruing loans, in the framework of the provisions of Law 4261/2014, the Capital Requirements Regulation and the relevant Bank of Greece decisions. This framework imposes, among others, the following obligations on credit institutions:

a) to establish an independent arrears and NPLs management ("**ANPLM**") function;

b) to develop a separate, documented ANPLM strategy, the implementation of which will be supported by appropriate Management Information Systems ("**MIS**") and procedures; and

c) to establish regular reporting to the management of the credit institution and the Bank of Greece.

The provisions of this Act apply to:

a) all credit institutions authorised by the Bank of Greece, on a solo and a consolidated basis; and

b) branches in Greece of credit institutions based in third countries, as defined in the CRD Law which fulfill certain criteria.

In order to ensure an objective and impartial approach to ANPLM and the application of modifications to distressed debtors, credit institutions shall ensure that the ANPLM function enjoys an appropriate degree of independence from other functions, in particular the lending and management of performing loans functions. This function shall be clearly defined, separate and subject to control and monitoring by the internal audit function of the credit institution.

The Code of Conduct under Greek Law 4224/2013, as revised by virtue of decision No. 195/1/29.7.2016 of the Credit and Insurance Committee of the Bank of Greece, lays down general principles of conduct and introduces provisions in relation to the procedures for risk assessment, valuation of the repayment ability, binding rules of conduct for the institutions with precise timelines, including the establishment of detailed and documented arrears resolution procedure and appeals review procedure, and terms of communication between institutions and borrowers. Furthermore, it introduces best practices, aimed to strengthen the climate of confidence, ensure engagement and

information exchange between borrowers and lending institutions, so that each party can weigh the benefits or consequences of alternative forbearance or resolution and closure solutions for loans in arrears for which the loan agreement has not been terminated, with the ultimate goal of working out the most appropriate solution for the case in question.

The Code of Conduct requires, *inter alia*, detailed written policies and procedures for loans in arrears, a detailed record with categorisation of loans and borrowers, standardization of the content of communications, compliance with the guidelines of the Code of Conduct as to the manner, timing and confidentiality of communications and specific requirements as to the procedures for loans in arrears, the procedures for the assessment of objections and the handling of "non-cooperating" borrowers. Each institution bound by the Code of Conduct must be in a position to evidence to the Bank of Greece its compliance with the requirements of the Code of Conduct.

The provisions of this Code of Conduct shall apply to all supervised institutions that extend credit in Greece, including branches of foreign credit institutions and the financial institutions.

In dealing with cases of borrowers in arrears or pre-arrears, every institution shall apply an Arrears Resolution Procedure (the "**ARP**") involving the following steps:

- Step 1: Communication with the borrower
- Step 2: Collection of financial and other information
- Step 3: Assessment of financial data
- Step 4: Proposal of appropriate solutions to the borrower
- Step 5: Appeals review procedure

The Bank of Greece will not deal with individual cases of disputes between creditors and borrowers that may arise from the implementation of the Code of Conduct.

Article 65 of Greek Law 4472/2017 provides the legal framework relating to the liability of the representatives of the Greek State and credit institutions deriving from loan or other debt restructuring actions. On the revision of the Greek Penal Code under Greek Law 4637/2019, it was provided that the criminal breach of trust in cases that the breach of trust is against credit or financial institutions is prosecuted only if a relevant report is filed.

Capital requirements for banks'non-performing loans

On 9 April 2019, the Council adopted a new framework for dealing with banks' non-performing loans. The new rules set capital requirements applying to banks with NPLs on their balance sheets. On the basis of a common definition of NPLs, the proposed new rules introduce a "prudential backstop", i.e. common minimum loss coverage for the amount of money banks need to set aside to cover losses caused by future loans that turn non-performing. Different coverage requirements will apply depending on the classifications of the NPLs as "unsecured" or "secured" and whether the collateral is movable or immovable:

Minimum coverage level (in %)

After year	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**
Secured by immovable collateral	0%	0%	25%	35%	55%	70%	80%	85%	100 %

Secured by movable collateral	0%	0%	25%	35%	55%	80%	100%		
Unsecured	0%	35%	100%						

Subsequently, Regulation (EU) 2019/630 amending the Capital Requirements Regulation as regards minimum loss coverage for NPEs was published in the Official Journal of the European Union. Furthermore, according to the said Regulation by way of derogation from the new amended provisions of the Capital Requirements Regulation, institutions shall not deduct from CET1 items the applicable amount of insufficient coverage for NPEs where the exposure was originated prior to 26 April 2019. Where the terms and conditions of an exposure which was originated prior to 26 April 2019 are modified by the institution in a way that increases the institution's exposure to the obligor, the exposure shall be considered as having been originated on the date when the modification applies and shall cease to be subject to the derogation provided above.

On 20 March 2017, the ECB published final guidance on NPLs. The guidance outlined measures, processes and best practices which banks should incorporate when tackling NPLs. The guidance called on banks to implement realistic and ambitious strategies to work towards a holistic approach regarding the problem of NPLs, including areas such as governance and risk management. The ECB did not stipulate quantitative targets to reduce NPLs. Instead, it asked banks to devise a strategy that could include a range of policy options such as NPL work-out, servicing, and portfolio sales.

The NPL guidance is non-binding in nature. However, banks should explain and substantiate any deviations upon supervisory request. This guidance is taken into consideration in the SSM regular SREP and non-compliance may trigger supervisory measures.

This guidance does not intend to substitute or supersede any applicable regulatory or accounting requirement or guidance from existing EU regulations or directives and their national transpositions or equivalent, or guidelines issued by the EBA. Instead, the guidance is a supervisory tool with the aim of clarifying the supervisory expectations regarding NPL identification, management, measurement and write-offs in areas where existing regulations, directives or guidelines are silent or lack specificity. Where binding laws, accounting rules and national regulations on the same topic exist, banks should comply with those.

Moreover, on the 15 March 2018 the ECB published the addendum to the ECB Guidance to banks on NPLs. The addendum supplements the qualitative NPL guidance and specified the ECB's supervisory expectations for prudent levels of provisions for new NPLs. The addendum is non-binding and will serve as the basis for the supervisory dialogue between the significant banks and ECB Banking Supervision. The addendum addresses loans classified as NPLs in line with the EBA's definition after 1 April 2018. In fact, the addendum sets out an expectation that, as of 1 April 2018, new unsecured NPLs will be fully covered after a period of two years from the date of their classification as NPLs. For example, the supervisor would expect a loan that is classified as an unsecured NPL on 1 May 2018 to be fully provisioned for by May 2020. For new secured NPLs, a certain level of provisioning is expected after three years of classification as an NPL, or "NPL vintage", which then increases over time until year seven. In this case, if a secured loan were classified as an NPL on 1 May 2018, the supervisor would expect this NPL to be at least 40% provisioned for by May 2021, and totally provisioned by May 2025.

Furthermore, according to its press release dated 22 August 2019, the ECB has decided to revise its supervisory expectations for prudential provisioning of new NPEs specified in the "Addendum to the ECB Guidance to banks on non-performing loans" (the "**Addendum**"). The decision was made after taking into account the adoption of Regulation (EU) 2019/630 amending the Capital Requirements Regulation as regards minimum loss coverage for NPEs, that outlines the Pillar 1 treatment for NPEs.

In order to make the treatment of NPEs more consistent, the following changes have been made to the supervisory expectations communicated in the ECB's Addendum:

- the scope of the ECB's supervisory expectations for new NPEs will be limited to NPEs arising from loans originated before 26 April 2019, which are not subject to Pillar 1 NPE treatment;

- NPEs arising from loans originated from 26 April 2019 onwards will be subject to Pillar 1 treatment, with the ECB paying close attention to the risks arising from them; and

- the relevant prudential provisioning time frames, the progressive path to full implementation and the split of secured exposures, as well as the treatment of NPEs guaranteed or insured by an official export credit agency, have been aligned with the Pillar 1 treatment of NPEs set out in the EU regulation.

All other aspects, including specific circumstances, which may make prudential provisioning expectations inappropriate for a specific portfolio/exposure, remain as described in the Addendum. Supervisory expectations for the stock of NPEs (i.e. loans classified as NPEs on 31 March 2018) remain unchanged, as communicated in the Supervisory Review and Evaluation Process letters sent to banks and in the press release in July 2018.

EBA guidance on management of NPEs and FBEs

On 31 October 2018, EBA published the final guidance on management of NPEs and FBEs.The Guidelines, which apply from 30 June 2019 are developed in accordance with the European Council Action Plan and aim to ensure that credit institutions have adequate prudential tools and frameworks in place to manage effectively their NPEs and to achieve a sustainable reduction on their balance sheets. To this end, the Guidelines require institutions to establish NPE reduction strategies and introduce governance and operational requirements to support them. In particular, the Guidelines specify that institutions should grant forbearance measures only with the view to return the borrower to a sustainable performing repayment status. Moreover, the Guidelines introduce a threshold of 5% of gross NPL ratio as a trigger for developing NPE strategies and applying associated governance and operational arrangements. Finally, the Guidelines outline requirements for competent authorities' assessment of credit institutions' NPE management activity as part of the SREP.

Guidelines on disclosure of NPEs and FBEs

On 17 December 2018, the EBA published the final guidelines on disclosure of NPEs and FBEs. Such disclosure shall provide the market participants and interested parties a clearer picture of the banks' assets, NPEs' and FBEs' main features and, in cases of bad banks, the allocation of their troubled assets and the value of the collaterals backing such assets. The Guidelines include a group of common standards applicable to any bank and another group of additional standards applicable to significant credit institutions with gross NPL ratio at 5% or higher.

Systemic proposal for the management of NPEs by the Bank of Greece

A systemic proposal for the management of NPEs was published in the Bank of Greece's Overview of the Greek Financial System in November 2018. In particular, the proposed scheme envisages the transfer of a significant part of NPEs along with part of the DTCs, which are booked on bank balance sheets, to a Special Purpose Vehicle ("**SPV**"). Loans will be transferred at net book value (net of loan loss provisions). The amount of the deferred tax asset to be transferred will match additional losses, so that the valuations of these loans will approach market prices. Subsequently, legislation will be introduced enabling the transferred deferred tax credit to be converted into an irrevocable claim of the SPV on the Greek State with a predetermined repayment schedule (according to the maturity of the transaction). To finance the transfer, the SPV will proceed with a securitisation issue, comprising

(indicatively) three classes of notes (senior, mezzanine and junior/equity). The lower class of notes (equity) will be subscribed by banks (each participating by no more than 20%) and the Greek State. The valuation of the loans to be transferred will be carried out by independent third parties, and the final structure of the transaction (including the tranches of the three classes of notes) will be determined by the arrangers subject to market conditions. The Bank of Greece anticipates that private investors will absorb part of the senior-ranked securities and a large portion of the mezzanine securities. The ability to absorb additional losses arising from the participation of the Greek State (through the transformation of deferred tax credits into an irrevocable claim of the SPV) significantly enhances the probability of repayment of the senior and mezzanine bonds. At the same time, by participating in the lower class of notes (junior/equity), the Greek State and banks will be entitled to claim any excess value. The scheme will be managed exclusively by private investors (servicing companies for loans and credits), and apparently there will be an asset class separation for each transaction and management operation depending on the category (business, mortgage, consumer loans, etc.). It is understood that managers will be appointed following a competitive process and the management framework will be in line with best international transparency and supervisory practices. It should be noted that, before completion of the transaction, banks are expected to proceed, in consultation with the supervisory arm of the European Central Bank, to a restatement of targets for NPE reduction, with the ultimate goal of achieving a single-digit ratio.

Asset protection scheme for banks in Greece

On 10 October 2019, the European Commission announced that it has found Greek plans aimed at supporting the reduction of NPLs of Greek banks to be free of any State aid. The Commission found that, under the asset protection scheme (known by the name of "Hercules"), the Greek State will be remunerated in line with market conditions for the risk it will assume by granting a guarantee on securitised NPLs. "Hercules" is designed to assist banks in securitising and moving NPLs off their balance sheets. Under the scheme, an individually managed, private securitisation vehicle will buy NPLs from the bank and sell notes to investors. The State will provide a public guarantee for the senior, less risky notes of the securitisation vehicle. In exchange, the State will receive remuneration at market terms.

Greek Law 4649/2019 provides the terms and conditions under which the State guarantee may be provided in the context of NPL securitisation by credit institutions under the asset protection scheme "Hercules". This law provides for the conditions under which the securitisation must be implemented in order to qualify for the provision of the State guarantee, in line with decision no. C (2019)7309 of the European Commission. Such conditions include inter alia, that the notes to be issued in the context of the securitisation must include at least senior and junior notes and the price paid to the Greek banks for the sale and transfer of NPLs cannot exceed their aggregate net asset value. The Greek state guarantee will be provided in favour of senior notes for the full repayment of principal and interest thereunder throughout the term of the notes. The aggregate commitment of the Greek state under the new law amounts to € 12 billion. Applications for the provision of the Greek state guarantee may be filed by credit institutions, either in the context of securitisations that have already been implemented or for securitisations that are currently in the process of implementation exclusively within 18 months as of 10 October 2019, i.e. by 10 April 2021 or such other date as may be designated by a ministerial decision on the basis of a decision of the European Commission.

The Greek State guarantee becomes effective upon (i) transfer through sale against positive value, of at least 50% plus one of the issued junior notes to private investors and of such number of junior notes, and (if issued) mezzanine notes that allows the derecognition of the securitised receivables, (ii) rating of the senior tranche of the notes being rated at no less than BB- by an External Credit Assessment Institution (as defined in point (98) of Article 4(1) of the Capital Requirements Regulation) and (iii) assignment of the administration of the securitised NPL portfolio to an independent special purpose vehicle. If the State guarantee has not become effective within 12 months as of the publication of the respective Ministerial Decision granting the guarantee, then such decision ceases automatically to be in force and the amount of the guarantee is released. There can be no new

application for the same securitisation before the lapse of six months. A ministerial decision will be issued to set out the details for the implementation of the aforementioned law.

Framework for the management and transfer of claims

Articles 1-3A of Greek Law 4354/2015, as amended and in force, as well as Executive Committee Act 118/19.5.2017, as amended by Executive Committee Act 153/1/8.01.2019 and in force, establish the framework for the management and transfer of claims from loans that can include non-accruing loans and set the requirements for the operation of loan management companies and loan transfer companies. Certain loan categories had been temporarily excluded from the scope of the permitted sale and transfer until 31 December 2017; in particular, such exclusion includes loan agreements with mortgage or prenotation of mortgage on first residence of an objective value of up to EUR 140,000.

Bank of Greece's Executive Committee Act no 156/12.03.2019 amended Executive Committee Act 118/19.5.2017 on the framework for the management and transfer of claims from loans and the requirements for the operation of loan management companies and loan transfer companies. The amendments, include among others provisions regarding banning of management of claims against natural and/or legal person who maintain a "special relationship" with the aforementioned companies and the obligation of the said companies to cooperate with accredited data collection and processing entities with regard to the economic behavior and the creditworthiness of debtors.

The management of claims from loans and credit granted by credit or financial institutions shall be undertaken, exclusively by *Sociétés Anonymes* having their registered offices:

(a) in Greece; or

(b) in another EEA Member State, which have established a branch in Greece and have the aforementioned business activities in their scope.

Bank of Greece is the competent authority for the issuance of the respective license for such companies.

Furthermore, the aforementioned companies, following a relevant authorization by Bank of Greece, may grant loans or credit to debtors whose loans and/or credit have been managed by them, aiming exclusively at the refinancing of the debtors' loans or the restructuring of the debtor business on the basis of a restructuring plan agreed between the parties and under the consent of the claims' owner.

In relation to the agreements for the assignment of claims' management from non-accruing loans, Greek Law 4354/2015 lays down that non-accruing loans management companies may undertake the management of claims from loans and/or credit, which have been granted or are granted by credit or financial institutions. Said management companies are entitled to initiate any legal proceedings and to proceed with any other judicial measures for the collection of claims.

The transfer of claims from credits and loans granted by credit or financial institutions can take place only through sale, under relevant written agreement, in accordance with the provisions in article 3 of Greek Law 4354/2015, as in force, and only to:

(a) limited liability companies that according to their Articles of Association are allowed to engage in acquiring claims from loans and credits and they are seated in Greece and are also registered in General Commercial Registry ("**GEMI**");

(b) companies that are seated in the EEA and according to their Articles of Association are allowed to engage in in acquiring claims from loans and credits and subject to the provisions of the European Union legislation; and

(c) in companies that are seated in third countries, and according to their Articles of Association are allowed to engage in acquiring claims from loans and credits, subject to the provisions of

the European Union legislation and have the discretion to be located in Greece through a branch under certain conditions.

A necessary condition in order for the claims of the credit or financial institutions from non-performing loans to be offered for sale, is the extrajudicial invitation of the borrower and the guarantor, if the borrower is considered a consumer, within twelve (12) months prior to the offer to arrange its obligations on the basis of a written offer for an appropriate arrangement with specific payment terms according also to the provision of the Code of Conduct. Disputed or adjudicated claims as well as claims against non-cooperative, are excluded from the above-mentioned condition.

Furthermore, by virtue of article 48 of Greek Law 4472/2017 certain provisions of Greek Law 4354/2015 were amended. In line with the new provisions, the credit servicing firms are also allowed to manage the property that was offered as collateral for the respective loans and credits and has been transferred to the beneficiary of the claim. However, these firms are not allowed to acquire, via transfer or assignment or voluntary sale or auction, any property related to the loans and credits serviced by them. Also, the new assignee, upon transfer of claims from NPLs, continues the procedure of the Code of Conduct from where it was stopped before the transfer, while, in line with the former provisions, any new assignee would restart the ARP of the Code of Conduct (Credit and Insurance Committee Decision 116/25.8.2014).

Restructuring and insolvency

Directive (EU) 2019/1023 regulates issues on preventive restructuring frameworks, on discharge of debt and disqualifications, and on measures to increase the efficiency of procedures concerning restructuring, insolvency and discharge of debt (Directive on restructuring and insolvency). Member States should adopt and publish, by 17 July 2021, the laws, regulations and administrative provisions necessary to comply with the majority of the provisions of this Directive. This Directive lays down rules on:

a) preventive restructuring frameworks available for debtors in financial difficulties when there is a likelihood of insolvency, with a view to preventing the insolvency and ensuring the viability of the debtor;

b) procedures leading to a discharge of debt incurred by insolvent entrepreneurs;

c) measures to increase the efficiency of procedures concerning restructuring, insolvency and discharge of debt.

This Directive does not apply to procedures that concern debtors that are, among others, insurance undertakings or reinsurance undertakings, credit institutions, investment firms or collective investment undertakings.

Directive (EU) 2019/1023 will need to be transposed into Greek Law before taking effect.

Directive on credit servicers, credit purchasers and the recovery of collateral

The proposed Directive on credit servicers, credit purchasers and the recovery of collateral (COM 2018/135) would enable banks to deal in a more efficient way with loans once these become non-performing by improving conditions to either: (1) sell the credit to third parties on a secondary market; or (2) enforce the collateral used to secure the credit. One of the central objectives of the proposal is to foster the development of secondary markets where banks can sell NPLs both at national level and across Member States while maintaining a high level of borrower protection. To achieve this objective, the Directive introduces a harmonised and less restrictive regime for credit purchasers and servicers and removes undue impediments to cross-border activity. It would stimulate the further development of a well-functioning secondary market and would therefore greatly contribute to the reduction of the current stocks of NPLs.

In order to attain the second central objective, the Commission proposed a supplementary mechanism

for the accelerated extrajudicial recovery of collateral. The mechanism would allow banks and business borrowers (not consumers) to agree upfront by contract on a method of swift recovery of collateral by the creditor in case of the business borrower's default. This mechanism would enhance secured creditors' chances at value recovery and is designed to help to avoid the build-up of future NPLs.

According to the Fourth Progress Report on the reduction of NPLs and further risk reduction in the Banking Union of 12 June 2019, while the Council has reached a partial general approach regarding secondary markets, negotiations regarding the recovery of collateral were ongoing. Deliberations in the European Parliament on both aspects should be taken up as a priority once the new Parliament is settled in. Rapid conclusion of this file, which is part of the Council Action Plan, is of paramount importance to contributing to EU endeavours to successfully tackle the NPL issue across Europe. Therefore, the Commission called on the co-legislators to swiftly reach an agreement on this important proposal.

European mechanisim for out-of-court enforcement

On 27 November 2019, EU ambassadors approved the Council's position on a proposal for a common framework and minimum requirements for out-of-court mechanism to recover the value from loans guaranteed with collateral in case the borrower is not able to pay it back. The proposed Directive complements rules on business restructuring and second chance adopted by the Council on 6 June 2019. Negotiations with the European Parliament can proceed as soon as the Parliament has agreed its stance. The original proposal for the Directive by the European Commission also included a part on the development of secondary markets for NPLs. The Council reached a position on this part on 27 March 2019.

The proposed new mechanism for out-of-court accelerated collateral enforcement would have to be agreed between a credit institution and borrower upfront, normally when the loan is granted. It would only be available for business loans. Consumer loans would be excluded, as would loans for which the borrower's primary residence is used as collateral. Where this new mechanism has been agreed between the parties and if the borrower defaults on the loan, the collateral would be valued and either sold (by private sale or public auction) or appropriated (via a transfer of ownership to the creditor). The proceeds up until the outstanding sum would then be turned over to the creditor. The proposed rules aim to balance the creditor's and the borrower's interests in various ways, such as:

- the creditor needs to give the borrower a certain amount of time to make the due payments and avert enforcement;
- the borrower has the right to go to court to challenge the enforcement or creditor's right to enforce the collateral;
- the creditor only gets to keep the proceeds to the extent necessary to cover the outstanding amounts on the loan. Excess proceeds are paid out to the borrower or other creditors;
- Member States may decide that where proceeds from the collateral fall short of the outstanding amount on the loan, the loan shall nevertheless be considered as fully settled.

European NPL transaction platforms

The Council Action Plan to Tackle NPLs in Europe also called on the ECB, the EBA and the Commission to consider setting up NPL transaction platforms in order to stimulate the development of secondary markets. In November 2018, a staff working document was published on the potential set-up of such platforms, drafted jointly with staff from the ECB and EBA. It outlines how such a vehicle could work in practice. Union-wide NPL transaction platforms would be electronic marketplaces where holders of NPLs – banks and non-bank creditors – and interested investors can exchange information on and trade in NPL portfolios. Such platforms have the potential to address

several current sources of market failure in the secondary market for NPLs, including asymmetry of information between sellers and buyers and high transaction costs.

Following up on the staff working document, the Commission held a roundtable on 15 January 2019 with stakeholders from industry, EBA and ECB in order to kick-start work on achieving Union-wide NPL platforms. This meeting allowed for a useful exchange of information and views with, and between, stakeholders. In order to advance towards such platforms, private stakeholders should agree on the concrete forms for developing and issuing industry standards for European NPL platforms. With this objective in mind, the Commission, together with the ECB and the EBA, is continuing to play a key role in facilitating concrete progress towards the emergence of Union-wide NPL platforms. As a next step, the Commission will organise a second roundtable with stakeholders.

Loans guaranteed by the Greek State

Ministerial Decision 2/94253/0025, published on 8 January 2018 and with effect one month after its publication, set the terms and conditions for the settlement of loans guaranteed by the Greek State pursuant to article 103 of Greek Law 4549/2018. Specifically, according to article 103 of Greek Law 4549/2018 and the said Decision, credit institutions and borrowers, natural persons and businesses, may proceed with settlement of loans guaranteed by the Greek State, without the intervention of the Greek State, according to the ordinary banking criteria, on the basis of increasing the probability of repayment of the loan by the borrower. The settlement of the aforementioned loans is concluded under specific terms and conditions specified in the Ministerial Decision, but without any increase in the liability of the Greek State under the guarantee.

Ministerial Decision 2/76040/0025 with effect from 30 November 2019 regulates the procedure for electronic confirmation and write-off of debts guaranteed by the Greek State. This Decision states a specific electronic procedure to be followed so that the Greek State shall pay the debts that has guaranteed. It is noted that the same Decision also refers to the cases when the Greek State, even though it is involved as guarantor, it is entitled not to pay in case that the debtor has failed to pay.

Extrajudicial debt settlement mechanism for businesses

Greek Law 4469/2017, as amended by Greek Laws 4472/2017, 4549/2018, 4587/2018 and 4613/2019 provides for an extrajudicial procedure for settling debts towards any creditor, which derive from the debtor's business activity or other cause, provided that the settlement of those debts is considered vital by the participants in order to secure the debtor's business viability.

Any individual who can declare bankruptcy and any legal entity with income from business activity may apply for inclusion in the extrajudicial debt settlement mechanism, provided their tax residence is in Greece and specific criteria provided for by law are met. The extrajudicial debt settlement mechanism does not apply to debts generated after 31 December 2018.

Each debtor's application may be submitted electronically to the Special Private Debt Management Secretariat ("**EGDICH**") by 30 April 2020 on the dedicated electronic platform in EGDICH's website, as provided under article 4 paragraph 1 of Greek Law 4469/2017, as amended by virtue of article 45 paragraph 3 of Greek Law 4587/2018 and then replaced by the second article of the Act of Legislative Content dated 24 December 2019. Financial institutions may, as creditors, initiate the procedure by communicating a written invitation to the debtor to enter the procedure. If the debtor fails to respond, he/she loses the right to initiate the procedure at a later stage.

Submitting an application for inclusion in the extrajudicial debt settlement procedure does not constitute a significant reason for terminating long-term contracts.

The approval of the debt restructuring proposal requires the debtor's consent and the formation of a majority of 3/5 of participating creditors, which includes 2/5 of participating creditors with special privilege.

The extrajudicial procedure is concluded by the execution of a debt restructuring agreement between the debtor and consenting creditors, otherwise the procedure is deemed unsuccessful. Creditors whose claims do not exceed certain thresholds (€500,000 and 1.5% of the debtor's total debt per creditor, as well as €5,000,000 and 15% of the debtor's total debt) are excluded from the scope of this extrajudicial procedure and are not bound by the debt restructuring agreement.The debtor or a participating creditor may submit an application for ratification of the debt restructuring agreement to the Multi-Member Court of First Instance of the debtor's registered seat.

Without prejudice to the above paragraph, the ratification decision covers the total of the debtor's claims governed by the restructuring agreement and binds the debtor and all the creditors, irrespective of their participation in the negotiation procedure or in the debt restructuring agreement.

In case the debtor fails to pay any amount due to any of the creditors in accordance with the terms of the debt restructuring agreement for more than ninety (90) days, the creditor has the right to request cancellation of the agreement towards all parties.

It is noted that, when more financial institutions or firms under Greek Law 4354/2015 have acquired or manage overdue receivables of the same debtor, provided there is sufficient evidence of the debtor's inability to fulfil his financial obligations, they may cooperate to submit a common proposal to the debtor, in order to reach a sustainable solution.

Finally, the said law explicitly sets out the cases of suspension of injunction and enforcement procedures against the debtor.

By means of Joint Ministerial Decision No 130060/29.11.2017, a simplified procedure was introduced for businesses eligible to apply for an extra judicial debt settlement mechanism under Greek Law 4469/2017, with total debt up to €50,000. This Decision was modified by Joint Ministerial Decision No 61654/2019 (Government Gazette Issue B 2324/14.6.2019) which provides for a simplified extrajudicial procedure for settling business debts not exceeding EUR 300.000 in total.

Settlement of business debts

Greek Law 4307/2014, as amended by Greek Laws 4374/2016 , 4380/2016 (article 2), 4403/2016 (article 56), as well as 4599/2019 (article 34) and in force, among others, provides for urgent interim measures for the relief of private debt (including, *inter alia*, relief and settlement of debts or provision of extraordinary debt business regulation process or extraordinary special management process), especially debt of viable small businesses and professionals towards financial institutions (namely credit institutions, leasing and factoring companies, provided they are under the supervision of the Bank of Greece), the Hellenic Republic and Social Security Institutions, as well as for emergency procedures for the reorganization or liquidation of operating indebted but viable businesses, provided that the aforementioned persons are considered as "eligible debtors" under the relevant provisions, namely, they have submitted the relevant application at the latest by 30 September 2016 and cumulatively meet the following criteria:

a) they have not submitted an application to be subject to the provisions of Greek Law 3869/2010 or have validly resigned from such application;

b) they have not stopped their operations or dissolved and (if applicable) they have not submitted an application to be declared bankrupt or have validly resigned from such application;

c) they have not been convicted in any capacity for tax evasion against the Hellenic Republic of State Pension Funds or for smuggling; and

d) their turnover of the fiscal year 2013 must not exceed the limit of EUR 2,500,000.

Interest Rates

Under Greek Law interest rates applicable to bank loans are not subject to a legal maximum, but they must comply with certain requirements intended to ensure clarity and transparency, including with regard to their readjustments. Specifically, Governor of the Bank of Greece Act No. 2501/31.10.2002 and Decision No. 178/19.7.2004 of the Banking and Credit Committee of the Bank of Greece provide that credit institutions operating in Greece should, among others, determine their interest rates in the context of the open market and free competition rules, taking into consideration the risks undertaken on a case-by-case basis, as well as potential changes in the financial conditions and data and information specifically provided by parties for this purpose.

Limitations apply to the compounding of interest under Greek Law. In particular, the compounding of interest with respect to bank loans and credits only applies if the relevant agreement so provides and is subject to limitations that apply under article 30 of Greek Law 2789/2000 as in force and article 39 of Greek Law 3259/2004, as in force. Greek credit institutions must also apply article 150 of CRD Law on interest rates of loans and other credits pursuant to which credit institutions are precluded from recognising on an accrual basis interest on loans or other credits extended, in any form. After the lapse of a time period during which recognised interest on loans or other credits remains overdue, which may not exceed six (6) months with respect to loans to natural persons fully secured by real estate and three (3) months with respect to debts from other credits. After the expiry of the above time period, they shall only be allowed to carry out non-accounting calculation of interest, including any default and compound interest, where allowed, which shall be entered in accounting records if and when collected.

Moreover, according to Article 150, paragraph 2, of the CRD Law it is prohibited to grant new loans for the repayment of overdue interest or to enter into debt settlement having a similar result, unless such actions are taken in the context of an agreement for the settlement of the entirety of the debts of the borrower, which shall be based on a detailed examination of the borrower's capacity to fulfill the undertaken obligations under specific time frames. Credit institutions based in Greece may not capitalise interest unless this is provided for in the original medium- to long-term financing agreement or in the overall agreement for the settlement of the entirety of the debts of the borrower referred to herein above. Governor of the Bank of Greece Act No. 2393/15.7.96 provides that default interest applied by credit institutions shall not exceed the aggregate applicable contractual interest more than a maximum percentage of 2.5% annually.

Secured Lending

According to Greek Law 4261/2014, article 11, among the activities that Greek credit institutions are permitted to engage is lending including, *inter alia*: consumer credit, credit agreements relating to immovable property, factoring, with or without recourse, financing of commercial transactions (including forfeiting).

The provisions of legislative decree 17.7/13.08.1923 regulate issues regarding the granting of loans secured by *in rem* rights and Greek Law 3301/2004 regulates issues regarding financial collateral arrangements.

Mortgage lending is extended mostly on the basis of mortgage pre-notations, which are less expensive and easier to record than mortgages and may be converted into full mortgages upon final non-appealable court judgment.

European Directive 2014/17/EU on credit agreements for consumers relating to residential immovable property lays down a common framework for certain aspects of the laws, regulations and administrative provisions of Member States concerning agreements covering credit for consumers secured by a mortgage or otherwise relating to residential immovable property, including an obligation to carry out a creditworthiness assessment before granting a credit, as a basis for the

development of effective underwriting standards in relation to residential immovable property in Member States, and for certain prudential and supervisory requirements, including for the establishment and supervision of credit intermediaries, appointed representatives and non-credit institutions. In Greece, the aforementioned Directive has been transposed into Greek legislation by virtue of Greek Law 4438/2016 (published in Government Gazette 220/A/28.11.2016). The main provisions of Greek Law 4438/2016, include among others, consumer information requirements, principle based rules and standards for the performance of services (e.g. conduct of business obligations, competence and knowledge requirements for staff), a consumer creditworthiness assessment obligation, provisions on early repayment, provisions on foreign currency loans, provisions on tying practices, some high-level principles and a passport for credit intermediaries who meet the admission requirements in their home EU member state.

Compulsory Deposits with the Bank of Greece

The compulsory reserve requirement framework has been amended in accordance with Eurosystem regulations. As from January 2012 according to ECB Regulation 1745/2003 as amended by the Regulations 1052/2008, 1358/2011, 1376/2014 and 2016/1705 the compulsory reserve requirement ratio set by Eurosystem regulation is 1% for all categories of liabilities (such as deposits and debt securities issued) to clients comprising the commitment base, with the exception of the following categories, to which a zero ratio applies:

- deposits with agreed maturity over two years;
- deposits redeemable at notice over two years;
- repos; and
- debt securities issued with agreed maturity over two years.

This commitment ratio applies to all credit institutions in Greece.

Restrictions on Enforcement of Granted Collateral

The Hellenic Bank Association on 21 July 2015 announced that banks operating in Greece will continue until the end of 2015 to provide protection of primary residence to borrowers under the provisions of Greek Law 4224/2013. According to Greek Law 4224/2013 enforcement of auctions concerning the primary residence of individuals was suspended from 1 January 2014 until 31 December 2014 provided that the relevant property was declared as such in the last income tax declaration of those individuals and the assessed market value of such property did not exceed the amount of EUR 200,000, under the condition that law's criteria were cumulatively met with specific characteristics of the financial status of debtors, e.g. thresholds of income and real estate values. Those properties that did not fall under the criteria of that law were no longer protected from foreclosure and auction proceedings. During the aforementioned suspensions, debtors were obliged to pay monthly installments. Nevertheless, in exceptional cases (e.g., debtors with no income), there was an option of zero amount payments.

Furthermore, due to the difficulties caused by the imposition of the capital controls, any enforcement action and primarily auctions, seizures, evictions, were suspended from 21 July 2015 (by virtue of the ministerial decision no. 49214/21.07.2015, as extended, through successive ministerial decisions) to October 2015 and then lifted by an official announcement of the Ministry of Justice, Transparency and Human Rights, on 2 November 2015.

A prolonged abstention by lawyers, bailiffs and notaries that commenced in January 2016 and ended in November 2017 for all parties restrained the Bank from proceeding to enforcement, seizures and auctions of any real estate during that period.

Enforcement of collateral has been also affected by Greek Law 3869/2010, as in force, regarding restructuring of individuals' debt through a court application. In August 2015 Greek Law 4336/2015, amended the Greek Law 3869/2010 and included in the settlement, debts to public sector, such as tax authorities, municipalities and social security organizations. As at 31 December 2018 and 30 June 2019, 81,995 and 83,222 customers that had applied to the court under the provisions of Greek Law 3869/2010 had outstanding balances of EUR 3,730 million and EUR 3,881 million respectively. As at 30 September 2019 32% were rejected and 68% were accepted. Greek Law 3869/2010 was further amended by Greek Laws 4346/2015, 4366/2016 and 4549/2018, referring among others to the necessary criteria for the protection of primary residence (e.g. cooperative borrower, income and residential property value thresholds) and to the possibility of partial state subsidy for three years for vulnerable borrowers under certain conditions. According to Greek Law 3869/2010, as in force, until 28 February 2019 the primary residence of the debtors could be protected under the provisions of this law provided that the specific requirements of the said law were fulfilled.

As of 1 March 2019, the right of a borrower to request the exemption of their primary residence in the context of law 3869/2010 has ceased to apply. Greek Law 4605/2019, which passed on 1 March 2019 and entered into force on 30 April 2019, provides for an amended framework for the settlement of amounts due by individuals for the purpose of protecting their main residence against liquidation proceedings. Pursuant to the new legal framework, over-indebted debtors who meet the criteria provided by Greek Law 4605/2019 may apply through electronic means until 30 April 2020 for the settlement of their debts by arranging a partial repayment of their due debts. A more detailed description of the requirements for and the consequences of the implementation of the settlement plan under Greek Law 4605/2019 is provided under "Settlement of Amounts Due by Indebted Individuals" herein above. Both consumers and professionals will be subject to the new provisions regardless of whether they have the capacity to be declared bankrupt under the Greek Bankruptcy Code. Settlement is possible only for amounts owed to credit institutions and the Hellenic Consignment Deposit and Loans Fund (in case of a house loan) and for which a mortgage or a mortgage pre-notation has been registered in favour of the aforementioned entities over the debtor's main residence and provided that at the date of submission of the application, the amounts owed are claims outstanding for more than 90 days as at 31 December 2018. The application can, also, be filed by any third-party individual that is the owner of the encumbered property. Greek Law 4605/2019 provides for an automatic suspension of all auction proceedings against the debtor's main residence from the notification of the application for submission of the debtor to this regime until the lapse of the deadline provided by the law for the debtor for applying for judicial settlement in case an extra-judicial settlement was not achieved. A settlement proposal accepted by both the creditor and the debtor, or a court decision accepting the debtor's application for settlement, constitutes an enforceable title by virtue of which enforcement proceedings may be either initiated in relation to the remaining debtor's assets (except for their main residence) or initiated also for their main residence in case the debtor fails to meet the payment settlement conditions (i.e. if the debtor owes in total more than three (3) monthly instalments).

Additionally, pursuant to Greek Law 4469/2017, which provides for an extrajudicial debt settlement mechanism for businesses from the point that the invitation for participation is sent by the coordinator to the creditors and for a period of 90 days, any individual and collective enforcement measures against the debtor, pending or not, for the satisfaction of claims the settlement of which is pursued through the extrajudicial debt settlement, are automatically suspended. The above suspension includes any request for preventive measures and the registration of a prenotation of mortgage, unless the taking of preventive measures aims at the prevention of the depreciation of the debtor's business due to the disposal of its assets. It should be noted that according to the provisions of article 45 of Greek Law 4587/2018, amending Greek Law 4469/2017, suspension of enforcement measures shall continue to apply after the expiry of the 90-day period and until the completion of the extrajudicial procedure, provided that the non-completion of the procedure within the above period is due to the receipt of extension by creditors for actions, and only against those creditors. If a prolongation is requested after the 90 days have elapsed, the suspension shall apply to the creditor requesting the extension and for as long as that extension takes place. The above suspension ceases automatically in case: a) the procedure is terminated without success for any reason, or b) a decision is taken by the majority of the

participating creditors to that effect. The debtor may apply for the extension of the above suspension period for a period no longer than 4 more months with the consent of the majority of creditors.

Constraints on enforcement of granted collateral were further limited by the commencement of electronic auctions by virtue of Greek Law 4472/2017. The first electronic auction took place in November 2017. Though Greek Law 4472/2017 has introduced electronic auctions, Greek Law 4512/2018 imposed that all auctions shall be performed only electronically from 21 February 2018, except for auctions that shall be performed under the Code of Collecting Public Revenue where the aforementioned apply from 1 May 2018. Article 168 paragraph 2 of Greek Penal Code, as amended by Greek Law 4637/2019, further provides that it is a criminal action for anyone to cause interruption or disruption of the proper conduct of the service or auction.

THE MORTGAGE AND HOUSING MARKET IN GREECE

The first mortgage lending institution, the National Mortgage Bank of Greece, was established in 1927, followed by the National Housing Bank in 1930. Both institutions were under government control, but have since been merged with the National Bank of Greece. Since then, another three institutions under government control have become active in the field of mortgage lending: the Postal Savings Bank (*Tachydromiko Tamieftirio*), the Consignment Deposits and Loans Fund (*Tamio Parakatathikon kai Daneion*) and the Agricultural Bank, with the first two providing loans to civil servants and the latter providing loans mainly to those in the agricultural industry. In 1985, the state monopoly of mortgage lending was ended, allowing commercial banks to enter the market, provided that their mortgage financing did not exceed 2.0% of their deposits. From the early 1990's onwards the mortgage loans market was rapidly deregulated and, as a result, many commercial banks operating in Greece (both foreign and national) now have a presence in this market as well as in the broader region of SEE.

As at the end of 2015, the four largest lenders in the Greek residential mortgage market were National Bank of Greece, Alpha Bank, Eurobank and Piraeus Bank, together accounting for almost 100.0% of the total market.

Mortgage lending growth, which recorded a strong expansion between 2001 and 2007, remained relatively resilient until H1:2008, but followed a steep downward trend after the intensification of international financial crisis, following the collapse of the Lehman Brothers and the sharp deterioration of macroeconomic conditions and asset valuations in Q1:2009. Financial market conditions have deteriorated sharply since 2010, which marked the beginning of a long period of shrinking market activity, continuous deleveraging and decline of real estate valuations. In this respect, in the period 2008-2017 the outstanding balance of mortgage loans declined by 24.3% cumulatively, the non-performing exposures ("NPE") ratio increased to 47.2% in 2017 from 5.7% in 2008, with house prices declining by 42.0% cumulatively in the same period showing, however, a recovery in 2018-2019 (Sources: Bank of Greece, Monetary and Banking Statistics and Real Estate Statistics).

The Greek crisis took a severe toll on economic activity, on household incomes and decisions for new household formation, as well as on liquidity conditions and economic sentiment, giving rise to a period of severe adjustment in the real estate market that continued until Q4:2017. Following the Hellenic Republic's loss of access to market financing in April 2010, three financial support Programmes, under certain policy conditionality, had been activated in 2010, 2012 and 2015, respectively, for restoring significant fiscal imbalances and implementing an agreed set of structural reforms. The first two Programmes were pre-emptively terminated and only the Third Programme, activated in August 2015 was successfully concluded in August 2018.

In this environment, the Greek real estate market suffered a severe adjustment. House prices declined by 42.2% cumulatively between their peak in Q3:2008 and Q4:2017, while commercial prices (for which data are only available since H1:2010) by 27.5% cumulatively between H1:2010 and H2:2017 (Source: Bank of Greece, Real estate database), as a result of sharply deteriorating macroeconomic and financial conditions. The adverse macroeconomic and market conditions led to a sharp reduction in supply and demand of mortgage loans and triggered a protracted period of deleveraging that continued until end-2019, with the outstanding stock of mortgage loans declining by €4.1 billion in FY:2019, to €52.7 billion in December 2019. The cumulative decline between the peak of €81.5 billion in mortgage loan balances in 2010 and their level in December 2019 reached €28.7 billion or 35.3% (Source: Bank of Greece, Monetary and Banking Statistics).

The Greek real estate market after bottoming out in 2017, showed the first signs of recovery in 2018 when house prices recorded the first annual increases in almost 10 years. The recovery in the Greek real estate market gained additional traction in 2019, accompanied by a pick-up in market transactions (mostly self-financed) and a joint increase in rents and prices in both commercial and

residential market segments. It should be noted that the observed acceleration of real estate valuations in 2019 took place in an environment of continuing deleveraging, while households' disposable income increased by 4.7% year-over-year in 9M:2019 (Source: EL.STAT., Quarterly non-financial sector accounts, 3rd Quarter 2019, January 2020).

Mortgage Products

The Greek mortgage market is characterised as a matured market, with fairly standard products on offer, although, in the last few years, this has further expanded to include a variety of newer and more sophisticated products, due to increasing demand from borrowers and strong competition among lenders. Currently, most banks offer the following mortgage products:

(a) long-term fixed rate mortgages (accounting for a small percentage of the market);

(b) medium-term fixed rate mortgages for an initial period up to 15 years, converting to a floating rate thereafter;

(c) floating rate mortgages, based on EURIBOR or ECB refinancing rates;

(d) mortgages with floating rates which are subsidised up to a certain amount and for a specific period of time by the Greek States; and

(e) preferential floating rate mortgages granted in favor of the banks' employees.

Typically, mortgage loans have a term of 15 to 30 years, although the maximum term is 40 years. Annuity loans are the most common form of repayment, while interest-only loans account for only a very small proportion of total loans.

The Greek Housing Market

Real estate has long been one of the pillars of economic growth in Greece in previous decades. In this respect, the residential property market traditionally played a relatively more important role in the Greek economy, compared with most other euro area countries. The estimated value of household wealth held in residential real estate was 510.0% of GDP by end-2009, compared with 430.0% of GDP for the euro area as a whole (Source: Bank of Greece estimates) and residential investment accounted for a relatively large share of total investment for almost 5 decades. In 2007, the share of residential investment in GDP reached the highest point for this decade of 9.9% of GDP (Source: EL.STAT., Quarterly Gross fixed capital formation database). Apartments are the most common type of property available, with maisonettes and detached houses being, usually, restricted to the more affluent city areas.

Strong disposable income growth and low real interest rates, in addition to positive demographic trends between the early 1990s and 2006, related mainly to the significant increase in the immigrant population (which has reached an estimated 7.0% of the total population in 2001 from 0.6% in the late 1980s, Source: EL.STAT., Population and Housing census 2001 database and Population and Housing census 1991 database) and an acceleration in the pace of new household formation during the 1990s, contributed to the observed dynamism of the real estate market. This trend also reflected other supportive socioeconomic factors, relating to changes in the traditional family structure during the same period, with younger members preferring to live on their own and the growth in secondary/holiday homes. The average household size decreased to 2.7 persons in 2006 from 3.1 in 1994, remaining above the euro area average of 2.4 (Source: Eurostat Database).

Mortgage lending showed a steady expansion of 26.8% per year, on average, in 2003-2007, starting from a very low base in the early 2000s (Source: Bank of Greece, Monetary and Banking Statistics) supported also by a sharp decline in lending rates that has accompanied the EMU participation

(about 800 bps between 1998 and 2002). A sharp market adjustment, following the eruption of the Greek crisis in 2009, took a severe toll on economic activity, household incomes and decisions for new household formation, as well as on liquidity conditions and economic sentiment. The reduction in residential valuations and activity has been particularly protracted and continued until 2017, with the correction in real estate valuations and related market activity ending in 2017 and a recovery starting in 2018, while gaining additional traction in 2019.

The significant correction in the real estate market between 2008 and 2017 reflected a broad-based deterioration in the private sector's financial position, increasing property taxes and deleveraging. The above adjustment in the residential market exceeded significantly the cumulative contraction in key drivers of residential valuations, such as real GDP and the nominal disposable income of households, which recorded cumulative declines of 27.9% and 33.9%, respectively, between Q3:2008 (when activity reached a peak) and Q4:2017 (Sources: EL.STAT., Quarterly National Accounts, 4th Quarter 2019, March 2020 and EL.STAT., Quarterly Non-Financial Sector Accounts, 3rd Quarter 2019, January 2020). According to the quarterly national accounts data on fixed investment, total investment in construction declined by 66.0%, cumulatively, between Q3:2008 and Q4:2017, with residential construction declining by 93.2%, cumulatively, in the same period (Source: EL.STAT., Quarterly Gross fixed capital formation by Asset, Chain-linked volumes, reference year 2010, 4th Quarter 2019, March 2020).

House prices increased by 1.8% year-over-year in FY:2018, responding gradually to improving macroeconomic conditions. This recovery gained additional traction in 2019, with house prices increasing by 7.2% year-over-year in FY:2019 – the strongest annual pace in 14 years – and by 7.5% year-over-year in Q4:2019. Positive annual growth has been recorded in all market segments (new and old apartments) and regions, with the Athens area outperforming the market average (11.0% year-over-year in Q4:2019 and 10.4% year-over-year in FY:2019), supported by a pick-up in demand for premium properties (which suffered a sharper price adjustment during the crisis) and tourism-related demand (mainly through short term rental platforms, as well as through the "Golden Visa program" which is conditioned on the acquisition of property with a value of €250 thousand or higher, Source: Bank of Greece, Real estate statistics and General Secretariat for Immigration Policy, Reception and Asylum). In this vein, prices of prime commercial spaces (average of retail and office prices) increased by a solid 6.3%, year-over-year, on average, in H1:2019 following increases of 1.8% year-over-year and 5.7 year-over-year in 2017 and 2018, respectively. As in the case of the residential market, the Athens area outperformed the commercial real estate market average in H1:2019 (increases in office and retail prices of 6.7% year-over-year and 9.7% year-over-year, respectively, latest available data, Source: Bank of Greece, Bulletin of Conjunctural Indicators, November-December 2019).

The joint share of total construction and residential investment in GDP declined steadily in the 9 years to 2016, with total construction reaching a historical low of 4.3% of GDP in 2015. Accordingly, residential investment reached a historical low of 0.6% of GDP in 2017. However, a turnaround in residential construction activity was recorded in 2018, when residential construction increased for the first time in a decade (17.4% year-over-year, Source: EL.STAT., Quarterly Gross fixed capital formation by Asset, Chain-linked volumes, reference year 2010, 4th Quarter 2018, March 2019) – signalling the end of the longest adjustment cycle in the market – and continued in 2019, when residential construction increased by 4.0% year-over-year, marking the second year of expansion. In this vein, the increase in the issuance of residential construction permits of 24.0% year-over-year in 11M:2019 (Source: EL.STAT., Building activity database) presages a further strengthening in building activity in 2020, which, however, is surrounded by uncertainty, due to the escalation of the COVID-19 crisis that poses significant downside risks for the economic activity in 2020. In fact, a potential shrinkage in external demand related to the COVID-19 outbreak is likely to weigh on the pace of recovery in the real estate market in the near term.

As regards domestic demand, the sharp adjustment in prices reflected a significant shrinkage in households' disposable income between 2009 and 2018 (-31.5%, per annum, Source: EL.STAT.,

Quarterly Non-Financial Sector Accounts database), mainly due to the decline in employment (-14.7%, per annum, in the same period, Source: EL.STAT. Labor Force Survey database) and a sharp contraction in economy-wide wages of 17.2% cumulatively in the same period (Source: EL.STAT., Press release, Index of Wages Cost, March 2020). Similarly, corporate profitability, as approximated by national accounts data (gross operating surplus of non-financial corporates), contracted by 25.5% cumulatively in this period (Source: EL.STAT., Quarterly Non-Financial Sector Accounts database), weighing negatively on non-residential construction. The significant increase in property taxation (from 0.2% of GDP in 2009 to 1.7% of GDP in 2018, Source: Ministry of Finance, State Budget Execution Monthly Bulletin, December 2009, December 2018 and NBG estimates), in conjunction with high risk aversion, weighed further on investment decisions and amplified the downward pressures on prices.

The real estate market started to recover in 2018-2019 responding to improving macroeconomic conditions, buoyed by the increase in employment, the supportive impact on disposable income from the continuing recovery of the Greek labor market (employment growth of 2.0% year-over-year on average in 2018-2019 with the unemployment rate declining to 16.3% in December 2019, the lowest level since March 2011, Source: EL.STAT. Labor Force Survey database), the declining country risk reflected in the gradual improvement in sovereign debt valuations, and the easing in the fiscal stance since 2019. However, the increase in sovereign bond yields in March 2020, following a decline to an all-time low in mid-February 2020, reflects a transmission of COVID-19 crisis to country risk assessment which could adversely affect Greek real estate and financial asset valuations. Moreover, the ongoing recovery in the Greek real estate market in 2019 was amplified by (i) the budgeted fiscal measures concerning the real estate market, such as the suspension of VAT on new building permits – retrospectively applying to building permits issued after 1/1/2006 – as well as of the tax on property capital gains until 31/12/2022 and the introduction of incentives for building upgrade (energy, functional and aesthetic), by reimbursing part of the amount for relevant expenses (up to €48,000) paid by electronic methods (Source: Ministry of Finance, Budget 2020, November 2019), (ii) the reduced uncertainty and (iii) the ongoing demand from potential buyers over the course of 2019 (including foreigners). Investors' interest for the Greek market strengthened further in 2019, as exemplified by the fact that the Greek golden visa programme – which grants a five-year residency visa in return for an investment of €250,000 in real estate (either residential or commercial properties) – led to the issuance of about 6,700 residency grants between 2013-2019 (Source: Ministry for Migration Policy). The latter may increase due to the incentives included in the tax-law of December 2019 and provided to non-residents for transferring their tax residency to Greece (15-year duration) under certain conditions (they have not been tax residents in Greece for 7 out of the preceding 8 years and they are required to invest at least €500,000 in Greek assets, such as real estate, stocks or bonds within a 3-year period). On this note, they will pay a flat tax of €100,000 per fiscal year, increasing by €20,000 for each family member, irrespective of their income earned abroad.

The reduction in supply and demand of mortgage loans and the protracted period of deleveraging continued until December 2019 (annual change in the outstanding stock of mortgage loans of -3.4% year-over-year in December 2019 and -2.8% year-over-year in December 2018), during which the outstanding stock of mortgage loans declined by €28.7 billion, cumulatively, to €52.7 billion in December 2019 from its peak of €81.5 billion in 2010 (Source: Bank of Greece, Monetary and Banking Statistics). The relatively strong pass-through of the ECB's monetary policy easing on market rates in this segment (as most mortgages are with a floating rate) was insufficient to provide satisfactory support to demand and/or a material relief on household debt servicing capacity until today.

Although the contraction in mortgage lending continued until December 2019, there was a notable pick-up in demand for housing loans in H2:2019, according to the latest bank lending survey (Source: Bank of Greece, Bank Lending Survey, 4th Quarter 2019, January 2020). It is also notable that, according to the Bank of Greece, the gross foreign investment inflows to the Greek real estate market, recorded in the Balance of Payments, stood at €5.2 billion between 2013 and 2019 (Source:

Bank of Greece, External Sector database), which, combined with the acceleration of the Golden Visa program, provide some indication that the real estate market would receive additional support through foreign demand, as macroeconomic conditions and country risk assessment would continue to improve.

However, the COVID-19 outbreak and uncertainties surrounding the evolution of the disease and its economic impact remain highly uncertain, whereas all estimates are based on information available until early-March 2020. Against a backdrop of ongoing downward revisions of growth forecasts for the global economy and the euro area, in conjunction with Greece's high dependency on inbound tourism and spending on services, Greek GDP growth is expected to substantially deviate from the estimated 2.3% year-over-year in 2020 (average of official estimates, Sources: European Commission, Winter (Interim) Forecasts, February 2020 & IMF, World Economic Outlook, October 2019). This outcome could adversely affect real estate market activity.

Security for Housing Loans

In Greece, security for housing loans is created by establishing a mortgage. A mortgage can be established by a notarial deed (or by a judicial decision, or by law in special cases). The establishment of a mortgage by notarial deed is quite costly and it is therefore not the preferred method of establishing a mortgage among banks and borrowers. Instead, in most cases, banks obtain a pre-notation of a mortgage, which is an injunction over the property entitling its beneficiary to obtain a mortgage as soon as a final judgment for the secured claim has been obtained, but which is valid as of the date of the pre-notation. In relation to enforceability, ranking of the security and preferred right to the proceeds of the auction, there is no difference between a holder of a mortgage and a holder of a pre-notation of a mortgage, since the latter is treated as a secured creditor of the property. Both the holder of a pre-notation of a mortgage and a mortgagee need an enforcement right before being able to commence enforcement procedures. The difference between holding a mortgage and holding a pre-notation of a mortgage is that the pre-notation is a conditional security interest whose preferential treatment is subject to the unappealable adjudication of the claim it purports to secure, whereas a mortgagee's claim is enforceable pursuant to the mortgage deed itself.

Establishing a pre-notation is the most common way of establishing security for a housing loan in Greece. The pre-notation, as a form of injunction, can be established with or without the consent of the owner(s) of the property on which the pre-notation will be established, but is only granted pursuant to a court decision. The procedures adopted by lenders of housing loans in practice have led to an arrangement whereby pre-notations are granted "by consent", where both the lending bank and the owner of the property over which the pre-notation will be established (i.e. the Borrower, the Guarantor or a third party) appear before the competent court and consent to the establishment of the pre-notation on the specific real estate property. The court issues the decision immediately (in fact, the decision is drafted beforehand by the lending bank and is certified and signed by the judge who hears the claim). Having certified the court decision and a summary thereof, the lawyer of the lending bank takes them to the Cadastre or the Land Registry, where applicable, along with a written request for the issuance (by the Cadastre or the Land Registry) of certificates confirming:

(a) the ownership by the person that consented to the granting of the pre-notation (i.e. the Borrower, the Guarantor or a third party) of the mortgaged property;

(b) the registration and class of the pre-notation;

(c) the absence of (judicially raised) claims of third parties against the current and all previous owner(s) of the mortgaged property; and

(d) any other mortgages, pre-notations or seizures preceding the pre-notation registered by the bank.

At the same time the bank's lawyer conducts a search in the Cadastre or the Land Registry, where applicable, in order to confirm the uncontested ownership of the person that consented to the granting of the pre-notation (i.e. the Borrower, the Guarantor or a third party, as the case may be) and the first priority nature of the mortgage or pre-notation, before the loan can be disbursed. Once the certificates are issued, they are reviewed by the bank's legal department and are included in the Borrower's file. The legal review of both the ownership titles and the pre-notation registration is based on public documents, i.e. on notarial deeds and certificates issued by the competent land registries. The history of the ownership titles for the previous 20 years is examined (which is the period for adverse possession). Such a review together with a title search in the Cadastre or the Land Registry, precedes the approval of the loan. Upon registration of the pre-notation, a second titles search is made to confirm the status quo.

Enforcing Security

Following the amendment of Greek Civil Procedure Code by virtue of Law 4335/2015, as in force, the following apply in relation to enforcement proceedings commencing from 1 January 2016 onwards and in respect of demands for immediate payment served to the debtor after 1 January 2016:

Without prejudice to the procedures required under the Code of Conduct, it is NBG's policy to commence enforcement proceedings once an amount exceeding €2,000 remains unpaid under a non-restructured loan for more than 270 days in arrears and under a restructured loan for more than 180 days in arrears, at which point, the loan is terminated. Once a Loan is in default and terminated, a notice is served on the Borrower and on the Guarantors, if any, informing them of this fact and requesting the persons indebted to make a payment of all amounts due within a limited period of time (usually 10 days). Following notification and in the case of continued non-payment, a judge of the competent court of first instance (i.e. the Single-Member Court of First Instance or the Magistrate's Court, as the case may be, the "**Competent Court of First Instance**") is presented with the case upon which the judge may issue an order for payment to be served on the borrower together with a demand for immediate payment. Service of the order and demand for payment is the first action of enforcement proceedings. Three working days after serving the payment order and demand, the property can be seized and the auction process starts (see below for a description of the auction process). The Borrower, after being served the order for payment, is granted 15 working days (or within 30 working days if the Borrower is of an unknown address or resides abroad) to contest the validity of the order for payment, either on the merits of the case or on the ground of procedural irregularities. This can be done by filing an annulment petition before the Competent Court of First Instance or Magistrate's Court in accordance with articles 632-633 of the Greek Civil Procedure Code (the "**Article 632-633 Annulment Petition**"). The said 15 working days period does not *per se* suspend the enforceability of the payment order, which can be enforced following the lapse of the three working days period as of the date of service of the payment order. At the same time, the Borrower can file, as a provisional measure, a suspension petition in accordance with articles 632 of the Greek Civil Procedure Code (the "**Article 632 Suspension Petition**") for the suspension of the enforcement proceedings. At the time of filing the Article 632 Suspension Petition, in most cases, immediate suspension is granted up until the hearing of the Article 632 Suspension Petition. If the court decides that the arguments in the Article 632-633 Annulment Petition are correct and reasonable, the suspension of enforcement will be granted to the petitioner until the issue of the decision on the Article 632-633 Annulment Petition. If the judge decides that the Article 632-633 Annulment Petition has no grounds and rejects this, the suspended enforcement procedures can continue. Suspension of enforcement against a Borrower of an unknown address or residing abroad is granted by law during the 30 day period to file an Article 632 Annulment Petition. If the Borrower has not filed an Article 632-633 Annulment Petition and subsequent suspension within 15 working days after serving the payment order, then the bank may again serve the order for payment whereby a second period of 15 working days is granted to the Borrower to contest the payment order. Failure to contest the order for payment will result in the bank becoming the beneficiary and holder of a final deed of enforcement and the conversion of the pre-notation into a mortgage.

The Borrower may also file with the relevant Court of First Instance a petition in accordance with article 933 of the Greek Civil Procedure Code (the "**Article Annulment 933 Petition**") for the annulment of certain actions of the foreclosure proceedings based on reasons pertaining to the validity of the order for payment, and/or to the relevant claim and/or to procedural irregularities. Both Articles 632-633 and Article 933 Annulment Petitions may be filed either concurrently or consecutively, but it should be noted that the Article 933 Annulment Petition may not be based on reasons pertaining to the validity of the order for payment, once the order of payment has become final as mentioned above. The time for the filing of an Article 933 Annulment Petition varies depending on the foreclosure action that is being contested. In particular, the Article 933 Annulment Petition should be filed within 45 days as from the date of attachment of the Borrower's property, except for an Article 933 Annulment Petition contesting the auction which should be filed within 60 days as from registration with the competent land registry or cadastre of the relevant auction deed. The hearing of the Article 933 Annulment Petition is scheduled within 60 days from the date of the filing of such petition and the relevant decision must be issued within 60 days from the hearing before the court.

According to the provisions of Law 4335/2015, as in force, the ability of the Borrower to challenge the compulsory enforcement actions, which are carried out by the creditor, is significantly restricted. In particular, by virtue of the provisions of the Code of Civil Procedure, as in force until 31 December 2015, the Borrower was entitled to challenge each compulsory enforcement action separately and as a result the completion of the enforcement procedure was significantly delayed. However, by virtue of Law 4335/2015, as in force, the Borrower is entitled to oppose defects of the compulsory enforcement procedure in just two stages: the first one is set before the auction and is related to any reason of invalidity of the claim and the compulsory enforcement actions carried out before the auction, whereas the second one is set after the auction until the publication of the seizure report and is related to any defects, which arose from the auction until the awarding. In case that the compulsory enforcement procedure is based on a court's judgment or payment order, the litigant parties are only entitled to file an appeal issued against the judgment issued, which has been issued in relation to the Article 933 Annulment Petition. The possibility to file an appeal in cassation against the decision is abolished.

The filing of an Article 933 Annulment Petition entitles the Borrower to file a suspension petition in accordance with article 937 of the Greek Civil Procedure Code (the "**Article 937 Suspension Petition**") in relation to the enforcement until the decision of the Competent Court of First Instance on the annulment motion is issued. Again, foreclosure proceedings may be suspended until the hearing of the Article 937 Suspension Petition, which, in a normal case where the Borrower seeks the suspension of the auction, takes place five days prior to the auction and the relevant decision is issued by 12.00 pm on the Monday prior to the auction date, provided that the Borrower pays at least one quarter of the claimed capital and the enforcement expenses and also that there is no risk to the creditor's interests, on the grounds that the Borrower will be able to satisfy the enforcing party or that, following the suspension period, a better offer would be achieved at auction.

The actual auction process starts with seizure of the property, which takes places 3 working days after the order for payment is served on the Borrower. The seizure statement that is issued by the bailiff who performs it, contains the auction date which, in respect of demands for immediate payment served to the debtor after 1 January 2016, should take place within seven months from the date of completion of the seizure and in any case no later than eight months from the completion of the seizure (or within a deadline of three months since the continuation statement, in case the auction does not take place on the initial date) and place and the notary public who will act as the auction clerk. At this point all mortgagees (including those holding a pre-notation or mortgage) are informed of the upcoming auction.

Auctions may not take place between 1-31 August and the weeks before and after the date of any national, municipal or European elections (pursuant to Article 998 para. 2 of the GCCP, as replaced by Article 207 para. 15 of Law 4512/2018).

Following the amendment of the GCCP by Greek Law 4512/2018 (published in Government Gazette 5/A/17.1.2018), as from 21 February 2018 onwards, the auction takes place exclusively through the use of electronic means, in particular through the use of the electronic auction platform (e-auctions.gr), under the responsibility of a certified notary public (acting as auction clerk) of the district place of seized property (or if not available for any reason, of the district region of the district of the place of executionseized property's place or, if again not available for any reason, before an Athens notary public) under the responsibility of a competent notary public acting as auction clerk. The relevant process is detailed in Article 959 of the GCCP (as replaced by para. 6 of Article 207 of Greek Law 4512/2018), as further specified by Decision no. 41756/26.5.2017 of the Minister of Justice, Transparency and Human Rights (published in Government Gazette 1884/B/30.5.2017). It is noted that the very first e-auction in Greece, was conducted on 27 April 2018.

Each bidder must submit a bank guarantee or banker's draft for an amount equal to 30 per cent. of the starting price of the auctioned property and declare his/her attendance in the auction by 15.00 2 business days prior to the auction date. By 17.00 on the date preceding the auction date, the auction clerk registers with the electronic auction platform a list of the bidders entitled to participate in the auction.

In the auction, the property is sold to the highest bidder who then has 10 business days to pay the auction price along with the fees for the use of the electronic auctioning platform which burden the highest bidder. Once the price of the property is paid, the notary public prepares a special deed listing all the creditors and allocating the proceeds of the auction. Each creditor must announce its claim to the notary public by no later than 15 days after the auction and submit all documents proving such claims, otherwise the notary public will not take his claim into account. Once the allocation of proceeds amongst the creditors of the Borrower has been determined pursuant to a deed issued by a notary public, the creditors of the Borrower are invited by the notary public to be informed respectively and may dispute the allocation by filing a petition contesting the deed within 12 business days as from the service of such invitation. The competent Court of First Instance adjudicates the matter but the relevant creditor is entitled to appeal against the decision to the Court of Appeal (or the Single Member Court of First Instance acting as a Court of Appeal, as the case may be). The hearing date of the petition contesting such deed must be obligatory set within 60 days from its filing (or within 120 days in case of the creditor residing abroad). This procedure may delay the collection of proceeds. This can further delay the time at which the Bank finally receives the proceeds of the enforcement of the relevant property. However, the law provides that a creditor is entitled to the payment of its claim even if its allocation priority is subject to a challenge, provided that such creditor provides a letter of guarantee securing repayment of the money in the event that such challenge is upheld.

If no bidders appear at the auction, the immoveable property is awarded at the minimum auction price to the person in favour of whom the enforcement proceedings were initiated, upon the latter's request. The date for hearing of such request is scheduled in priority within eight (8) days from its filing and is served at least three (3) days before the date of hearing, while the relevant court decision is issued within 8 business days as from the hearing date. A recent valuation report of the auction property, dated after the date of the last auction, should be submitted on the hearing date before the competent Court. If no such request is submitted, a repetitive auction takes place within forty (40) days. If such repetitive auction is unsuccessful, the competent court, upon request of persons having legal interest, may order the conduct of another auction within thirty (30) days, at the same or a reduced auction price or allow the sale of the property to the person in favour of whom the enforcement proceedings were initiated or to third persons at a price determined by the court, which may also provide that part of the consideration may be paid in instalments. Following two unsuccessful auctions, a petition may be filed by any interested party for a new auction date to be set, with the same or a lower fixed first price, or for a permission for a direct sale of the property at a price to be determined by the court (in accordance with para. 2 of Article 966 as amended by Article 23 of Greek Law 4549/2018).

Pursuant to Article 954 of the Greek Civil Code, the minimum auction price is determined within the statement of the court bailiff and can be contested by the Borrower or any other lender or anyone having a legal interest by filing an annulment petition against such court bailiff statement at the latest fifteen working days before the auction date. The relevant court's decision should be published at the latest by 12.00 p.m. eight days before the auction date. However, as regards the movable property, it is to be noted that the initial auction price cannot be less than 2/3 of the estimated value of the seized movable property (in accordance with par. 2 of Article 993, in conjunction with par. 2 of Article 954 of the Greek Civil Procedure Code, as amended and in force) and as regards the immovable property, the initial auction price cannot be less than the seized property's "commercial value". The evaluation of the immovable property is calculated in accordance with presidential decree 59/2016 (published in Government Gazette 95/A/27.5.2016). In particular, pursuant to such presidential decree, the immovable property's "commercial value" is determined by the relevant bailiff who is obliged to appoint a certified appraiser for this purpose, namely an individual or legal person that shall be included in the Certified Appraisers Registry held at the General Directorate for Financial Policy of the Ministry of Finance and published on the Ministry of Finance's website. The latter submits to the bailiff an appraisal report in accordance with the European or international recognised appraising standards and in accordance with the Code of Conduct issued by the Bank of Greece on the management of non-performing loans. Appraisal's fees are borne by the creditor who ordered the enforcement proceedings, but ultimately burden the Borrower.

Once the list of creditors is confirmed and adjudicated, the proceeds are distributed according to the deed setting out the allocation of proceeds (see for further details "*Auction Proceeds*" above) in accordance with Article 975 (as recently replaced by Article 1 Article eighth par. 2 of Greek Law 4335/2015 with respect to enforcement proceedings initiated from 1 January 2016 onwards), Article 976, Article 977 (as recently replaced by Article 1 Article eighth par. 2 of Greek Law 4335/2015 with respect to enforcement proceedings initiated from 1 January 2016 onwards) and Article 977A (added through Article 176 para. 1 of Greek Law 4512/2018) of the GCCP.

DESCRIPTION OF PRINCIPAL DOCUMENTS

Servicing and Cash Management Deed

The Servicing and Cash Management Deed (as amended and restated), made between the Issuer, the Trustee and the Servicer contains provisions relating to, *inter alia*:

(i) the Issuer's obligations when dealing with any cash flows arising from the Cover Pool and the Transaction Documents;

(ii) the servicing, calculation, notification and reporting services to be performed by the Servicer, together with cash management services and account handling services in relation to moneys from time to time standing to the credit of the Transaction Account and the Collection Account;

(iii) the terms and conditions upon which the Servicer will be obliged to sell in whole or in part the Selected Loan;

(iv) the Issuer's right to prevent the sale by the Servicer of all of part of the Selected Loan to third parties by removing all of part of the Selected Loan made subject to sale from the Cover Pool and transferring within ten Athens Business Days from the receipt of the offer letter, to the Transaction Account, an amount equal to the price set forth in such offer letter, subject to the provision of a solvency certificate;

(v) the covenants of the Servicer;

(vi) the representations and warranties of the Issuer regarding itself and the Cover Pool Assets;

(vii) the responsibilities of the Servicer following the service of a Notice of Default on the Issuer or upon failure of the Issuer to perform its obligations under the Transaction Documents; and

(viii) the circumstances in which the Issuer or the Trustee will be obliged to appoint a new servicer to perform the Servicing and Cash Management Activities.

Servicing

Pursuant to the Servicing and Cash Management Deed, the Servicer has agreed to service the Loans and their Related Security comprised in the Cover Pool and provide cash management services.

The Servicer will be required to administer the Loans and their Related Security in accordance with the Issuer's administration, arrears and enforcement policies and procedures forming part of the Issuer's policy from time to time as they apply to those Loans.

The Servicer will have the power to exercise the rights, powers and discretions and to perform the duties of the Issuer in relation to the Loans and their Related Security that it is servicing pursuant to the terms of the Servicing and Cash Management Deed, and to do anything which it reasonably considers necessary, convenient or incidental to the administration of the Loans and their Related Security.

Right of delegation by the Servicer

The Servicer may from time to time subcontract or delegate the performance of its powers and duties under the Servicing and Cash Management Deed, provided that it will nevertheless remain

responsible for the performance of those duties to the Issuer and the Trustee and, in particular, will remain liable at all times for servicing the Loans and their Related Security and for the acts or omissions of any delegate or sub-contractor. Any such subcontracting or delegation may be varied or terminated at any time by the Servicer.

Appointment of Replacement Servicer

Upon the occurrence of any of the following events (each a "**Servicer Termination Event**"):

(i) default is made by the Servicer in the payment on the due date of any payment due and payable by it under the Servicing and Cash Management Deed and such default continues unremedied for a period of 3 Athens Business Days after the earlier of the Servicer becoming aware of such default and receipt by the Servicer of written notice from the Trustee requiring the same to be remedied;

(ii) default is made by the Servicer in the performance or observance of any of its other covenants and obligations under the Servicing and Cash Management Deed, which is materially prejudicial to the interests of the Covered Bondholders and such default continues unremedied for a period of 20 Business Days after the Servicer becoming aware of such default, PROVIDED THAT where the relevant default occurs as a result of a default by any person to whom the Servicer has subcontracted or delegated part of its obligations hereunder, such default shall not constitute a Servicer Termination Event if, within such period of 20 Business Days of awareness of such default by the Servicer, the Servicer terminates the relevant sub-contracting or delegation arrangements and takes such steps as the Trustee may approve to remedy such default;

(iii) the occurrence of an Insolvency Event in relation to the Servicer; or

(iv) the occurrence of an Issuer Event (where the Issuer and the Servicer are the same entity),

then the Trustee shall, following consultation with the Bank of Greece and while such Servicer Termination Event continues, use its best endeavours to (a) appoint an independent investment or commercial bank of international repute (the "**Investment Bank**") to select an entity to act as a Replacement Servicer and (b) by notice in writing to the Servicer terminate its appointment as Servicer under the Servicing and Cash Management Deed with effect from a date (not earlier than the date of the notice) specified in the notice, provided that no action will need to be taken by the Trustee if (i) the Bank of Greece is in the process of appointing (A) a Replacement Servicer pursuant to Article 152 or (B) an administrator or liquidator to the Issuer pursuant to the Greek Banking Legislation or (ii) the Trustee is informed by the Bank of Greece that it intends to take any such actions listed in this paragraph or to adopt other steps that are more appropriate in the circumstances to protect the interests of the Covered Bondholders.

"**Insolvency Event**" means in respect of the Issuer and the Servicer:

(d) an order is made or an effective resolution passed for the winding up of the relevant entity; or

(e) the relevant entity stops or threatens to stop payment to its creditors generally or the relevant entity ceases or threatens to cease to carry on its business or substantially the whole of its business; or

(f) an encumbrancer takes possession or a receiver, administrator, administrative receiver or other similar officer is appointed to the whole or any material part of the undertaking, property and assets of the relevant entity or a distress, diligence or execution is levied or

enforced upon against the whole or any material part of the chattels or property of the relevant entity and, in the case of any of the foregoing events, is not discharged within 30 days; or

(g) the relevant entity is unable to pay its debts as they fall due,

(h) a creditors' collective enforcement procedure is commenced against the Servicer (including such procedure under the Bankruptcy Code and articles 137 and 145 of the Greek Banking Legislation),

other than where the Servicer is NBG and any of the events set out in paragraphs (a) to (c) occurs in connection with a substitution in accordance with Condition 17;

The Trustee will not be obliged to act as servicer in any circumstances.

The Cover Pool

The Issuer shall be entitled, subject to filing a Registration Statement signed by the Issuer and the Trustee so providing, to:

(a) allocate to the Cover Pool Additional Cover Pool Assets for the purposes of issuing further Series of Covered Bonds and/or complying with the Statutory Tests and/or maintaining the rating(s) assigned to the Covered Bond provided that, in respect of any New Asset Type: (A) Moody's (to the extent it is rating any Covered Bonds at that time) has provided confirmation in writing that the ratings on the Covered Bonds would not be adversely affected by, or withdrawn as a result of such addition of the New Asset Type to the Cover Pool (and in the case of any other Rating Agency (to the extent it is rating any Covered Bonds at that time), such Rating Agency has been notified of such addition) and the risk weighting of the Covered Bond will not be negatively affected;

(b) prior to the occurrence of an Issuer Event and provided that no breach of any Statutory Test has occurred and is continuing or would occur as a result of such removal or substitution (i) remove Cover Pool Assets from the Cover Pool or (ii) substitute Cover Pool Assets with Additional Cover Pool Assets, provided that for any substitution of Additional Cover Pool Assets which are New Asset Type Moody's (to the extent it is rating any Covered Bonds at that time) has provided confirmation in writing that the ratings on the Covered Bonds would not be adversely affected by, or withdrawn as a result of, such removal or substitution (and in the case of any other Rating Agency (to the extent it is rating any Covered Bonds at that time), such Rating Agency has been notified of such addition).

Any further assets added to the Cover Pool at the option of the Issuer in accordance with the above or by way of mandatory changes below shall form part of the Cover Pool.

Sale of Selected Loans and their Related Security following an Issuer Event

Following the occurrence of an Issuer Event, which is continuing, the Servicer shall be obliged to sell Loan and their Related Security in the Cover Pool in respect of the relevant Series of Pass-Through Covered Bonds on or before the First Refinance Date or before each Refinance Date thereafter having the Required Outstanding Principal Balance (the "**Selected Loans**") in accordance with the Servicing and Cash Management Deed, subject to the rights of preemption in favour of the Issuer to remove the Selected Loans from the Cover Pool provided, (i) in the case of the sale of Selected Loans following an Issuer Event and prior to a breach of the Amortisation Test, where the Amortisation Test was met immediately prior to the proposed sale, the Amortisation Test will continue to be met following any sale of Selected Loans or the removal of such Selected Loans from

the Cover Pool and (ii) where the Amortisation Test has been breached prior to such Selected Loans being sold the Servicer may sell Selected Loans even where the Amortisation Test will not be satisfied after such sale provided that the amount by which the Amortisation Test is breached is not worsened or further reduced as a result of sale of such Selected Loans.

Prior to the Servicer making any offer to sell Selected Loans and their Related Security to third parties, the Servicer shall serve on the Issuer a loan offer notice in the form set out in the Servicing and Cash Management Deed (a "**Selected Loan Offer Notice**") giving the Issuer the right to prevent the sale by the Servicer of all of part of the Selected Loans to third parties, by removing all of part of the Selected Loans made subject to sale from the Cover Pool and transferring an amount equal to the then Outstanding Principal Balance of the relevant portion of the Selected Loans and the relevant portion of all arrears of interest and accrued interest relating theretoto the Transaction Account.

If the Issuer validly accepts the Servicer's offer to remove all of part of the Selected Loans and their Related Security from the Cover Pool by signing the duplicate Selected Loan Offer Notice in a manner indicating acceptance and delivering it to the Trustee and the Servicer within 10 Athens Business Days from and including the date of the Selected Loan Offer Notice, the Servicer shall within three Athens Business Days of receipt of such acceptance, serve a selected loan removal notice on the Issuer in the form set out in the Servicing and Cash Management Deed (a "**Selected Loan Removal Notice**").

The Servicer shall offer for sale the Selected Loans and their Related Security in respect of which the Issuer rejects or fails within the requisite time limit to accept the Servicer's offer to remove the Loans and their Related Security form the Cover Pool in the manner and on the terms set out in the Servicing and Cash Management Deed.

Upon receipt of the Selected Loan Removal Notice duly signed on behalf of the Servicer, the Issuer shall promptly (i) sign and return a duplicate copy of the Selected Loan Removal Notice to the Servicer, (ii) deliver to the Servicer and the Trustee a solvency certificate stating that the Issuer is, at such time, solvent and shall remove from the Cover Pool the relevant portion of Selected Loans (as specified in the signed Selected Loan Removal Notice (and any other Loan secured or intended to be secured by that Related Security or any part of it) referred to in the relevant Selected Loan Removal Notice and where that portion is less than all of the Selected Loans the Loans and the Related Security in the portion that is removed shall be chosen from the Selected Loans on a random basis. Completion of the removal of all or part of the Selected Loans by the Issuer will take place on the Calculation Date next occurring after receipt by the Issuer of the Selected Loan Removal Notice or such other date as the Servicer may direct in the Selected Loan Removal Notice (provided that such date is not later than the earlier to occur of the date which is (a) 10 Athens Business Days after receipt by the Servicer of the returned Selected Loan Removal Notice and (b) the Extended Final Maturity Date of the relevant Series of Covered Bonds) when the Issuer shall, prior to the removal from the Cover Pool of all or part of the relevant Selected Loans (and any other Loan secured or intended to be secured by that Related Security or any part of it), pay to the Transaction Account an amount in cash equal to the price specified in the relevant Selected Loan Removal Notice.

On the date of completion of the removal of all or part of the Selected Loans and their Related Security in accordance with the above, the Issuer shall ensure that the corresponding portion of the Selected Loans and their Related Security are removed from the Registration Statement.

Upon such completion of the removal of all or part of the Selected Loans and their Related Security in accordance with above or the sale of all or part of Selected Loans and their Related Security to a third party or third parties, the Issuer shall cease to be under any further obligation to hold any Customer Files or other documents relating to the relevant removed or sold Selected Loans and their Related Security to the order of the Trustee and, if the Trustee holds such Customer Files or other documents, it will send them to the Issuer at the cost of the Issuer.

"**Earliest Maturing Covered Bonds**" means, at any time, the Series of the Covered Bonds (other than any Series which is fully collateralised by amounts standing to the credit of the Transaction Account) that has or have the earliest Final Maturity Date as specified in the applicable Final Terms (ignoring any acceleration of amounts due under the Covered Bonds prior to service of a Notice of Default).

Method of Sale of Selected Loans

If the Servicer is required to sell Selected Loans and their Related Security to third parties following an Issuer Event which is continuing, the Servicer shall seek to sell such Selected Loans on or prior to the First Refinance Date and/or prior to each Refinance Date thereafter and the Servicer will be required to ensure that before offering Selected Loans for sale:

(a) unless the Selected Loans comprise the entire Cover Pool:

(i) the Selected Loans have been selected from the Cover Pool on a random basis and such obligation in relation to random selection also applies where part but not all Selected Loans in relation to any Series are sold;

(ii) following an Issuer Event but prior to a breach of the Amortisation Test, the Selected Loans to be sold in any sale together (i) constitute all Selected Loans in relation to the relevant Series of Pass-Through Covered Bonds; or (ii) where the Outstanding Principal Balance in relation to such Selected Loans is greater than or equal to EUR 150 million (one hundred fifty million) or the Euro Equivalent Amount, such Selected Loans to be sold together have an Outstanding Principal Balance of at least EUR 150 million (one hundred fifty million); and

(iii) following the sale of the Selected Loans, not less than 5 (five) per cent. of the Outstanding Principal Balance of Selected Loans in respect of that Series of Pass Through Covered Bonds would remain in the Cover Pool (other than in respect of a sale of all Selected Loans in relation to the Relevant Series); and

(b) the Selected Loans have an aggregate Outstanding Principal Balance in an amount (the **Required Outstanding Principal Balance Amount**) which is as close as possible to the amount calculated as follows:

$$N \times \frac{\text{Outstanding Principal Balance of all Loans in the Cover Pool}}{\text{the Euro Equivalent of the Required Redemption Amount in respect of each Series of Covered Bonds then outstanding}}$$

where N is an amount equal to the Euro Equivalent of the Required Redemption Amount of the relevant Series of Covered Bonds (being each Series of Pass-Through Covered Bonds) less amounts standing to the credit of the Transaction Account (other than amounts standing to the credit of the General Reserve Ledger) and the principal amount of any Marketable Assets or Authorised Investments (other than Authorised Investments acquired from the amounts standing to the credit of the General Reserve Ledger) (excluding all amounts to be the Principal Amount Outstanding of the relevant Series of Covered Bonds) and all Sale Proceeds received from the sale of other Selected Loans or removal of Selected Loans under the right of pre-emption.

Required Redemption Amount means, in respect of any relevant Series of Covered Bonds, the amount calculated as follows:

the Principal Amount Outstanding of the relevant Series of Covered Bonds

multiplied by

(1 + Negative Carry Factor x (days to maturity of the relevant Series of Covered Bonds/365)).

For the purposes of Clause 6.4 of the Servicing and Cash Management Agreement reference to a relevant Series of Covered Bonds shall be a reference to one or more Series of Covered Bonds in respect of which the Servicer is required to sell Selected Loans, which shall for the avoidance of doubt, be all Series of Pass Through Covered Bonds.

(c) The Servicer will offer the Selected Loans for sale to third parties for the best price reasonably available but (subject to Clause (d) below) in any event for an amount not less than the Adjusted Required Redemption Amount.

The **Adjusted Required Redemption Amount** means the Euro Equivalent of the Required Redemption Amount, plus or minus (without double counting):

(i) any swap termination amounts payable to or by the Issuer under a Covered Bond Swap Agreement in respect of the relevant Series of Covered Bonds less (where applicable) the principal balance of any Marketable Assets and Authorised Investments (excluding all amounts which have been set aside to pay the relevant Series of Covered Bonds); and plus or minus

(ii) any swap termination amounts payable to or by the Issuer under an Interest Rate Swap Agreement in respect of the relevant Series of Covered Bonds; plus

(iii) reasonable costs and expenses associated with sale of Selected Loans and their Related Security and the reasonable costs and expenses of the Portfolio Manager connected with the sale of Selected Loans and their Security; plus

(iv) the Series Share of Expenses.

(d) Following the occurrence of an Issuer Event, the Servicer will as soon as possible and in any event within one calendar month of the First Refinance Date and, if applicable within one calendar month of the occurrence of any further Refinance Date (if applicable) appoint a Portfolio Manager of recognised standing, and which is not an affiliate of the Issuer, on a basis intended to incentivise the Portfolio Manager to achieve the best price for the sale of the Selected Loans (if such terms are commercially available in the market) via a market auction process and to advise it in relation to the sale of the Selected Loans to third-party purchasers via a market auction process (except where the Issuer exercises its right of pre-emption). Only one Portfolio Manager may be appointed at any one time in respect of the Programme. If a Portfolio Manager has already been appointed in respect of a sale of Selected Loans and that appointment is continuing, the Servicer will appoint the same Portfolio Manager in respect of all other Series of Covered Bonds. Where the Servicer has not appointed the Portfolio Manager within one calendar month of the First Refinance Date or, if applicable, within one calendar month of any further Refinance Date (if applicable), the Servicer will send notice to all of the Covered Bondholders (with a copy of the notice to be provided to the Trustee) informing them that no Portfolio Manager has been appointed and will appoint the Portfolio Manager selected (pursuant to Condition 6.9 (Portfolio Manager)) by the Covered Bondholders on the same basis as if the appointment had been made by the Servicer. For the avoidance of doubt, the Trustee shall not be obliged to appoint a Portfolio Manager should the Servicer fail to do so (and shall have no liability for such

failure) and shall not be responsible for determining the identity of, or approving, the Portfolio Manager to be appointed by the Servicer following a nomination or determining or approving the terms of appointment of a Portfolio Manager.

(e) In respect of any sale of Selected Loans and their Related Security following the occurrence of an Issuer Event, the Servicer will instruct the Portfolio Manager to use all reasonable endeavours to procure that Selected Loans are sold as quickly as reasonably practicable (in accordance with the recommendations of the Portfolio Manager) taking into account the market conditions at that time and, where relevant, the scheduled repayment dates of the Covered Bonds and the terms of this Deed. The Servicer will ensure that the terms of the appointment of the Portfolio Manager require the Portfolio Manager's actions in respect of any sale of Selected Loans and their Related Security to be in accordance with the provisions summarised above, including the rights of pre-emption in favour of the Issuer to remove the Selected Loans from the Cover Pool. The Servicer will also ensure that the terms of the appointment of the Portfolio Manager require that the costs and expenses incurred by the Portfolio Manager are (which shall be borne by the Issuer) reasonable.

(f) The Trustee will grant a power of attorney to the Servicer to release the Selected Loans and their Related Security from the Registration Statement but the Servicer, acting in the name of and on behalf of the Trustee, shall not do so unless and until completion of the removal of the Selected Loans and their Related Security in accordance with Clauses 6.3 (d) and 6.3 (e) of the Servicing and Cash Management Deed has taken place.

(g) Following the occurrence of an Issuer Event, if third parties accept the offer or offers from the Servicer (or the Portfolio Manager on behalf of the Servicer, if a Portfolio Manager has been appointed), then the Servicer will, subject to the foregoing paragraph, enter into a sale and purchase agreement with the relevant third-party purchasers which will require, inter alia, a cash payment from the relevant third-party purchasers. Any such sale will not include any representations and warranties from the Servicer, the Portfolio Manager or the Issuer in respect of the Loans and their Related Security unless expressly agreed by the Servicer.

(h) Any Sale Proceeds received from the sale of the Selected Loans and their Related Security will be applied by the Servicer on the next following Cover Pool Payment Date as Cover Bonds Available Funds.

Amendment to definitions

Under the Servicing and Cash Management Deed, the parties have agreed that the definitions of Cover Pool, Cover Pool Asset, Statutory Test and Amortisation Test may be amended by the Issuer from time to time without the consent of the Trustee as a consequence of the inclusion in the Cover Pool of a New Asset Type provided that each of the Rating Agencies has provided confirmation in writing that the ratings on the Covered Bonds would not be adversely affected by, or withdrawn as a result of such amendment.

General Reserve Ledger

The Servicer will establish a ledger on the Transaction Account to be called the "**General Reserve Ledger**".

On each Calculation Date the Issuer shall pay an amount into the General Reserve Ledger sufficient to cause the General Reserve Ledger to have a balance equal to the General Reserve Required Amount into the relevant Transaction Account on such date (with a corresponding credit to the relevant General Reserve Ledger).

On each Cover Pool Payment Date, an amount equal to the General Reserve Withdrawal Amount will be debited from the General Reserve Ledger and applied as Covered Bonds Available Funds.

"**General Reserve Required Amount**" means:

(a) on each Calculation Date when the Issuer has Covered Bonds outstanding, an amount equal to the sum of (i) the amount of interest due on all Series of Covered Bonds then outstanding over the next twelve months (calculated on a rolling basis), and (ii) the amounts due over the next twelve months under paragraphs (i) to (iv) (both inclusive) of the Post Issuer Event Priority of Payments (without double counting); and

(b) at all times from and including the date on which the Issuer has no outstanding liabilities in respect of the Covered Bonds, shall be equal to zero.

"**General Reserve Withdrawal Amount**" means:

(a) on each Cover Pool Payment Date, a drawing from the General Reserve Ledger to be applied as Covered Bonds Available Funds, if and to the extent that Covered Bonds Available Funds (disregarding for such purposes any amount comprising Covered Bond Available Funds in accordance with paragraph (d) of the definition of Covered Bond Available Funds) would not be sufficient to pay items (i) to (iv) of the Post Issuer Event Priority of Payments; and

(b) on each Cover Pool Payment Date, a drawing from the General Reserve Ledger to be applied as Covered Bonds Available Funds if and to the extent that amounts standing to the credit of the General Reserve Ledger (taking into account any withdrawals from the General Reserve Ledger on such Cover Pool Payment Date under (a) above) would exceed the General Reserve Required Amount.The Servicer shall, prior to the occurrence of a Cover Pool Event of Default, invest all amounts standing to the credit of the General Reserve Ledger in Authorised Investments.

Law and Jurisdiction

The Servicing and Cash Management Deed is governed by English law (provided that any terms of the Servicing and Cash Management Deed which are particular to the laws of the Hellenic Republic shall be construed in accordance with Greek Law).

Asset Monitor Agreement

The Asset Monitor has agreed, subject to due receipt of the information to be provided by the Servicer to the Asset Monitor, to conduct tests in respect of the arithmetical accuracy of the calculations performed by the Servicer on the First Issue Date and no later than the 31st day of March in each year with a view to confirmation of the arithmetical accuracy or otherwise of such calculations. If and for so long as the long-term ratings of the Issuer or the Servicer are below Baa2 by Moody's or (BBB)(low) by DBRS or BBB- by S&P (respectively (or such other ratings that may be agreed by the parties to the Bank Account Agreement and the Rating Agencies then rating any Covered Bonds), or following the occurrence of an Issuer Event, which is continuing, The Asset Monitor shall, subject to receipt of the relevant information from the Servicer within the agreed timeframe, be required to conduct such tests in each Applicable Calculation Date (and in any case not later than 10 Athens Business Days following receipt of the relevant information from the Servicer). The Issuer undertakes to notify S&P in case of changes to the frequency of the tests pursuant to Clause 2(c) of the Asset Monitor Agreement.

Following a determination by the Asset Monitor of any errors in the arithmetical accuracy of the calculations performed by the Servicer such that the Statutory Tests or Amortisation Test, as

applicable, have been failed on the relevant Applicable Calculation Date (where the Servicer had recorded it as being satisfied), or the reported Nominal Value of the Cover Pool or the reported Net Present Value of the Cover Pool or the reported amount of interest expected to be received in respect of the Loans comprised in the Cover Pool was mis-stated by the Servicer by an amount exceeding two per cent. of the Nominal Value of the Cover Pool or the reported Net Present Value of the Cover Pool or the reported amount of interest expected to be received in respect of the Loans comprised in the Cover Pool, as applicable (as at the date of the relevant Statutory Test or Amortisation Test, as applicable), the Asset Monitor will be required to conduct such tests following each Applicable Calculation Date for a period of six months thereafter.

The Asset Monitor is entitled to assume that all information provided to it by the Servicer for the purpose of conducting such tests is true and correct and not misleading, and is not required to conduct an audit or similar examination in respect of or otherwise take steps to verify the accuracy or completeness of any such information. The Asset Monitor will deliver a report (the "**Asset Monitor Report**") to the Servicer, the Issuer and, if so requested, to the Trustee.

The Issuer or the Servicer will ensure that a copy of the Asset Monitor Report is sent to the Bank of Greece for the purposes of the Greek Covered Bond Legislation at the very minimum on an annual basis.

The Issuer or the Servicer, as applicable, will pay to the Asset Monitor an annual fee for the tests to be performed by the Asset Monitor.

The Issuer (or after the occurrence of an Issuer Event, the Servicer) may, at any time, but subject to the prior written consent of the Trustee, terminate the appointment of the Asset Monitor by giving at least 30 days' prior written notice to the Asset Monitor, provided that such termination may not be effected unless and until a replacement asset monitor has been found by the Issuer (or after the occurrence of an Issuer Event, the Servicer) (such approval to be given by the Trustee if the replacement is an accountancy firm of international standing) which agrees to perform the duties of the Asset Monitor set out in the Asset Monitor Agreement (or substantially similar duties).

The Asset Monitor may, at any time, resign by giving at least 30 days' prior written notice to the Issuer and the Trustee (copied to the Rating Agencies), and may resign by giving immediate written notice in the event of a professional conflict of interest caused by the action of any recipient of its reports.

Upon the Asset Monitor giving 30 days' prior written notice of resignation, the Issuer (or following the occurrence of an Issuer Event, the Servicer) shall immediately use all reasonable endeavours to appoint a substitute asset monitor provided that such appointment to be approved by the Trustee (such approval to be given by the Trustee if the substitute is an accountancy firm of international standing) which agrees to perform the duties of the Asset Monitor set out in the Asset Monitor Agreement. If a substitute is not appointed by the date which is 30 days prior to the date when tests are to be carried out in accordance with the terms of the Asset Monitor Agreement, then the Issuer (or following the occurrence of an Issuer Event, the Servicer) shall use all reasonable endeavours to appoint an accountancy firm of national standing to carry out the relevant tests on a one-off basis, provided that such appointment is approved by the Trustee.

The Trustee will not be obliged to act as Asset Monitor in anycircumstances.

Law and Jurisdiction

The Asset Monitor Agreement is governed by English law.

Trust Deed

The Trust Deed, made between the Issuer and the Trustee on the Programme Closing Date (as subsequently amended and supplemented) appoints the Trustee to act as the bondholders representative in accordance with paragraph 2 of Article 152. The Trust Deed contains provisions relating to, *inter alia*:

(a) the constitution of the Covered Bonds and the terms and conditions of the Covered Bonds (as more fully set out under Terms and Conditions of the Covered Bonds above);

(b) the covenants of the Issuer;

(c) the enforcement procedures relating to the Covered Bonds; and

(d) the appointment powers and responsibilities of the Trustee and the circumstances in which the Trustee may resign or be removed.

Law and Jurisdiction

The Trust Deed is governed by English law.

Agency Agreement

Under the terms of an Agency Agreement to be entered into on the Programme Closing Date (as subsequently amended and restated) between the Issuer, the Trustee, the Principal Paying Agent (together with any paying agent appointed from time to time under the Agency Agreement, the "**Paying Agents**") (the "**Agency Agreement**"), the Paying Agents have agreed to provide the Issuer with certain agency services and have agreed, *inter alia*, to make available for inspection such documents as may be required from time to time by the rules of the Luxembourg Stock Exchange and to arrange for the publication of any notice to be given to the Covered Bondholders.

For the purposes of Condition 4.2(b)(ii) of the Terms and Conditions, the Agency Agreement provides that if the Relevant Screen Page is not available or if, no offered quotation appears or if fewer than three offered quotations appear, in each case as at 11.00 a.m. (London time, in the case of LIBOR, or Brussels time, in the case of EURIBOR (the "**Specified Time**"), the Principal Paying Agent shall request each of the Reference Banks to provide the Principal Paying Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate at approximately the Specified Time on the Interest Determination Date in question. If two or more of the Reference Banks provide the Principal Paying Agent with offered quotations, the Rate of Interest for the Interest Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations plus or minus (as appropriate) the Margin (if any), all as determined by the Principal Paying Agent.

For the purposes of Condition 4.2(b)(ii) the Agency Agreement also provides that if on any Interest Determination Date one only or none of the Reference Banks provides the Principal Paying Agent with an offered quotation, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Principal Paying Agent determines as being the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the rates, as communicated to (and at the request of) the Principal Paying Agent by the Reference Banks or any two or more of them, at which such banks were offered, at approximately the Specified Time on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in the London inter-bank market (if the reference rate is LIBOR) or the Euro-zone inter-bank market (if the reference rate is EURIBOR) plus or minus (as appropriate) the Margin (if any) or, if fewer than two of the Reference Banks provide the Principal Paying Agent with offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the

Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, at approximately the Specified Time on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for the purpose) informs the Principal Paying Agent it is quoting to leading banks in the London inter-bank market (if the reference rate is LIBOR) or the Euro-zone inter-bank market (if the reference rate is EURIBOR) plus or minus (as appropriate) the Margin (if any), provided that, if the Rate of Interest cannot be determined in accordance with the Agency Agreement of this Clause, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period in place of the Margin relating to that last preceding Interest Period).

Law and Jurisdiction

The Agency Agreement is governed by English law.

For the purposes of this section "**Agency Agreement**" any capitalised terms have the meanings given to them in the Terms and Conditions of the Covered Bonds above.

Deed of Charge

Pursuant to the terms of the Deed of Charge entered into on the Programme Closing Date by the Issuer, the Trustee and the other Secured Creditors, the Secured Obligations of the Issuer and all other obligations of the Issuer under or pursuant to the Transaction Documents to which it is a party are secured, *inter alia*, by the following security over the following property, assets and rights (the Deed of Charge Security):

(a) an assignment by way of first fixed security over all of the Issuer's interests, rights and entitlements under and in respect of any Charged Document;

(b) a first fixed charge (which may take effect as a floating charge) over the rights and benefits of the Bank Accounts and the Collection Account (the Issuer Accounts) and all amounts standing to the credit of the Issuer Accounts; and

(c) a first fixed charge (which may take effect as a floating charge) over the rights and benefits of the Issuer in respect of all Authorised Investments and Marketable Assets (to the extent governed by English law) purchased from time to time from amounts standing to the credit of any Issuer Account.

In addition, to secure its obligations under the Covered Bonds the Issuer has, pursuant to paragraph 10 of Article 152, created a pledge over the Cover Pool (which consists principally of the Issuer's interest in the Loan Assets and certain Marketable Assets). The Deed of Charge will also provide that (other than in certain limited circumstances) only the Trustee may enforce the security created under either the Deed of Charge or paragraph 10 of Article 152. The proceeds of any such enforcement of the Deed of Charge and paragraph 10 of Article 152 will be required to be applied in accordance with the order of priority set out in the Post Event of Default Priority of Payments.

The Trustee shall at all times be a credit institution (or a subsidiary company of a credit institution) that is entitled to provide services in the European Economic Area and/or the UK in accordance with paragraph 2 of Article 152 (an "**EEA Credit Institution**"). If at any time the Trustee ceases to be an EEA Credit Institution it will notify the Issuer immediately and take all steps necessary to find a replacement Trustee that is an EEA Credit Institution.

Release of Security

In accordance with the terms of the Deed of Charge all amounts which the Servicer (on behalf of the Issuer and the Trustee or its appointee) is permitted to withdraw from the Transaction Account pursuant to the terms of the Deed of Charge will be released from the Deed of Charge Security. In addition, upon the Issuer or the Servicer making a disposal of an Authorised Investment or Marketable Assets (to the extent governed by English law) charged under the Deed of Charge and provided that the proceeds of such disposal are paid into the Transaction Account in accordance with the terms of the Servicing and Cash Management Deed, that Authorised Investment or Marketable Assets (to the extent governed by English law) will be released from the Deed of Charge Security.

At such time that all of the obligations owing by the Issuer to the Secured Creditors have been discharged in full, the Trustee will, at the cost of the Issuer, take whatever action is necessary to release the Charged Property from the Deed of Charge Security to, or to the order of, the Issuer.

Enforcement

If a Notice of Default is served on the Issuer, the Trustee shall be entitled to appoint a Receiver, and/or enforce the Deed of Charge Security constituted by the Deed of Charge, and/or take such steps as it shall deem necessary, subject in each case to being indemnified and/or secured to its satisfaction. All proceeds received by the Trustee from the enforcement of the Deed of Charge Security will be applied in accordance with the Post Event of Default Priority of Payments.

Law and Jurisdiction

The Deed of Charge is governed by English law.

Interest Rate Swap Agreement

Some of the Loan Assets in the Cover Pool will pay from time to time a variable rate of interest for a period of time that may either be linked to the standard variable rate of the Issuer (the "**Issuer Standard Variable Rate**") or linked to an interest rate other than the Issuer Standard Variable Rate, such as EURIBOR or a rate that tracks the ECB base rate. Other Loan Assets will pay a fixed rate of interest for a period of time. However, the Euro payments to be made by the Issuer under each of the Covered Bond Swaps may vary. To provide a hedge against the possible variance between:

(a) the rates of interest payable on the Loan Assets in the Cover Pool; and

(b) payments by the Issuer under the Covered Bond Swaps,

the Issuer, the provider of the Interest Rate Swaps (each such provider, an Interest Rate Swap Provider) and the Trustee will enter into one or more an interest rate swap transactions in respect of each Series of Covered Bonds under the Interest Rate Swap Agreement (each such transaction an Interest Rate Swap).

Under the terms of each Interest Rate Swap, in the event that the relevant rating of the Interest Rate Swap Provider or any guarantor of the Interest Rate Swap Provider's obligations is downgraded by a Rating Agency below the rating specified in the Interest Rate Swap Agreement (in accordance with the requirements of the Rating Agencies), the Interest Rate Swap Provider will, in accordance with the Interest Rate Swap Agreement, be required to take certain remedial measures which may include providing collateral for its obligations under the Interest Rate Swaps, arranging for its obligations under the Interest Rate Swaps to be transferred to an entity with ratings required by the relevant Rating Agency, procuring another entity with the ratings

required by the relevant Rating Agency to become co-obligor or guarantor in respect of its obligations under the Interest Rate Swaps (such guarantee to be provided in accordance with the then-current guarantee criteria of each of the Rating Agencies), or taking such other action as it may agree with the relevant Rating Agency. A failure to take such steps within the periods set out in the Interest Rate Swap Agreement will, subject to certain conditions, allow the Issuer to terminate the Interest Rate Swap Agreement.

The Interest Rate Swap Agreement may also be terminated in certain other circumstances, together with any other events of default and termination events set out in the Interest Rate Swap Agreement (each referred to as an Interest Rate Swap Early Termination Event), which may include:

- at the option of any party to the Interest Rate Swap Agreement, if there is a failure by the other party to make timely payments of any amounts due under the Interest Rate Swap Agreement; and

- upon the occurrence of the insolvency of the Interest Rate Swap Provider or any guarantor of the Interest Rate Swap Provider's obligations, or the merger of the Interest Rate Swap Provider without an assumption of its obligations under the Interest Rate Swap Agreement.

Upon the termination of an Interest Rate Swap pursuant to an Interest Rate Swap Early Termination Event, the Issuer or the Interest Rate Swap Provider may be liable to make a termination payment to the other in accordance with the provisions of the Interest Rate Swap Agreement. The amount of this termination payment will be calculated and made in Euro. Any termination payment made by the Interest Rate Swap Provider to the Issuer in respect of an Interest Rate Swap will first be used (prior to the occurrence of an Issuer Event) to pay a replacement Interest Rate Swap Provider to enter into a replacement Interest Rate Swap with the Issuer, unless a replacement Interest Rate Swap has already been entered into on behalf of the Issuer. Any premium received by the Issuer from a replacement Interest Rate Swap Provider in respect of a replacement Interest Rate Swap will first be used to make any termination payment due and payable by the Issuer with respect to the previous Interest Rate Swap, unless such termination payment has already been made on behalf of the Issuer. Any tax credits received by the Issuer in respect of an Interest Rate Swap will first be used to reimburse the relevant Interest Rate Swap Provider for any gross-up in respect of any withholding or deduction for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature (and wherever imposed) made under the relevant Interest Rate Swap.

If a withholding or deduction for or on account of taxes is imposed on payments made by the Interest Rate Swap Provider to the Issuer under the Interest Rate Swaps, the Interest Rate Swap Provider shall always be obliged to gross up those payments so that the amount received by the Issuer is equal to the amount which would have been received in the absence of such withholding or deduction. If a withholding or deduction for or on account of taxes is imposed on payments made by the Issuer to the Interest Rate Swap Provider under the Interest Rate Swaps, the Issuer shall not be obliged to gross up those payments.

The Interest Rate Swap Provider may transfer all its interest and obligations in and under the relevant Interest Rate Swap Agreement to a transferee with minimum ratings in line with the criteria of each of the Rating Agencies, without any prior written consent of the Trustee, subject to certain conditions.

Any tax credits or Swap Collateral Excluded Amounts will be paid to the Interest Rate Swap Provider directly and not via the Priorities of Payments.

The Interest Rate Swap Provider may transfer all its interest and obligations in and under the relevant Interest Rate Swap Agreement to a transferee with minimum ratings in line with the

criteria of by each of the Rating Agencies, without any prior written consent of the Trustee, subject to certain conditions. If the Issuer is required to sell Selected Loans in the Cover Pool following the occurrence of an Issuer Event then, to the extent that such Selected Loans include Fixed Rate Loans, the Issuer may either:

(a) require that the Interest Rate Swaps in connection with such Selected Loans partially terminate to the extent that such Selected Loans include Fixed Rate Loans and any breakage costs payable by or to the Issuer in connection with such termination will, following the occurrence of an Issuer Event, be taken into account in calculating the Cover Pool Payment Date for the sale of the Selected Loans; or

(b) request that the Interest Rate Swaps in connection with such Selected Loans be partially novated to the purchaser of such Fixed Rate Loans to the extent that such Selected Loans include Fixed Rate Loans, such that each purchaser of Selected Loans will thereby become party to a separate interest rate swap transaction with the Interest Rate Swap Provider.

Law and Jurisdiction

The Interest Rate Swap Agreement (and each Interest Rate Swap thereunder) will be governed by English law.

Covered Bond Swap Agreements

The Issuer may enter into one or more covered bond swap transactions with one or more Covered Bond Swap Providers and the Trustee in respect of each Series of Covered Bonds (each such transaction a Covered Bond Swap). Each Covered Bond Swap may be either a Forward Starting Covered Bond Swap or a Non-Forward Starting Covered Bond Swap and each will constitute the sole Transaction under a single Covered Bond Swap Agreement (such Covered Bond Swap Agreements, together, the Covered Bond Swap Agreements).

Each Forward Starting Covered Bond Swap will provide a hedge (after the occurrence of an Issuer Event) against certain interest rate, currency and/or other risks in respect of amounts received by the Issuer under the Loans and the Interest Rate Swaps (if any) and amounts payable by the Issuer under the Covered Bonds (Forward Starting Covered Bond Swap).

Each Non-Forward Starting Covered Bond Swap will provide a hedge against certain interest rate, currency and/or other risks in respect of amounts received by the Issuer under the Loans and the Interest Rate Swaps (if any) and amounts payable by the Issuer under the Covered Bonds (Non-Forward Starting Covered Bond Swap).

Where required to hedge such risks, there will be one (or more) Covered Bond Swap Agreement(s) and Covered Bond Swap(s) in relation to each Series or Tranche, as applicable, of Covered Bonds.

Under the Forward Starting Covered Bond Swaps, the Covered Bond Swap Provider will pay to the Issuer on each Interest Payment Date, after the occurrence of an Issuer Event, an amount equal to the relevant portion of the amounts that are payable by the Issuer in respect of interest and principal payable under the relevant Series or Tranche of Covered Bonds. In return, the Issuer (or the Servicer on its behalf) will periodically pay to the Covered Bond Swap Provider an amount in Euro calculated by reference to Euro EURIBOR plus a spread and, where relevant, the Euro Equivalent of the relevant portion of any principal due to be repaid in respect of the relevant Series or Tranche of Covered Bonds.

Under the Non-Forward Starting Covered Bond Swaps on the relevant Issue Date, the Issuer (or the Servicer on its behalf) will, if the Covered Bonds are denominated in a currency other than Euro, pay to the Covered Bond Swap Provider an amount equal to the relevant portion of the amount

received by the Issuer in respect of the aggregate nominal amount of such Series or Tranche, as applicable, of Covered Bonds and in return the Covered Bond Swap Provider will pay to the Issuer the Euro Equivalent of the first-mentioned amount. Thereafter, and where the Covered Bonds are denominated in Euro, the Covered Bond Swap Provider will pay to the Issuer on each Interest Payment Date an amount equal to the relevant portion of the amounts that are payable by the Issuer in respect of interest and principal payable under the relevant Series or Tranche of Covered Bonds. In return, the Issuer (or the Servicer on its behalf) will periodically pay to the Covered Bond Swap Provider an amount in Euros calculated by reference to EURIBOR plus a spread and, where relevant, the Euro Equivalent of the relevant portion of any principal due to be repaid in respect of the relevant Series or Tranche of Covered Bonds.

Under the terms of each Forward Starting Covered Bond Swap and each Non-Forward Starting Covered Bond Swap, in the event that the relevant rating of the Covered Bond Swap Provider or any guarantor of the Covered Bond Swap Provider's obligations is downgraded by a Rating Agency below the rating specified in the relevant Covered Bond Swap Agreement (in accordance with the requirements of the Rating Agencies), the Covered Bond Swap Provider will, in accordance with the relevant Covered Bond Swap Agreement, be required to take certain remedial measures which may include providing collateral for its obligations under the Covered Bond Swap, arranging for its obligations under the Covered Bond Swap to be transferred to an entity with the ratings required by the relevant Rating Agency, procuring another entity with the ratings required by the relevant Rating Agency to become co-obligor or guarantor in respect of its obligations under the Covered Bond Swap Agreement (such guarantee to be provided in accordance with the then-current guarantee criteria of each of the Rating Agencies), or taking such other action as it may agree with the relevant Rating Agency. In addition, if the net exposure of the Issuer against the Covered Bond Swap Provider under the relevant Covered Bond Swap exceeds the threshold specified in the relevant Covered Bond Swap Agreement, the Covered Bond Swap Provider may be required to provide collateral for its obligations. A failure to take such steps within the time periods set out in the Covered Bond Swap Agreement will, subject to certain conditions, allow the Issuer to terminate the Covered Bond Swap.

A Covered Bond Swap Agreement may also be terminated in certain other circumstances, together with any other events of default and termination events set out in the relevant Covered Bond Swap Agreement (each referred to as a "**Covered Bond Swap Early Termination Event**"), which may include:

(a) at the option of any party to the Covered Bond Swap Agreement, if there is a failure by the other party to make timely payments of any amounts due under such Covered Bond Swap Agreement; and

(b) upon the occurrence of an insolvency of the Covered Bond Swap Provider or any guarantor of the Covered Bond Swap Provider's obligations, or the merger of the Covered Bond Swap Provider without an assumption of its obligations under the relevant Covered Bond Swap Agreement.

Upon the termination of a Covered Bond Swap, the Issuer or the Covered Bond Swap Provider may be liable to make a termination payment to the other in accordance with the provisions of the relevant Covered Bond Swap Agreement. The amount of this termination payment will be calculated and made in Euro. Any termination payment made by the Covered Bond Swap Provider to the Issuer in respect of a Covered Bond Swap will first be used (prior to the occurrence of an Issuer Event) to pay a replacement Covered Bond Swap Provider to enter into a replacement Covered Bond Swap with the Issuer, unless a replacement Covered Bond Swap has already been entered into on behalf of the Issuer. Any premium received by the Issuer from a replacement Covered Bond Swap Provider in respect of a replacement Covered Bond Swap will first be used to make any termination payment due and payable by the Issuer with respect to the previous Covered Bond Swap, unless such termination payment has already been made on behalf of the Issuer. Any tax credits received by the

Issuer in respect of a Covered Bond Swap will first be used to reimburse the relevant Covered Bond Swap Provider for any gross-up in respect of any withholding or deduction for or on account of any present or future taxes. Duties, assessments or governmental charges of whatever nature (and wherever imposed) made under the relevant Covered Bond Swap.

Any tax credits or Swap Collateral Excluded Amounts will be paid to the Covered Bond Swap Provider directly and not via the Priorities of Payments.

If withholding or deduction for or on account of taxes is imposed on payments made by the Covered Bond Swap Provider to the Issuer under a Covered Bond Swap, the Covered Bond Swap Provider shall always be obliged to gross up those payments so that the amount received by the Issuer is equal to the amount which would have been received in the absence of such withholding or deduction. If withholding or deduction for or on account of taxes is imposed on payments made by the Issuer to the Covered Bond Swap Provider under a Covered Bond Swap, the Issuer shall not be obliged to gross up those payments.

The Covered Bond Swap Provider may transfer all its interest and obligations in and under the relevant Covered Bond Swap Agreement to a transferee with minimum ratings in line with the criteria of each of the Rating Agencies, without any prior written consent of the Trustee, subject to certain conditions.

In the event that the Covered Bonds are redeemed and/or cancelled in accordance with the Terms and Conditions, the Covered Bond Swap(s) in connection with such Covered Bonds will terminate or partially terminate, as the case may be. Any breakage costs payable by or to the Issuer in connection with such termination will be taken into account in calculating:

(a) the Cover Pool Payment Date for the sale of Selected Loans; and

(b) the purchase price to be paid for any Covered Bonds purchased by the Issuer in accordance with Condition 6.6 (*Purchases*).

Law and Jurisdiction

The Covered Bond Swap Agreement (and each Covered Bond Swap thereunder) will be governed by English law.

Bank Account Agreement

Pursuant to the terms of the Bank Account Agreement entered into on the Programme Closing Date (as amended and restated) between the Account Bank, the Issuer, the Servicer and the Trustee, the Servicer will maintain with the Account Bank the Bank Accounts, which will be operated in accordance with the Servicing and Cash Management Deed and the Deed of Charge.

If the rating of the Account Bank cease to satisfy the requirements of an Eligible Institution (or such other ratings that may be agreed between the parties to the Bank Account Agreement and the relevant Rating Agency then rating any Covered Bonds) and the Account Bank does not, within 30 calendar days of such occurrence, obtain an unconditional and unlimited guarantee (in a form acceptable to each of the Rating Agencies to the extent it is rating any Covered Bond at that time) of its obligations under the Bank Account Agreement from a financial institution satisfying the requirements of an Eligible Institution and such guarantee is to be provided in accordance with the relevant Rating Agencies' guarantee criteria provided that the Rating Agencies then rating the Covered Bonds confirm that the Covered Bonds would not be adversely affected thereby, then:

- the Bank Account Agreement will be terminated in respect of the Account Bank; and

- the Bank Accounts will be closed and all amounts standing to the credit thereof shall be transferred to accounts held with a bank which is an Eligible Institution.

The costs arising from any remedial action take by the Account Bank, following the circumstances specified above shall be borne by the Account Bank.

The Bank Account Agreement is governed by English law.

Custody Agreement

The Issuer may enter into any Custody Agreement after the Programme Closing Date with, inter alios, the Custodian (as any of the same may be amended, restated, supplemented, replaced or novated from time to time).

Issuer-ICSDs Agreement

The Issuer has entered into an Issuer-ICSDs Agreement with Euroclear Bank S.A./N.V. and Clearstream Banking SA (the ICSDs) in respect of any Covered Bonds issued in NGCB form. The Issuer-ICSDs Agreement provides that the ICSDs will, in respect of any such NGCBs, maintain their respective portion of the issue outstanding amount through their records.

The Issuer-ICSDs Agreement is governed by English law.

TAXATION

Greece

The following summary of the principal Greek taxation consequences of the purchase, ownership and disposal of Covered Bonds by Greek or foreign tax resident holders, is of a general nature and is based on the provisions of tax laws currently in force in Greece. The summary below does not constitute a complete analysis and therefore, potential investors should consult their own tax advisers as to the tax consequences of such purchase, ownership and disposal. This summary is based on current Greek tax legislation and administrative practice of the Greek tax authorities.

Income – Withholding Tax

The Greek income taxation framework is regulated by Greek Law 4172/2013, as amended from time to time.

Interest payments to the Covered Bondholders which are legal entities having a permanent establishment in Greece for Greek tax law purposes (the "**Greek Tax Residents**"), made by the Issuer or a paying agent residing or having a permanent establishment in Greece for Greek tax law purposes, will be subject to Greek withholding tax at a flat rate of 15%. The relevant paying agent is liable to make the relevant withholding. This withholding does not exhaust the tax liability of legal entities. No withholding tax applies to payments to individuals (article 52 of Greek Law 4646/2019 in conjunction with article 37 paragraph 2 of Greek Law 4172/2013).

Interest payments to the Covered Bondholders which are Foreign Tax Residents, either individuals or legal entities, made by the Issuer or a paying agent residing or having a permanent establishment in Greece for Greek tax law purposes, will not be subject to Greek withholding tax (article 52 of Greek Law 4646/2019 in conjunction with article 64 paragraph 9 of Greek Law 4172/2013).

Capital gains realised from the transfer of Covered Bonds

Pursuant to the provisions of article 14 of Greek Law 3156/2003 that are applicable to Covered Bonds by virtue of Article 152, capital gains realised by Covered Bondholders from the transfer of Covered Bonds are not subject to taxation in Greece. This has been explicitly confirmed through recent Interpretative Circular No. 1032/2015 (item (iii) of paragraph 2). If the capital gains' beneficiaries are Greek legal persons or legal entities, or foreign legal persons or legal entities which have a permanent establishment in Greece to which the capital gains are attributable, no exemption is granted but the corporate taxation is under conditions deferred up to their distribution to the shareholders or capitalization.

Solidarity Levy

Covered Bondholders who are individuals are subject to a tax called "Solidarity Levy" as regards any interest paid under the Covered Bonds and any capital gains realised from the transfer thereof. Such levy is imposed on the overall annual income in Greece, both taxable and tax exempt, at a progressive tax scale starting from 2.2 per cent, with a tax free bracket of EUR 12,000 and a top marginal rate of 10 per cent.

Value Added Tax

No value added tax is payable upon disposal of the Covered Bonds (pursuant to article 22(1)(ka) of Greek Law 2859/2000).

Death Duties and Taxation on Gifts

The Covered Bonds are subject to Greek inheritance tax if the deceased holder of Covered Bonds had been a resident of Greece or a Greek national.

However, if the Covered Bonds were located abroad and the deceased Greek national holder of Covered Bonds had been residing abroad for at least 10 successive years prior to his/her death, the Covered Bonds shall be exempt from inheritance tax.

The rates of inheritance tax vary from 0% to 40.0%, depending on the relationship between the heir and the deceased.

A gift of Covered Bonds is subject to Greek tax if the holder of the Covered Bonds (donor) is a Greek national or if the recipient thereof is a Greek national or resident.

The rates of gift tax vary from 0% to 40% depending on the relationship between the donor and the beneficiary.

Stamp Duty

Pursuant to Article 14 of Greek Law 3156/2003, in conjunction with Article 152, the issuance or transfer of Covered Bonds is exempt from Greek stamp duty.

Tax reporting by country for Multinational Groups

Law 4484/2017 adapts Greek legislation to Directive (EU) 2016/881 as regards mandatory automatic exchange of information in the field of taxation. The relevant provisions introduce clarifications regarding the compulsory automatic exchange of information, as well administrative penalties and the competent enforcement bodies. Specifically, it is provided that the ultimate parent entity of a multinational enterprise having its tax residence in Greece or any other reporting entity, i.e. an entity with a tax residence in Greece that is not a ultimate parent entity of a group and fulfils specific conditions set out in the new provisions, shall submit a Report by Country for the relevant Reporting Year. This Report is submitted within twelve months from the last day of the Group's Reporting Tax Year. The competent authorized body receiving the Country Report shall exchange automatically the Country Report with any Member State in which, based on the information provided by the Country Report, one or more constituent entities of the reporting group have their tax residence or are subject to taxation for business activities carried out through a permanent establishment.

The Proposed Financial Transactions Tax

On 14 February 2013, the European Commission published a proposal (the "**Commission's Proposal**") for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the participating Member States). Estonia has since stated that it will not participate.

The Commission's Proposal has very broad scope and could, if introduced, apply to certain dealings of the Covered Bonds (including secondary market transactions) in certain circumstances. The issuance and subscription of Covered Bonds should, however, be exempt.

Under the Commission's Proposal, the FTT could apply in certain circumstances to persons both within and outside of the Participating Member States. Generally, it would apply to certain dealings in Covered Bonds where at least one party is a financial institution, and at least one party is established in a Participating Member State. A financial institution may be, or be deemed to be, "established" in a Participating Member State in a broad range of circumstances, including (a) by

transacting with a person established in a Participating Member State or (b) where the financial instrument which is subject to the financial transaction is issued in a Participating Member State.

However, the FTT proposal remains subject to negotiation between Participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional Member States may decide to participate.

Prospective holders of the Covered Bonds are advised to seek their own professional advice in relation to the FTT.

Luxembourg Taxation

The following paragraph is of a general nature only and is based on the laws presently in force in Luxembourg, though it is not intended to be, nor should it be construed to be, legal or tax advice. The information contained within this section is limited to Luxembourg withholding tax issues and prospective investors in the Covered Bonds should therefore consult their own professional advisers as to the effects of state, local or foreign laws, including Luxembourg tax law, to which they may be subject.

Please be aware that the residence concept used under the respective headings below applies for Luxembourg income tax assessment only. Any reference in the present section to a withholding tax or a tax of a similar nature, or to any other concepts, refers to Luxembourg tax law and/or concepts only.

Withholding Tax

(a) Non-resident holders of Covered Bonds

Under Luxembourg general tax laws currently in force, there is no withholding tax on payments of principal, premium or interest made to non-resident holders of Covered Bonds, nor on accrued but unpaid interest in respect of the Covered Bonds, nor is any Luxembourg withholding tax payable upon redemption or repurchase of the Covered Bonds held by non-resident holders of Covered Bonds.

(b) Resident holders of Covered Bonds

Under Luxembourg general tax laws currently in force and subject to the law of 23rd December 2005, as amended, (the "**Relibi Law**") mentioned below, there is no withholding tax on payments of principal, premium or interest made to Luxembourg resident holders of Covered Bonds, nor on accrued but unpaid interest in respect of Covered Bonds, nor is any Luxembourg withholding tax payable upon redemption or repurchase of Covered Bonds held by Luxembourg resident holders of Covered Bonds.

Under the Relibi Law payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to an individual beneficial owner who is a resident of Luxembourg will be subject to a withholding tax of 20.0%. Such withholding tax will be in full discharge of income tax if the beneficial owner is an individual acting in the course of the management of his/her private wealth. Responsibility for the withholding of the tax will be assumed by the paying agents. Payments of interest under the Covered Bonds coming within the scope of the Relibi Law would be subject to a withholding tax at a rate of 20.0%.

U.S. Foreign Account Tax Compliance Act Withholding

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a "foreign financial institution" (as defined by FATCA) may be required to withhold on certain payments it makes ("**foreign passthru payments**") to persons that fail to meet certain

certification, reporting or related requirements. The Issuer is a foreign financial institution for these purposes. A number of jurisdictions have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA ("**IGAs**"), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of FATCA provisions and IGAs to instruments such as the Covered Bonds, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Covered Bonds, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Covered Bonds, such withholding would not apply prior to the date that is two years after the date on which final regulations defining foreign passthru payments are published in the U.S. Federal Register and Covered Bonds characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued on or prior to the date that is six months after the date on which final regulations defining foreign passthru payments are filed with the U.S. Federal Register generally would be "grandfathered" for purposes of FATCA withholding unless materially modified after such date (including by reason of a substitution of the Issuer). However, if additional Covered Bonds (as described under "Terms and Conditions of the Covered Bonds—Further Issues") that are not distinguishable from previously issued Covered Bonds are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all Covered Bonds, including the Covered Bonds offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA. Holders should consult their own tax advisors regarding how these rules may apply to their investment in the Covered Bonds.

SUBSCRIPTION AND SALE

Covered Bonds may be issued from time to time by the Issuer to any one or more of the Dealers. The arrangements under which Covered Bonds may from time to time be agreed to be issued by the Issuer to, and subscribed by, Dealers are set out in a Programme Agreement dated 26 November 2008 (as amended and restated, the "**Programme Agreement**") and made between the Issuer and the Dealers. Any such agreement will, *inter alia*, make provision for the form and terms and conditions of the relevant Covered Bonds, the price at which such Covered Bonds will be subscribed by the Dealers and the commissions or other agreed deductibles (if any) payable or allowable by the Issuer in respect of such subscription. The Programme Agreement makes provision for the resignation or termination of appointment of existing Dealers and for the appointment of additional or other Dealers either generally in respect of the Programme or in relation to a particular Tranche of Covered Bonds. The Programme Agreement will be supplemented on or around the date of each issuance by Subscription Agreement, which will set out, *inter alia*, the relevant underwriting commitments. The date of the relevant Subscription Agreement will be set out in item 33(i) of the Final Terms.

United States

The Covered Bonds have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from, or in transactions not subject to, the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

The Covered Bonds in bearer form are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to U.S. persons, except in certain transactions permitted by U.S. Treasury regulations. Terms used in this paragraph have the meanings given to them by the United States Internal Revenue Code of 1986 and regulations promulgated thereunder. The applicable Final Terms will identify whether TEFRA C rules or TEFRA D rules apply or whether TEFRA is not applicable.

In connection with any Covered Bonds which are offered outside the United States in reliance on Regulation S, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree that it will not offer, sell or deliver such Covered Bonds (i) as part of its distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of the Series of Covered Bonds of which such Covered Bonds are a part, as determined and certified by the relevant Dealer(s), in the case of a non-syndicated issue, or the lead manager, in the case of a syndicated issue and except in either case in accordance with Regulation S of the Securities Act. Each Dealer has further agreed and each further Dealer appointed under the Programme will be required to agree that it will send to each dealer to which it sells Covered Bonds of such Tranche during the distribution compliance period (other than pursuant to Rule 144A) a confirmation or other notice setting forth the restrictions on offers and sales of such Covered Bonds within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Until 40 days after the commencement of the offering of any Series of Covered Bonds, an offer or sale of such Covered Bonds within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an applicable exemption from registration under the Securities Act.

Prohibition of Sales to EEA and UK Retail Investors

Unless the Final Terms in respect of any Covered Bonds specifies the "Prohibition of Sales to EEA and UK Retail Investors" as "Not Applicable", each Dealer has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Covered Bonds which are the subject of the offering contemplated by this Base Prospectus, as completed by the Final Terms in relation thereto, to any retail investor in the European Economic Area or in the United Kingdom. For the purposes of this provision:

(a) the expression "**retail investor**" means a person who is one (or more) of the following:

i. a retail client as defined in point (11) of Article 4(1) of MiFID II;

ii. a customer within the meaning of the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or

iii. not a qualified investor as defined in the Prospectus Regulation.

(b) the expression an "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Covered Bonds, as the case may be, to be offered so as to enable an investor to decide to purchase or subscribe the Covered Bonds, as the case may be.

United Kingdom

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000) received by it in connection with the issue or sale of any Covered Bonds in circumstances in which Section 21(1) of the Financial Services and Markets Act 2000 does not apply to the Issuer; and

(b) it has complied and will comply with all applicable provisions of the Financial Services and Markets Act 2000 with respect to anything done by it in relation to any Covered Bonds in, from or otherwise involving the United Kingdom.

The Hellenic Republic

The offering of the Covered Bonds has not been submitted to the approval procedure of the HCMC provided for by the Prospectus Regulation and Greek Law 3401/2005, to the extent applicable. Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold and will not offer or sell the Covered Bonds by any form of solicitation or advertising in the Hellenic Republic that would not fall under the exemptions of article 3 of Greek Law 3401/2005, to the extent applicable or article 1 paragraph 4 of the Prospectus Regulation on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market.

Japan

The Covered Bonds have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No.25 of 1948, as amended; the "**FIEA**") and each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not and will not offer or sell, directly or indirectly, any Covered

Bonds in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

The Grand Duchy of Luxembourg

In addition to the cases described in the European Economic Area and United Kingdom selling restrictions in which the Dealers can make an offer of Covered Bonds to the public in an EEA Member State (including the Grand Duchy of Luxembourg) and United Kingdom, the Dealers can also make an offer of Covered Bonds to the public in the Grand Duchy of Luxembourg in circumstances which do not constitute a public offer of securities pursuant to the provisions of the Luxembourg law of 16 July 2019 on prospectuses for securities, as amended.

General

Each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that it will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Covered Bonds or possesses or distributes this Base Prospectus and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Covered Bonds under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and neither the Issuer, the Trustee nor any of the other Dealers shall have any responsibility therefor.

None of the Issuer, the Trustee and the Dealers represents that Covered Bonds may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

With regard to each Tranche, the relevant Dealer will be required to comply with such other restrictions as the Issuer and the relevant Dealer shall agree and as shall be set out in the applicable Final Terms.

GENERAL INFORMATION

Approval, listing and admission to trading

Application has been made to the CSSF to approve this document as a base prospectus. Application has also been made to the Luxembourg Stock Exchange for the Covered Bonds issued under the Programme to be admitted to trading on the Luxembourg Stock Exchange's regulated market and to be listed on the Official List of the Luxembourg Stock Exchange. The Luxembourg Stock Exchange's regulated market is a regulated market for the purposes of MiFID II.

However, Covered Bonds may be issued pursuant to the Programme which will not be listed on the Luxembourg Stock Exchange or any other stock exchange or which will be listed on such stock exchange as the Issuer and the relevant Dealer(s) may agree.

Authorisations

The establishment, implementation and operation of the Programme and the issue of Covered Bonds have been duly confirmed and authorised by a resolution of the Board of Directors of the Issuer dated31 May 2018.

Post-issuance information

The Issuer provides quarterly Investor Reports detailing, among other things, compliance with the Statutory Tests. This information will be available at the offices of Citibank, N.A., London Branch, on Bloomberg and on the website www.nbg.gr.

Use of proceeds

The net proceeds of the issue of each Series of Covered Bonds will be applied by the Group, as indicated in the applicable Final Terms relating to the relevant Series of Covered Bonds, either (a) to meet part of its general financing requirements; or (b) to finance or refinance, in whole or in part, Green Eligible Projects and Social Eligible Projects (as defined below).

According to the definition criteria set out by the International Capital Market Association ("**ICMA**") Green Bond Principles, only Series of Covered Bonds financing or refinancing Green Eligible Projects will be denominated "Green Covered Bonds".

According to the definition criteria set out by ICMA Social Bond Principles, only Series of Covered Bonds financing or refinancing Social Eligible Projects will be denominated "Social Covered Bonds".

According to the definition criteria set out by ICMA Sustainability Bond Guidelines, only Series of Covered Bonds financing or refinancing Green Eligible Projects and Social Eligible Projects will be denominated "Sustainable Covered Bonds".

On or before the issue of Green Covered Bonds, Social Covered Bonds or Sustainable Covered Bonds, further details on Green Eligible Projects and Social Eligible Projects will be provided in a Framework which will be made available on the Bank's website at www.nbg.gr and may be updated from time to time.

Definitions:

"**Green Eligible Projects**" means financings of renewable energy, energy efficiency, sustainability mobility, sustainability water, circular economy and green buildings projects and assets which meet a set of environmental criteria.

"**Social Eligible Projects**" means small and medium-sized enterprises financing and financing of non-profit and civil economy to support access to essential services which meet a set of social criteria.

Litigation

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware), during the twelve months preceding the date of approval of this Base Prospectus which may have, or have had in the recent past, significant effects on the Issuer's or the Group's financial position or profitability. For further details, please see Section "*Business Overview*", paragraph "*Legal and Arbitration Proceedings*".

No significant or material change

There has been no material adverse change, or any development reasonably likely to involve material adverse change, in the prospects of the Issuer since 31 December 2018. Since 30 September 2019, there has been no significant change in the financial performance of the Issuer or the Group.

Documents available for inspection

For so long as the Programme remains in effect or any Covered Bonds shall be outstanding, copies and, where appropriate, English translations of the following documents will, when published, be available for inspection from the registered office of the Issuer and from the specified offices of the Paying Agents or the Luxembourg Listing Agent:

(a) the constitutional documents (with an English translation thereof) of the Issuer (https://www.nbg.gr/en/the-group/corporate-governance/regulations-principles);

(b) the consolidated audited financial statements of the Issuer in respect of the financial years ended 31 December 2017 and 31 December 2018 (with an English translation thereof), in each case together with the audit reports prepared in connection therewith;

(c) the unaudited interim condensed consolidated financial statements of the Issuer as at and for the six-month period ended 30 June 2019 (with an English translation thereof);

(d) the unaudited interim condensed consolidated financial statements of the Issuer as at and for the nine-month period ended 30 September 2019 (with an English translation thereof);

(e) the most recently published audited annual financial statements of the Issuer and the most recently published unaudited interim financial statements (if any) of the Issuer (with an English translation thereof), together with any audit or review reports prepared in connection therewith;

(f) the Programme Agreement, the Trust Deed, the Agency Agreement, and the forms of the Global Covered Bonds, the Covered Bonds in definitive form, the Coupons and the Talons;

(g) a copy of this Base Prospectus; and

(h) any future offering circulars, prospectuses, information memoranda and supplements including Final Terms (save that a Final Terms relating to a Covered Bond which is neither admitted to trading on a regulated market in the European Economic Area and/or the United Kingdom nor offered in the European Economic Area and/or the United Kingdom in circumstances where a prospectus is required to be published under the Prospectus Regulation will only be available for inspection by a holder of such Covered Bond and such holder must produce evidence satisfactory to the Issuer and the Principal Paying Agent as to its holding of Covered Bonds and identity) to this Base Prospectus and any other documents incorporated herein or therein by reference.

In addition, copies of this Base Prospectus, any supplement to the Base Prospectus, any documents incorporated by reference and each Final Terms relating to Covered Bonds which are admitted to trading on the official list of the Luxembourg Stock Exchange will also be available for inspection free of charge from the internet site of the Luxembourg Stock Exchange, at www.bourse.lu.

In any case, copy of this Base Prospectus together with any supplement thereto, if any, will remain publicly available in electronic form for at least 10 years, at: https://www.nbg.gr/en/the-group/investor-relations/dept-investors/%E2%82%AC10billionglobalcoveredbondprogramme.

Clearing Systems

The Covered Bonds have been accepted for clearance through Euroclear and Clearstream, Luxembourg (which are the entities in charge of keeping the records). The appropriate Common Code and ISIN for each Series of Covered Bonds allocated by Euroclear and Clearstream, Luxembourg will be specified in the applicable Final Terms. If the Covered Bonds are to clear through an additional or alternative clearing system the appropriate information will be specified in the applicable Final Terms.

The address of Euroclear is Euroclear Bank S.A./N.V., 1 Boulevard du Roi Albert II, B-1210 Brussels and the address of Clearstream, Luxembourg is Clearstream Banking, 42 Avenue JF Kennedy, L-1855 Luxembourg.

Conditions for determining price

The price and amount of Covered Bonds to be issued under the Programme will be determined by the Issuer and each relevant Dealer at the time of issue in accordance with prevailing market conditions.

Independent Auditors

The Consolidated Financial Statements of National Bank of Greece S.A. prepared in accordance with International Financial Reporting Standards as adopted by the EU as of and for the years ended 31 December 2017 and 31 December 2018 incorporated by reference in this Base Prospectus have been audited by PricewaterhouseCoopers S.A., with registered office at 268 Kifissias Avenue, 152 32 Halandri are members of the Institute of Certified Auditors and Accountants of Greece.

The Six Months 2019 Financial Statements prepared in accordance with International Financial Reporting Standards as adopted by the EU as at and for the six months period ended 30 June 2019 incorporated by reference in this Base Prospectus have been reviewed by PricewaterhouseCoopers SA, with registered office at 268 Kifissias Avenue, 15232 Halandri, is a member of the Institute of Certified Auditors and Accountants of Greece.

Any websites included in the Base Prospectus are for information purposes only and do not form part of the Prospectus.

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