

BASE PROSPECTUS



NATIONAL BANK OF GREECE S.A.

(incorporated with limited liability in the Hellenic Republic)

€15 billion Covered Bond Programme II

Under this €15 billion covered bond programme II (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, as amended, (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 as to the economic and financial soundness of the transactions contemplated by this Base Prospectus or the quality or solvency of the Issuer in line with the provisions of Article 6 (4) of the Law of 16 July 2019, as amended (the “**Luxembourg Law on Prospectuses for Securities**”). 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 €15 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**”). 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 “**EU Benchmarks Regulation**”), including one of LIBOR or EURIBOR as specified in the relevant Final Terms. As at the date of this Base Prospectus, the European Money Markets Institute (as administrator of EURIBOR) is included in the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority (“**ESMA**”) under Article 36 of the EU Benchmarks Regulation. As at the date of this Base Prospectus, the ICE Benchmark Administration (as administrator of LIBOR) is not included in the register of administrators maintained by ESMA under Article 36 of the EU Benchmarks Regulation. As far as the Issuer is aware, the transitional provisions in Article 51 of the EU Benchmarks Regulation apply, such that ICE Benchmark Administration (as administrator of LIBOR) is not currently required to obtain authorization/registration (or, if located outside the European Union, recognition, endorsement or equivalence).

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 España, S.A. or its successor ("Moody's") or by S&P Global Ratings Europe Limited or its successor ("S&P") (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.

Arrangers

National Bank of Greece S.A.

UBS Investment Bank

Dealers

National Bank of Greece S.A. UBS Investment Bank

The date of this Base Prospectus is 9 March 2021.

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 Arrangers nor any Dealers 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 Arrangers 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 RETAIL INVESTORS: If the Final Terms in respect of any Covered Bonds includes a legend entitled "Prohibition of Sales to EEA 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**"). 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 ("**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 has been prepared and therefore offering or selling the Covered Bonds or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

IMPORTANT - UK RETAIL INVESTORS – If the Final Terms in respect of any Covered Bonds includes a legend entitled "Prohibition of Sales to 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 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 (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; or (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Covered Bonds or otherwise making them available to retail investors 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 UK may be unlawful under the UK 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 Arrangers nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

UK MiFIR PRODUCT GOVERNANCE / TARGET MARKET - The Final Terms in respect of any Covered Bonds will include a legend entitled "UK MiFIR 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 the UK MiFIR product governance rules set out in the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") 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 UK MiFIR product governance rules set out in UK MiFIR 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 UK MiFIR Product Governance Rules.

The maximum aggregate principal amount of Covered Bonds outstanding at any one time under the Programme will not exceed €15 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 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.

In this Base Prospectus, unless otherwise specified, all references to “laws”, “regulations” and “directives”, refer to such “laws”, “regulations” and “directives” as amended from time to time.

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). **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;
- (ii). **Loans-to-Deposits Ratio:** Net loans and advances to customers over due to customers, at the end of the period; and
- (iii). **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:
 - (i) material exposures which are more than 90 days past due; and
 - (ii) 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.
- (iv). **Common Equity Tier 1 (“CET1”) ratio:** CET1 capital as defined by Regulation No. 575/2013, with the application of the regulatory transitional arrangements for IFRS 9 impact over RWAs.
- (v). **Deposits:** due to customers.
- (vi). **Domestic banking activities:** refer to banking business in Greece and include retail, corporate and investment banking. Group’s domestic operations include Ethniki Leasing S.A (Ethniki Leasing), Probank Leasing S.A. (Probank Leasing) and Ethniki Factors S.A. (Ethniki Factors).
- (vii). **Gross loans:** loans and advances to customers before Expected Credit Loss (“**ECL**”) allowance for impairment on loans and advances to customers and mandatorily at FVTPL.
- (viii). **Liquidity Coverage Ratio (“LCR”):** the LCR refers to the liquidity buffer of High Quality Liquid Assets (“**HQLAs**”) that a Financial Institution holds, in order to withstand net liquidity outflows over a 30 calendar-day stressed period as per Regulation (EU) 2015/61.
- (ix). **Loan Impairments:** impairment charge for ECL.
- (x). **Loans-to-Deposits Ratio:** loans and advances to customers over due to customers, at year end.

- (xi). **Net Stable Funding Ratio (“NSFR”)**: the NSFR refers to the portion of liabilities and capital expected to be sustainable over the time horizon considered by the NSFR over the amount of stable funding that must be allocated to the various assets, based on their liquidity characteristics and residual maturities.
- (xii). **NPE Coverage Ratio**: ECL allowance for impairment for loans and advances to customers divided by NPE, excluding loans and advances to customers mandatorily classified as FVTPL, at period end.
- (xiii). **Risk Weighted Assets (“RWAs”)**: assets and off-balance-sheet exposures, weighted according to risk factors based on Regulation (EU) No 575/2013.
- (xiv). **Risk Adjusted NIM**: NIM minus CoR.
- (xv). **Total Capital Ratio**: total capital as defined by Regulation No. 575/2013, with the application of the regulatory transitional arrangements for IFRS 9 impact over RWAs.

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 Stabilisation Manager(s) (or persons acting on behalf of any Stabilisation 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 Stabilisation Manager(s) (or persons acting on behalf of a Stabilisation 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 Stabilisation Manager(s) (or person(s) acting on behalf of any Stabilisation 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 Issuer*” 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 and the COVID-19 shock have and will continue to have an adverse impact on the Group's business, results of operations and financial condition;
- The Hellenic Republic's commitment to achieve demanding fiscal targets for a protracted period and legacy effects from the fiscal crisis and the COVID-19 shock may impose further constraints on economic activity in Greece;
- 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, especially in view of further deterioration due to the COVID-19 crisis, which could have a material adverse impact on the Group's business, results of operations, financial condition or prospects;
- 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 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;
- 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;
- 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 its ability to post collateral for Eurosystem funding purposes;
- There can be no assurance that the Issuer's capital will be sufficient, in particular if economic conditions in Greece do not improve or if they deteriorate further;
- There is uncertainty about the Issuer's ability to continue as a "going concern";
- As a recipient of state aid, the Issuer's operational autonomy is constrained;
- The Hellenic Financial Stability Fund ("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;
- The high level of Non-Performing Exposures ("NPEs") has had and may continue to have in the future a negative impact on the Group's operations;

- The Group is subject to risks related to the future evolution of and response to the COVID-19 pandemic that may materially and adversely affect its business, results of operations, prospects and financial condition;
- The Group's loan portfolio may continue to contract;
- The Group is exposed to credit risk, market risk, liquidity risk, operational risk and insurance risk;
- Volatility in interest rates may negatively affect the Group's net interest income and have other adverse consequences;
- The Group faces significant competition from Greek and foreign banks;
- The Group is vulnerable to disruptions and volatility in the global financial markets;
- The Group's economic hedging may not prevent losses;
- 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 could be exposed to significant future pension and post-employment benefit liabilities;
- 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'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;
- 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;
- The loss of senior management may adversely affect the Group's ability to implement its strategy;
- The Group may be unable to recruit or retain experienced and/or qualified personnel;
- The Group's business is subject to increasingly complex regulation which may increase its compliance costs and capital requirements;
- The Group may need additional capital and liquidity as a result of regulatory changes;
- 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;

- 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;
- 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 and the COVID-19 shock 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 and 2019 (with annual growth rates of 1.3% year-on-year, 1.6% year-on-year and 1.9% year-on-year, respectively), despite the tighter-than-initially expected fiscal conditions, due to the over performance, over this three-year period, against the fiscal targets of the European Stability Mechanism ("ESM") stability support programme ("Third Programme"). These targets remain in effect under the "Enhanced Surveillance Framework" applying to Greece since August 2018 following the completion of the Third Programme as further described below. Economic activity remained on an upward trend in 2019 and in the first two months of 2020, with a broad range of economic indicators pointing to a further strengthening of economic performance (Sources: EL.STAT., Quarterly National Accounts, 3rd Quarter of 2020, Press Release, December 2020 and European Commission, European Economic Forecast Autumn 2020, November 2020). The deterioration in labour market conditions following the outbreak of the Coronavirus disease ("COVID-19") pandemic was relatively mild, with the unemployment rate at 16.2% in November 2020, from 16.4% in December 2019, due to the supportive impact of government measures, such as temporary employment allowances and suspension of employment contracts (Source: EL.STAT., Labour Force

Survey, November 2020 and Labour Force Survey database). In 2018, 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).

Against this backdrop, Greek financial asset valuations started to recover in 2018, with the improvement gaining additional traction in 2019, when the yields of the Greek Government Bonds (“GGBs”) followed a steady downward trend, declining to an all-time low in early 2020 (0.94% on 14 February 2020), assisted by the accommodative monetary policy stance by the ECB. Following a temporary deterioration during the eruption of the COVID-19 shock, GGB yields returned to a downward trend – on the back of the inclusion of Greece’s sovereign assets in the ECB’s Pandemic Emergency Purchase Programme (“PEPP”), which has been in operation since the second quarter of 2020 – falling to new lows in late 2020 (0.56% on 15 December 2020). Moreover, the relatively benign debt servicing profile of the Greek public debt and the sizeable cash buffer of the Hellenic Republic further supported this trend. The Hellenic Republic accessed the markets several times in the period 2018-2020, at increasingly competitive terms, raising a total gross amount of EUR 24 billion (excluding the new impact of transactions between Greek banks and the PDMA in late 2020 and early 2021), through the issuance of GGBs with maturities ranging between 5 years and 15 years and an exchange offer between the Hellenic Republic and the Issuer, who exchanged its three GGBs for a new GGB with a maturity of 30 years (Sources: Public Debt Management Agency, Announcements on the issuance of government bonds, 2018-2020 and National Bank of Greece, Announcement on the Exchange of Greek Government Bonds, 22 January 2020). Real estate and equity valuations recorded strong gains over the course of 2019 and 2020, starting from a very low basis, albeit the latter remained highly sensitive to volatility swings and changes in risk appetite. Especially, bank valuations remained under pressure, due to the uncertainty regarding the impact of the COVID-19 shock on bank portfolio quality.

Earlier on, the total lift on 1 September 2019 of the remaining restrictions on capital outflows and deposit withdrawals (i.e. capital controls) imposed since 18 July 2015 (Source: Hellenic Banks Association), further boosted the economic sentiment and contributed to an improvement in liquidity conditions, as indicated by a pick-up in corporate lending (1.8% year-on-year in December 2019 from a stabilisation point – 0.0% year-on-year – in December 2018) and increasing inflows of foreign direct investment of €11.0 billion cumulatively in the period 2017 to 2019 (Source: Bank of Greece, Monetary and Banking Statistics and Bank of Greece, Balance of Payments Statistics).

However, the outbreak of the COVID-19 pandemic in February 2020 started to inflict high and rising human costs worldwide, leading to a sharp deterioration in economic conditions. As a result, the European and global economy entered a sharp recession in the first half of 2020. To counter the spread of COVID-19, major containment measures were introduced around the world, including in Greece, voluntarily shutting down large parts of the economy. The enforcement of protective restrictions, along with elevated uncertainty, weighed heavily on economic conditions, slowing Greece’s recovery in a period when the economy exhibited signs of further improvement.

However, the outbreak of the COVID-19 pandemic in February 2020 started to inflict high and rising human costs worldwide, leading to a sharp deterioration in economic conditions. As a result, the European and global economy entered a sharp recession in the first half of 2020. To counter the spread of COVID-19, major containment measures were introduced around the world, including in Greece, voluntarily shutting down large parts of the economy. The enforcement of protective restrictions, along with elevated uncertainty, weighed heavily on economic conditions, slowing Greece’s recovery in a period when the economy exhibited signs of further improvement.

Stringent containment measures implemented following the outbreak of the pandemic led to an unprecedented fall in GDP in the second quarter of 2020 (-14.2% year-on-year, -14.1% quarter-on-quarter). Economic activity responded positively to the easing of the restrictions in the third quarter of 2020 – increase in GDP by 2.3% quarter-on-quarter, but still -11.7% year-on-year – although the rebound had been weakened by the sizeable hit on the tourism sector, which suffered an unprecedented contraction (decline in tourism revenue of 75.6% year-on-year to 2.6% of GDP in the first eleven months of 2020 from 9.5% of GDP in the first eleven months of 2019 (Sources: EL.STAT., Quarterly National Accounts Press Release, 3rd quarter 2020, December 2020, Bank of Greece, Monthly Balance Sheet, November 2020).

Downward pressures on activity intensified again in the fourth quarter of 2020, along with the deterioration in epidemic situation. An ongoing second wave of the pandemic led to the tightening of restrictions, especially in specific regions experiencing rising infection rates, taking an additional toll on economic activity in the fourth quarter of 2020 and the first quarter of 2021. The official sector (average of European Commission and IMF forecasts) estimated Greece's GDP growth at -9.8% in 2020, followed by an increase of 4.6% in 2021, conditioned on the control of the pandemic through the rollout of vaccinations (Sources: European Commission, Winter Economic Forecast, February 2021 and IMF, World Economic Outlook, October 2020).

The Greek government, in order to ameliorate the recessionary hit to the economy, implemented in 2020, fiscal expansion measures of a combined value of c. €19 billion - comprising c. €10.0 billion in social transfers, subsidies, tax relief, and payment deferrals for tax and social security contributions and €2.7 billion in the form of State subsidies and guarantees for new bank lending, complemented by a “repayable advances” scheme to enterprises of €5.5 billion (Sources: Ministry of Finance, Budget 2021, November 2020, Press Releases on Repayable Advance Schemes, Hellenic Development Bank).

The measures helped cushion the recession with support to the labour market exceeding €4.0 billion in 2020. The introduction of employment allowance and labour subsidy schemes, along with the deferral of tax and social security obligations for the mostly affected households and firms minimized job losses. The unemployment rate increased modestly to 16.8% in the third quarter of 2020 and averaged to 16.5% in the first eleven months of 2020 compared with 17.3% in 2019, whereas employment decreased by 0.8% year-on-year in the first eleven months of 2020 (Source: EL.STAT., Labour Force Survey database). State support minimized the decline in labour income to 0.8% in the first nine months of 2020 (Source: EL.STAT., Quarterly GDP - Income Approach, Current Prices (1st Quarter 1995 - 3rd Quarter 2020), December 2020). The persistence of the pandemic led to the activation of additional fiscal support measures of about €6.0 billion for the first quarter of 2021. However, despite the relief measures, corporate profitability recorded an unprecedented average drop of 13.7% and 12.5% in the second and the third quarter of 2020, respectively – against a backdrop of an average fall in economy-wide business turnover of 14.5% year-on-year in the first nine months of 2020 – which is expected to continue in the fourth quarter of 2020 (Sources: EL.STAT., Quarterly GDP - Income Approach, Current Prices (1st Quarter 1995 - 3rd Quarter 2020), December 2020, EL.STAT., Turnover of Enterprises Under Suspension of Operation Due to the Pandemic of the Corona Virus Disease 2019 (Covid-19), December 2020).

These measures have been endorsed by the European Commission, which suspended the Enhanced Surveillance primary surplus target of 3.5% of GDP in 2020 for Greece, as part of the activation of the general “escape clause” within the Stability and Growth Pact for all countries, to allow the necessary increase in fiscal flexibility (Source: Ministry of Finance, Stability Program 2020, April 2020).

Inevitably, the primary deficit in the government budget for 2020 surged to €18.2 billion (or -11.0% of GDP), which is expected to translate into a General Government primary deficit of about 8-9% of GDP in 2020, in comparison with a 3.6% surplus in 2019 (as per the Enhanced Surveillance definition) (Source: Ministry of Finance, Budget Execution Monthly Bulletin, December 2020). This deterioration is comparable to the euro area average, where primary deficit is estimated by the European Commission at 7.2% of GDP in 2020 vs. a 1.0% primary surplus in 2019 (Source: European Commission, Autumn

Economic Forecast, November 2020). This easing has been endorsed by the European institutions, which suspended the Enhanced Surveillance primary surplus target of 3.5% of GDP in 2020 for Greece.

The aforementioned developments impose significant challenges for the Group, as the negative legacy effects of the Greek fiscal crisis in the period 2009 to 2017 have been compounded by the negative effects of the COVID-19 pandemic, with adverse effects on private sector income, the quality of private sector balance sheets and liquidity conditions generally. See also *“The Hellenic Republic’s commitment to achieve demanding fiscal targets for a protracted period and legacy effects from the fiscal crisis and the COVID-19 shock may impose further constraints on economic activity in Greece”* and *“The Group is subject to risks related to the future evolution of and response to the COVID-19 pandemic that may materially and adversely affect its business, results of operations, prospects and financial condition”* 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 25.7% year-on-year between 2008 and 2014 (Source: EL.STAT., Quarterly National Accounts, second Quarter 2020). 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 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. 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, supervised by the EC has been agreed and 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 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 Issuer’s liquidity position, business, results of operations, financial condition or prospects.

The above risks have been amplified by the COVID-19 crisis which has led to a significant deterioration in the financial position of Greek businesses and households and a sharp reversal in Greece’s fiscal position, which is expected to push public debt to a new all-time high in 2020. Although the agreement with the European institutions and the extremely benign terms of official loans, along with the historically low Greek government bond yields, ensure a manageable path for the debt-servicing cost of the Hellenic Republic, the reduction in economic activity and the emergency lending backed by Government

guarantees provided in 2020, could cause a deterioration in leverage metrics and the debt servicing capacity of the private sector. Moreover, significant uncertainty surrounds the prospective pace of fiscal policy reversal and the subsequent drag on economic activity in the medium term despite various measures announced by Greek and European authorities in response to the economic and market conditions resulting from the COVID-19 pandemic, including the activation of the Next Generation EU (“**NGEU**”) on 21 July 2020 (which was approved by the European Parliament on 10 November 2020, Sources: Council of the European Union, European Council conclusions, 17-21 July 2020 and Council of the European Union, Next multiannual financial framework and recovery package: Council presidency reaches political agreement with the European Parliament, 10 November 2020) which could provide support to Greece’s medium-term growth and is expected to speed up the reversal of activity losses in 2020 and bolster critical elements of activity, such as business and public investment. Greece is among the top recipients in the EU, with grants under the Recovery and Resilience Facility (“**RRF**”), which is the main financing programme of the NGEU, for the period 2021 to 2026 amounting to €16.2 billion (8.9% of 2019 GDP) and increasing to approximately €29 billion if lending is included under the same mechanism (Source: European Commission, Recovery and Resilience Facility – Grants allocation per Member State (2018 prices)). See further “*The Issuer – COVID-19 outbreak – Response to COVID-19 crisis from Greek and European authorities – Member States – Coronavirus Recovery Fund*” below.

Against this backdrop, there are still considerable risks surrounding the Greek economy’s prospects, including significant risks to the near-term outlook for private sector consumption, as well as regarding business investment and capital spending decisions. The Group’s business activities are dependent on the level of banking, finance and financial products and services it offers, as well as 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, each of which factors continues to show a relatively slow 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.

The Hellenic Republic’s commitment to achieve demanding fiscal targets for a protracted period and legacy effects from the fiscal crisis and the COVID-19 shock 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 2020. In response to the COVID-19 pandemic, the government put in place about €19.0 billion of fiscal and liquidity support measures, engineering a sizable fiscal expansion (Source: Ministry of Finance, Budget 2021, November 2020). However, the requirement to restore a sustainable fiscal equilibrium in the medium term, as agreed under the Enhanced Surveillance Framework, following the temporary increase in fiscal flexibility at an EU level due to the exceptional circumstances related to COVID-19, poses a risk of (i) an increase in the effective burden from taxes (personal, corporate, indirect and consumption taxes) in the event of a fiscal slippage in the future, and/or (ii) a sharper-than-anticipated reduction in government spending. The above factors could impose further constraints on economic activity and result in weaker-than-initially-expected GDP growth outcomes in the coming years. The above and/or other fiscal measures could also exert additional pressure on private sector spending and liquidity. The financial position of a significant share of households and enterprises remains weak and has been further stressed by the COVID-19 pandemic. These factors could put additional pressure on 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, by delaying or cancelling potential spending decisions, will continue to slow the recovery process of the economy (which has been negatively impacted by the recession related to the COVID-19 pandemic) and impede the recovery of asset valuations.

Moreover, the pace of recovery following the COVID-19 pandemic remains uncertain. To date, assuming no significant recurrence of COVID-19, it is expected that more than two years may be required to reverse the activity losses in 2020, while there is still low visibility on the potential impact of the pandemic on specific sectors of the economic activity – especially tourism – in the longer-term (Source: European Commission, European Economic Forecast Autumn 2020, November 2020). In addition to lower tourism revenues, adverse effects on the Greek economy due to COVID-19 are expected to also include reductions in demand for the manufacturing sector’s products, disruptions in the manufacturing sector’s supply chains and a decrease in shipping activity due to a decline in global trade.

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 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, especially in view of further deterioration due to the COVID-19 crisis, 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, especially in view of further deterioration due to the COVID-19 crisis, which could have a material adverse impact on the Group’s business, results of operations, financial condition or prospects.

Over the past decade, 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, 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, privatisation and public administration and could impose further constraints on economic activity and could 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 financial position of the private sector 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 seven Enhanced Surveillance reports (released between 2018 and 2020) have acknowledged Greece's progress achieved in certain areas. However, the sixth and seventh reports (released on 20 May 2020 and 23 September 2020, respectively) have also stressed some risks related to the impact of the COVID-19 crisis and the need to reconcile social protection needs with the stepping up of remaining reforms, especially in the financial system, and specifically with respect to non-performing loans. 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 imposed by the ongoing recession due to the pandemic 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, and/or the effects of the COVID-19 pandemic are more protracted than currently envisaged and extend beyond 2021, they could weaken further 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. The extraordinary reversal of the fiscal position as a consequence of the COVID-19 pandemic and the resulting deep recession are expected to lead to a significant deterioration in Government deficit and debt figures in 2020. 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 upgraded the Hellenic Republic's rating to two to three notches below investment grade. Greece's Gross Government debt is expected to reach an all-time high of 207.1% of GDP in 2020 and return to a downward trend from 2021 onwards (Source: European Commission, Autumn Economic Forecast, November 2020). As acknowledged by all major rating agencies in their reports following the Covid-19 outbreak and the activation of extraordinary fiscal expansion measures, the significant size of the Greek State's cash buffer (about €30.0 billion in early 2021 or 8.0% of gross public debt) along with the very long maturity of the debt (19.4 years, Source: PDMA, Hellenic Republic Public Debt Bulletin, December 2020) and affordable debt servicing terms, offset the risks from the temporary increase in the debt ratio to GDP due to the Covid-19 shock. Accordingly, Moody's upgraded Greece's sovereign rating by one notch to Ba3, with a stable outlook on 6 November 2020, citing the country's successful steps towards a sustainable improvement in institutional strength (including tax administration and compliance and the fight against corruption) and favourable growth prospects coupled with inflows of European "Recovery Fund" as the key factors of this decision, whereas all major rating agencies maintained a stable outlook for the country, with the distance from investment grade territory ranging between 2 and 3 notches (Sources: Fitch, S&P and Moody's Press Releases, April, October and November 2020, respectively). Nevertheless, there is still considerable uncertainty surrounding the prospective pace of improvement in the country's sovereign rating, which is also closely related to the private sector's creditworthiness. Nevertheless, there is still considerable uncertainty surrounding the prospective pace of improvement in the country's sovereign rating, which is also closely related to the private sector's creditworthiness.

The rating agencies note that the probability of new downgrades of the Hellenic Republic's rating could re-appear in the event of an emergence of doubts about the country's commitment to maintaining a sound fiscal position and a focus on completing all important reforms, initiated under the Third Programme and subjected to the post-programme Enhanced Surveillance Framework, or meeting other obligations of the post-Third Programme monitoring, hampering the reduction of government debt and the financial sector's restructuring. Moreover, the ongoing COVID-19 crisis will lead to a further deterioration of the fiscal position and/or undermine Greece's long-term growth potential. 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). Moreover, in their latest assessment of the Greek economy, following the eruption of the COVID-19 pandemic, the rating agencies refer to the considerable uncertainty surrounding the macroeconomic and fiscal impact of the pandemic on Greece's future credit profile, despite recognising the support which is expected to be provided to Greece's economic performance in the period 2021-2026 and beyond by the NGEU.

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 Issuer 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. Although the Group's domestic deposits stabilised in 2016, followed by an increasing trend from 2017 to 2020 there can be no assurance that outflows will not recur following the lifting of the capital controls effective 1 September 2019. 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 Issuer 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 Issuer 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 on-going 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 Issuer'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 collateralised 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 Issuer.

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 (see also "*There is uncertainty about the Issuer'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 decline, 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. On 10 December 2020, the Governing Council of the ECB decided to postpone the maturity of the TLTRO III up to June 2022. 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 and the mixed global economic recovery and 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 2020 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-on-year in 2018 and by 7.2% year-on-year in 2019, whereas prices of prime commercial spaces (average of retail and office prices) increased by 5.6% year-on-year in 2018 and by 5.5% year-on-year in 2019 (Sources: Bank of Greece, Bulletin of Conjunctural Indicators, November-December 2020). In this vein, construction activity has also picked up, with residential construction increasing by 22.8% year-on-year in 2018, for the first time since 2007, by 0.4% year-on-year in 2019 and by 17.4% year-on-year in the first nine months of 2020 (Source: EL.STAT., Quarterly gross fixed capital formation, 3rd Quarter 2020). Nonetheless, the absolute number of market transactions remains low, whereas the role of foreign demand related to short-term online rental activity, as well as to secondary home purchases by non-residents, is significant. Accordingly, downside risks remain considerable in view of a still sizeable backlog of unsold houses and relatively high effective tax burden, despite a 22% weighted average reduction in the unified property tax (ENFIA) applied in 2019 and a suspension of the VAT rate on new buildings and of the capital gains tax rate on property for the next three years included in the Draft Budget for 2020 (Sources:

Hellenic Parliament, L. 4621, (in Greek), 31 July 2019 and Ministry of Finance, Draft Budget for 2020 (in Greek)).

The residential market exhibited a high degree of resilience in the first three quarters of 2020, despite the negative effects of the COVID-19 pandemic. House prices rose by 3.2% year-on-year in the third quarter of 2020 – for an 11th consecutive quarter – from 5.3% year-on-year in the first semester, while on a quarter-on-quarter basis, house prices increased by 0.5% in the third quarter of 2020 from 0.5% in the second quarter and 1.8% in the first quarter. The Athens area continued to outperform the market average (5.6% year-on-year in the third quarter of 2020 and 8.6% year-on-year in the first semester). House prices have appreciated by 14.3% from their lowest point in the third quarter of 2017, while prices in the region of Athens have risen by 22.3% from their bottom in the first quarter of 2017 (Source: Bank of Greece, Bulletin of Conjunctural Indicators, November-December 2020 and Bank of Greece, Real Estate database). The resilience of the real estate market reflects the support from pent-up demand and limited supply of new buildings, which offset the compression of the demand from abroad through short-term rental platforms and outright purchases by non-residents, including the golden visa programme (e.g. decline in transactions related to the golden visa programme of approximately 90% year-on-year in 2020, with 400 licenses issued in this period, compared with 3,500 in 2019 (Source: Greek Ministry of Migration and Asylum, General Secretariat for Migration Policy database). Similarly, total construction activity increased by 7.8% year-on-year in the three quarters of 2020, supported by higher residential construction and an increase in public work activity (Source: EL.STAT., Quarterly gross fixed capital formation, 3rd Quarter 2020). A lagged impact and/or a prolongation of the COVID-19-related recession could weigh on the private sector's financial position and undermine market sentiment, leading to a deterioration of economic conditions in any industry in which the Group's borrowers operate, or in the market of the collateral, which 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 re-emergence 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 and the effects of the COVID-19 pandemic have materially and adversely affected the liquidity, business activity and financial condition of the Group's borrowers, which in turn has 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. In the adverse scenario of a 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.

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 realises 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 realise 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 Issuer'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 Issuer 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 as result of the economic implications from the COVID-19 crisis, may exceed current expectations, lead to additional impairments in the future which may result in higher losses than currently anticipated, or the regulators may otherwise increase their Supervisory Review and Evaluation Process ("SREP") asset quality 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 Issuer, 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 Issuer's ability to continue as a "going concern".

The going concern basis of the Issuer is dependent on access to the Eurosystem facilities, the Issuer's and the Group's CET1 ratio exceeding the OCR and recent developments regarding the Greek economy, including the latest estimates regarding macroeconomic indicators and measures that have been adopted in 2020 in order to provide support to the European banking system and to the Greek economy in dealing with COVID-19. Management concluded that the Issuer is a going concern and that the application of the going concern principle for the preparation of the interim financial statements as at 30 September 2020 is appropriate after considering (a) the current level of ECB funding solely from Targeted Long-term Refinancing Operations ("TLTROs") and the current access to the Eurosystem facilities with significant collateral buffer and Liquidity Coverage Ratio ("LCR") and Net Stable Funding Ratio ("NSFR") well above 100%, (b) the Group's CET1 ratio at 30 September 2020 which exceeded the OCR, and (c) the unprecedented response to the COVID-19 crisis from European and Greek authorities to provide both fiscal and monetary support, (see "*The Issuer – COVID-19 Outbreak - Response to COVID-19 crisis from Greek and European authorities*").

However, slow progress in improving the internal liquidity generation capacity of the Greek economy, along with poor performance in attracting private funds, could maintain Greece's reliance on Eurosystem funding at a relatively elevated level in the medium to longer term and may delay the anticipated recovery of the Greek economy. Furthermore, the COVID-19 pandemic continues to inflict high and rising human costs worldwide, leading the European and global economy to a sharp recession which started in March 2020 and continues to date. Each of these considerations may create uncertainty about the Issuer's ability to continue as a going concern.

For additional information on the going concern analysis carried out by the Issuer, please refer to "Note 2.2: Going concern" of the 2019 Annual Financial Statements, "Note 2.2: Going concern" of the June

2020 Interim Financial Statements and “Note 2.2: Going concern” of the September 2020 Interim Financial Statements, each of which is incorporated by reference herein.

If the Issuer were to assess that the upcoming financial statements could not be prepared on a going-concern basis, whether as a result of the considerations discussed above, or due to new considerations or risks, such event would have a material adverse effect on the Group’s results of operations, financial condition and prospects and the ability of the Issuer to meet its payment obligations under the Covered Bonds.

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 fulfil 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 Issuer 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 “**2015 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 fulfil. 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.

On 10 May 2019, the Directorate General for Competition of the European Commission approved the Issuer’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 and, together with the 2015 Revised Restructuring Plan, the “**Revised Restructuring Plans**” and each a “**Revised Restructuring Plan**”).

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 the progress of which will be reviewed by the Monitoring Trustee in 2021. 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 or 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 Issuer, 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).

The implementation of the Revised Restructuring Plans by the Issuer has had and might continue to have a significant impact on the Group’s business activity, operating results and financial position. Specifically, as part of the Revised Restructuring Plans 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.

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 Issuer’s compliance with the applicable State Aid rules. See “*Regulation and Supervision of Banks in Greece – Monitoring Trustee*” below. Grant Thornton was appointed as the Issuer’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 Issuer. 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 Issuer 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 at 1 February 2021, 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 29.9% of the Group’s loans as at 30 June 2020 (compared to 31.3% as at 31 December 2019 and 40.9% as at 31 December 2018). The effect of the economic crisis in Greece and of the COVID-19 pandemic (see “*The Group is subject to risks related to the future evolution of and response to the COVID-19 pandemic that may materially and adversely affect its business, results of operations, prospects and financial condition.*” below), as well as 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 wilful 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). At 31 December 2019 and 30 June 2020, 52,492 and 49,885 customers that had applied to the court under the provisions of Greek Law 3869/2010 had outstanding balances of €3,089 million and €2,893 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 NPEs could have a materially adverse effect on the Group’s profitability.

The Group is subject to risks related to the future evolution of and response to the COVID-19 pandemic that may materially and adversely affect its business, results of operations, prospects and financial condition.

The recent outbreak of COVID-19, with effects including potentially deadly respiratory tract infections, has disrupted and is expected to continue disrupting financial markets and the operations of businesses worldwide. In the first quarter of 2020, the World Health Organisation declared the outbreak of COVID-19 a pandemic. COVID-19 has caused a significant global economic downturn which has adversely affected, and is expected to continue to adversely affect, the Group’s business and results of operations. The future impacts of the COVID-19 pandemic on the Greek and the global economies and the Group’s business, results of operations, prospects and financial condition remain uncertain. The COVID-19 pandemic has resulted in authorities in affected areas implementing numerous restrictive measures attempting to contain the spread and impact of COVID-19, such as travel bans and restrictions, quarantines, shelter in place orders, and limitations on business activity, including closures. While many of these measures have been gradually lifted or partially relaxed, especially in Europe, significant restrictions on international travel and certain types of business activity remain and certain restrictions that had been relaxed are being re-imposed in some countries in response to increasing infection rates. These measures have negatively impacted, and could continue to negatively impact, businesses, market participants, the Group’s counterparties and customers as well as the Greek and the global economies for a prolonged period of time. If the Group’s customers are unable to repay their loans due to the pandemic, this could increase default rates and result in increased credit impairments. The COVID-19 pandemic led to the activation of the Group’s Crisis Management Committee in February 2020 with the aim of dealing with increased measures regarding the health and safety of the Group’s employees, business continuity

through remote working and customer support in response to the COVID-19 pandemic. The Group continues to manage the increased operational risk relating to the execution of its business continuity plans in accordance with the Group's Risk Framework Operational Risk Management Programme and its Business Continuity Management Systems.

The deterioration of financial conditions has increased the Group's impairment charges for expected credit losses ("ECL") and has led to loan modification programmes. The Group has offered, and continues to offer, a number of COVID-19 related relief measures to its customers within the context of EBA guidelines and government and sector initiatives. Such measures include the option to defer the payment of principal instalments on loans for the period 1 March 2020 to 31 December 2020. See further "*The Issuer – COVID-19 outbreak – Response to COVID-19 crisis from Greek and European authorities*". The Group also evaluated its assets, including intangibles and equity investments, for potential impairment, and reviewed fair values of financial instruments that are carried at fair value. Based upon the Group's review as of 30 September 2020, no significant impairments have been recorded for the Group and the Issuer with the exception of the impairment charge for ECL relating to loans and advances to customers at amortised cost, and there have been no significant changes in fair values and in fair value hierarchy classifications.

The COVID-19 outbreak is a new emerging risk and the Issuer is unable to predict the ultimate impact from COVID-19 on the results of operations, prospects, financial condition and business of the Group. The financial strains caused by the COVID-19 pandemic have been and are expected to continue to be extensive in the Group's markets, and deteriorating financial conditions in Greece have led to an increase, and will likely lead to further increases, in the Group's credit impairments. Furthermore, uncertainty remains with regards to the extent and timing of the Greek and/or global economic recovery to pre-COVID-19 levels. The situation caused by COVID-19 is unique and difficult to assess, and the situation is changing rapidly. Therefore, substantial uncertainty remains as to the full impact of the COVID-19 pandemic on the Group's results of operations, prospects, financial condition and business in future periods. The ultimate impact, which may be material and adverse, will depend on ongoing developments in the pandemic, including the success of containment measures and other actions taken by the Greek and European authorities in response to the crisis, the possibility of further waves leading to the re-imposition of severe lockdown measures, the timing for effective containment of the virus, as well as the overall condition and outlook of the Greek and the global economies. See also "*The Issuer - COVID-19 outbreak - Risks and responses related to the COVID-19 crisis.*"

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 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.
- *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*" below.
- *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 Issuer (*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 pandemics, 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 Issuer.

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 Issuer) and other smaller banks, which means that the Issuer may have to pay higher rates to attract equivalent levels of deposits. The Issuer faces competition from foreign banks in its banking operations outside of Greece, some of which may have resources greater than that of the Issuer. The Issuer may not be able to continue to compete successfully with domestic and international banks in the future. These competitive pressures may have a material adverse effect on its business, financial condition and results of operations.

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

The UK left the EU as of 31 January 2020 (“**Brexit**”) and the transition period ended on 31 December 2020. Therefore, the Treaty on the European Union and the Treaty on the Functioning of the European Union have ceased to apply to the UK.

The agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community dated 24 January 2020 provided the UK with a transitional period until 31 December 2020, during which the UK was bound by EU rules despite not being its member state and remained in the single market area, while the future terms of the UK's relationship with the EU were being negotiated.

On 24 December 2020, the EU and the UK agreed on the Trade and Cooperation Agreement (the “**Trade and Cooperation Agreement**”), which sets out the principles of the relationship between the EU and the UK following the end of the transitional period. The European Commission initially proposed to apply the Trade and Cooperation Agreement on a provisional basis for a limited time until 28 February 2021. On request by the EU, this deadline has now been moved to 30 April 2021, by which time the Trade and Cooperation Agreement must be approved by the European Parliament.

Given the recent agreement on the wording of the Trade and Cooperation Agreement and its provisional application, as of the date of this Base Prospectus, the exact terms of the Trade and Cooperation Agreement, its practical application and the overall relationship of the UK and the EU is not fully clear. Any further delays with the approval of the Trade and Cooperation Agreement by the European Parliament, its potential problematic provisions or its potential uncertain interpretation could adversely and significantly affect European or worldwide economic or market conditions and may contribute to instability in global financial and foreign exchange markets. In addition, it would likely lead to legal uncertainty and divergent national laws and regulations. The precise impact on the business of the Issuer is difficult to determine. As such, no assurance can be given that such matters would not adversely affect the ability of the Issuer 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.

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

The evolving second COVID-19 wave clouds the global economic outlook. In the euro area, real GDP recovered sharply in the third quarter of 2020, increasing by +12.5% quarter on quarter (-4.3% year over year) following a sharp decline of -11.7% quarter on quarter in the second quarter of 2020 (-14.7% year over year). However, a return to negative growth in the fourth quarter of 2020 is expected, as containment measures are re-imposed in many euro area economies. Overall, the euro area GDP growth for the year 2020 is currently anticipated at -7.3% year on year, followed by a partial recovery in 2021 (+4.0% year on year). Notably, there is extraordinary uncertainty embedded in these forecasts, as the outlook is highly dependent on factors linked to the pandemic, namely the path of epidemiological data, the respective medical developments and the behavioural responses by households and corporates.

Principal risks for the euro area economy mainly relate to more adverse pandemic developments, which would also lead to a further tightening and a longer duration of restrictions resulting in declining economic activity, rising corporate default rates and higher unemployment, despite supportive monetary and fiscal policies. Other risks involve policy uncertainty mainly linked to Brexit developments. 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 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 Eurozone sovereign and corporate debt stress as the massive fiscal and monetary policy measures employed to stem the negative economic repercussions from the pandemic suggest more strains for the balance sheets of sovereigns and corporates when the COVID-19 crisis ends. A rise in corporate defaults and subsequently of non-performing loans could also induce banking stress, combined with the challenging low to negative interest rate operating environment, as well as a potentially 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. 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, creating a risk of 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 Issuer and certain of its subsidiaries participate in employee-managed pension schemes, retirement and medical benefit plans. The Issuer and certain of the Issuer's subsidiaries make significant defined contributions to these schemes. In addition, the Issuer 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.

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-terrorist 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. Furthermore, the Group has seen an increase recently in remote working for employees as well as in increase in digital transactions and remote access to the Group's products by clients in view of current conditions resulting from the COVID-19 pandemic. 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 was 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 Issuer 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.

The HFSF representative has the right to veto any decision of the Board of Directors regarding the distribution of dividends and the benefits and bonus policy concerning the Chairman, the Chief Executive Officer and the other members of the Board of Directors, as well as whoever exercises 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 of the Group and benefits policies 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.

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 the ECB (the "**Single Supervision Mechanism**" or "**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 ("**SREP Guidelines**"). Such SREP 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 requirements ("**TSCR**") and overall capital requirements ("**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 Issuer received the final SREP Decision letter from the ECB which established the capital requirements for 2020. In particular based on 2019 SREP letter, the Pillar 2 Requirement rate for 2020 remained stable at 3%, but OCR increased to 14% (from 13.75% in 2019) due to the phase-in of the Other Systemically Important Institutions ("**O-SII**") buffer (0.25%). The OCR increased to 16% due to the application of the P2G (2%) as of 2020. However, on 12 March 2020, ECB provided temporary capital and operational relief to EU banks in reaction to COVID-19. In particular, the ECB is allowing banks to operate temporarily (until at least the end of 2022) below the level of capital defined by the P2G, the capital conservation buffer ("**CCB**") and the countercyclical capital buffer ("**CcyB**" - not applicable for Greece). In addition, the banks can partially cover the P2R with the use of AT1 (18.75% of P2R) and/or Tier 2 (25% of P2R) capital instruments. On

that basis, and taking into account that a) the ECB has not issued a SREP decision for the 2020 SREP cycle and P2R and P2G requirements remain unchanged and b) BoG suspended the phase-in of the O-SII for 2021, the OCR for the rest of 2020 reduced to 11.5% and will remain at the same level for 2021 as well.

The SSM might impose new compliance, governance or system and control mandates that will increase compliance costs for the Issuer. 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 Issuer 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 Issuer, 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, as amended, (the "**CRD IV Directive**") and the EU Regulation 575/2013, as amended, (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, as amended, (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 Issuer 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. 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 non-performing and forborne exposures (the "**EBA NPE Guidelines**"). The EBA NPE 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 NPE Guidelines require institutions to establish NPE reduction strategies and introduce governance and operational requirements to support them. The EBA NPE 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 NPE 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 NPE 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 NPE 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 NPE 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 Issuer 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 Issuer (see "*Regulation and Supervision of Banks in Greece – Bank Recovery and Resolution Directive*" below).

If the Issuer 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 Issuer'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 Issuer. 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 Issuer's operating results, financial condition and prospects. If the Issuer is required to strengthen its capital position, it may not be possible for the Issuer 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.

Directive (EU) 2019/879 amending the BRRD as regards the loss-absorbing and recapitalisation capacity of credit institutions and investment firms 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. Greece, as most Member States, has yet to transpose the provisions of the abovementioned Directive. 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 other resolution tools. 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 which would result in a principal write off or conversion to equity. 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 stabilisation 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 creditors, shareholders 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 Issuer. 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.

In June 2019 the SRB published an update to its 2018 MREL policy in light of the publication of the Banking Package (comprising CRR II, CRD V Directive, BRRD II and SRM II Regulation) in the Official Journal of the EU on 7 June 2019. The Single Resolution Board has set binding MREL targets (at consolidated level) for the Issuer for 1 January 2022 and for the end of the transitional period which is the 31 December 2025.

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. Member States are required to adopt and publish, by 28 December 2020, the measures necessary to comply with CRD V Directive with certain exceptions. CRR II shall apply from 28 June 2021 subject to certain exceptions. CRR II is directly applicable to the Issuer. However, the CRD V Directive will need to be transposed into Greek Law before taking effect, which transposition has not yet taken place.

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. With regards to Greece, as with most Member States, this transposition has not yet taken place. 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 Issuer 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 Issuer'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 2020, 82.1% 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, Greek Law 4605/2019 and Greek Law 4738/2020, as of 1 June 2021 onwards, 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. See further "*Regulation and Supervision of Banks in Greece - Settlement of Amounts Due by Indebted Individuals*" for a description of Greek laws governing the bankruptcy of individuals or otherwise settlement of debts owed by individuals. 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, and such difficulties may be exacerbated in light of COVID-19, which could have a material adverse effect on its financial condition and results of operations.

If the current economic conditions persist or worsen, including as a result of the COVID-19 pandemic, 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 also subject to an Amortisation Test. If following the occurrence of an Issuer Event the Amortisation Test is not met, all Cover Pool Available Funds shall be applied to repay all Series of Covered Bonds (which shall then become Pass Through Covered Bonds) subject to and in accordance with the relevant Priority of Payments.

Please see “*Risks related to the Covered Bonds - Extension of the Covered Bonds’ maturity under the Conditions*”.

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, government policies, natural disasters and widespread health crises or the fear of such crises (such as COVID-19 or other epidemic diseases). Other factors in Borrowers' individual, personal or financial circumstances may affect the ability of Borrowers to repay the Loans. Loss of earnings, illness (including any illness arising in connection with an epidemic or pandemic) or widespread health crises or the fear of such crises (such as COVID-19 or other epidemic), 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.

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

Following the occurrence of an Issuer Event, 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 party purchasers (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, and, if applicable, any FX Swap 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 the Covered Bond Swaps that the Issuer may enter into, 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 long-term issuer default rating by S&P and short-term, unguaranteed and unsecured credit ratings ascribed to such party by Moody's. 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, 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 82% (or such lower percentage which may be determined by the Issuer 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 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 in the EEA, unless such ratings are issued by a credit rating agency established in the EEA 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 third country non-EEA credit rating agencies, unless the relevant credit ratings are endorsed by an EEA-registered credit rating agency or the relevant third country 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.

Investors regulated in the UK are subject to similar restrictions under Regulation (EC) No.1060/2009 as it forms part of domestic law by virtue of the EUWA (the “**UK CRA Regulation**”). As such, UK regulated investors are required to use for UK regulatory purposes ratings issued by a credit rating agency

established in the UK and registered under the UK CRA Regulation. In the case of ratings issued by third country non-UK credit rating agencies, third country credit ratings can either be: (a) endorsed by a UK registered credit rating agency; or (b) issued by a third country credit rating agency that is certified in accordance with the UK CRA Regulation. Note this is subject, in each case, to (a) the relevant UK registration, certification or endorsement, as the case may be, not having been withdrawn or suspended, and (b) transitional provisions that apply in certain circumstances.

If the status of the rating agency rating the Covered Bonds changes for the purposes of the CRA Regulation or the UK CRA Regulation, relevant regulated investors may no longer be able to use the rating for regulatory purposes in the EEA or the UK, as applicable, and the Covered Bonds may have a different regulatory treatment, which may impact the value of the Covered Bonds and their liquidity in the secondary market. 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 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, the Receiptholders 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) no Issuer Event has occurred or is continuing 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 of the Covered Bonds, 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), 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, as amended, (the “**EU 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 EU 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 EU 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). Regulation (EU) 2016/1011 as it forms part of domestic law by virtue of the EUWA (the “**UK Benchmarks Regulation**”) among other things, applies to the provision of benchmarks and the use of a benchmark in the UK. Similarly, it prohibits the use in the UK by UK supervised entities of benchmarks of administrators that are not authorised by the FCA or registered on the FCA register (or, if non-UK based, not 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 EU 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 EU Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable, 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 EU Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable, 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 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 EU 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.

Partly-paid Covered Bonds

The Issuer may issue Covered Bonds where the issue price is payable in more than one instalment. Failure to pay any subsequent instalment could result in an investor losing all of its investment.

Instalment Covered Bonds

The Issuer may issue Instalment Covered Bond with a predefined, prescheduled amortisation schedule where, alongside interest, the Issuer will pay, at each Interest Payment Date specified in the relevant Final Terms, a portion of principal until maturity.

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. Such a definition may be established with the entry into force of the EU proposal for a regulation on the establishment of a framework to facilitate sustainable investment (the “**EU Taxonomy**”), however no assurance can be given that the Issuer’s Green and/or Social Projects will be aligned with the final EU Taxonomy. 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 (see relevant interpretative provision of article 43 of Greek Law 4715/2020 published in the Government Gazette Issue 149/A/1.8.2020):

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, in hardcopy and in digital form, 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% 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 3 business days (in case of movable property) or 10 business days (in case of real estate) 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 Issuer 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.

Finally, it should be noted that, in light of the Covid-19 pandemic, enforcement proceedings, as well as auctions, have been suspended for the most part of 2020 and still remain so to this day. More specifically, pursuant to consecutive Joint Ministerial Decisions, all enforcement proceedings, as well as auctions, were initially suspended from 13 March 2020 until 31 May 2020. Then by virtue of Article 74 of Greek Law 4690/2020 (published in the Government Gazette Issue 104/A/30.5.2020), all auctions regarding the debtor's movable property (excluding items subject to damage), real estate, ships and aircraft, the auction day of which was set for the period from 1 June 2020 to 31 July 2020, were cancelled. The creditor who had ordered the enforcement proceedings against the relevant property was able until 30 June 2020 to initiate the appointment of a new auction day after 31 July 2020, based on the initially estimated value and price of the first offer. As a result of the above, and given that pursuant to Article 998 par. 2 of the GCCP auctions may not take place between 1st and 31st of August, auctions started again on 3 September 2020. However, from 7 November 2020 to the date of this Base Prospectus, all enforcement proceedings, as well as auctions, remain suspended by virtue of consecutive Joint Ministerial Decisions which are issued on a regular basis.

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 debts of the abovementioned 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 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 instalments 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 fulfilment 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, as ratified by Greek Law 4592/2019 (published in the Government Gazette Issue 20/A/13.02.2019), 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 instalments (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.

As of 1 March 2019 the right of a borrower to request the exemption of his main 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 amended legal framework, eligible over-indebted debtors could apply through electronic means until 31 July 2020 for the settlement of their debts by arranging a partial repayment of their due debts as prescribed by Greek Law 4605/2019.

Amounts eligible to be settled are only amounts owed to credit institutions and, in 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 on 31 December 2018. 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.

Within the abovementioned framework, the debtor shall pay in equal monthly instalments and within 25 years, 120% of the value of its main residence plus interest 3-month EURIBOR + 2%. The Greek State may also contribute to the payment of these monthly instalments under certain conditions.

It is also explicitly provided in the amended legal framework 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. However, 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.

However, it shall be noted that, by virtue of article 265 par. 1 case b' of Greek Law 4738/2020, as published in the Government Gazette Issue 207/A/27.10.2020 (the "Debt Settlement and Facilitation of a Second Chance Law") in conjunction with article 308 of such law (as amended by article 83 par. 3 of Greek Law 4764/2020, published in the Government Gazette Issue 256/A/23.12.2020) the possibility of

submitting new applications in accordance with the provisions of Law 3869/2010 ceases from 1 June 2021. Proceedings under Law 3869/2010 that will be pending on 1 June 2021 shall evolve in accordance with the provisions of Law 3869/2010 (See “*Settlement of Amounts Due by Indebted Individuals*” here below).

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:

- (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 fraud 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 €2,500,000

Greek Law 4738/2020, as published in the Government Gazette Issue 207/A/27.10.2020, has replaced as of 1 March 2021 Greek Law 4307/2014 by integrating the latter’s provisions on the power of the liquidator to conduct a public tender for the sale of the (total of) the debtor’s assets/sectors of business to its framework. The expedited liquidation process is followed pursuant to a relevant decision of the bankruptcy court on the liquidation of the business or individual operational units. Pursuant to the new framework (Article 265 par. 1 case c’ of Greek Law 4738/2020), there will be no capacity to submit new applications in accordance with Articles 68-77 of Greek Law 4307/2014, which will, however, remain into force for proceedings already initiated before 1 March 2021. Extraordinarily, if the creditors’ meeting so decides (in the context of a special administration) the process will be able to continue under the provisions of Greek Law 4738/2020 being applied by means of analogy (See “*Settlement of business debts*” here below).

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 was 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 of Greek Law 4587/2018) on the dedicated electronic platform in EGDICH's website. Financial institutions had the possibility, as creditors, to initiate the procedure by communicating a written invitation to the debtor to enter the procedure. If the debtor failed 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 lost 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 Gazette 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 €300,000.

As of 1 June 2021 articles 5-30 of Greek Law 4738/2020, as published in the Government Gazette Issue 207/A/27.10.2020, ("The Debt Settlement and Facilitation of a Second Chance Law"), shall establish a new out-of-Court debt settlement mechanism replacing the procedure of Greek Law 4469/2017 (see "*The out-of-court debt settlement process pursuant to Greek Law 4738/2020*" here below).

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, 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 Greek Civil Procedure Code applies *mutatis-mutandis* (see "*Auction Proceeds*").

By virtue of article 265 par. 1 case a' of Greek Law 4738/2020, as published in the Government Gazette Issue 207/A/27.10.2020 (the "Debt Settlement and Facilitation of a Second Chance Law") in conjunction with article 308 of such law (as amended by article 83 par. 3 of Greek Law 4764/2020, published in the Government Gazette Issue 256/A/23.12.2020) Greek Law 3588/2007 has, as of 1 March 2021, been repealed. Where reference is made to Greek Law 3588/2007 and/or Bankruptcy Code, Greek Law 4738/2020 shall be read instead. At the time of entry into force of Greek Law 4738/2020, any pending proceedings pursuant to Greek Law 3588/2007 shall evolve in accordance with the latter's provisions, unless otherwise expressly specified under the provisions of Greek Law 4738/2020. Exceptionally, by decision of the majority of the assembly of creditors, any proceedings pending under Greek Law 3588/2007 shall hereinafter evolve pursuant to the provisions of Greek Law 4738/2020. In this case,

regardless of the provisions pertaining to the continuation of the proceedings, the classification of the creditors shall be governed by the provisions of the laws that have been in force up until the inclusion in the new regime.

Greek Law 4738/2020 consolidates the provisions of several statutes dealing with excessive indebtedness and debt settlement into one comprehensive legal framework of expanded scope, including, but not limited to, the proceedings provided for under Law 3588/2007, as underlined above. However, pursuant to Greek Law 4738/2020 (article 76) the ability to be declared bankrupt is extended to every individual, as well as legal entities that pursue a financial purpose, whereas pursuant to Greek Law 3588/2007 only traders had the ability to be declared bankrupt. Moreover, regarding the classification of creditors in case of insolvency, Greek Law 4738/2020 (article 167) provides that such classification shall be done by way of proportional application of Articles 975 to 978 of GCCP, while variations are foreseen with regards to the general privilege of financing and other benefits in the context of a rehabilitation agreement or negotiations for the conduct of one. Law 4738/2020 is expected to accelerate the liquidation of the bankruptcy estate and significantly simplify insolvency proceedings.

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 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). 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. whose registered address is at 86 Eolou Street, 10559 Athens, Greece (“**NBG**” or the “**Issuer**”).

Issuer Legal Entity Identifier (LEI) 5UMCZOEYKCVFAW8ZLO05

Arrangers NBG and UBS Europe SE, a company limited by shares incorporated in Germany, whose registered office is at Bockenheimer Landstraße 2-4, 60306 Frankfurt am Main, Germany (“**UBS**”, and together with NBG, the “**Arrangers**”).

Dealers NBG, UBS Europe SE, and/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. See “*Servicing and Collection Procedures*” 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 the Statutory Tests when required in accordance with the requirements of the Bank of Greece. Pursuant to the Asset Monitor Agreement, Ernst & Young (Hellas) Certified Auditors – Accountants S.A., acting through their office at 8B Chimarras Str., Maroussi, 15125, Athens, Greece (the “**Asset Monitor**”) has been appointed as Asset Monitor.

Account Bank	<p>The Bank of New York Mellon, London Branch acting through its office at One Canada Square, London E14 5AL has agreed to act as account bank (the “Account Bank”) pursuant to the Bank Account Agreement.</p> <p>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.</p>
Eligible Institution	<p>Eligible Institution means any bank whose short-term unsecured, unsubordinated and unguaranteed debt obligations are rated at least P-1 by Moody’s 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 parties to the Bank Account Agreement and the Rating Agencies from time to time).</p>
Principal Paying Agent	<p>The Bank of New York Mellon, London Branch acting through its office at One Canada Square, London E14 5AL (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.</p>
Trustee	<p>The Bank of New York Mellon (International) Limited acting through its office at One Canada Square, London E14 5AL (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 “<i>Security for the Covered Bonds</i>” below.</p>
Hedging Counterparties	<p>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”), pure currency risks (each a “FX Swap Provider”) and interest risks (each an “Interest Rate Swap Provider”) and, together with the Covered Bond Swap Providers and the FX Swap Providers, the “Hedging Counterparties” and each a “Hedging Counterparty”) associated with the Covered Bonds. Each Hedging Counterparty will act as such pursuant to the relevant Hedging Agreement (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.</p>
Custodian	<p>A custodian (the “Custodian”) to be appointed at such time as a custody agreement is entered into.</p>
Listing Agent	<p>The Bank of New York Mellon SA/NV, Luxembourg Branch (the “Luxembourg Listing Agent”).</p>

Rating Agencies

Moody's and S&P, in each case for so long as and to the extent such Rating Agency provides a rating in respect of any Covered Bonds, and any additional rating agency which may be appointed under the Programme from time to time to provide ratings for a specific issue of Covered Bonds or on an ongoing basis (together, the "**Rating Agencies**" and each a "**Rating Agency**").

PROGRAMME DESCRIPTION**Description:**

NBG €15 billion Covered Bond Programme.

Programme Amount

Up to €15 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 or Tranche 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 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.

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).

Proceeds of the Issue of Covered Bonds

The gross proceeds from each issue of Covered Bonds will be used by the Issuer to fund its general corporate purposes.

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 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;
- (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.

Dual Currency Interest Covered Bonds

The applicable Final Terms may provide that payments of interest in respect of certain Covered Bonds may be made in more than one currency (“**Dual Currency Interest Covered Bonds**”) and that such payments, whether at maturity or otherwise, will be made in such currencies, and based on such rates of exchange, as the Issuer and the relevant Dealer(s) may agree (as set out in the applicable Final Terms).

Variable Interest Covered Bonds

Dual Currency Interest Covered Bonds and other Covered Bonds (excluding Floating Rate Covered Bonds) where the rate of interest is variable are referred to as “**Variable Interest Covered Bonds**”.

Other provisions in relation to Floating Rate Covered Bonds and Variable Interest Covered Bonds

Floating Rate Covered Bonds and Variable Interest Covered Bonds may also have a Maximum Rate of Interest, a Minimum Rate of Interest or both (each as indicated in the applicable Final Terms). Interest on Floating Rate Covered Bonds and Variable Interest 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) (as set out in the applicable Final Terms).

Zero Coupon Covered Bonds

The applicable 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.

Partly-Paid Covered Bonds

The Issuer may issue Covered Bonds where the issue price is payable in more than one instalment (i.e. partly-paid basis) (“**Partly-Paid Covered Bonds**”) in which case interest will accrue on the paid-up amount of such Covered Bonds or on such other basis as may be agreed between the Issuer and the relevant Dealer(s) (as set out in the applicable Final Terms).

Ranking of the Covered Bonds

All Covered Bonds will rank *pari passu* and *pro rata* 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 Receiptholders, 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 having the benefit of the Charged Property 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 with, 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 entitled, 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 or partly-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 Interest Payment Dates will be specified 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.

Early Redemption

The applicable Final Terms may specify that either the relevant Series of Covered Bonds can be redeemed prior to their stated maturity for taxation reasons in the manner set out in Condition 6.2 (Redemption for taxation reasons), or that such Covered Bonds will be redeemable at the option of the Issuer and/or the Covered Bondholders upon giving notice to the Covered Bondholders or the Issuer (as the case may be), on a date or dates specified prior to such stated maturity and at a price or prices and on such other terms as may be agreed between the Issuer and the relevant Dealer(s) (as set out in the applicable Final Terms). The applicable Final Terms may provide that Covered Bonds may be redeemable in two or more instalments of such amounts and on such dates as are indicated in the applicable Final Terms.

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 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 automatically deferred 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.

Ratings Each Series issued under the Programme will be assigned a rating by at least two 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, on a regulated market for the purposes of the MiFID II, 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 SA/NV ("**Euroclear**"), and/or Clearstream Banking S.A. ("**Clearstream, Luxembourg**") in relation to any Series of Covered Bonds or any other clearing system as may be specified in the applicable 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, the United Kingdom, the Hellenic Republic, 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 the 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 will be governed by and construed in accordance with English law, save that the Statutory Pledge referred to in Condition 2 (*Status of the Covered Bonds*), will be governed by and construed in accordance with Greek Law.

CREATION AND ADMINISTRATION OF THE COVER POOL

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 Account, to the extent that it complies with the relevant regulations but excluding the Collection Account); and
- d) Marketable Assets (as defined below) (each a “**Cover Pool Asset**” and collectively the “**Cover 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, with respect to any New Asset Types, (i) 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 addition of the New Assets 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 (ii) 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 and continuing or would occur as a result of such removal or substitution (i) remove Cover Pool Assets from the Cover Pool or (ii) substitute existing 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 substitution).

“Additional Cover Pool Assets” means further assets assigned to the Cover Pool by the Issuer for the purposes of issuing further Series of Covered Bonds and/or complying with the Statutory Tests.

“Initial Assets” means the assets comprising the Cover Pool on the date of the issuance by the Issuer of a Series of Covered Bonds for the first time pursuant to the Programme.

“New Asset Types” means a new type of asset, 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, including for the avoidance of doubt non-Euro denominated assets and/or assets which have characteristics other than those of the Initial Assets. 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. 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, the Issuer shall deliver to the Trustee a solvency certificate stating that the Issuer is, at such time, solvent.

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.

Disposal of the Loan Assets

Following the occurrence of an Issuer Event 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 Post Issuer Event 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 Principal Documents – Servicing and Cash Management Deed*”.

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

Undertaking of the Issuer in respect of the Cover Pool

Pursuant to the Transaction Documents, the Servicer undertakes to manage the Cover Pool in the interest of the Covered Bondholders and the other Secured Creditors and undertakes to take in a timely manner, 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, owed by Borrowers who are individuals and denominated in Euro;
- (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 Mortgage 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) 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;
- (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 for these purposes, any Loan that is originated as a principal and interest payment loan and which contains terms and conditions allowing Borrowers to opt for an interest-only grace period during the term of the loan, shall be deemed not to be an interest-only loan;
- (xi) the Euro Equivalent value of the Property which secures the Loan has been re-assessed, either through a physical valuation or a Prop Index Valuation, at least once in the 12 months prior to the date on which the Individual Eligibility Criteria are tested in respect of such Loan;
- (xii) on the date on which such Loan is added to the Cover Pool, the total Euro Equivalent Outstanding Principal Balance of all Loans in the Cover Pool made to the primary Borrower under the Loan does not exceed 1% of the aggregate Outstanding Principal Balance of all Loans;
- (xiii) 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;
- (xiv) it is not a Subsidised Loan;
- (xv) it is not a Loan made to employees of the Issuer;
- (xvi) on the date on which such Loan is added to the Cover Pool, it has not been subject to a restructuring in accordance with the policy of the Servicer; and
- (xvii) it is a Loan that is fully disbursed and in relation to which there is no obligation or possibility to make additional disbursements.

“**Latest Maturing Covered Bonds**” means, at any time, the Series of the Covered Bonds that has or have the latest Final Maturity Date or the relevant Extended Final Maturity Date, as applicable, as specified in the applicable Final Terms.

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

“**OEK**” means the Greek Worker Housing Association as succeeded in full by the Manpower Employment Organisations (“**OAED**”) by virtue of Greek Law 4144/2013 and other relevant legislation and reference to OEK shall include reference to OAED as appropriate.

“**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.

“**Pre Notation**” means a judicial mortgage pre notation under Articles 1274 *et seq.* of the Greek Civil Code, as in force, granted in respect of a Property.

“**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.

“**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 the occurrence of 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 the occurrence of an Issuer Event 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 82% (or such lower percentage which the Issuer may determine in accordance with any alternative methodologies of the relevant Rating Agency 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 any Interest Rate Swap, any FX Swap and the Covered Bond Swaps.

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

For the purposes of calculating the Nominal Value of the Cover Pool, the value of any non-Euro denominated assets comprised in the Cover Pool shall be converted into euro on the basis of the exchange rate published by the ECB as at such Calculation Date.

“**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 the occurrence of an Issuer Event 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 falling in March, June, September and December, the Net Present Value of any Interest Rate Swap, any FX Swap, any Covered Bond Swap and the Transaction Account (if not held by the Issuer) are in aggregate less than or equal to 15.0% of the nominal value (being principal) of the Covered Bonds plus accrued interest thereon.

For the purposes of calculating the net present value of the Cover Pool, all amounts denominated in a currency other than euro shall be converted into euro on the basis of the exchange rate published by the ECB as at such Calculation Date.

- (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 in respect of the assets comprised in the Cover Pool 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. Aa3 and P-1 by Moody's 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 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 and BB or lower by S&P:

- (1) A3 or P-2 by Moody's and BBB or 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 provided that where the maturity of the relevant investment is less than 30 days, the relevant rating must not be less than the current rating of the Covered Bonds; and
- (2) P-2 by Moody's 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 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 the relevant 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; and
- (c) if the relevant Loan is in arrear of more than 90 days,

zero,

and each Loan shall be deemed to bear interest on the lower of the amounts calculated in (a), (b) and (c) 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 prompt 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, the Cover Pool 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 senior 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 and/or changes to the hedging policies or servicing and collection procedures of NBG without the consent of the Trustee provided that 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 amendment (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 amendment). The Servicing and Cash Management Deed shall set forth the conditions for any such amendments to be effected.

See “*Description of Principal Documents – Servicing and Cash Management Deed – Amendment to definitions*”.

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:

- (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, Receipts 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 are effected henceforth directly to the Transaction Account, (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.

“**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.

In accordance with the terms of the Servicing and Cash Management Deed, prior to an Issuer Event, the Servicer shall 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 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 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 (ii) 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 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),

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, puttable, 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 submitted 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 the occurrence of an Issuer Event, the Servicer 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 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.

Prior to the occurrence of an Issuer Event which is continuing, and provided that no breach of the Statutory Tests has occurred and has

not been remedied in accordance with the Transaction Documents, the Issuer will be entitled to withdraw any sums standing to the credit of the Collection Account at any time.

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.

“**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 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**”). Prior to the occurrence of an Issuer Event, NBG will be entitled to withdraw amounts from time to time standing to the credit of the Transaction Account, if any, that are in excess of any cash amounts required to satisfy the Statutory Tests. Following the occurrence of an Issuer Event, NBG shall no longer be entitled to withdraw moneys from the Transaction Account other than for purposes of making payments in accordance with the Post Issuer Event Priority of Payments.

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 corresponding Transaction Account and (ii) any and all future payments due under the Cover Pool Assets upon receipt or collection by the Servicer are henceforth to be effected directly to the Transaction Account. Following an Issuer Event, the Transaction Account will be used for the crediting of, *inter alia*, moneys received in respect of the Cover Pool Assets included in the Cover Pool or to effect a payment in respect of the Covered Bonds including the following amounts:

- (a) any amounts received by the Issuer in respect of the Loan Assets and the Marketable Assets;
- (b) any amounts credited by the Issuer for effecting payments on the Covered Bonds;
- (c) any amounts deposited by the Issuer when effecting 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);

- (d) any amounts transferred by the Servicer in connection with the sale of Cover Pool Assets;
- (e) any amounts paid to the Issuer by the Hedging Counterparties under the Hedging Agreements (other than Swap Collateral Excluded Amounts (if any)); and
- (f) any amounts deriving from maturity or liquidation of Authorised Investments carried out by the Servicer in accordance with the terms of the Servicing and Cash Management Deed.

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

Issuer Collection Account

Upon the occurrence of an Issuer Event, pursuant to the Servicing and Cash Management Deed, the Issuer has undertaken to (i) open the Issuer Collection Account with the Replacement Servicer or, if the Replacement Servicer is not a credit institution for the purposes of Greek Banking Legislation, with the credit institution appointed by such Replacement Servicer and (ii) not to knowingly create or permit to subsist any Security Interest in relation to the Issuer Collection Account other than as permitted pursuant to paragraph 9 of article 91 of Greek Law 3601/2007 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. For the avoidance of doubt, the Issuer Collection Account shall be deemed a “*Collection Account*” for the purposes of 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 three 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 Series of Covered Bonds) and, 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;
- (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 (A) any early termination amount received by the Issuer under a Hedging Agreement, which is applied in acquiring a replacement Interest Rate Swap, FX Swap or Covered Bond Swap (as applicable); (B) any Excess Swap Collateral or Swap Collateral, except to the extent that the value of such Swap Collateral has been applied, pursuant to the provisions of the relevant Hedging Agreement, to reduce the amount that would otherwise be payable by the Hedging Counterparty to the Issuer on early termination of the Interest Rate Swap, FX Swap or Covered Bond Swap (as applicable) and, to the extent so applied in reduction of the amount otherwise payable by the Hedging Counterparty, such Swap Collateral is not to be applied in acquiring a replacement swap (the “**Swap Collateral Excluded Amounts**”); (C) any premium received by the Issuer from a replacement Hedging Counterparty in respect of a replacement Interest Rate Swap, FX Swap or Covered Bond Swap, to the extent used to make any termination payment due and payable by the Issuer with respect to the previous Interest Rate Swap or Covered Bond Swap; and (D) any tax credits received by the Issuer in respect of an Interest Rate Swap, FX Swap or Covered Bond Swap (as applicable) used to reimburse the relevant Hedging Counterparty 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, FX Swap or Covered Bond Swap (as applicable).

“**Excess Swap Collateral**” means in respect of a Hedging Agreement, an amount (which will be transferred directly to the Hedging Counterparty in accordance with the Hedging Agreement) equal to the amount by which the value of the collateral (or the applicable part of any collateral) provided by the Hedging Counterparty to the Issuer pursuant to the Hedging Agreement exceeds the Hedging Counterparty's liability under the Hedging Agreement (such liability determined as if no collateral had been provided) which it is otherwise

entitled to have returned to it under the terms of the Hedging Agreement;

“**Swap Collateral**” means, at any time, any asset (including, without limitation, cash and/or securities) other than Excess Swap Collateral, which is paid or transferred by a Hedging Counterparty to the Issuer as collateral in respect of the performance by such Hedging Counterparty 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.

Any securities held as Swap Collateral shall be deposited with the Custodian appointed pursuant to the terms of any Custody Agreement.

Cover Pool Event of Default

If following an Issuer Event one of the following events occurs, and is continuing (a “**Cover Pool Event of Default**”):

- (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 the Servicer in the case of (c), 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 all Series shall become immediately due and payable.

Following the service of a Notice 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

At any time upon or after the occurrence of any Issuer Event but prior to the delivery of a Notice of Default, the Servicer shall apply all Covered Bonds Available Funds (which funds shall include all amounts standing to the credit of the Transaction Account) 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 to any Custodian appointed under any Custody Agreement;
- (iv) *fourth*, 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 and any Custodian 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;
- (v) *fifth, 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 the relevant 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;
- (vi) *sixth*, to pay *pari passu and pro rata*, according to the respective amounts thereof, any amount due as principal 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 other Series of Pass-Through Covered Bonds and any other Series of Covered Bonds;
- (vii) *seventh*, 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;

(viii) *eighth*, 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

(ix) *ninth*, 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, other than 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.

Priority of Payments following the delivery of a Notice of Default

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 (as amended and restated from time to time) between the Issuer, the Trustee and the Servicer (as amended and restated, the “**Servicing and Cash Management Deed**”), the Servicer 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 21 June 2010 (the “**Programme Closing Date**”).

See “*Description of the Principal Documents – 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.

Trust Deed

Under the terms of the Trust Deed entered into on the Programme Closing Date (as amended and restated from time to time) 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 of Greek Law 4261/2014.

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 from time to time) (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 from time to time) (the “**Bank Account Agreement**”), The Bank of New York Mellon, London Branch has agreed to operate the Transaction Account and any cash or securities collateral accounts to hold cash or securities respectively as collateral posted by a relevant Hedging

Counterparty pursuant to the terms of a relevant Hedging Agreement (the “**Swap Collateral Accounts**” and 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, FX 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 Investment 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 Assets, 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 The Bank of New York Mellon 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 2020 (the “**Nine Months 2020 Financial Statements**”) which have been prepared in accordance with IFRS as endorsed by the EU (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%2009%202020%20%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 2020 (the “**Six Months 2020 Financial Statements**”) which have been prepared in accordance with IFRS as endorsed by the EU (available at https://www.nbg.gr/english/the-group/investor-relations/financial-information/annual-interim-financial-statements/Documents/Annual%20and%20interim%20financial%20statements/Financial%20Statements%2030%2006%202020_EN.pdf);
- (c) Group and Bank 2019 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 2019, which have been prepared in accordance with IFRS as endorsed by the EU (the “**2019 Annual Financial Statements**”) (available at <https://www.nbg.gr/english/the-group/investor-relations/annual-report-offerring-circular/Documents/annual-report-2019.pdf>);
- (d) 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);

the 2019 Annual Financial Statements and the 2018 Annual Financial Statements are collectively referred to as the “**Annual Financial Statements**”.

- (e) the sections entitled “*Terms and Conditions of the Covered Bonds*” set out on pages 99 to 131 (inclusive) of the base prospectus dated 16 March 2018 (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/CB%202%20-%20%282018%29%20-%20Base%20Prospectus.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 INDEPENDENT AUDITOR'S REPORT AND AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF NATIONAL BANK OF GREECE S.A. AS AT AND FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2019 AND 31 DECEMBER 2018

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**CROSS-REFERENCE LIST RELATING TO THE INDEPENDENT AUDITOR’S REVIEW REPORT
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CROSS-REFERENCE LIST RELATING TO THE UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS OF NATIONAL BANK OF GREECE S.A. AS AT AND FOR THE NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2020

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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, the Receipts (as defined below) 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, The Bank of New York Mellon (International) Limited (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, the Receipts (as defined below) 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, The Bank of New York Mellon, London Branch 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. Definitive Covered Bonds repayable in instalments have receipts (“**Receipts**”) for the payment of the instalments of principal (other than the final instalment) attached on issue. Global Covered Bonds do not have Receipts, 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, 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 “**Receipholders**” shall mean the holders of the Receipts and 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 nor offered in the European Economic Area 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, the Receipholders 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, a Dual Currency Interest Covered Bond or a combination of any of the foregoing, depending upon the Interest Basis shown in the applicable Final Terms.

This Covered Bond may be an Instalment Covered Bond or a Partly-Paid Covered Bond, depending upon the Redemption/Payment 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. Definitive Covered Bonds are issued with Receipts, only in respect of Instalment Covered Bonds, and references to Receipts and Receiptholders in these Conditions are only applicable to such Covered Bonds.

Subject as set out below, title to the Covered Bonds, Receipts 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, Receipt 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 SA/NV (“**Euroclear**”) and/or Clearstream Banking S.A. (“**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

(a) *Post-Issuer Event Priority of Payments*

Notwithstanding the Deed of Charge Security but subject to Clause 8.1 (“**Application**”) of the Deed of Charge, at any time upon or after the occurrence of any Issuer Event but prior to the delivery of a Notice of Default, the Servicer shall apply all Covered Bonds Available Funds (which funds shall include all amounts standing to the credit of the Transaction Account 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 Covered Pool Payment Date to the Custodian appointed under any Custody Agreement;
- (iv) *fourth*, 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 and any Custodian 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;
- (v) *fifth, 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 relevant 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;

- (vi) *sixth*, to pay *pari passu* and *pro rata*, according to the respective amounts thereof, any amount due as principal 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 other Series of Pass-Through Covered Bonds and any other Series of Covered Bonds;
 - (vii) *seventh*, 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;
 - (viii) *eighth*, 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
 - (ix) *ninth*, to pay any excess to the Issuer.
- (b) *Post-Cover Pool Event of Default Priority of Payments*

Following the occurrence of a Cover Pool Event of Default and 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 and Variable Interest Covered Bond Provisions

(a) Interest on Payment Dates

Each Floating Rate Covered Bond and Variable Interest Covered Bond bears interest on its Principal Amount Outstanding (subject to Condition 4.5 (*Partly-Paid Covered Bond Provisions*)) 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 and Variable Interest 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 (the “**Member States**”) 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). If the Rate of Interest cannot be determined in accordance with the foregoing provisions of this subparagraph (i), the Rate of Interest shall be determined in respect of the last preceding Interest Period (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).

(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 or a Variable Interest 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 or a Variable Interest 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, and the Calculation Agent, in the case of Variable Interest 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. In the case of Variable Interest Covered Bonds, the Calculation Agent will notify the Principal Paying Agent of the Rate of Interest for the relevant Interest Period as soon as practicable after calculating the same.

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

- (i) in the case of Floating Rate Covered Bonds or Variable Interest 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 or Variable Interest 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 or a Variable Interest 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 or Variable Interest 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 4.7) 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 or Variable Interest 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, Receiptholders and Couponholders and (in the absence of wilful default, gross negligence, bad faith or fraud) no liability to the Issuer the Covered Bondholders, the Receiptholders 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 and Variable Interest 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 4.2(h) (*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 provision 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 4.2(h) (*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(h) (*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(h) (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 6.6 (*Early Redemption Amounts*). In the case of late payment the amount due and repayable shall be calculated in accordance with Condition 6.10 (*Late Payment*).

4.4 Dual Currency Interest Covered Bond Provisions

In the case of Dual Currency Interest Covered Bonds where the rate or amount of interest fails to be determined by reference to an exchange rate, the rate or amount of interest shall be determined in the manner specified in the applicable Final Terms.

4.5 Partly-Paid Covered Bond Provisions

In the case of Partly-Paid Covered Bonds (other than Partly-Paid Covered Bonds which are Zero Coupon Covered Bonds), interest will accrue on the paid up nominal amount of such Covered Bonds or as otherwise specified in the applicable Final Terms.

4.6 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 6.10 (*Late Payment*).

4.7 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 4.7(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 (Euro)**” 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:

$$\text{Day Count Fraction} = \frac{[360x(Y^2 - Y^1)] + [30x(M^2 - M^1)] + (D^2 - D^1)}{360}$$

where:

"Y¹" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y²" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M¹" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M²" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D¹" is the first calendar day, expressed as a number, of the Interest Period, unless such number is 31, in which case D¹ will be 30; and

"D²" 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 D¹ is greater than 29, in which case D² 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:

$$\text{Day Count Fraction} = \frac{[360x(Y^2 - Y^1)] + [30x(M^2 - M^1)] + (D^2 - D^1)}{360}$$

where:

"Y¹" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y²" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M¹" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M²" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D¹" is the first calendar day, expressed as a number, of the Interest Period, unless such number would be 31, in which case D¹ will be 30; and

"D²" 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 D² 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:

$$\text{Day Count Fraction} = \frac{[360x(Y^2 - Y^1)] + [30x(M^2 - M^1)] + (D^2 - D^1)}{360}$$

where:

"Y¹" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y²" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M¹" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M²" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D¹" 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 D¹ will be 30; and

"D²" 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 D² 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 and Variable Interest 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, Receipts 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, Receipts 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)).

Payments of instalments (if any) of principal other than the final instalment, will (subject as provided below) be made in accordance with Condition 5.1 (*Method of payment*) only against presentation and surrender (or, in the case of part of any sum due, endorsement) of the relevant Receipt in accordance with the preceding paragraph. Payment of the final instalment will be made in accordance with Condition 5.1 (*Method of payment*) only against presentation or surrender (or, in the case of part of any sum due, endorsement) of the Definitive Covered Bond in accordance with the preceding paragraph. Each Receipt must be presented for payment of the relevant instalment together with the Definitive Covered Bond to which it appertains. If any Definitive Covered Bond is redeemed or becomes repayable prior to the stated maturity thereof, principal will be payable in accordance with Condition 5.1 (*Method of payment*) only against presentation and surrender (or, in the case of part payment of any sum, endorsement) of such Definitive Covered Bond together with all unmatured Receipts appertaining thereto. Receipts presented without the Definitive Covered Bond to which they appertain and unmatured Receipts do not constitute valid obligations of the Issuer. On the date on which any Definitive Covered Bond becomes due and payable, unmatured Receipts (if any) relating thereto (whether or not attached) shall become void and no payment shall be made in respect of them.

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 the 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 or Variable Interest 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, Receipt 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 6.6(iii));
- (vi) any premium and any other amounts (other than interest) which may be payable under or in respect of the Covered Bonds; and
- (vii) in relation to any Dual Currency Interest Covered Bonds, the principal payable in any relevant Specified Currency.

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, the Receiptholders 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, 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 and any Receipts shall be deemed to be redenominated in euro in the denomination of euro 0.01 with a nominal amount for each Covered Bond and Receipt

equal to the nominal amount of that Covered Bond or Receipt 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 euro 100,000 and/or such higher amounts as the Agents may determine and notify to the Covered Bondholders and any remaining amounts less than euro 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, Receipts 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, Receipts and Coupons so issued will also become void on that date although those Covered Bonds, Receipts and Coupons will continue to constitute valid exchange obligations of the Issuer. New euro-denominated Covered Bonds, Receipts and Coupons will be issued in exchange for Covered Bonds, Receipts 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, the Receipts 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 or Variable Interest 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 service of a Notice of Default).

“**Early Redemption Amount**” means the amount calculated in accordance with Condition 6.6 (*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.

“**Instalment Covered Bonds**” means Covered Bonds which will be redeemed in the Instalment Amounts and on the Instalment Dates specified in the applicable Final Terms.

“**Minimum Rate of Interest**” means in respect of Floating Rate Covered Bonds or Variable Interest Covered Bonds, the percentage rate per annum (if any) specified as such in the applicable Final Terms.

“**Notice of Default**” has the meaning given to it in Condition 9 (*Cover Pool Events of Defaults and Enforcement*).

“**Optional Redemption Amount(s)**” 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 and Variable Interest 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 Receiptholders, 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 having the benefit of the Charged Property 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

Unless previously redeemed in full or purchased and cancelled as specified below, each Covered Bond will be redeemed on the Final Maturity Date 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. The Final Redemption Amount will not be less than the Principal Amount Outstanding of the relevant Covered Bonds.

(b) Extension of maturity

(i) Without prejudice to Conditions 8 and 9, 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 deferred automatically 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) 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.

- (iii) 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.
- (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 a Variable Interest Covered Bond) or on any Interest Payment Date (if the relevant Covered Bond is a Floating Rate Covered Bond or a Variable Interest 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 6.6 (*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

If an issuer call is specified in the applicable Final Terms (“**Issuer Call**”), the Issuer may (to the extent funds are available for such purpose), 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

- (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 4.7) 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 Repurchase by the Issuer at the option of the Covered Bondholders

- (i) If an investor repurchase put is specified in the Final Terms (the “**Investor Repurchase Put**”), then if and to the extent that the Issuer does not redeem any Series of Covered

Bonds in full on the Final Maturity Date in relation to that Series (taking into account any applicable grace periods), upon the holder of any Covered Bond of that Series giving notice to the Issuer not less than 30 nor more than 60 days' notice (which notice shall be irrevocable), the Issuer will, upon the expiry of such notice, be required to purchase such Covered Bond on the date specified in such notice (the “**Repurchase Date**”) and at the Principal Amount Outstanding together with any interest accrued to (but excluding) the relevant Repurchase 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 4.7) 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 Repurchase 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.

Any failure by the Issuer to repurchase Covered Bonds pursuant to this Condition shall not constitute an Issuer Event or a Cover Pool Event of Default.

6.6 Early Redemption Amounts

For the purpose of Condition 6.1 (*Final redemption*), Condition 6.1(a) (*Redemption from Sale Proceeds*), Condition 6.2 (*Redemption for taxation reasons*) and Condition 9 (*Cover Pool Events of Defaults 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 (but including an Instalment Covered Bond or a Partly-Paid Covered Bond), with a Final Redemption Amount which is or may be less or greater than the Issue 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.

6.7 Instalments

Unless previously redeemed, purchased and cancelled as provided in this Condition 6, if redemption by instalment is specified as applicable in the relevant Final Terms for a Series of Covered Bonds, each Instalment Covered Bonds will be partially redeemed on each date specified in the Final Terms (the “**Instalment Date**”) at the instalment amount specified in the relevant Final Terms (the “**Instalment Amount**”). The outstanding nominal amount of each Instalment Covered Bond shall be reduced by the Instalment Amount (or, if such Instalment Amount is calculated by reference to a proportion of the nominal amount of such Instalment Covered Bond, such proportion) for all purposes with effect from the relevant Instalment Date, unless payment of the Instalment Amount is improperly withheld or refused, in which case, such amount shall remain outstanding until the date on which payment in full of the Instalment Amount outstanding is made. In the case of early redemption, the Early Redemption Amount will be determined pursuant to Condition 6.6 (*Early Redemption Amounts*).

6.8 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 Receipts, 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.

6.9 Cancellation

All Covered Bonds which are redeemed will forthwith be cancelled (together with, in the case of Definitive Covered Bonds, all unmatured Receipts, 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 6.8 (*Purchases*) and cancelled (together with, in the case of Definitive Covered Bonds, all unmatured Receipts, Coupons and Talons cancelled therewith) shall be forwarded to the Principal Paying Agent and cannot be reissued or resold.

6.10 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 or a Variable Interest Covered Bond (but including an Instalment Covered Bond or a Partly-Paid 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 and Variable Interest Covered Bond Provisions*), as the case may be;

- (ii) in the case of a Zero Coupon Covered Bond, at a rate equal to the Accrual Yield; and
- (iii) in the case of a Variable Interest Covered Bond, at a rate calculated by the Calculation Agent so as to compensate reasonably the holder of the Covered Bond for the cost of funding the delay in receiving the Late Payment,

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 6.10, the Late Payment Date shall mean the earlier of:

- (iv) 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
- (v) 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.

6.11 Partly-Paid Covered Bonds

Partly-Paid Covered Bonds will be redeemed at maturity in accordance with the provisions of the applicable Final Terms. In the case of early redemption, the Early Redemption Amount will be determined pursuant to Condition 6.6 (*Early Redemption Amounts*).

6.12 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 6.11 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, the Receipts 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, Receipts 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. For the avoidance of doubt any failure by the Issuer to repurchase Covered Bonds pursuant to Condition 6.5 (*Investor Repurchase Put*) shall not constitute an Issuer Event or a Cover Pool Event of Default.

“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 of the Hellenic Republic) 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 all Series shall become immediately due and payable.

For the avoidance of doubt any failure by the Issuer to repurchase Covered Bonds pursuant to this Condition 6.5 (*Investor Repurchase Put*) shall not constitute an Issuer Event or a Cover Pool Event of Default.

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 25.0% of the aggregate Principal Amount Outstanding of the Covered Bonds of all Series then outstanding (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), and (ii) it shall have been indemnified and/or secured 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, Receiptholder or Couponholder shall be entitled to proceed directly against the Issuer or to take any action with respect to the Trust Deed, any other Transaction Document, the Covered Bonds, the Receipts, 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, Receipt 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 Receipts, Coupons and Talons

If any Covered Bond, Receipt, 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, Receipts, 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, Receiptholders 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; and
- (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.

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 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 one 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, one or more persons being or representing Covered Bondholders of such 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 on all related Receiptholders 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*) 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 deemed, for the purposes of such meeting, to be an amount in Euro equal to the Principal Amount Outstanding of such Covered Bonds converted to Euro using 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, Receiptholder, Couponholders of any Series 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, these Conditions, the Individual Eligibility Criteria or any provision of 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 Receipts and/or 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 Receipts and/or 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**” means, in relation to Covered Bonds of a Series:

- (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, Receipts and Coupons are to be made other than in accordance with Condition 5.7;
- (iii) alteration of the quorum or 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;
- (v) alteration of this provision or the provision to paragraph 6 of Schedule 3 (Provisions for meetings of Covered Bondholders) of the Trust Deed; and
- (vi) alteration of the definition of Series Reserved Matter.

In addition, the Trustee shall be obliged to concur with the Issuer in effecting any amendments to the interest calculation provisions and provisions related thereto of the Covered Bonds in the circumstances and as otherwise set out in Condition 4.2(h) (*Benchmark Replacement*), without the requirement for the consent or sanction of the Covered Bondholders or any other Secured Creditor.

15. Further Issues

The Issuer may from time to time, without the consent of the Covered Bondholders, the Receiptholders 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) no Issuer Event has occurred or is continuing 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.

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, Receiptholder 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 Bonds) 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 Receipts, 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 a Rating Agency, 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, any Receipts, 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, Receiptholder 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, Receiptholder 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 receipts and 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 SA/NV (“**Euroclear**”) and Clearstream Banking S.A. (“**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 depository (the “**Common Depository**”) for Euroclear and Clearstream, Luxembourg.

The Covered Bonds will only be delivered outside the United States and its possessions.

If the Covered Bonds are stated in the applicable Final Terms to be issued in NGCB (New Global Covered Bond) form, they may be intended to be eligible collateral for Eurosystem monetary policy. Delivering the Covered Bonds to the Common Safekeeper 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 satisfaction of the Eurosystem eligibility criteria. 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 outside the United States and its possessions and 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 receipts and 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, receipts, 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. Purchasers in the United States and certain U.S. persons will not be able to receive Definitive Covered Bonds or interests in the Permanent Global Covered Bond. 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 outside the United States and its possession and 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, receipts, 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, Talons or Receipts 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 receipts and 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 persons (as defined for U.S. federal tax purposes), with certain exceptions, will not be entitled to deduct any loss on Covered Bonds, receipts or 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, receipts, talons 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 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, Receiptholder 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 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"). 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, "**EU MiFID II**"); or (ii) a customer within the meaning of Directive (EU) 2016/97 (the "**EU 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 has been prepared and therefore offering or selling the Covered Bonds or otherwise making them available to any retail investor in the EEA may be unlawful under the EU PRIIPs Regulation.]

[PROHIBITION OF SALES TO 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 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 (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**"); (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the Financial Services and Markets Act 2000 (the "**FSMA**") to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of UK domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Covered Bonds or otherwise making them available to retail investors 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 UK may be unlawful under the UK 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.]

[UK MIFIR PRODUCT GOVERNANCE/PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET – Solely for the purposes of [the/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 only eligible counterparties, as defined in the FCA Handbook Conduct of

Business Sourcebook ("**COBS**"), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**UK MiFIR**"); 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 manufacturer['s/s'] target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Covered Bonds (by either adopting or refining the manufacturer['s/s'] 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 €15 billion
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 [●] March 2021 [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 16 March 2018 which are being incorporated by reference in the Base Prospectus dated [●] March 2021 [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 [●] March 2021 [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 16 March 2018]. 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 16 March 2018 and [●] March 2021 [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, in each case falling one year after the Final Maturity Date)*]

(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
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 21 and 22 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)*

DISTRIBUTION

13. Method of distribution: [Syndicated/Non-syndicated]
14. If syndicated, names of managers: [Not applicable/give names]
15. Date of [Subscription] Agreement: []
16. Stabilisation Manager(s) (if any): [Not applicable/give names]
17. If non-syndicated, name of relevant Dealer. [Not applicable/give name]
18. U.S. Selling Restrictions [TEFRA D/TEFRA C/TEFRA not applicable]

19. Prohibition of Sales to EEA Retail Investors

[Applicable/Not Applicable]

(If the Covered Bonds clearly do not constitute “packaged” products or the Covered Bonds do constitute “packaged” products and a key information document will be prepared, “Not Applicable” should be specified. If the Covered Bonds may constitute “packaged” products and no key information document will be prepared, “Applicable” should be specified)

20. Prohibition of Sales to UK Retail Investors

[Applicable/Not Applicable]

(If the Covered Bonds clearly do not constitute “packaged” products or the Covered Bonds do constitute “packaged” products and a key information document will be prepared, “Not Applicable” should be specified. If the Covered Bonds may constitute “packaged” products and no key information document will be prepared, “Applicable” should be specified)

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

21. **Fixed Rate Covered Bond Provisions**

[Applicable/Not Applicable]

(If not applicable, delete the remaining subparagraphs 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)]: per Calculation Amount
(Applicable to Covered Bonds in definitive form)
- (vii) Broken Amount(s): per Calculation Amount payable on the Interest Payment Date falling [in/on]
(Applicable to Covered Bonds in definitive form)
- (viii) Day Count Fraction: (ICMA)] (ISDA)] (Fixed)] (Euro)] (30/360 - 360/360 - Bond Basis)] (30E/360 - Eurobond Basis)] (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)

22. **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:	[Not Applicable/[●] per cent. per annum]
(xiii) Maximum Rate of Interest:	[Not Applicable/[●] per cent. per annum]
(xiv) Day Count Fraction:	[[Actual/Actual (ICMA)][Actual/Actual - Actual/Actual (ISDA)][Actual/365 (Fixed)][Actual/365 (Euro)][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)
23. Zero Coupon Covered Bond Provisions	[Applicable/Not Applicable]
	(If not applicable, delete the remaining subparagraphs of this paragraph)
(i) [Amortisation/Accrual] Yield:	[●] per cent. per annum
(ii) Reference Price:	[●]

- (iii) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/ Modified Following Business Day Convention/Preceding Business Day Convention]
- (iv) Business Day(s): [●]
- (v) Additional Business Centre(s): [●]
- (vi) Day Count Fraction in relation to Early Redemption Amounts and late payments: [Conditions 6.6 (*Early Redemption Amounts*) and 6.10 (*Late Payment*) apply]/[[Actual/Actual (ICMA)]]/[Actual/Actual - Actual/Actual (ISDA)]]/[Actual/365 (Fixed)]]/[Actual/365 (Euro)]]/[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

24. **Issuer Call** [Applicable/Not Applicable]
- (i) Optional Redemption Date(s): [●]
- (ii) Optional Redemption Amount(s) of each Covered Bond: [●] 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)

25. (i) Investor Put
- (ii) Investor Repurchase Put
- (iii) Optional Redemption Date(s):
- (iv) Optional Redemption Amount(s) of each Covered Bond: per Calculation Amount
- (v) 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)

26. **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)

27. **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): [●]

GENERAL PROVISIONS APPLICABLE TO THE COVERED BONDS

28. 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].”)*
29. New Global Covered Bond: [Yes/No]
30. Talons for future Coupons or Receipts to be attached to Definitive Covered Bonds (and dates on which such Talons mature): [Yes/No. (If yes, give details)]
31. Redenomination, renominatisation and reconventioning provisions: [Not Applicable/The provisions [in Condition [●] ([•])] apply]
32. Details relating to Instalment Covered Bonds for which principal is repayable in instalments: [Not Applicable/The Instalment Covered Bonds shall be redeemed on each instalment date set out below in the instalments amounts set out below]

[Instalment Date

Instalment Amount

[•]

[•]

[•]

[•]

Maturity Date

[All outstanding
instalments not
previously redeemed]]

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]]

[[S&P: [●]][Insert brief explanation of the meaning of the rating if this has been previously published by S&P]]

[[Other]: [●]][Insert brief explanation of the meaning of the rating if this has been previously published by [Other]]

[Each of [defined terms] is established in the European Union and is registered under Regulation (EC) No. 1060/2009 (as amended) (the “**CRA Regulation**”)]

(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.)

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 SA/NV and Clearstream Banking S.A., 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): /[Bank of New York Mellon, London Branch acting through its office at One Canada Square, London E14 5AL]

Names and addresses of additional Paying Agent(s) (if any):

Intended to be held in a manner which would allow Eurosystem eligibility:

[Yes. Note 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.]/

[No. Whilst the designation is specified as "no" at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Covered Bonds are capable of meeting them the Covered Bonds may then be deposited with one of the ICSDs as common safekeeper. Note that this does not necessarily mean that the Covered Bonds will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

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 EU Benchmarks Regulation (Regulation (EU) 2016/1011). [repeat as necessary]]

[As far as the Issuer is aware, as at the date hereof, [benchmark] does not fall within the scope of the EU Benchmarks Regulation]

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 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 article 2 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 on bonds of Greek Law 4548/2018 (articles 59-74) and Greek Law 3156/2003 (articles 2, 14 and 20).

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. 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 30 September 2020, more than 9 million deposit accounts, more than 2 million lending accounts, 387 branches and one private banking Unit and 1,502 Automated Teller Machines ("ATMs"). 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 Targeted Long-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 180 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, 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 Single Supervision Mechanism. 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 2015 Restructuring Plan which expired on 31 December 2018 relate to the deepening of the Bank’s operational restructuring, some amendments on the commitments and deadlines, as well as a commitment to sell the remaining stake (32.66%) in NBG Pangaea REIC (“**Pangaea**”) in substitution for the commitment to dispose of its banking subsidiary in SEE, Stopanska, Banka A.D.-Skopje.

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

Divestment of domestic non-banking activities: The Bank will divest from certain domestic non-banking activities. Under the 2019 Revised Restructuring Plan, the Bank must dispose at least 80% in Ethniki Hellenic General Insurance S.A. (“**Ethniki Insurance**” or “**NIC**”). NBG relaunched NIC’s sales process in October 2019. NBG received a binding offer from a prospective bidder on the basis of updated post-COVID-19 due diligence and is currently in the process of negotiating this offer.

Divestment from international operations: The Bank reduced its international activities, by disposing of certain subsidiaries in the period from 2016 to 2020. More specifically, as part of the 2015 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 23 January 2020, the Bank completed the sale of 99.28% of Banca Romaneasca to EximBank S.A. The only incomplete divestment from international operations relate to the subsidiary NBG Cyprus, as the divestment in the branch network in Egypt was cancelled in May 2020 (above “*Divestments of subsidiaries - Planned disposals of subsidiaries under 2019 Revised Restructuring Plan commitments*”).

Lastly, the 2019 Revised Restructuring Plan provides for prolongation of the 2015 Restructuring Plan's Commitments on corporate governance, commercial practices and risk monitoring, acquisitions and advertising.

The implementation of the 2019 Revised Restructuring Plan Commitments is monitored by the Monitoring Trustee.

Divestments of subsidiaries

Planned disposals of subsidiaries under 2019 Revised Restructuring Plan commitments

National Bank of Greece – Egyptian Branch Network

As of 31 December 2018, the Network in Egypt (“**NBG Egypt**”) had been classified as held for sale and discontinued operations.

On 2 May 2019, the Bank signed a definitive agreement to sell certain assets and liabilities of NBG Egypt to Bank Audi S.A.E. (“**Bank Audi Egypt**”). Closing of the Egypt transaction was subject to the approval of the Central Bank of Egypt (“**CBE**”), as the Central Bank of Lebanon approved the transaction in June 2019. Given that the CBE approval was still pending six months after the signing of the definitive agreement, Bank Audi SAE issued an agreement termination notice in November 2019.

On 11 May 2020, Bank Audi Egypt informed the Bank that will not pursue further the potential acquisition of NBG's operations in Egypt. As a result, the financial statements of the Bank and the Group were amended retrospectively, as if the NBG Egypt never qualified as held for sale and discontinued operations. However, in January 2021, an official application was submitted to the Central Bank of Egypt to wind-down its operations in Egypt.

National Bank of Greece (Cyprus) Ltd

A Share and Purchase Agreement (“**SPA**”) had been signed with Astrobank Limited on 26 November 2019, for the sale of a 100.00% stake in National Bank of Greece (Cyprus) Ltd.

However, on 26 November 2020, which was the last date (“**Longstop Date**”) for Astrobank Limited to fulfil certain condition precedents specified in the SPA entered into between NBG and Astrobank Limited, the Bank took note that such condition precedents were not fulfilled and henceforth decided to terminate the SPA on 27 November 2020.

NBG remains committed to implementing alternative options of compliance with its Commitments under the Restructuring Plan as agreed with the DG Competition.

Sale of a majority equity holding in NIC

The Bank relaunched NIC's sales process in October 2019. NBG received a binding offer from a prospective bidder on the basis of updated post-COVID-19 due diligence and is currently in the process of negotiating this offer. NIC has been classified as held for sale and discontinued operations.

Other divestments

Planned divestment of CAC Coral Ltd

The divestment of CAC Coral Ltd was launched in December 2019. A sale and purchase agreement was signed with Bain Capital Credit on 16 October 2020, for the sale of a 100.00% stake in CAC Coral Ltd. The transaction is currently expected to be concluded by the end of the third quarter of 2021 after approval of the competent regulatory authorities.

2018 EU-wide Stress Test

For information relating to the 2018 EU wide stress test, including the results for the Bank, see “*Regulation and Supervision of Banks in Greece - EU-wide stress test 2020*”.

2020 EU-wide Stress Test

On 31 January 2020, the European Banking Authority (“**EBA**”) announced the launch of the 2020 EU-wide stress test, to be conducted on a sample of 51 EU banks. Similar to the 2018 exercise, it was intended to be a bottom-up exercise with constraints, including a static balance sheet assumption. The aim of the EU-wide stress test was 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.

However, in the light of the operational pressure on banks due to COVID-19, on 12 March 2020 the EBA announced its decision to postpone the EU-wide stress test exercise to 2021, in order to allow banks to focus on and ensure the continuity of their core operations.

See “*Regulation and Supervision of Banks in Greece - EU-wide stress test 2020*”.

Recent developments

On 21 January 2021, the Bank endorsed the UN Principles for Responsible Banking (the “**UN Principles for Responsible Banking**”) – a single framework for a sustainable banking industry developed through an innovative partnership between banks worldwide and United Nations Environment’s Finance Initiative – thus becoming an official signatory together with more than 200 banks from around the world which represent more than a third of the global banking industry.

The Principles for Responsible Banking set out the banking industry’s role and responsibility in shaping a sustainable future and in aligning the banking sector with the objectives of the UN Sustainable Development Goals and the 2015 Paris Climate Agreement. They also, importantly, enable banks to embed sustainability across all their business areas, and to identify where they have the potential to make the most impact in its contributions to a sustainable world. Additionally, the UN Principles for Responsible Banking also position banks to leverage new business opportunities with the emergence of the sustainable development economy.

Recognizing the significance of responsible practices for ensuring the sustainability of its long-term operation, as well as the creation of value for its shareholders, customers, employees and the community at large, the Bank endorsed UN Principles for Responsible Banking, aiming at further enhancing its commitment to its long-term strategic planning for contributing to a sustainable future for all.

2020 VES

On 9 November 2020, the management informed the personnel for the conditions of the 2020 Voluntary Exist Scheme (“**VES**”) through internal circular. On a Group level, the total cost recognized in 2020 for VES amounted to €126 million.

COVID-19 outbreak

Risks and responses related to the COVID-19 crisis

In the first quarter of 2020, the World Health Organization declared the outbreak of COVID-19 a pandemic. The COVID-19 pandemic has caused a significant global economic downturn which has adversely affected, and is expected to continue to adversely affect, the Group’s business and results of operations. The future impacts of the COVID-19 pandemic on the Greek and/or global economy and the

Group's business, results of operations and financial condition remain uncertain. See *“Risk Factors - The Group is subject to risks related to the future evolution of and response to the COVID-19 pandemic that may materially and adversely affect its business, results of operations, prospects and financial condition.”*

The COVID-19 pandemic has resulted in authorities implementing numerous measures attempting to contain the spread and impact of COVID-19, such as travel bans and restrictions, quarantines, shelter in place orders, and limitations on business activity, including closures. These measures severely restrict economic activity. These measures have also negatively impacted, and could continue to negatively impact, businesses, market participants, counterparties and customers as well as the Greek and/or global economy for a prolonged period of time. The COVID-19 pandemic led to the activation of the Bank's Crisis Management Committee in February 2020 with the aim of dealing with increased measures regarding the Group's employee health & safety, business continuity through remote work and customer support in response to the COVID-19 crisis, which remain key priorities for the Bank (see further *“Key Focus on Employee, Customer Support and Other Stakeholders and Society”* in *“Note 22: Risks and responses related to the COVID-19 Outbreak”* of the September 2020 Interim Financial Statements and in *“Response to COVID-19 Crisis”* in the Board of Directors Report in the six-month Financial Report for the period ended 30 June 2020, each of which is incorporated by reference herein). The deterioration of financial conditions has increased the Bank's impairment charges for ECL (see further *“Note 4: Credit provisions and other impairment charges”* of the September 2020 Interim Financial Statements and *“Note 4: Credit provisions and other impairment charges”* of the June 2020 Interim Financial Statements, each of which is incorporated by reference herein) and has led to loan modification programmes (see further *“Customer Support measures in response to COVID-19 crisis”* in *“Note 22: Risks and responses related to the COVID-19 Outbreak”* of the September 2020 Interim Financial Statements and in *“Response to COVID-19 Crisis”* in the Board of Directors Report in the six-month Financial Report for the period ended 30 June 2020, each of which is incorporated by reference herein). The Group also evaluated its assets, including intangibles and equity investments, for potential impairment, and reviewed fair values of financial instruments that are carried at fair value. Based upon the Bank's review as of 30 September 2020, no significant impairments have been recorded for the Group with the exception of the impairment charge for ECL relating to loans and advances to customers at amortised cost, and there have been no significant changes in fair values and in fair value hierarchy classifications.

Customer Support Measures in response to COVID-19 crisis

The Group has offered, and continues to offer, a number of COVID-19 related relief measures to its customers within the context of EBA guidelines and government and sector initiatives. Such measures include the option to defer the payment of principal instalments on loans for the period 1 March 2020 to 31 December 2020 for medium & large corporate customers and SMEs. Additionally, NBG participated in COVID-19 support schemes for medium and large corporate customers and SMEs, in line with the respective initiatives by Greek banks, emergency legislation and relevant Ministerial Decisions of the Greek Government aimed at addressing the impact of the crisis. NBG has also implemented a comprehensive and broad range of initiatives aimed at supporting Retail customers, including the option to suspend instalment payments on loans through to 31 December 2020, and measures aimed at enabling customers to perform day-to-day banking activities remotely without the need to visit a branch. See further *“Customer Support measures in response to COVID-19 crisis”* in *“Note 22: Risks and responses related to the COVID-19 Outbreak”* of the September 2020 Interim Financial Statements and in *“Response to COVID-19 Crisis”* in the Board of Directors Report in the six-month Financial Report for the period ended 30 June 2020, each of which is incorporated by reference herein.

Furthermore, the Bank approaches future repayment difficulties of mortgage borrowers due to COVID 19 through:

- (1) the state initiative programme “Gefyra”; and
- (2) a product designed by the Bank named “Ethnoge fyra”.

Borrowers that are accepted by the “Gefyra” programme receive a state subsidy for a percentage of the monthly loan instalment for 3 quarters starting in 4Q20, gradually decreasing per quarter. The subsidy can reach up to 90% of the instalment amount for the first quarter.

“Ethnogefyra” product includes a decreased payment instalment (50%) up to 31 December 2021 in order to reduce the payment shock affecting borrowers that received payment holiday and will not receive state subsidy offered by the “Gefyra” programme.

Response to COVID-19 crisis from Greek and European authorities

Greek authorities have implemented and/or announced financial state aid measures, tax measures and labour protection measures in response to the economic and market conditions resulting from the COVID-19 pandemic which the Bank believes will help its customers meet their financial obligations. as detailed in “*Response to COVID-19 crisis from Greek and European authorities*” in “Note 22: Risks and responses related to the COVID-19 Outbreak” of the September 2020 Interim Financial Statements and in “*Response to COVID-19 Crisis*” in the Board of Directors Report in the six-month Financial Report for the period ended 30 June 2020, each of which is incorporated by reference herein. Especially with regards to the repayment of loans taken out by individuals or legal persons who have evidently been affected by the Covid-19 pandemic, either directly or indirectly, the Greek State has undertaken, pursuant to Articles 71-89 of Greek Law 4714/2020 (published in the Government Gazette Issue 148/A/31.7.2020), as amended, to contribute to the installment payments, provided that these loans have been secured by a mortgage over the debtor’s primary residence. Articles 71-89 entail the process and criteria that debtors should meet in order to receive the above State aid. The State’s contribution shall not exceed the time limit of 9-months from the approval of the debtor’s application (which had to be submitted by 31 October 2020) (the “Gefyra programme”). In case an eligible debtor has already been granted instalment payment suspension, according to the fifth and seventh article of the Act of Legislative Content of 30.3.2020 (published in the Government Gazette Issue 75/A/30.3.2020), as ratified by Greek Law 4684/2020 (published in the Government Gazette Issue 86/A/25.4.2020), for which instalments the State’s contribution is also approved in accordance with the provisions of the Gefyra programme, the following two options are available, at the debtor’s own discretion: a) for the granted suspension to stop and payment of the contribution to be initiated; or b) for the payment of the contribution to be initiated after the completion of the granted suspension. An additional extension of the already granted suspension may be applicable, once the eligibility of the debt has been established. In any case, the contribution cannot be granted for a period longer than 9-months from 31 March 2021.

Furthermore, measures have been announced by European authorities since the outbreak of the COVID—19 pandemic, as summarised below and as further detailed in “*Response to COVID-19 crisis from Greek and European authorities*” in “Note 22: Risks and responses related to the COVID-19 Outbreak” of the September 2020 Interim Financial Statements and in “*Response to COVID-19 Crisis*” in the Board of Directors Report in the six-month Financial Report for the period ended 30 June 2020, each of which is incorporated by reference herein.

The European Central Bank (ECB)

In March, April, June and December 2020, the ECB announced (as the case may be) the following measures:

- temporary increase in the Asset Purchase Programme (“**APP**”);
- the activation of a Pandemic Emergency Purchase Programme (“**PEPP**”) since the second quarter of 2020;
- modifications to the terms and conditions of its Targeted Longer-Term Refinancing Operations (“**TLTRO III**”).

The ECB has also introduced a series of prudential measures since the outbreak of the COVID-19 pandemic.

The European Commission

European Commission announced the following measures:

- A banking package to facilitate lending to households and businesses in the EU (on 28 April 2020), including:
 - *Amendments to the Capital Requirements Regulation.* The European Commission proposes exceptional temporary measures to alleviate the immediate impact of Coronavirus-related developments, by adapting the timeline of the application of international accounting standards on banks' capital, by treating more favourably public guarantees granted during this crisis, by postponing the date of application of the leverage ratio buffer and by modifying the way of excluding certain exposures from the calculation of the leverage ratio. The European Commission also proposes to advance the date of application of several agreed measures that incentivise banks to finance employees, SMEs and infrastructure projects.
 - *Interpretative Communication on the EU's accounting and prudential frameworks.* The Communication confirms recent statements on using flexibility within accounting and prudential rules, such as those made by the Basel Committee of Banking Supervision, the EBA and the ECB, amongst others. For example, the respective communication confirms the flexibility available in EU rules when it comes to public and private moratoria on loan repayments (EBA guidelines of 2 April 2020).
- Issue by the European Commission of a €17 billion inaugural social bond under the EU SURE instrument to help protect jobs and keep people employed. SURE has an overall capacity of up to €100 billion to help protect jobs and workers affected by the pandemic. The European Commission has to date proposed a total of €87.8 billion in financial support under SURE to 17 Member States. (on 21 October 2020).

Member States - Coronavirus Recovery Fund

On 21 July 2020, EU leaders agreed to a €1.8 trillion aid and budget deal aimed at helping members recover from the economic fallout of the COVID-19 pandemic, the Next Generation EU (“NGEU”). The package includes a €750 billion fund to be sent as loans and grants, as well as a seven-year €1 trillion EU budget. The plan includes €390 billion worth of grants and €360 billion worth of loans.

On 17 September 2020, the European Commission set out guidance for the implementation of the Recovery and Resilience Facility (the “RRF”) in its 2021 Annual Sustainable Growth Strategy (“ASGS”). The Facility will provide an unprecedented €672.5 billion of loans and grants in frontloaded financial support for the crucial first years of the recovery. The deal has to be approved by the European Parliament.

European Banking Authority

The EBA announced a series of measures, including the postponement of EU-wide stress tests to 2021.

Council of Ministers of the European Union

On 12 March 2020 the Ministers of Finance of the Member States of the EU agreed with the assessment of the European Commission, that the conditions for the use of the general escape clause of the EU fiscal framework – a severe economic downturn in the euro area or the Union as a whole – are fulfilled.

The use of the clause will ensure the needed flexibility to take all necessary measures for supporting the health and civil protection systems of each Member State and to protect the economies of Member States, including through further discretionary stimulus and coordinated action, designed, as appropriate, to be timely, temporary and targeted, by Member States.

Ministers remain fully committed to the respect of the European Union’s Stability and Growth Pact, the set of rules designed to ensure that countries in the European Union pursue sound public finances and coordinate their fiscal policies. The general escape clause will allow the European Commission and the European Council to undertake the necessary policy coordination measures within the framework of the Stability and Growth Pact, while departing from the budgetary requirements that would normally apply, in order to tackle the economic consequences of the pandemic.

Hellenic Bank Association

The Hellenic Bank Association announced in March 2020 that workers, freelancers and small business owners that have been directly affected by the COVID-19 crisis as a result of the Government ordering the suspension of their business operations in order to fight the pandemic, will benefit, if the customer so desires, with a deferral of all loan payments for a short period of time. Furthermore, corporations likewise effected by the COVID-19 crisis measures will also benefit, if they so desire, with a short term deferral in the payment of capital and an extension of 75 days has been provided for post-dated cheques at maturity.

Similar initiatives have been taken by other countries and central banks where the Group operates.

See further “*Response to COVID-19 crisis from Greek and European authorities*” in “Note 22: Risks and responses related to the COVID-19 Outbreak” of the September 2020 Interim Financial Statements and in “*Response to COVID-19 Crisis*” in the Board of Directors Report in the six-month Financial Report for the period ended 30 June 2020, each of which is incorporated by reference herein

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 €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 €0.30 to €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, the Bank’s outstanding issued share capital consisted of 914,715,153 common shares of a nominal value of €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 1 February 2021:

01 February 2021	
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	385,994,632	42.20%
Legal entities and individuals in Greece	152,962,594	16.72%
Domestic pension funds.....	5,671,616	0.62%
Other domestic public sector related legal entities and Church of Greece	616,099	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 1 February 2021 and following completion of the recapitalisation in December 2015, the HFSF owns 40.39% of the Bank’s common share capital. Also, various domestic pension funds own in total 0.62% of the Bank’s common share capital, and other domestic public sector related legal entities and the Church of Greece own in total 0.07% 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.

As the Bank no longer benefits from any support under the Hellenic Republic’s Bank Support Plan, the Bank is no longer subject to the provisions of Greek Law 3723/2008 (governing the Hellenic Republic Bank Support Plan) and the representation of the Hellenic Republic on the Bank’s Board of Directors has been ceased.

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 2019, 1.3% of the Bank’s outstanding loans were to the Hellenic Republic and state related entities, and 7.9% 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 2020.

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%
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)	North Macedonia	94.64%	—	94.64%
Bankteco E.O.O.D.	Bulgaria	100.00%	—	100.00%
NBG Leasing S.R.L.	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 ⁽³⁾	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.	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 ⁽²⁾	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 Prototipos S.A.	Greece	100.00%	—	100.00%
Hellenic Touristic Constructions S.A.	Greece	78.09%	—	78.09%
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, National Bank of Greece (Cyprus) Ltd. and CAC Coral Limited have been reclassified to non-current assets held for sale.

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.....	12 May 2020	Caa1	NP
S&P.....	27 March 2020	B	B
Fitch.....	28 May 2019	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 30 June 2020, 389 branches, one private banking Unit and 1,488 ATMs.

- Group main activities at a glance are:

Continuing operations:

In Greece

Retail banking
Corporate and investment banking
NPE management (Troubled Asset Units)
Other
Global Transaction Services
Leasing
Factoring
Brokerage
Asset management
Real estate

Outside of Greece:

Two banking subsidiaries:

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

Discontinuing operations:

In Greece

One subsidiary in the insurance sector - NIC

Outside of Greece:

Banking activities in Cyprus (NBG Cyprus)
Credit acquiring subsidiary in Cyprus CAC Coral Ltd

The Bank is the principal operating company of the Group, representing 95.1% of the Group's total assets, excluding non-current assets held for sale, as at 30 June 2020. The Bank's liabilities represent 97.4% of the Group's total liabilities, excluding liabilities associated with non-current assets held for sale, as at 30 June 2020. 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 2020, the Bank had significant market share of mortgage loans in Greece, with a share of 27.7% 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 31.8%. See also below the table with the Group's estimated market shares "*Banking Activities in Greece — Retail Banking*" below.

NBG's Transformation Programme

Building upon its long-lasting tradition of trust and service to society, the Bank embarked on a large-scale transformation programme in the second half of 2018 to transform the Bank, responding to the challenges and tapping the business opportunities presented by the rapidly changing economic and banking landscape (the "**Transformation Programme**").

The Transformation Programme identified the strategic areas that leverage the Bank's strengths and address its weaknesses, so as to unlock the Bank's substantial untapped profitability potential, through six discrete workstreams, each led by a senior executive of the Bank. Additionally, a temporary workstream was added under the umbrella of the Transformation Programme, focusing on the Bank's business response with respect to the COVID-19 crisis.

Strategic Priorities for 2021-23

Between now and 2023 the Bank is currently pursuing six strategic priorities, as follows:

1. achieving a material reduction in NPEs to around 5% of gross loans by 2023, driven by a frontloaded large securitisation transaction, a comprehensive programme to address issues faced by customers temporarily impacted by the COVID-19 pandemic, as well as an increase in concessionary long-term restructuring efforts. Further improvements in the quality of the Bank's assets will be achieved through the internal Real Estate Owned ("REO") platform that has been set up and is supporting liquidation targets actively managing repossessed assets;
2. developing efficient and agile operations with a 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 especially in light of a more flexible and partially remote working model since the outbreak of the COVID-19 pandemic, as well as a material reduction in other general, administrative and other operating ("G&A") expenses through the introduction of a cost demand management function;
3. boosting revenue generation through an increased focus on cross-selling and fee generation opportunities in Retail banking and through deepening large client relationships and broadening the SME base in Corporate banking. In the case of Retail banking, this will be achieved through segment-focused relationship managers, and a stronger focus on fee-generating products. In the case of Corporate banking, 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. Across segments, digital channels will play an increasingly important role in onboarding, engaging and selling to customers, a trend which has accelerated since the outburst of COVID-19;
4. modernising the Bank's technology infrastructure including replacing the core banking system and building a cloud-enabled 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;
5. 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; and
6. enhancing data quality and availability to the Bank, deploying new tools to enable decision making, providing integrated reporting to Management and strengthening risk and internal controls awareness 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 95.9% of its total lending activities as at 30 June 2020 (the “**Domestic Banking Loans**”) and for 96.6% 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 2018, 31 December 2019 and 30 June 2020:

	As at 31 December				As at 31 December				As at 30 June			
	2018				2019				2020			
	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⁾	21,690	57.3	30,745	73.7	18,506	55.1%	32,485	76.9%	17,848	53.6%	33,547	77.5%
Corporate.....	15,649	41.4	5,938	14.2	14,651	43.6%	6,429	15.2%	15,050	45.2%	6,852	15.8%
Public Sector.....	489	1.3	5,058	12.1	438	1.3%	3,324	7.9%	431	1.3%	2,864	6.6%
Total	37,828	100.0	41,741	100.0	33,595	100.0	42,238	100.0	33,329	100.0	43,263	100.0

(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.

Moreover, digital banking will continue to evolve rapidly. It will provide flexibility, speed and security to customers. Simple transactions and sales of simple products will shift to alternative delivery channels. Inevitably, the Bank is being driven to re-examine the operating model of its Branch network, as COVID-19 has accelerated this trend.

More specifically, the Bank significantly improved its digital offering, by introducing new features and digital products (including debit and prepaid cards for retail customers and new loan applications for corporate), while always taking into account cyber risk. Digital transactions increased by 31.6% year-on-year and digital subscribers reached 2.7 million in June (26.4% year-on-year). Additionally, NBG has offered payment moratoria to existing loans to both retail and corporate customers and has actively participated in all state driven liquidity support programmes. During 2020, the Bank granted payment moratoria for corporate and retail customers amounting to approximately €3.9 billion to more than 41 thousand clients. In addition, the Bank has disbursed new loans of €4.6 billion in 2020, including the Government guarantee schemes.

Greek Banking Distribution Channels

As at 30 September 2020, the Bank operated in Greece through 388 branches (including one private banking Unit). As at 30 September 2020, the Bank operated 1,502 ATMs, 794 (offsite) of which were situated in key locations such as supermarkets, metro stations, shopping centres, hospitals and airports (53% 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 2020, 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 250 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 1,350 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 44% 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.

As at 30 September 2020, registered customers in digital channels reached 2.9 million, with 450,000 new customers registered since the beginning of the year, while the transactions performed through digital channels increased by 27% compared to the corresponding period of the previous year.

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.

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
	2018	2019	2020
Mortgage lending (balances)	27.5%	27.2%	27.7%
Consumer loans and credit cards (balances)	19.4%	13.9%	13.9%
Core deposits ⁽¹⁾	33.7%	32.8%	31.8%

(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 digital business, 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.

2019 was a reference year for the Retail Banking Division. The Transformation Programme continued at an increased pace, with a broad range of tactical and strategic initiatives being delivered. In 2019 the Retail Banking Division displayed solid growth, supported by the implementation of the following key initiatives:

Customer-centric service model: The new customer-centric service model aims to strengthen customer's relationship with the Bank through increased product penetration and services usage, by featuring dedicated relationship managers for high-value customer segments, as well as targeted customer propositions based on advanced analytics. The Bank's "Go4More" programme was also significantly upgraded in order to increase customer loyalty and engagement.

Mortgage Lending: The Bank launched new mortgage loan products with the most important being the long-term fixed-rate loan ("Estia 10/ 15/ 20/ 25 or 30 Years Fixed Home Loan"). Other products introduced included the low installment programme ("Estia Low Start Home Loan") and mortgage-repair or renovation loan without mortgage pre-notation, for clients who wish to perform home upgrades without being obliged to provide a pledge ("Estia Home Renovation Loan").

Moreover, the Bank completed preparations for boosting the mortgage lending business in the short-term by partnering with main market brokers. The Bank's simplification and acceleration of the mortgage lending processes has led to an improvement in end-to-end servicing and response times.

Consumer Lending: The Bank expanded its lending business through new partnerships with market-leading retailers while continuing to grow existing key partnerships.

Small Business Lending: a revision of processes commenced in 2019, with the aim of significantly reducing service and turn-around times.

Cards (debit, credit and prepaid cards): The increase in the number of cards issued was supported by the expansion of sales channels, through the onboarding of external contact centres combined with targeted sales campaigns. In addition, the expansion of collaborations with merchants has led to an increase in both acquiring volumes and market share.

Deposits, Investments and Bancassurance: The Bank introduced deposit bundles as part of the strategy to provide optimum and integrated services to its customers and modernise products. These deposit bundles address both individuals and businesses, offering depositors a variety of fee-based packages, which provide additional services.

Bancassurance showed strong results across the entire range of products offered (health, life, fire, auto, cards and loans insurance).

Private Banking: Assets under management grew as a result of the increased appetite for investment products and services due to market conditions (including the shift in the market's perception of the Greek economy and the low interest rates in term deposits that lead clients to seek alternatives for better yielding options) and an even further increase in the share of wallet, supported by the relationship managers' efforts and enhanced by an effective synergies strategy between Private Banking, Corporate and other Retail segments of the Bank.

Branch network: the optimisation of the branch network footprint and the migration of transaction to ATMs and Automated Payment Systems ("APS") continued, with targeted Unit mergers. At the same time, key business processes were re-engineered, in order to improve customer experience and allow staff to devote more time and attention towards customer-servicing activities. The Branch network also contributed significantly to the restructuring of the retail NPE portfolios and provided support in all stages of the NPE portfolio sales initiatives, through a dedicated and specialized structure of "NPE Hubs".

Digital business: The Bank introduced remote customer digital onboarding. New customers acquired their first deposit account, a debit card and digital credentials via a fully online process through their mobile phone. NBG was the first Bank in the Greek market to launch such a service.

A new Internet service was introduced while, in parallel, a new Mobile Banking service (application) was launched, offering many of the new internet banking functionalities in order to ensure a consistent journey throughout channels.

Furthermore, the Bank strengthened its digital offering by providing customers with the ability to acquire basic products (e.g. debit card) through internet and mobile banking, thereby expanding the Bank’s sales channels and amplifying customer digital engagement. The continued focus on the migration of simple transactions to digital channels led to a significant decrease in branch teller transactional volumes.

Finally, the Retail Banking Division managed to further reduce operating expenses, both through strategic initiatives (such as Branch Network Unit mergers), as well as an exemplary expense discipline.

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.

The following table illustrates the domestic loan portfolio before any allowance for impairment for retail lending as follows:

	As at 31 December		As at 30 June
	2018	2019	2020
	In €000		
Consumer (auto financing, other, consumer lending and credit cards)	3,148	2,245	2,098
Mortgages	15,590	14,318	13,850
SBL.....	2,952	1,943	1,900

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 €3,148 million as at 31 December 2018 to €2,245 million, as at 31 December 2019 (mainly due to sales & write-offs), and further decreased to €2,098 million as at 30 June 2020.

However, the Bank during the last 3 years set the basis for the growth of new lending, mainly through loans for specific purposes (against documentation). Furthermore, in response to the COVID-19 pandemic and the reduction in economic activity and consequential slowdown in consumer lending, the Bank has introduced microlending consumer products.

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 shifting market trends and support consumer products, car purchase and energy/eco solutions financing via strategic partnerships with retail chains, car importing companies or dealers and energy trade and supply companies

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 the fourth quarter of 2020 the Bank launched the new "EXPRESS" personal loan to provide customers with instant cash in an amount up to €2000, applications for which can be made via internet or mobile banking or in branches and via the Bank's Contact Center.

Additionally, in the past two years the Bank has 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. Additionally, the Bank is focused on gaining market share in the card acceptance market, an area with significant perspectives in Greece due to the economic environment and the obligatory use of cards due to tax regulations. Card acceptance in the Greek market is still low compared to the European average, therefore there is potential for further expansion in the penetration of card payments. The Bank has placed great emphasis in the transformation of the Bank's services towards more customer-orientated services, by adding new channels to the already established ones, including the promotion of the selling and servicing of cards, via digital and online banking (internet and mobile banking).

Retail lending regulation in Greece was recently revised and to remain up to date with current market conditions, the Bank's underwriting criteria were adjusted accordingly. Risk based pricing, credit policy and rules are still embedded in the Bank's underwriting systems, to safeguard the new business expansion.

The optimisation and automation of the Bank's 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, apartment 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 apartment prices increasing by 7.2% year-on-year (provisional data) (Source: Bank of Greece, Bulletin of Conjunctural Indicators, November-December 2020), available at: <https://www.bankofgreece.gr/Publications/sdos202011-12.pdf>).

As at 30 June 2020, the residential mortgage loan portfolio, before any allowance for impairment, was €13,850 million, compared to €14,318 million at 31 December 2019 and €15,590 million at 31 December 2018. The COVID-19 pandemic slowed down economic activity and consequently mortgage lending. However, tax allowances for the purchase of newly built houses, combined with low-cost mortgage lending and prospects for further increase in real estate transactions are expected to offer an impetus in mortgage activity.

Since 2018, the Bank has focused on increasing its mortgage loans portfolio. At the end of 2019, new fixed interest rate mortgage loan products were launched, offering fixed interest rate for the entire duration of the loan, i.e. 10, 15, 20, 25 or 30 years. Recently, the range of mortgage loan products has been enriched with mixed interest rate options, which allows customers to choose a fixed interest rate for an initial duration of 10, 15, 20, 25 or 30 years and a floating interest rate for the remaining term of the loan.

As part of the Bank's Transformation Programme, the mortgage lending process redesign was completed, resulting in the improvement, simplification and acceleration of processes, as well as the improvement of 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 programmes is to provide SMEs with the necessary support 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.

Moreover, in the context of providing relief measures for companies affected by the consequences of the COVID-19 pandemic, from the second half of 2020 the Bank has been offering special working capital financing in cooperation with the Hellenic Development Bank ("**HDB**") and negotiating COVID-19 relief facility agreements with various European organisations and funds, including the European Investment Fund ("**EIF**") and the European Investment Bank ("**EIB**").

The Bank is launching the COSME-covid product, a loan for working capital needs, which will have an increased guarantee rate compared to the existing product (up to 80%, compared to 50% for the existing product) in cooperation with the EIF.

Other COVID-19 relief guaranteed programmes are expected to be launched in cooperation with EIF and EIB, which have the aim of reducing the need for collateral.

Moreover, in the fourth quarter of 2020, the Bank launched the POS Financing loan to provide customers with working capital needs based on existing POS turnover. Additionally, as part of the Bank's Transformation Programme, in the fourth quarter of 2020 the Bank implemented a fast track evaluation process in order to reduce decision time and improve customer experience.

As at 31 December 2019, the domestic SBL gross outstanding portfolio amounted to €1,943 million, decreasing by 34.2% compared to €2,952 million at 31 December 2018, and further decreasing as at 30 June 2020 to €1,900 million.

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 2019, domestic commercial lending amounted to €14,651 million and represented 43.6% of the total domestic loan portfolio of the Group, compared to €15,649 million as at 31 December 2018, representing 41.4% of the total domestic loan portfolio of the Group. As at 30 June 2020, domestic commercial lending amounted to €15,050 million and represented 45.2% 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 €3,069 million as at 30 June 2020 compared to €3,364 million as at 31 December 2019 and €3,641 million as at 31 December 2018.

Corporate banking includes the following divisions:

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

Due to intense competition and cheaper alternative funding sources pursued by companies, the large groups portfolio suffered increased repayments during 2019. However, by relying on the Bank's personnel know-how and providing consistent support to customer need, portfolio levels were kept relatively intact. Furthermore, the Bank's sectoral expertise and ability to offer tailor made solutions and coverage, led to a growth in several sectors, including Pharma, F&B and Hospitality.

Structured Financing: The revamp of the Structured Financing business that commenced in 2018 continued in 2019, including with its upgrade to a core growth arm of Corporate Investment Banking (CIB). Structured Financing focuses on originating, managing and executing wholesale, primarily event-driven financings across four pillars:

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

Transactions are mostly executed on a non-recourse basis, either in bilateral or syndicated format, mobilising the team's in-house placement capabilities. 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.

Through 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 2019, Structured Financing marked a net credit growth of approximately 70% year-on-year, supported by both FDI growth and increased domestic sponsors' financing activity.

SMEs: A significant increase in lending to SMEs occurred in 2019, tapping the accelerating credit demand of Greek businesses and providing tangible support to the Greek economy.

This reflects the improving financial environment and the Bank's long-term strategy to ensure a steady flow of liquidity to businesses that continue to invest in competitiveness and innovation. The Bank participated in several favourable business financing programmes in cooperation with European organisations, such as the EIB and the EIF.

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

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

During the course of 2019 the Bank expanded its customer base by attracting new names in the Greek shipping industry, primarily in the markets of dry bulk and tankers. In addition, the Bank further leveraged the potential of its existing, high-quality clientele, expanding already successful partnerships.

Changes in the regulatory framework regarding the operation of vessels and environmental protection are still under way and are expected to impact the shipping markets over time. The Bank is closely monitoring the expected impact on the shipping industry from measures aimed at reducing sulphur dioxide emissions in force since 1 January 2020. Furthermore, the Bank is monitoring technological developments regarding the gradual replacement of fossil fuels with more environmentally friendly fuels for ship propulsion.

In 2019, NBG experienced a significant growth in both new disbursements and repayments of existing exposures as a result of a very active second hand vessels market.

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 ("RCU")) and the other for the Bank's corporate delinquent exposures (the Special Assets Unit ("SAU")). The two units have the end-to-end responsibility for their respective troubled asset exposures. Regarding corporate governance, the units report to the 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 reposessions) 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 2020, the retail NPE loan portfolio (bank level) under RCU management amounted to €7.1 billion compared to €7.5 billion as at 31 December 2019, and €9.3 billion as at 31 December 2018.

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 framework that utilises analytics. 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 forgiveness (split balance). 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

The Bank has established the SAU, in order to effectively manage troubled and past due corporate loans and have full responsibility for managing such loans. Since the first quarter of 2015, the SAU has been reported as a separate segment and maintains a management structure independent of other Group businesses.

As at 30 June 2020, the Corporate NPE loan portfolio under SAU management amounted to €2.5 billion compared to € 2.7 billion as at 31 December 2019, and € 5.3 billion as at 31 December 2018.

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.

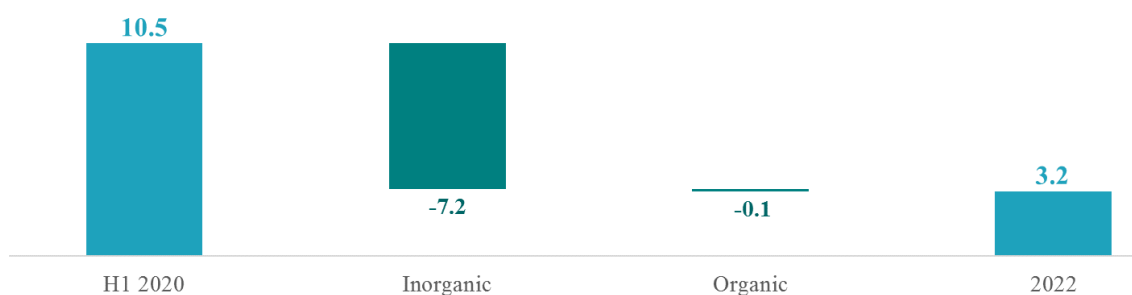
As at 30 June 2020, forbore exposures (forborne non-performing exposures and forbore performing exposures) amounting to €1.2 billion were under SAU management (31 December 2019: €1.3 billion and 31 December 2018: €2.3 billion).

NPE reduction targets

From December 2015 to December 2019, the Bank has achieved a decrease of €10.9 billion through a combination of write offs, sales and liquidations, amounting to €8 billion and negative NPE formation of €2.9 billion. NPE reduction continued in the first half of 2020, with the stock of NPEs down by €0.5 billion.

The NPE balance stood at €10.5 billion and €10.1 billion for the Group and the Bank, respectively as of June 2020. Post-COVID-19 revised targets were submitted to the SSM in September 2020 (interim submission) for the period from 30 June 2020 to 2022 (see below Chart 1 below). New targets will be submitted in March 2021 as per the regular ECB calendar. The existing plan provides for a Group NPE reduction of €7.3 billion by 2022 (€7.2 billion for the Bank), of which €6.2 billion expected in 2021. At Group level, the envisaged reduction is attributed primarily to inorganic actions (sales, securitisations and limited write-offs). Organic reduction contributes another €0.1 billion until 2022, incorporating the COVID-19 driven formation. Upon achievement of these targets, the NPE ratio is expected to be reduced to approximately 10% by 2022.

**CHART 1
NPE REDUCTION TARGET FOR H2 2020-2022 (GROUP, € billion)**



Disposal of NPE portfolios

As part of the implementation of the Bank's Transformation Programme, the Bank has entered into definitive agreements for the disposal of the following non-performing portfolios:

- On 29 July 2019, the Bank announced that it has entered into a definitive 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 approximately 12,800 secured non-performing SBL and SME loans (approximately 8,300 properties distributed across Greece) with a total principal amount of €0.9 billion ("**Project Symbol**"). After the closing of the transaction, 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 Law 4354/2015. The consideration of the transaction is equivalent to approximately 28% of the principal amount of the portfolio and is capital accretive to the Bank.
- 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, SBL and SMEs loans with a total principal amount of €1.2 billion ("**Project Mirror**"). The servicing of the portfolio was assigned by the investor to QQuant Master Servicer which has been licensed and is regulated by the Bank of Greece under Law 4354/2015. The consideration of the transaction amounts to more than 9% of the principal portfolio amount and is capital accretive to the Bank.

- On 5 June 2020, the Bank announced that it has entered into a definitive agreement with Bain Capital Credit for the disposal of a portfolio of approximately 2,800 non-performing, predominantly secured, corporate contracts (“**Project Icon**”) with total principal amount of €1.6 billion (approximately €0.6 billion of allocated collateral value). The transaction is being implemented in the context of NBG’s NPE deleveraging strategy and in accordance with the Operational Targets submitted to the SSM. The transaction concluded on 12 February 2021.
- On 16 October 2020, the Bank announced that it has entered into a definitive agreement with Bain Capital Credit for the disposal of a Cypriot Credit Acquiring Company (CAC Coral Ltd) which contains a portfolio of Cypriot-risk non-performing Corporate, SME and Retail/Consumer loans with a Gross Book Value (“**GBV**”) of approximately €325 million and approximately €200 million of allocated collateral value (“**Project Marina**”). The transaction is being implemented in the context of NBG’s NPE deleveraging strategy and in accordance with the Operational Targets submitted to the SSM. The closing of the transaction is subject to standard conditions precedent, including the approval of the transaction by the Central Bank of Cyprus, as well as the consent of the Hellenic Financial Stability Fund. (See above “*Other divestments - Planned divestment of CAC Coral Ltd*”).

On 21 December 2020, the Bank has entered into a definite agreement with Bain Capital Credit for the disposal of a Romanian-risk corporate NPE portfolio (“**Project Danube**”) with a total Gross Book Value of c. €174 million (€102 million of allocated collateral value). The transaction is being implemented in the context of the Bank’s NPE deleveraging strategy and in accordance with the Operational Targets submitted to the Single Supervisory Mechanism. The closing of the transaction is subject to standard conditions precedent, including the approval of the transaction by the Competition Council of Romania. The sale is expected to be completed within H1 2021.

In addition, the Bank has launched on 21 December 2020 a large NPL securitisation transaction of over €6 billion (“**Project Frontier**”). The intention is for the transaction to benefit from a state guarantee under the Hellenic Asset Protection Scheme (“**Hercules**”) and for that reason the Bank has submitted an application, according to the provisions of Law 4649/2019. The selection of the successful bidder and the completion of the transaction are expected within the first half of 2021.

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 sized 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.

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.

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 was the first mutual fund management company to be established in Greece. Set up in 1972, NBG Asset Management manages private and institutional client funds, made available to customers through the Bank's extensive branch network. The Company's objective is to achieve competitive returns in relation to domestic and international competition.

As of 31 December 2019, total assets under management in mutual funds and discretionary asset management amounted to €1.5 billion, with NBG Asset Management maintaining a market share in mutual funds in Greece of 10.7% (Source: Hellenic Fund and Asset Management Association – report of 31 December 2019). The number of clients serviced by NBG Asset Management are in excess of 38,000, including 60 Institutional investors.

€ million	2018	2019
Mutual Funds under management	802	838
Discretionary Funds under management	550	688
Total Funds under management	1,352	1,526
Market Share	13.2%	10.7%

The 21 mutual funds of NBG Asset Management, including four in Luxembourg, cover a wide range of investment categories (Equity, Bond, Balanced and Fund of Funds) in Greece and in international markets. Such a wide spectrum of investment products provides 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; and
- Administration and Safekeeping of Undertaking Collective Investment Transferable Securities (UCITS) units.

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

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

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. NBG Securities aims to provide investment services tailored to the needs of its clients.

The implementation of MiFID II was a milestone for the industry. For NBG Securities, MiFID II triggered a series of changes that included, among others, the redesign of internal governance processes, the update of analysis products and services, as well as the renewal of communication with clients, investors and the market.

Having successfully completed a series of actions in the context of Transformation Programme, NBG Securities aims to enhance its competitiveness through initiatives such as:

- further exploiting synergies with NBG and achieving economies of scale;
- accelerating its digital transformation, focusing on alternative channels and services, including with the launch of an app for mobile trading and a new web trading app.

Other

Group Real Estate

NBG’s Group Real Estate has notably expanded its activities in recent years beyond its traditional role of property management to include the repossession and sale of foreclosed properties, assisting the Bank in its overall NPE reduction efforts. In this context, and in line with the Transformation Programme, a dedicated REO Division was established and fully staffed in 2019 for the efficient management of real estate assets throughout the REO life cycle, from onboarding and maturation through to commercialisation.

In the second quarter of 2020, the Group’s real estate commercialisation policy was significantly modified and updated to allow for more efficient sales processes, portfolio transactions, direct sales, and electronic

tenders, in full compliance with Bank rules and regulations. The new commercialisation policy enables new sales strategies to accommodate higher disposal volumes, investor driven structured sales, introduces multiple distribution channels ranging from physical branches to digital world solutions, and allows for the use of real estate advisors and brokers with global, nationwide and local coverage.

For the purpose of promoting sales of REOs and other Group properties, the Bank has activated an online portal (www.realestateonline.gr) to advertise properties and expedite both tenders and direct sales. For the first time, direct sales of assets are allowed for values below €300,000 through the online portal whilst assets above €300,000 are sold through electronic tenders, a 100% online competitive bidding process, based on transparent procedures safeguarding the Bank's interests. All assets are promoted at sales prices based on the market values provided by independent valuers through the Group's Central Valuation Unit.

As a general trend, further fuelled by COVID-19, digital commercialisation tools have been introduced and fully activated to assist in the property sales process, including the cross selling of products such as mortgage loans.

In 2020 Group Real Estate proceeded with the upgrading of the activities of its Central Valuation Unit, introducing new structures and management, updating the Valuation Policy and regulations, maintaining at times full alignment with European laws, regulations and valuation standards (RICS Global Standards, EVS Guidance). Various improvements in the areas of efficiency and quality assurance were implemented, whilst the external valuer network was expanded to include renowned expert firms. The Unit maintains an important role within the NBG Group, being responsible for the valuation of collateral for the granting of new loans in addition to the timely revaluation of loan portfolio collateral, owned properties, and REOs.

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") 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 recently become available, 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 Doc. Collections' processing is in progress. GTS has launched the digital certificate project, which aims to improve customer experience and offer fast track services.

The Bank consistently aims to exploit and innovate structured solutions under International Trade Facilitation Programmes ("TFPs"), enabling Greek corporates to access alternative financing channels at a favourable cost.

As a result, NBG GTS continues to gain global recognition from clients and business partners across all industries.

Supported by votes from industry experts, analysts, and Greek companies (Corporates & SMEs') in the Euromoney Trade Finance Survey 2020, the Bank was granted two awards, for Market Leader and for Best Service in Greece.

NBG GTS has also been named "Best Trade Finance Bank" for the seventh time 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. GPI upgrade is in a pre-UAT stage as an interim step of Pan European Instant Payments implementation.

The GTS Trade Finance hub, set up in NBG Malta, is under development in cooperation with local management. Leveraging on NBG's competitive strengths, GTS plans 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.

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 2019 and 2020, NBG's Investment Banking Division provided advisory services focused on Mergers & Acquisitions and Debt and Equity Capital Markets. NBG's roles have included acting as:

- 1) Joint Coordinator & Bookrunner in relation to the €50 million Share Capital Increase by BRIQ Properties REIC;
- 2) Sole Financial Advisor and Joint Coordinator & Bookrunner in relation to the issuance by GEK-TERNA of a €500 million common bond loan listed on ATHEX, which is the largest relevant bond issue and the first in Greece since the outbreak of the COVID-19 pandemic;
- 3) Joint Coordinator & Bookrunner in relation to the issuance by LAMDA DEVELOPMENT of a €320 million common bond loan listed on ATHEX;
- 4) Lead Underwriter in relation to the issuance by TERNA ENERGY of a €150 million common bond loan listed on ATHEX;

- 5) Advisor to ANTKAR for the acquisition of KARATZIS' minorities and the subsequent delisting from ATHEX;
- 6) Financial Advisor for the provision of a Financial Report to the Board of Directors of NBG Pangaea REIC (now Prodea Investments REIC), pursuant to article 15 paragraph 2 of Law 3461/2006, as in force, in relation to the mandatory tender offer made by Invel Real Estate (Netherlands) II B.V.; and

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.

Banking Activities outside of Greece

As at 30 June 2020, the Bank's international network comprised 84 branches (including foreign subsidiaries and Bank branches in the United Kingdom, Cairo and Cyprus), which offer traditional banking services and financial products and services. The Bank has two commercial banking subsidiaries in North Macedonia and Malta. The Bank's banking subsidiary in Cyprus remains as non-current assets held for sale, as discussed in "*Planned disposals of subsidiaries under 2019 Revised Restructuring Plan commitments - National Bank of Greece (Cyprus) Ltd*" above.

The Bank's international operations contributed €29 million or 5.3% of net interest income of the Group from continuing operations and accounted for €2.7 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 2020. Total loans and advances to customers were €1.3 billion at 30 June 2020, whereas due to customer deposits amounted to €1.5 billion at 30 June 2020.

Discontinued operations

The Bank's discontinued operations and non-current assets held for sale as at 30 June 2020 comprise the Bank's subsidiary in the insurance sector NIC, the Bank's banking subsidiary in Cyprus, NBG Cyprus and the Bank's credit acquiring subsidiary in Cyprus CAC Coral Ltd.

Recent Events

Exchange of Greek Government Bonds

On 11 December 2020, the Bank exchanged a total nominal value of €600 million of Greek Government Bonds maturing in 2050 for other Greek Government Bonds of a total nominal value of €700 million maturing between 2033 to 2042. The exchange was carried out at market prices and resulted in a profit for the Bank of €193 million.

On 18 December 2020, the Bank exchanged a total nominal value of €350 million of Greek Government Bonds maturing in 2050 for other Greek Government Bonds of a total nominal value of €862 million maturing between 2033 to 2042. The exchange was carried out at market prices and resulted in a profit for the Bank of €58 million.

On 13 January 2021, the Bank exchanged a total nominal value of €1 billion of Greek Government Bonds maturing in 2050 for other Greek Government Bonds of a total nominal value of €2.8 billion maturing between 2027 to 2038. The exchange was carried out at market prices and resulted in a profit for the Bank of €209 million.

Legal and Arbitration Proceedings

NBG Auxiliary Pension Fund (LEPETE)

Status of open litigation between the Bank and LEPETE and former employees

On 19 March 2020, a legislative amendment (article 63, Greek Law 4680/2020) on article 24 of Greek Law 4618/2020 was passed. According to such amendment, the employees insured with NBG's Auxiliary Pension Plan ("LEPETE") were transferred to the former ETEAEP and are now governed by the legislation of the Auxiliary Insurance Plan of Single Social Security Entity ("e-EFKA"). As a result, Bank is liable for normal employer's contributions (3.25% from 1 June 2019 to 31 May 2022 and 3.00% from 1 June 2022 and onwards). The Bank is also obligated to pay an additional social security contribution to the Auxiliary Insurance Plan of e-EFKA for the years 2018 to 2032, amounting to 12.0% per annum of the gross salaries of employees with any employment relationship with the Bank on 31 December of each respective year. These additional annual contributions from the Bank shall be payable for the year 2018 until 30 June 2020 and for the remaining years by the last business day of the first quarter of each following year. The additional contribution for the years 2019 and 2020 is offset by the additional contribution paid by the Bank to the former ETEAEP pursuant to Article 24 of Greek Law 4618/2019, as in force prior to its replacement herein. With the payment of the above additional social security contributions the obligation of the Bank to the Auxiliary Insurance Plan of e-EFKA as well as to any other third party is exhausted.

Moreover, in December 2020, the Supreme Court issued the decisions 1238/2020 and 1239/2020 on appeals filed by the Bank and the opponents which were discussed on 17 December 2019. 1239/2020 accepted the appeal of the Bank and 1238/2020 rejected the –auxiliary- appeal of the opponents.

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 Group's and Bank's Statement of Financial Position, Income Statement and Cash Flow Statement, taking into account that as at 30 June 2020 the Group has provided for cases under litigation an amount of €45 million (31 December 2019: €54 million).

Capital Requirements

The table below sets out Pillar 1 and Pillar 2 capital requirements for the Group for 2020 and 2019:

	CET1 Capital Requirements			Overall Capital Requirements		
	2020 post capital relief measures	2020	2019	2020 post capital relief measures	2020	2019
Pillar 1	4.5%	4.5%	4.5%	8.0%	8.0%	8.0%
Pillar 2	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Capital Conservation Buffer	-	2.5%	2.5%	-	2.5%	2.5%
O-SII Buffer	0.5%	0.5%	0.25%	0.5%	0.5%	0.25%
Total	8.0%	10.50%	10.25%	11.50%	14.00%	13.75%

The capital adequacy ratios for the Group and the Bank as at 30 June 2020 and 31 December 2019 are set out in Note 19 to the June 2020 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”.

Internal Control System and Risk Management

Objectives of the Internal Control System

Aiming to safeguard the reputation and credibility of the Bank and the Group towards its shareholders, customers, investors and the supervisory and other independent authorities, the Board of Directors provides for the continuous enhancement, at Group level, of its Internal Control System (“ICS”).

The ICS is designed to ensure effective and efficient operations, adequate identification, measurement and mitigation of risks through appropriately and efficiently designed internal controls, prudent conduct of business, sound administrative and accounting procedures, reliability of financial and non – financial information reported or disclosed (both internally and externally) and compliance with laws, regulations, supervisory requirements and the NBG Group Internal Policies, Procedures and Rules.

The internal control process is carried out by the Board of Directors, senior management, risk management and other control functions, as well as by the staff within the organisation. The Bank uses as a reference the COSO 2013 Internal Control Integrated Framework and the ICS is based on five main components: control environment, risk assessment, control activities, information and communication as well as monitoring. The internal control process aims to create the necessary fundamentals for the entire organisation to contribute to the effectiveness and high quality of internal control through, for instance, clear definitions, assignments of roles and responsibilities and methodologies, tools and procedures.

The ICS aims to achieve, among other things, the following key objectives:

- Consistent implementation of the Group’s business strategy through the efficient use of available resources;
- Pursuit of a risk-based decision-making process;
- Identification of the Group’s process universe;
- Identification and management of all risks undertaken, including operational risks;
- Compliance with the local, European and international legal and regulatory framework that governs the operations of the Bank and the Group, including internal regulations, IT systems and code of ethics;
- Adequate and efficient design as well as the effective operation of internal controls;
- Completeness and reliability of data and information that are necessary for the accurate and timely preparation of the Bank and the Group’s published financial information and the presentation of reliable information regarding the Bank and the Group’s financial performance;
- 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 ICS and Risk Management related activities are performed by the first and second line of defence.

The roles and responsibilities with respect to risk management, compliance and internal controls are divided into three lines of defence, as follows:

- First line of defence (“**1LoD**”), includes the Business and Support Functions which are responsible for identifying, assessing and managing the risks and compliance obligations they undertake by establishing and implementing adequate and efficient design of internal controls as well as monitor the operating effectiveness of the internal controls on a continuous basis.
- Second line of defence (“**2LoD**”), includes the various Risk and Control Functions that monitor the effectiveness of risk management, the compliance obligations and the adequate and efficient design as well as the operating effectiveness of internal controls.
- Third line of defence (“**3LoD**”), includes the Group Internal Audit Divisions (“**GIADs**”) which perform periodic assessment, in order to evaluate the adequacy and effectiveness of the Bank's and the Group's governance, risk management and internal control processes, as these are designed by the Board of Directors and Management. The Group Chief Audit Executive reports periodically on the GIADs' activities to the Bank's Board of Directors, through the Audit Committee.

The Board of Directors and Senior Management aim to continuously enhance the ICS in order to minimise risks and ensure effective operations. In this context, Senior Management has made the following enhancements to the ICS during 2019 with the aim of further improving the coordination between the three lines of defence:

- Establishment of the Internal Control Coordination Committee (“**ICCC**”) in February 2019, with the aim of supporting the Board of Directors, its Committees and Senior Management fostering coordination and cooperation among the various control functions. The ICCC is coordinated by the Group Chief Audit Executive and its members are the Group Chief Risk Officer, the Chief Compliance and Corporate Governance Officer, the Group Chief Control Officer, Head of Operations, Head of Operational Risk, the Chief Information Security Officer and the Head of Regulatory Affairs and HFSF Relations.

The ICCC has as key objectives:

- the enhancement of synergies across the three Lines of Defence;
- the adoption of a common methodology framework; and
- the monitoring and reporting of emerging risks.

The ICCC convened six times during 2019 and convenes on a monthly or bi-monthly basis in 2020 and established multiple working groups to support key initiatives, as further detailed below:

- **Establishment of the Segment Risk and Control Officers** - The Bank in its effort to strengthen the ICS established the role of the Segment Risk and Control Officer (“**SRCO**”). The SRCO reports to the respective business line General Manager/Assistant General Manager, is independent from the respective Business Units and liaises with 2LoD and 3LoD units with main responsibility to coordinate efforts in order to ensure that operational risks are appropriately identified and assessed, the internal controls are appropriately designed and operate effectively as well as to assist in further enhancing the risk, compliance and control awareness and culture.
- **Common Risk Taxonomy and Common Risk, Internal Control and Compliance Glossary** – The Common risk taxonomy as well as the Common Risk, Internal Control and Compliance Glossary was developed and approved and are in the process of being adopted by all Bank Units.
- **Common Principles for Operational Risk and Control Assessment** – The Common Principles for Operational Risk and Control Assessment have been developed and approved and are in the process of being adopted by all Bank Units, to ensure efficient monitoring of risk, compliance obligations and internal controls through sharing of information as well as consistent risk reporting.
- **Common Governance, Risk and Compliance (“GRC”) Platform** - As part of the Board of Director’s and Management’s efforts to further enhance the efficiency and the effectiveness in operational risk management, compliance and internal control activities, the Bank has selected an integrated GRC platform to be used by the various risk and control functions (Operational Risk Management, Internal Control Function, Compliance, Information Security, Model Validation, Regulatory Affairs and HFSF Relations and Internal Audit). Following the GRC Platform implementation, the Bank will be able to:
 - increase the Board of Directors’ and Managements’ oversight;
 - further enhance the management of its risks and the relevant mitigating controls; and
 - provide a homogenized integrated reporting tool contributing to a holistic view of the ICS of the Bank and the Group.

The implementation of the GRC Platform commenced in the second quarter of 2020 and is supported and closely monitored by a Steering Committee and a dedicated project team combining experts from all the above Risk and Control Functions.

- **Strengthening the Risk Management Function** – In January 2019, a separate Group Operational Risk Management Division was established and in July 2019 a Group Strategic Risk Management Division under the Group CRO was established (see further “*Risk Management - Group Risk Management*” below.)
- **Establishment of the Group Internal Control Function (“ICF”)** - In May 2019, the Group Internal Control Function was established, with the purpose of ensuring and enhancing the adequacy and efficiency of the design and the operating effectiveness of internal controls, in cooperation with the independent Units, defined by the regulatory framework in the context of their responsibilities. The ICF is responsible for:
 - Contributing to the establishment and enhancement of a strong and efficient internal controls culture and promoting control awareness within the Bank;
 - Developing an Internal Control Methodology for the Bank and the Group regarding roles, responsibilities, policies, procedures, flows of information and systems required for the appropriate design and the operating effectiveness of the internal controls;

- Ongoing monitoring of the adequate and efficient design as well as the operating effectiveness of the internal controls;
- Providing training and support to the Bank’s Units in the application of the approved Internal Control Methodology as well as providing specialised knowledge with respect to the internal controls; and
- Cooperating with the Group companies and supporting their work, in the implementation of the Internal Control Methodology relating to the internal controls at Group level.

The Group Internal Control Function is a member of the newly established ICCC and contributed to the 2019 ICCC working groups as set out above.

Management of risks relating to the Internal Controls over Financial Reporting process

The **Audit Committee**, in accordance with Greek Law 4449/2017, Article 44 para. 3b, is responsible for the oversight of the Internal Controls over Financial Reporting and reports any improvements to ensure its integrity to the Board of Directors. Furthermore, the Audit Committee monitors the progress of the corrective actions undertaken in the context of ICS including ICFR.

Management is responsible for the preparation and fair presentation of the Bank and Group financial statements in accordance with the International Financial Reporting Standards (“**IFRS**”) and for such Internal Controls over Financial Reporting (“**ICFR**”) as Management determines are necessary to enable the preparation of such financial statements to be free from material misstatement, whether due to fraud or error.

Group Internal Audit

The Group Internal Audit Function is an independent NBG Group wide function, which ensures that business operations reflect the Bank’s values and corporate culture and deliver its socially responsible strategy. Serving as the third line of defence, the Group Internal Audit Function provides the Board of Directors and the Audit Committee with independent assurance regarding the quality, adequacy and effectiveness of the systems and related frameworks of internal control, risk management and corporate governance, while protecting NBG’s Group assets and good reputation. The Group Chief Audit Executive (**CAE**) reports, functionally, to the Chairman of the NBG Audit Committee and, administratively, to the Chief Executive Officer of NBG and has unrestricted access to both.

The Group Internal Audit Function, through a risk-based approach and with unrestricted access to all of the Group’s data and staff, covers all entities and activities of NBG Group. Through on-site audits, it evaluates the efficiency and efficacy of internal control, risk management and corporate governance systems and processes, the compliance with applicable regulatory framework and supervisory requirements, as well as the reliability of financial and operating information. Special focus and priority is placed on areas of higher risk. Executive management is responsible for ensuring that issues raised by the audit function are addressed within an appropriate and agreed timeframe.

The Group Internal Audit Function and the Internal Audit Units of the Bank’s subsidiaries use:

- a common audit methodology, which is in compliance with the Committee of Sponsoring Organisations of the Treadway Commission (“**COSO 2013**”) principles and the International Internal Auditing Standards of the Institute of Internal Auditors (“**IIA**”);

- an information systems audit methodology that is based on the Control Objectives for Information and Related Technologies (“**COBIT**”) framework of the Information Systems Audit and Control Association (“**ISACA**”); and
- a common web-based software platform, which allows for the effective management of the audit activities and provides: (i) real time monitoring of the audit function across all subsidiaries, (ii) information sharing among the Group’s internal auditors and (iii) standardisation of the audit methodology.

Moreover, audit efficiency and effectiveness is ensured through established key performance indicators and internal quality reviews.

As of 31 December 2019, the Group Internal Audit Function of the Bank employed 92 internal auditors with in-depth knowledge and experience in banking and audit, independent to the audited activities and with no involvement in the design, selection, implementation or operation of the Group’s internal controls.

Each year, the Group Internal Audit Function prepares an annual audit plan, at Group level, ensuring synergies and improved coverage of audit areas. The 2019 Audit Plan covered risks related to NPE management, ICAAP & ILAAP processes and internal risk models, IT and cybersecurity, compliance with new regulations (IFRS 9, PSD II), as well as anti-fraud and continuous auditing. For 2020, the Audit Plan will focus, among others, on the following areas:

- Corporate banking and NPE management;
- ICAAP & ILAAP processes and internal risk models;
- IT operations;
- Business model sustainability;
- Antimoney laundering (AML) and Know Your Client (KYC); and
- Anti-fraud and continuous auditing.

As required by IIA standards, the Group Internal Audit Function is periodically assessed by an external evaluator. The conclusion of the last quality review was that Group Internal Audit “Generally Conforms” (highest possible IIA rating) to the international standards for the professional practice of internal auditing and was benchmarked among peer organisations as a very mature audit unit with a score of 4.44/5.

Enhanced use of technology is a strategic objective for NBG’s Internal Audit Function. During 2019, Group Internal Audit continued to enhance its Continuous Audit and Fraud Detection software platform, incorporating multiple audit scenarios run on a daily basis. The software features artificial intelligence and fuzzy-logic techniques and its coverage is planned to be expanded on additional business areas in the following years.

Moreover, during 2019 a new enterprise Governance, Risk & Control software platform (“**eGRC**”) was selected to support the Group Internal Audit Function, as well as the Bank’s other risk and control functions of the second line of defence. The platform’s implementation phase commenced in the second quarter of 2020 and is supported and closely monitored by a project team combining experts from all functions involved (see above “*Internal Control System and Risk Management*”).

During 2019, Group Internal Audit met its strategic goals, including audit methodology evolution (use of data analytics and key risk indicators, incorporation of productivity recommendations in audit reports) and

staff empowerment (through training, certification and career development). Furthermore, during every audit engagement, the follow up of all relevant open issues from external, SSM, and other regulatory audits has been incorporated in the Group Internal Audit's methodology.

RISK MANAGEMENT

Risk Management Governance

Risk management and control plays a fundamental role in the overall strategy of the Group, aiming to both effectively manage the risks of the organisation and to align with the legal and regulatory requirements. The Group aims at adopting best practices regarding risk management and governance, taking into account all relevant guidelines and regulatory requirements, as set by the Basel Committee on Banking Supervision (“BCBS”), the European Banking Authority (“EBA”), the European Central Bank (“ECB”), Single Supervisory Mechanism (“SSM”), the Bank of Greece (“BoG”), the Hellenic Capital Market Commission (“HCMC”) legislation, as well as any decisions of the competent authorities supervising the Group’s entities.

Group risk management at NBG has a structured and tiered approach, based on a number of governance bodies, internal policies and procedures, and controls framework.

The Board of Directors bears ultimate accountability for NBG’s risk position. It signs off on the risk strategy and risk appetite, and monitors the effectiveness of risk governance and management advised by its two specialised committees: the Board Risk Committee (“BRC”) and the Board Audit Committee (“BAC”). The Bank’s Executive Committee (“ExCo”) and other committees, supporting to the Executive Committee are in charge of daily management actions and steer of the business. The Group Chief Risk Officer (“CRO”) is a member of the Executive Committee. The CRO has direct access to the Board of Directors, has delegated decision making authority for executive matters over risk and leads the Risk Management Function. The Group Risk Management Function has specialist teams per risk type. The Group Risk Management Function teams conduct day-to-day risk management activities according to policies and procedures as approved by the BRC, the Executive Committee and other committees. The perimeter is based on the industry standard “Three Lines of Defence” model (see “*Three Lines of Defence*” Model in the Group’s Risk Management” below). The Group Risk Management Function activities are supported by underlying systems and infrastructure. Risk culture is viewed as a core component of effective risk management, with the tone and example set by the Board of Directors and Senior Management. The Bank’s objective is to establish a consistent risk culture across all Units. Hence, there are four layers relevant to Risk Management, all feeding upwards into the Board of Directors:

1. Oversight and approval

At the top of the organisation, the members of the Board of Directors are responsible for oversight and approval on the governance structures of NBG, ensuring the right frameworks and policies are in place to ensure the Bank can be effectively managed.

2. Executive management actions & sign-off

The executive management layer (ExCo and other executive committees) decides on management actions, signs off on materials produced and reported, and actively steers the Bank.

3. Methodology and framework

Procedures and methodologies are in place to guide risk management, including credit approval procedures, model development and validation, product assessments.

4. Execution and analysis

The execution layer is in charge of implementing the frameworks, models and policies set forth by the aforementioned layers, and provide the Board of Directors and the executive committees with relevant analyses and results to base their decisions upon.

“Three Lines of Defence” Model in the Group’s Risk Management

The Group’s risk management is divided into three different levels, in order to create three lines of defence, as follows:

- **First line:** The risk taking units (e.g. credit originating departments, Treasury) are responsible for assessing and minimising risks for a given level of expected return by establishing and implementing internal rules and controls to the on-going business.
- **Second line:** The Group Risk Management Function oversees, monitors, controls and quantifies risks; provides appropriate tools and methodologies, coordination and assistance to lines of business; provides input towards the measurement of risk adjusted performance across business line; participates in the credit approval process for the Group’s corporate banking, retail banking and subsidiaries portfolios; performs independent assessment of credit risk undertaking in respect of each portfolio and has the right of veto; proposes appropriate risk mitigation measures, supported by local Risk Management (for subsidiaries) and specialised units (for the Bank). Additionally, under the Second line:
 - The Group Compliance Function monitors regulatory compliance across the Group and ensures that all units meet regulatory and other compliance requirements, through monitoring, advising and training.
 - The Group Risk Management Function cooperates with the Business Processes Division, the Group Internal Control Function, the Group CyberSecurity & Data Governance Division, the Group Security Division and the Legal Division.

These Divisions provide support, advice, appropriate tools and methodologies, acting as control units for specific subcategories of operational risk (e.g. legal risk, Information & Communication Technology (“**ICT**”) risk) as well as ensuring the Bank’s business continuity and mitigation of physical threats.

- **Third line:** The Internal Audit function of the Group, which reports directly to the Board of Directors through the Audit Committee, complements the risk management framework, acting as an independent reviewer, focusing on the effectiveness of the risk management framework and control environment.

The duties and responsibilities of all lines of defence are clearly identified and separated, and the relevant Units are sufficiently independent.

Group Risk Management

The Bank acknowledges the need for efficient risk management and has established four specialised Divisions and one Unit: the NBG Group Risk Control and Architecture Division (“**GRCAD**”), the NBG Group Financial and Liquidity Risk Management Division (“**GFLRMD**”), the NBG Group Operational Risk Management Division (“**GORMD**”), the NBG Group Strategic Risk Management Division (“**GSRM**”), and the Model Validation Unit (“**MVU**”), to properly identify, measure, analyse and manage, monitor and report the risks undertaken by the Group in all its business activities. These Units identify the risks of different portfolios and activities (including model risk), and supervise all subsidiaries operating

in the financial sector. All risk management units of the Group subsidiaries are coordinated by and adequately report to the aforementioned Divisions and Unit.

In addition, the three Credit Divisions, which are independent of the credit granting units, are involved in the credit approval process for the Group's corporate banking, retail banking and subsidiaries portfolios. They perform an independent assessment of the credit risk undertaking in respect of each portfolio and have the right of veto. Credit Units' independence ensures an unbiased level control for credit risk undertaken. These Units are also responsible for developing and updating the relevant Credit Policies.

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, on-going assessments of the credit risk management processes by the Group 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 Group's credit granting processes include credit-granting criteria based on the particular target market, the borrower or counterparty, as well as the purpose and structure of the credit and its source of repayment, credit limits that aggregate in comparable and meaningful manner different types of exposures at various levels, clearly established procedures for approving new credits as well as the amendment, renewal and re-financing of existing credits.

The Group maintains on-going credit administration, measurement and monitoring processes, including documented credit risk policies, internal risk rating systems, information systems and analytical techniques that enable measurement of credit risk inherent in all relevant activities.

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

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

The Credit Policies of each subsidiary are approved by the competent local boards or committees, following a recommendation by the responsible officers or subsidiaries' bodies, according to the decisions of the Bank and the provisions of the Credit Policies. Each proposal must bear the prior consent of the Group Chief Credit Officer ("CCO"), or the Head of NBG's Group Retail Credit Division, or the Head of NBG's Group International Credit Division, depending on the portfolio, 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 reviewed on an annual basis and revised whenever deemed necessary and in any case every two years.

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

Concentration Risk

The Bank manages the extension of credit, controls its exposure to credit risk and ensures its regulatory compliance based on an internal limits system. The GRCAD is responsible for limits setting, limits monitoring and regulatory compliance.

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 that set the maximum allowed level of exposure for any specific industry of the economy; industries are classified in groups. Sector limits constitute part of the Bank's Risk Appetite Framework and are revised at least annually. Excesses of the Industry Concentration Limits should be approved by the Board Risk Committee following a proposal of the General Manager of Group Risk Management ("**Chief Risk Officer**"). 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, NBG maintains a portfolio of vanilla interest rate OTC transactions, mainly for hedging purposes and holds a limited directional position for proprietary trading. Additionally, the Bank retains positions in exchange traded bond and IR futures, mainly as a means of hedging and to a lesser extent for speculative purposes. Finally, 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 mainly used for hedging the equity risk that stems from the equity-linked products offered to clients and to a lesser extent for proprietary trading.

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 (currently SS&C). 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 Capital Requirements Regulation).

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 in the context of the Market Risk 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 2020, the VaR of the Bank's Trading and HTCS portfolios was mainly affected by the evolution of the volatilities of the Greek sovereign yields. In particular, near the end of the first quarter of 2020, the outbreak of the COVID-19 crisis led to the sharp increase of the Greek sovereign yields and thus to significantly higher volatility levels, which in turn caused the VaR to hike. However, during the second quarter of the year, the VaR of the Trading and HTCS portfolios gradually decreased, in line with the receding of the volatilities of the Greek sovereign yields. By the end of June 2020, the VaR had reverted back to the levels of the pre-COVID-19 period.

Back-testing

The Bank performs back-testing on a daily basis, in order to verify the predictive power of the VaR model. In accordance with the guidelines set out in the Capital Requirements Regulation 575/2013, the calculations only refer to the Bank's trading portfolio and involve the comparison of the hypothetical 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 2020, 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 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 counterparty credit risk, 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 recognized 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.

GFLRMD monitors country risk exposure on a daily basis, mainly focusing on the countries where the Group has presence. Country risk has been decreasing in recent years, as the Bank is divesting international subsidiaries in accordance with its Restructuring Plan.

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 63.75% and 64.5% as of 30 June 2020, 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.

NBG's liquidity position has been, and continues to be, tested in real stressed conditions during the COVID-19 crisis. The stability of the Bank's funding sources, combined with the level of its liquidity buffer which stood at €15.2 billion (cash value) as at 30 September 2020, and LCR and NSFR ratios well above 100%, further underpin the quality, as well as the resilience of the Bank's overall liquidity profile. The improved funding structure is marked by the inflow of stable retail deposits, the increase of stable long-term funding through the cheaper TLTRO III ECB refinancing operations and full access to the secured interbank markets. Moreover, LCR and NSFR, as well as the Bank's liquidity buffer currently

stand at the highest historical levels while cost of funding has significantly decreased to a historically low level.

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 and also takes into consideration the reputational impact of OR.

Operational risk is inherent to all products/services, activities, processes and systems and is generated in all business and support areas.

The main subcategories of OR are: Legal risk, Compliance risk, Conduct risk, Information & Communication Technology (“**ICT**”) risk and Model risk.

NBG has established a sound Operational Risk Management Framework (“**ORMF**”), consistent with best practices and compliant with regulatory requirements and internal governance policies. ORMF is aligned with the NBG Group Risk Appetite Framework and aims to facilitate a more informed risk decision-making process, resulting in the optimum handling of operational risk.

The ORMF governance structure is based on the three lines of defence (“**LoD**”) model placing particular emphasis on the role of the first line of defence, the Business Units that are responsible and accountable for directly identifying, assessing, controlling and mitigating operational risk within their business activities in compliance with the Bank's standards and policies.

Operational risk management is integrated into the day-to-day business, adding value to the organisation by applying a proactive approach. A series of techniques and tools have been defined by the Group in order to identify, measure and assess operational risk. The key components of the ORMF are the following:

- The **Risks and Controls Self-Assessment (“RCSA”)** process; it is a recurring, forward looking process performed at least on an annual basis aiming at the identification and assessment of the

operational risks faced by the Group. The scope of RCSA extends to all business lines, thereby to all business, support or specialized Units;

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

All of the above 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 and report to Senior Management and the Supervisory Authorities.

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 3016/2002¹, 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 and its independent members.

A 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**”).

Furthermore, until 22 July 2016, pursuant to the Bank’s participation in the Hellenic Republic Bank Support Plan Greek Law 3723/2008, the Hellenic Republic had the right to participate in the Board through the appointment of a representative. As the Bank no longer benefits from any support under the Hellenic Republic’s Bank Support Plan, the Bank is no longer subject to the provisions of Greek Law 3723/2008 and the representation of the Hellenic Republic on the Bank’s Board has been ceased.

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. The Senior Independent Director’s

¹ It is noted that, on 17 July 2020, Greek Law 4706/2020 was published on Greek Government Gazette including, among others, corporate governance provisions which, upon their entry into force, will repeal and replace those of Law 3016/2002. The new corporate governance provisions will enter into force 12 months after the aforementioned publication.

duties are (indicatively) to: act as a sounding board for the Chairman and serve as an intermediary for the other Directors; be a key point of contact for shareholders, regulators and other stakeholders along with the Chair of the Board; coordinate the non-executive Board members, and discuss 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; act as a facilitator, to facilitate and improve relations with shareholders and to assist in the resolution of conflict in case of crisis or in case of dispute, as for instance: i) there is a dispute between the Chair and Chief Executive Officer; ii) shareholders or non-executive directors have expressed concerns that are not being addressed by the Chair or the Chief Executive Officer; iii) the relationship between the Chair and Chief Executive Officer is particularly close; and lead 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**"), both 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, the Deputy Chief Executive Officers 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 Compliance, 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. The Senior Independent Director's duties are (indicatively) to: act as a sounding board for the Chairman and serve as an intermediary for the other Directors; be a key point of contact for shareholders, regulators and other stakeholders along with the Chair of the Board; coordinate the non-executive Board members, and discuss 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; act as a facilitator, to facilitate and improve relations with shareholders and to assist in the resolution of conflict in case of crisis or in case of dispute, as for instance: i) there is a dispute between the Chair and Chief Executive Officer; ii) shareholders or non-executive directors have expressed concerns that are not being addressed by the Chair or the Chief Executive Officer; iii) the relationship between the Chair and Chief Executive Officer is particularly close; and lead 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	-
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, First Vice President of the Board of Directors and member of the Executive Committee of the Foundation of Economic and Industrial Research (IOBE), participation in the Board of Directors 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

Matthieu Kiss	Member	18 December 2020	2021	Independent Non-Executive Expert Member as prescribed by Art.10 of Greek Law 3864/2010 as in force, Audit experience	Member of the Board at HSBC Asset Management France and Member of the Board and Chair of the Audit Committee at HSBC Insurance France
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	Participation in the Board of Directors of Saint Pierre Hospital
Avraam Gounaris	Member	31 July 2019	2021	Economist/ Financial Services	
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	Chairman of the Supervisory Board of MUFG Bank (Europe) N.V. (MBE), member of the Supervisory Board of Anthos Private Wealth Management B.V., 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 Wetenschappen

Anne Marion-Bouchacourt	Member	1 April 2020	2021	Independent Non-Executive Expert Member as prescribed by Art.10 of Greek Law 3864/2010 as in force, Human Resources and Culture Experience	Chair of SG Private Banking Switzerland, Participation in Board of Directors of Ipsos and Credit du Nord, President of “Conseillers du Commerce extérieur de la France (Suisse)”, Member of the Board of the “Association des banques étrangères en Suisse”
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Elena Ana Cernat	Member	31 July 2019	2021	Banking/Digital Banking Experience	CEO of Alior Bank Warsaw-Bucharest Branch and participation in Board of Directors of Yoga Vidya Romania
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Non-Executive Members

Aikaterini Beritsi	Member	31 July 2019	2021	Corporate Governance Experience	Participation in the Board of Directors of EYDAP S.A.
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JP Rangaswami	Member	22 October 2020	2021	IT/Digital Transformation Experience	Participation in the Board of Directors of Admiral Group Plc, Allfunds Bank Group and Daily Mail and General Trust (DMGT) plc, Board Chairman of Web Science Trust, Member at the Board of Trustees of Cumberland Lodge and at the Board of Governors of Hammersmith Academy, Adjunct Professor of Electronics and Computer Science at the University of Southampton
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Representative of the HFSF (Greek Law 3864/2010) - Non-Executive

Periklis Drougkas	Member	26 July 2018	2021	Economist	Participation in the Board of Directors of Tirana Bank ShA
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Board and Board Committees' Secretary

Panos Dasmanoglou		26 July 2018	2021	General Manager of Group Compliance and Corporate Governance	-
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* Date of election of the Members of the Board by the Annual General Meeting of Shareholders of 2018 and 2019 respectively, with the exception of Mrs Anne Marion-Bouchacourt, Mr JP Rangaswami and Mr. Matthieu Kiss for whom the respective dates mentioned are the dates of their election by the Board of Directors of the Bank.

During 2020, the following changes took place as regards composition of the Board:

- On 30 January 2020, at the Board of Directors meeting, the resignation of Mr. Dimitrios Kapotopoulos from the position of Executive Board Member was announced.
- On 1 April 2020, at the Board of Directors meeting, Mrs Anne Marion Bouchacourt was appointed Independent Non-Executive Board Member.

- On 16 April 2020, at the Board of Directors meeting, it was decided to functionally abolish the position of Vice Chair of the Board of Directors, held by Mrs. Aikaterini Beritsi, who continues serving as a Non-Executive Member of the Board.
- On 2 September 2020, at the Board of Directors meeting, the resignation of Mr. Andrew McIntyre from the position of Independent Non-Executive Board Member was announced.
- On 22 October 2020, at the Board of Directors meeting, Mr. JP Rangaswami was appointed Non-Executive Board Member.
- On 18 December 2020, at the Board of Directors meeting, Mr. Matthieu Kiss was appointed Independent Non-Executive Board Member.

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 applicable 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 ("**EC**"), 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 2015 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 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 “Compliance, 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) as in force.

The AC is comprised of the following members:

Chair	Matthieu Kiss
Vice Chair	Gikas Hardouvelis
Vice Chair	Claude Piret
Member	Wietze Reehoorn
Member	Avraam Gounaris
Member	Periklis Drougkas (HFSF representative)

Human Resources and Remuneration Committee

The human resources and remuneration committee (“**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	Anne Marion-Bouchacourt
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Vice Chair	Elena Ana Cernat
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	Wietze Reehoorn
Member	Elena Ana Cernat
Member	Matthieu Kiss
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 to 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
Vice Chair	Aikaterini Beritsi
Member	Gikas Hardouvelis
Member	Claude Piret
Member	Avraam Gounaris
Member	Elena Ana Cernat
Member	Anne Marion Bouchacourt
Member	JP Rangaswami
Member	Periklis Drougkas (HFSF representative)

Compliance, Ethics & Culture Committee

The compliance, ethics and culture committee (“**Compliance, Ethics and Culture Committee**” or the “**CECC**”) 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 CECC is comprised of the following members:

Chair	Avraam Gounaris
Member	Aikaterini Beritsi
Member	Anne Marion-Bouchacourt
Member	JP Rangaswami
Member	Matthieu Kiss
Member	Periklis Drougkas (HFSF representative)

Executive Committees

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	Chief Executive Officer
Member	Christina Theofilidi	Executive Member of the BoD & General Manager of Retail Banking
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	Stratos Molyviatis	General Manager, Chief Operations Officer
Member	Ernestos Panayiotou	General Manager – Transformation, Strategy & International Activities
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
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

** Mr Ioannis Kyriakopoulos participates in the Board of Directors of Athens Exchange Group and Prodea Real Estate Investment S.A. (“**Prodea**”)

Asset and Liability Committee

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	Chief Executive Officer
Deputy Chairman & Member	Ioannis Vagionitis	General Manager of Group Risk Management, Chief Risk Officer
Member	Christina Theofilidi	Executive Member of the BoD & General Manager of Retail Banking
Member	Vassilis Karamouzis	General Manager of Corporate and Investment Banking
	Christos Christodoulou	General Manager, Group CFO

Member

Member	Vasileios Kavalos	General Manager - Group Treasury and Financial Markets
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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	Chief Executive Officer
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 of 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	Chief Executive Officer
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 2020, the Bank employed a total of 7,985 staff of which 271 are in the Bank's foreign branches, compared to 8,324 and 278 respectively, as at 31 December 2019. Additionally, the Group's subsidiaries in Greece and abroad employed approximately 2,477 employees as at 30 June 2020, compared to 3,551 as at 31 December 2019.

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 5 days in 2019.

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 December 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.

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 was 2.5% for 2020 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, 2020 and the first quarter of 2021 (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, 164/2019, 167/2020, 173/2020, 177/2020 and 180/17.12.2020). 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 O-SIIs an additional capital buffer is applied, which was 0.25% for 2019 and 0.50% for 2020 for all four credit institutions that were 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 163/1.11.2019, Bank of Greece Executive Committee Act no 174/26.6.2020). See further “*Capital Requirements/Supervision*” below.

Following the completion of the 2019 SREP cycle, in December 2019 the Bank received the final SREP Decision letter from the ECB which established the capital requirements for 2020. In particular based on 2019 SREP letter, the Pillar 2 Requirement rate for 2020, remained stable at 3%, but OCR increased to 14% (from 13.75% in 2019) due to the phase-in of the O-SII buffer (0.25%). The OCR increased to 16% due to the application of the P2G (2%) as of 2020. However, on 12 March 2020, ECB provided temporary capital and operational relief to EU banks in reaction to COVID-19. In particular, the ECB is allowing banks to operate temporarily (until at least the end of 2022) below the level of capital defined by P2G, the Capital Conservation Buffer and the CcyB - not applicable for Greece). In addition, the banks can partially cover the P2R with the use of AT1 (18.75% of P2R) and/or Tier 2 (25% of P2R) capital instruments. Therefore, the OCR as of 12 March 2020 reduced to 11.5%.

For 2020, ECB adjusted its SREP approach and followed a pragmatic and simplified methodology in light of the COVID-19 pandemic and the unique economic and financial situation it has generated. In particular, the 2020 SREP cycle focused on the ability of the Banks to handle the challenges of the COVID-19 crisis and its impact on their current and prospective risk profile (resilience & capacity to absorb the potential impact of the crisis over time). On that basis, and taking into account that a) the ECB is not issuing a SREP decision for the 2020 SREP cycle and P2R and P2G requirements remain unchanged and b) the BoG suspended the phase-in of the O-SII for 2021, the OCR for 2021 will remain stable at 11.5%.

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 €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 release² 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 in January 2020 and the results were planned to be published by 31 July 2020. However, the EBA in its statement³ dated 12 March 2020, announced its decision to postpone the 2020 EU-wide stress test exercise to 2021, allowing banks to focus on and ensure continuity of their core operations in light of the COVID-19 pandemic. On 29 January 2021, the EBA published a press release⁴ to announce that the 2021 EU-wide stress test has been launched including the release of the macroeconomic scenarios. Following the postponement of the 2020 exercise, due to the COVID-19 pandemic, the 2021 EU-wide stress test is expected to provide valuable input for assessing the resilience of the European banking sector. Accordingly, the adverse scenario is based on a narrative of a

² <https://eba.europa.eu/eba-publishes-2020-eu-wide-stress-test-methodology-and-draft-templates>

³ <https://eba.europa.eu/eba-statement-actions-mitigate-impact-covid-19-eu-banking-sector>

⁴ <https://www.eba.europa.eu/eba-launches-2021-eu-wide-stress-test-exercise>

prolonged COVID-19 scenario in a ‘lower for longer’ interest rate environment, in which negative confidence shocks would prolong the economic contraction. The EBA expects to publish the results of the exercise by 31 July 2021.

More specifically, the exercise aims to assess the impact of an adverse macroeconomic scenario on the solvency of EU banks. The stress test allows supervisors to assess if banks’ capital buffers, which have been accumulated in recent years, are sufficient to cover losses and support the economy in stressed times. Moreover, the exercise fosters market discipline through the publication of consistent and granular data at a bank-by-bank level, which is crucial particularly at times of increased uncertainty in the markets. Given the specific macroeconomic conditions caused by the COVID-19 pandemic coupled with a high degree of uncertainty, this year, the focus on the different objectives will depend on the conditions closer to the publication date. The outcome might also provide valuable input to make informed decisions on possible exit strategies from the flexibility measures granted to banks due to the COVID-19 crisis, or on the need for additional measures, should the economic conditions deteriorate further.

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, as amended, 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.

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 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, 2020 and the first quarter of 2021 (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, as amended, on supervisory reporting. The updated implementing technical standards include changes to additional monitoring metrics for liquidity. Additionally, CRR II and CRD V were published in June 2019. With respect to liquidity requirements, the new regulatory framework sets the EU rules for the measurement of the NSFR, amending the existing BCBS framework, incorporated in the CRR. The provisions for the NSFR amendment, will apply from 28 June 2021; 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, as in force, 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. EBA published on 21 November 2019 a set of roadmaps outlining its approach and timelines for delivering the mandates stemming from the above regulatory texts published in the Official Journal on 7 June 2019. These mandates are mainly focused in the areas of governance and remuneration, large exposures, resolution as well as reporting and disclosure.

Together with Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014, as amended, (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, as amended), applicable since 3 January 2018 and a revised Markets in Financial

Instruments Directive (Directive 2014/65/EU, as amended) 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 the CRD V Directive and the CRR has subsequently been amended by CRR II. The CRD V Directive and CRR II were both published in the Official Journal of the European Union on 7 June 2019 and entered into force on 27 June 2019. Member States should adopt and publish, by 28 December 2020, the measures necessary to comply with CRD V with certain exceptions. CRR II shall apply from 28 June 2021 subject to 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. However, this transposition has not yet taken place.

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, as amended, 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 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.

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 Greek Law 4216/2014 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 CRR II. The CRD V Directive and CRR II were both published in the Official Journal of the European Union on 7 June 2019 and entered into force on 27 June 2019. CRR II is directly applicable to the Bank and shall apply from 28 June 2021, subject to certain exceptions. However, the CRD V Directive will need to be transposed into Greek law before taking effect. Member States should, with certain exceptions, adopt and publish by 28 December 2020 the measures necessary to comply with the CRD V Directive. Greece has yet to transpose the latter’s provisions.

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 fulfilment 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 applicable 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 applicable 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 applicable 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 applicable 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. The 2020 Annual General Meeting of the Bank's shareholders appointed PwC to undertake the audit of the Group for the year ending 31 December 2020, 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 applicable 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 applicable 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 applicable 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 applicable 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 €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 “*Directors and Management – 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 Amounts Due by Indebted Individuals

Settlement of Amounts Due by Indebted Individuals - – Protection of Main Residence of the Debtor

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. Greek Law 3869/2010 allowed for the settlement of amounts due by individuals (including, consumers and professionals, with the exception of individuals already subject to mercantile law) 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.

Eligible debts for settlement under Greek law 3869/2010 were any debt owed to private individuals, 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. Greek law 3869/2010 was amended, *inter alia*, to include: (a) the protection of the main 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.

As of 1 March 2019, the right of a borrower to request the exemption of their main 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 amended legal framework, eligible over-indebted debtors could apply through electronic means until 31 July 2020 for the settlement of their debts by arranging a partial repayment of their due debts as prescribed by Greek Law 4605/2019.

Amounts eligible to be settled were only 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. Ownership of the main residence did 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.

Within the above mentioned framework, 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%. The Greek State may also contribute to the payment of these monthly instalments under certain conditions.

It is also explicitly provided in the amended legal framework 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 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. However, 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.

By virtue of Article 265 par. 1 case b' of Greek Law 4738/2020, as published in the Government Gazette Issue 207/A/27.10.2020 (the "**Debt Settlement and Facilitation of a Second Chance Law**") in conjunction with Article 308 of this Law (as amended by Article 83 par. 3 of Greek Law 4764/2020, published in the Government Gazette Issue 256/A/23.12.2020) the possibility of submitting new applications in accordance with the provisions of Law 3869/2010 ceases from 1 June 2021. Proceedings under Law 3869/2010 that will be pending on 1 June 2021 shall evolve in accordance with the provisions of Law 3869/2010.

Settlement of Amounts Due by Indebted Individuals under Greek Law 4738/2020

On 27 October 2020 Greek Law 4738/2020 was published in the Official Government Gazette (Issue 207/A/27.10.2020) consolidating the provisions of several statutes dealing with excessive indebtedness and debt settlement (such as Greek laws 4469/2017, 3869/2010, 3588/2007, 4605/2019 and 4307/2014) into one comprehensive legal framework of expanded scope, with all existing tools for debt settlement consolidated, regardless of their subject (inter alia indebted households, protection of main residence and extrajudicial settlement mechanisms). From 1 March 2021, the provisions of the Greek Bankruptcy Code (Greek Law 3588/2007) have been repealed.

Moreover, the ability to submit applications under the debt settlement schemes of Greek Law 3869/2010 (from 1 June 2021) and 4307/2014 (from 1 March 2021) will no longer be available, but will continue to govern proceedings which are already pending under such provisions.

Greek Law 4738/2020 (articles 217-226) establishes a special regime for protecting the main residence of "vulnerable debtors", i.e. debtors who gather cumulatively the income, property and other criteria of housing benefits provided for in Article 3 of Greek Law 4472/2017 (including, inter alia, an individual yearly income cap set at €9,600). Under this regime the vulnerable debtor's main residence shall be sold and leased-back to him for 12 years. A "sale-and-leaseback organisation", i.e. a private legal entity granted the duties and obligations of the sale and leaseback scheme by the Greek State (pursuant to a call for tenders of the latter), shall implement the relevant process. The scope of the new framework is to allow

the liquidation of the vulnerable debtor's main residence for the purpose of debt settlement, without the detrimental effects of having the vulnerable debtor to relocate or definitively lose ownership of their real estate.

According to this scheme, in the event that a vulnerable debtor is declared insolvent or that enforcement proceedings regarding its main residence are initiated, the debtor may submit a request under the new regime for the sale and leaseback of its main residence by the sale-and-leaseback organisation, which, thus acquires ownership over the debtor's real estate at market value price as determined by a certified valuator. However if the request under the new regime is made in the context of an auction and the first offer price is significantly higher (15% or more) than the valuation price, the purchase price shall be the lower of the first offer price or the price provided by a second independent evaluator. Following the acquisition of the vulnerable debtor's main residence the sale-and-leaseback organisation shall lease the same real estate to the debtor for twelve years for a set amount of monthly rent (to be determined primarily based on the applicable housing loans' average interest rate). The sale-and-leaseback organisation acquires the property right on the main residence free of any encumbrance or third party claim. The debtor maintains their status as beneficiary of the aforementioned housing benefits of Greek Law 4472/2017, which are now credited to the sale-and-leaseback organisation as a partial payment of the relevant rent. The lease shall be terminated in the event that the debtor has been in default with regards to the payment of three instalments and remains in default for at least one month after the relevant notice has been served. The termination of the lease shall lead to the abolishment of the debtor's buyback rights. It is further noted that any rights of the debtor deriving from the lease are non-transferable, save for instances of universal succession.

The debtor shall be entitled to re-purchase the real estate at a price objectively determined under the provisions of Law 4738/2020 upon fulfilment of their rental payment obligations. After full repayment by the debtor (at the end of the 12-year period or prior to that), the latter (or its successors) is entitled to exercise a buyback right. The buyback price shall be determined pursuant to a Decision of the Minister of Finance, in accordance with Article 225 of Greek Law 4738/2020, yet to be issued.

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, 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. By virtue of Article 3 of Greek Law 4738/2020, access to the same Borrowers’ Service Centers is expanded to all natural persons not deriving income through business activities.

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 non-accruing loans and specifically:

- Bank of Greece Executive Committee’s Act No 175/29.7.2020 adopted EBA NPE Guidelines on management of non-performing and forborne exposures. ‘Credit institutions with a NPL ratio below 5% on a solo or consolidated basis shall apply certain provisions of this Act.

This Act imposes, among others, the following obligations on credit institutions:

- (a) Credit institutions should establish an NPE strategy to target a time-bound reduction of NPEs over a realistic but sufficiently ambitious time horizon (NPE reduction targets). The NPE strategy should lay out the credit institution’s approach and objectives regarding effective management to maximise recoveries and ultimately a reduction in NPE stocks in a clear, credible and feasible manner for each relevant portfolio.
- (b) The overarching strategy of a credit institution and its implementation should cover the NPE strategy and operational plan.
- (c) Credit institutions should establish dedicated NPE workout units (NPE WUs) that are independent from loan origination activities.
- (d) Credit institutions should set up different NPE WUs for the different phases of the NPE life cycle and also for different portfolios, if appropriate.
- (e) Homogeneous portfolios should be built up in order to tailor treatments specifically to NPEs. Credit institutions should consider designing customised processes for each portfolio, with a dedicated expert team taking ownership of each. NPE portfolios should be analysed with a high degree of granularity, resulting in clearly defined borrower subportfolios. For these

analyses, credit institutions should develop appropriate management information systems (MIS) and sufficiently high data quality.

- (f) Effective and efficient internal control processes should be implemented for the NPE workout framework in order to ensure full alignment between the NPE strategy and operational plan on the one hand and the credit institution's overall business strategy, including the NPE strategy and operational plan, and risk appetite on the other hand.
 - (g) Forbearance measures should aim to return the borrower to a sustainable performing repayment status, taking into account the amount due and minimising expected losses.
 - (h) Credit institutions should monitor the repayment capacity of borrowers.
 - (i) When granting forbearance measures to performing exposures, credit institutions should assess whether these measures lead to a need to reclassify the exposure as non-performing. Granting forbearance measures to NPEs does not clear their non-performing status.
 - (j) Credit institutions should estimate loss allowances for NPEs and FBEs subject to impairment in accordance with the Bank of Greece Executive Committee's Act No 150/3.10.2018 on credit risk management practices and accounting for expected credit losses.
 - (k) Key elements are provided for collateral valuation of immovable and movable property pledged for NPEs
 - (l) Regular reporting should be provided to the Board of Directors of each credit institutions and to the Bank of Greece.
- Decision No.195/1/29.7.2016 of the Credit and Insurance Committee of the Bank of Greece revised the Code of Conduct under Greek Law 4224/2013. This Act 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

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, the 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. The EBA NPE Guidelines were adopted by the Bank of Greece by virtue of Act No 175/2/29.7.2020 of its Executive Committee.

Further to the above and in the context of the financial turmoil triggered by the COVID-19 outbreak, it has been decided that banks should be supported as they provide solutions to viable but distressed customers. Such support did not refer to stock of NPLs accumulated prior to the outbreak.

More specifically, in relation to all exposures that will benefit from government guarantees issued by Member States in the context of public interventions relating to the COVID-19 pandemic, the ECB, within its own remit, and within the context of the ECB Guidance on NPLs and the Addendum, extended flexibility on the automatic classification of obligors as unlikely to pay, when institutions call on the COVID-19 related public guarantees, as allowed under the Guidelines on the application of the definition of default issued by the European Banking Authority.

The preferential treatment foreseen for NPLs guaranteed or insured by Official Export Credit Agencies was extended to non-performing exposures that benefit from guarantees granted by national governments or other public entities. This ensures alignment with the treatment provided in Regulation (EU) 2020/873 (the “**CRR Quick Fix**”). Concretely, this means that banks would face a 0% minimum coverage expectation for the first seven years of the NPE vintage count.

The ECB also extended flexibility to the NPL classification of exposures covered by qualifying legislative and non-legislative moratoria, following the EBA guidelines on legislative and non-legislative moratoria on loan repayments applied in the light of the COVID-19 crisis. The EBA guidelines on legislative and non-legislative loan repayments moratoria were published on 2 April 2020 to ensure that banks, while maintaining comparable metrics, would be able to grant payment holidays to customers avoiding the automatic classification of exposures under the definition of forbearance or as defaulted under distressed restructuring. It should be noted that these guidelines were applicable until 30 September 2020, since the EBA does not consider adequate at this state the further extension of such an exceptional measure. The regulatory treatment set out in the Guidelines continued to apply to all payment holidays granted under eligible payment moratoria prior to 30 September 2020, thus avoiding cliff effects risks of having to reclassify existing loans abruptly at a later stage. Within the aforementioned framework, banks can continue supporting their customers with extended payment moratoria also after 30 September 2020, but such loans should be classified on a case-by-case basis according to the usual prudential framework. However, on 2 December 2020 the ECB decided to reactivate its guidelines until 31 March 2021.

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.

Asset protection scheme (“Hercules”) 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 (“**Hercules**”) provides the terms and conditions under which State guarantee may be provided in the context of NPL securitisation by credit institutions under the asset protection scheme. 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 provide, *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 €140,000.

Bank of Greece’s Executive Committee Act no 153/08.01.2019 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).

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.

Settlement of loans guaranteed by the Greek State

Ministerial Decision 2/94253/0025, published on 31 December 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 it has guaranteed. It is noted that the same Decision also refers to cases in which the Greek State, even though involved as guarantor, is entitled to not pay, if the debtor has failed to pay.

Extrajudicial debt settlement mechanism for businesses under Greek Law 4469/2017 (applications submitted until 30 April 2020)

Greek Law 4469/2017, as amended and in force provided 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.

Applications under this framework could be submitted electronically to the Special Private Debt Management Secretariat (“EGDICH”) by 30 April 2020 on the dedicated electronic platform in EGDICH's website.

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 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.

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.

By means of Joint Ministerial Decision No 130060/29.11.2017, as modified, 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 €300,000.

The out-of-court debt settlement process pursuant to Greek Law 4738/2020

Articles 5-30 of Greek Law 4738/2020 (“The Debt Settlement and Facilitation of a Second Chance Law”), in force from 1 June 2021, establishes a new Out-of-Court Debt Settlement mechanism (which replaces the procedure of Greek Law 4469/2017).

Within the context of the out-of-court debt settlement process provided for by Greek Law 4738/2020, individuals or legal entities, eligible to be declared insolvent, may apply for extrajudicial settlement of their monetary liabilities to the Greek State or financial institutions and social security institutions provided they do not fall under certain exemptions (e.g. 90% of a debtor's liabilities being owed to a single institution). The creditors may accept said invitation at their sole discretion. It is noted that entities falling outside the scope of said law, such as investment service providers, mutual funds, credit and (re-)insurance institutions may not apply as debtors for this out-of-court settlement. The process may also be initiated by creditors with an invitation to debtor(s) to apply within 45 days. Out-of-court settlement applications and relevant creditor invitations will be filed digitally to the Special Secretariat for the Administration of Private Debt through the EGDICH electronic platform.

With respect to the filing of an out-of-court settlement application, so long as the process is not terminated, the procedure of Code of Conduct for NPLs, as well as any enforcement actions and measures, pending or not, are automatically suspended. The approval of the debt restructuring proposal requires the debtor's consent and the formation of a majority of 3/5 of participating creditors – financial institutions (in terms of nominal debt value), which includes 2/5 of participating creditors with special privilege. If the agreement concerns a loan secured with the debtor's main residence, then a subsidy (up to an amount of €210) may be granted for instalments due for a period of five years under certain conditions. Should a debt settlement agreement not be signed by the debtor and the participating creditors within two months of the application submission date, the application will be rejected. The debt settlement agreement can be terminated by any creditor whose claims are covered by the settlement if the debtor is in default for an aggregate amount equal either to three payment instalments or 3% of the total amount due under the settlement agreement. Termination of the debt settlement agreement will result in the reinstatement of the debtor's liabilities to the terminating creditor to the pre-settlement debt amount less any amount already paid under the settlement to that date but will not affect the validity and enforceability of the settlement agreement *vis-à-vis* other covered creditors.

It is noted that the performance of debts secured via mortgage of the main residence of the debtor is partially subsidized by the Greek State. The subsidy is provided for five years, commencing on the date of submission of the application. The subsidy requirements include, *inter alia*, a *de minimis* provision regarding the amounts owed to the Greek State and Social Security Institutions (set at €20,000), as well as

a cap to the amounts owed to each creditor (set at a €135,000 for individuals and a maximum of €215,000 per household). Finally, article 30 of Greek law 4738/2020 provides the ability for credit institutions to establish common policies regarding (indicatively) the conditions of processing and approval of applications, a procedure of automated processing, the establishing of notification mechanisms for clients susceptible to financial hardship etc.

Early warning mechanism and borrowers' service centres

Articles 1-3 of Greek Law 4738/2020 (“The Debt Settlement and Facilitation of a Second Chance Law”), in force from 1 June 2021, introduce an early warning electronic mechanism, supervised by the Special Secretariat for Private Debt Administration of Ministry of Finance, in which debtors who apply are classified in three risk levels (low, medium and high). If a debtor has been classified as of medium or high risk and is a natural person, then depending on their profession or business activity, they can contact either the competent Borrower Service Centers (if they don’t earn income from said business or freelance activity) or the relevant Professional Chambers and Associations (if they earn income from said business or freelance activity), so that the debtor may receive free, specialised advice relating to the status of their debts and the possible options for settling them under the Law 4738/2020.

Settlement of business debts

Settlement of business debts under Greek Law 4307/2014 and Greek law 4738/2020

Greek Law 4307/2014, among others, provided for urgent interim measures for the relief of private debt, 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 certain pre-conditions were met.

Greek Law 4738/2020 has replaced, as of 1 March 2021 Greek Law 4307/2014 by integrating the latter’s provisions on the power of the liquidator to conduct a public tender for the sale of the (total of) debtor’s assets/sectors of the business to its framework. The expedited liquidation process is followed pursuant to a relevant decision of the bankruptcy court on the liquidation of the business or individual operational units. Pursuant to the new framework (article 265 par. 1 case c’ of Greek Law 4738/2020), there will be no capacity to submit new applications in accordance with articles 68-77 of Greek Law 4307/2014, which will, however, remain into force, for proceedings initiated before 1 March 2021. Extraordinarily, if the creditors’ meeting so decides (in the context of a special administration) the process will be able to continue under the provisions of Greek Law 4738/2020 being applied by means of analogy.

The main differences between the previously applicable and the new expedited liquidation process are the following:

- a. A notary public is hired to conduct the auction.
- b. The auction is carried-out electronically, (namely through the e-auction platform).
- c. The creditors’ meeting has a more important role, as it approves the liquidator’s choice to liquidate one or more business sectors or separate assets. It may provide its approval subject to specific conditions (e.g. an amelioration of the proposed sale price).

In the event that individual assets are liquidated, it is also the objective of Greek Law 4738/2020 to expedite the process. In particular, although the procedural aspects are the same as those of Greek Code of Civil Procedure, it is noted that there is no legal remedy that can be used to challenge the initial offering price set by independent evaluators.

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 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 main residence to borrowers under the provisions of Greek Law 4224/2013. According to Greek Law 4224/2013 enforcement of auctions concerning the main residence of individuals was suspended from 1 January 2014 until 31 December 2014 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 instalments. 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, regarding settlement of indebted individuals' debts through a court application. At 31 December 2019 and 30 June 2020, 52,492 and 49,885 customers that had applied to the court under the provisions of Greek Law 3869/2010 had

outstanding balances of €3,089 million and €2,893 million respectively. Historically, as of 30 September 2020 38% were rejected and 62% were accepted (see paragraph “*Settlement of Amounts Due by Indebted Individuals*” above for the protection of main residence of individuals applying for debt settlement).

In particular, for out-of-court debt settlement mechanism regulated by Greek Law 4738/2020, any individual and collective enforcement measures against the debtor, pending or not, regarding claims the settlement of which is pursued through this mechanism, are automatically suspended following the execution of a debt settlement agreement. The suspension commences from the submission of the debtor’s application to initiate the process, however, any auction that has been scheduled within three months following the debtor’s application will not be covered by the suspension. Any preparatory action taken by a secured creditor with a view to conducting an auction will also not be affected by the suspension.

Furthermore and with respect to the business debt settlement process, pursuant to Greek Law 4469/2017, 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. The suspension of enforcement measures continued 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 applied 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.

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. The e-auction platform is also used for any liquidation proceedings conducted under the new Greek Law 4738/2020. 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) have increased their 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 loans (“NPL”) 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. Following an annual increase of 7.2% year-over-year in 2019, the real estate market showed remarkable resilience to the COVID-19 shock, with residential prices increasing by 4.6% year-over-year in 9M:2020 (3.2% year-over-year in Q3:2020, Source: Bank of Greece, Bulletin of Conjunctural Indicators, November-December 2020). Residential construction activity rose by 20.2% year-over-year in 9M:2020, according to the national accounts data, suggesting that the sizeable market adjustment in the previous years offset the near-term pressure from uncertainty and the drop in foreign demand, along with the drastic shrinkage in the number of properties rented through short-term rental platforms, mainly by tourists (Source: EL.STAT., Gross fixed capital formation, 3rd Quarter 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 and in the first three quarters of 2020, despite the eruption of the COVID-19 crisis.

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 28.8% and 33.9%, respectively, between Q3:2008 (when activity reached a peak) and Q4:2017 (Sources: EL.STAT., Quarterly National Accounts, 3rd Quarter 2020, December 2020 and EL.STAT., Quarterly Non-Financial Sector Accounts, 3rd Quarter 2020, January 2021). According to the quarterly national accounts data on fixed investment, total investment in construction declined by 74.0%, cumulatively, between Q3:2008 and Q4:2017, with residential construction declining by 93.3%, cumulatively, in the same period (Source: EL.STAT., Quarterly Gross fixed capital formation by Asset, Chain-linked volumes, reference year 2010, 3rd Quarter 2020, December 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 maintained its dynamic in 9M:2020 (increase in house prices by 4.6% year-over-year), despite adverse effects from the toll of the COVID-19 pandemic in the economy. Positive annual growth has been recorded in all market segments (new and old apartments) and regions, with the Athens area outperforming the market average (7.5% year-over-year in 9M:2020), showing resilience despite the sharp decline in external demand, which was a major driver of the market in previous years (such as tourism-related demand, mainly through short-term rental platforms and 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). In this vein, prices of prime commercial spaces (average of retail and office prices) increased by 2.5%, year-over-year, on average, in H1:2020 following increases of 5.6% year-over-year and 5.5% year-over-year in 2018 and 2019, respectively. As in the case of the residential market, the Athens area outperformed the commercial real estate market average in H1:2020 (increases in office and retail prices of 2.8% year-over-year and 1.5% year-over-year, respectively, latest available data, Source: Bank of Greece, Bulletin of Conjunctural Indicators, November-December 2020).

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 4.5% 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 (22.8% year-over-year, Source: EL.STAT., Quarterly Gross fixed capital formation by Asset, Chain-linked volumes, reference year 2010, 3rd Quarter 2020, December 2020) – signalling the end of the longest adjustment cycle in the market. The momentum in the residential construction rebound was maintained in 2019, when residential construction increased modestly by 0.4% year-over-year, and accelerated further in 9M:2020, when residential construction increased by a solid 20.2% year-over-year. In this vein, the increase in the issuance of residential construction permits of 19.9% year-over-year in 10M:2020 (Source: EL.STAT., Building activity database) presages a further strengthening in building activity in 2021, 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 2021. 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) and 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 resilience of the real estate market in 9M:2020 reflects the support from pent-up demand and limited supply of new buildings – which offset the compression of the demand from abroad (e.g. decline in transactions related to the golden visa program of 88.5% year-over-year in FY:2020, with 400 licenses issued in this period, compared with 3,500 in FY:2019, Source: General Secretariat for Immigration Policy, Reception and Asylum) – and the easing in the fiscal stance since 2019, while it is expected to limit downside risks for the real estate market through the fiscal stimulus measures adopted by the Greek government in 2020 and 2021 (such as the protection of the primary residence of vulnerable households hit by the COVID-19, the subsidization of mortgage debt servicing costs mainly for performing borrowers hit by the pandemic and the economic support to property owners that receive reduced rent). However, a lagged impact and/or a prolongation of the COVID-19-related recession could weigh on the private sector's financial position and undermine market sentiment, leading to a deterioration in the real estate market trends.

The reduction in supply and demand of mortgage loans and the protracted period of deleveraging continued until December 2020 (annual change in the outstanding stock of mortgage loans of -3.0% year-over-year in December 2020 and -3.4% year-over-year in December 2019), during which the outstanding stock of mortgage loans declined by €35.3 billion, cumulatively, to €46.1 billion in December 2020 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 2020, there was a pick-up in demand for housing loans in H2:2020, according to the latest bank lending survey (Source: Bank of Greece, Bank Lending Survey, 4th Quarter 2020, January 2021). 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 €5.5 billion between 2015 and 9M:2020 (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 coronavirus (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 late-February 2021. Against a backdrop of consensus and official forecasts for a rebound in economic activity globally, supported by the progress in the vaccination program in developed economies, downside risks to Greece's economic outlook are diminishing, with Greek GDP growth expected to decline by 9.8% year-over-year in 2020, before recovering by 4.6% year-over-year in 2021 (average of official estimates, Sources: European Commission, Winter (Interim) Forecasts, February 2021 & IMF, World Economic Outlook, October 2020). Nonetheless, the Greek economy's high dependency on inbound tourism and spending on services, which are likely to follow a more sluggish recovery path, could weaken the pace of the turnaround. The above-described macro conditions could adversely affect real estate market with a lag in 2021.

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 article 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% 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 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 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*:

- the Issuer's obligations when dealing with any cash flows arising from the Cover Pool and the Transaction Documents;
- 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;
- the terms and conditions upon which the Servicer will be obliged to sell in whole or in part the Selected Loan;
- the Issuer's right to prevent the sale by the Servicer of all or part of the Selected Loan to third parties by removing all or 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;
- the covenants of the Servicer;
- the representations and warranties of the Issuer regarding itself and the Cover Pool Assets;
- 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
- 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, *inter alia*, the prior written consent of the Trustee to the proposed arrangement has been obtained and written notification has been given to

the Rating Agencies and further provided that the Servicer 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.

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 sub-contracted 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 Back-Up Servicer Facilitator or (if there is no Back-Up Servicer Facilitator) 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 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 Back-Up Servicer Facilitator or 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.

Effect of Termination

Upon termination of the appointment of the Servicer under the Servicing and Cash Management Deed, the Servicer shall, *inter alia*, assist the Replacement Servicer to notify the Borrowers and (as applicable) the Guarantors of (a) any required transfer of the Collection Account at the direction of the Replacement Servicer, (b) the transfer of the Collection Account from the Servicer to the Replacement Servicer or, if the Replacement Servicer is not a credit institution for the purposes of Greek Banking Legislation, to the credit institution appointed by the Replacement Servicer and to instruct them to make payments under the Loans into the Issuer Collection Account held with the Replacement Servicer or the credit institution appointed by such Replacement Servicer (if applicable).

“Insolvency Event” means in respect of the Servicer (a) an order is made or an effective resolution passed for the winding up of the relevant entity; or (b) 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 (c) 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 (d) the relevant entity is unable to pay its debts as they fall due; or (e) a creditors’ collective enforcement procedure is commenced against the Servicer (including such procedure under the Bankruptcy Code , the appointment of an administrator pursuant to article 137 of Greek Banking Legislation, the order for the implementation of any other resolution measure under article 2 of Greek law 4335/2015 or the placing under special liquidation pursuant to article 145 of the Greek Banking Legislation, as applicable, 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 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) 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 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 removal or substitution (as the case may be) (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 substitution).

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, the Servicer shall be obliged to sell Loans and their Related Security in the Cover Pool in respect of the relevant Series of Pass-Through Covered Bonds on 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 pre-emption 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 any such sale would not result in the Amortisation Test being breached to a greater extent on or before the First Refinance Date). Where the Servicer is not the same entity as the Issuer, the Issuer will provide the Servicer with such powers of attorney as the Servicer may require in order to allow the Servicer to discharge its obligations under the Servicing and Cash Management Deed.

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 or part of the Selected Loans to third parties, by removing all or 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 thereto to the Transaction Account.

If the Issuer validly accepts the Servicer’s offer to remove all or 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 ten 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**”).

Upon receipt of the Selected Loan Removal Notice duly signed on behalf of the Servicer, the Issuer shall promptly and in any event within two Athens Business Days (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 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) ten 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 and the Trustee 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 the Selected Loans and their Related Security in accordance with above or the sale 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.

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 from the Cover Pool in the manner and on the terms set out in the Servicing and Cash Management Deed.

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 on or prior to each Refinance Date thereafter and the Servicer will be required to ensure that before offering such 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 €150 million or the Euro Equivalent Amount, such Selected Loans to be sold together have an Outstanding Principal Balance of at least €150 million; and
 - (iii) following the sale of the Selected Loans, not less than 5% 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 Ledgers) 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 Ledgers) (excluding all amounts to be applied to pay or provide for the Series Share of Expenses on the next following Cover Pool Payment Date and excluding any amounts which have been set aside to pay any Series of Covered Bonds) and all Sale Proceeds received from the sale of other Selected Loans or removal of Selected Loans under the rights of pre-emption.

For the purposes hereof:

“**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 $\times (1 + \text{Negative Carry Factor} \times (\text{days to next Int Payment Date when the relevant Series can be redeemed}/365))$

Where “**Negative Carry Factor**” means a percentage (which will never be less than 0.50%) calculated by reference to the weighted average margin of the Covered Bonds.

“**Euro Equivalent**” means (i) in relation to a Series of Covered Bonds (including any calculations of the Required Redemption Amount of such Series of Covered Bonds) which is denominated in (a) a currency other than Euro, the Euro equivalent of such amount ascertained using either the relevant Covered Bond Swap Rate (if applicable) relating to such Series of Covered Bonds or, if available, the Established Rate or, if no Covered Bond Swap Rate and no Established Rate is available, the relevant spot rate and (b) Euro, the applicable amount in Euro and (ii) in relation to any Loans which are denominated in (a) a currency other than Euro, the Euro equivalent of such amount ascertained using either the relevant spot rate or, if available, the Established Rate and (b) Euro, the applicable amount in Euro.

The Servicer will offer the Selected Loans for sale to third parties for the best price reasonably available but 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 to be applied on the next following Cover Pool Payment Date to pay or repay higher ranking amounts in the Post Issuer Event Priority of Payments and those amounts that are required to repay any Series of Covered Bonds which mature prior to or on the same date as 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.

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 the Conditions) 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.

In respect of any sale of Selected Loans and their Related Security following the occurrence of an Issuer Event which is continuing, 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 the Servicing and Cash Management Deed.

The Trustee, or its authorised attorney, will not be required to release the Selected Loans and their Related Security from the Registration Statement unless the conditions for Security release under applicable law (other than the Statutory Pledge) are satisfied.

Following the occurrence of an Issuer Event which is continuing, if third parties accept the offer or offers from the Servicer so that some or all of the Selected Loans shall be sold 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 or the Issuer in respect of the Loans and their Related Security unless expressly agreed by the Servicer.

Amendment to definitions

Under the Servicing and Cash Management Deed, the parties have agreed that, subject to compliance with the terms of the Servicing and Cash Management Deed, 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, *inter alia*, including in the Cover Pool, Cover Pool Assets which are New Asset Types and/or changes to the hedging policies or servicing and collection procedures of NBG.

Any such amendment may be effected provided that Moody's (to the extent it is rating any Covered Bonds at that time) confirm in writing to the Issuer that the then current ratings of any outstanding Series of Covered Bonds is not adversely affected or withdrawn as a result thereof (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 amendment).

General Reserve Ledgers

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 sufficient to cause the General Reserve Ledger to have a balance equal to the General Reserve Required Amount into the 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 (v) (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 (v) of the Post-Issuer Event Priority of Payments;
- (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, prior to service of a Notice of Default, for the quarters ending on each of 31 March, 30 June, 30 September and 31 December with a view to confirmation of compliance by the Issuer with the Statutory Tests.

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 have failed on the Applicable Calculation Date (where the Servicer had recorded it as being satisfied), or the Nominal Value or the Net Present Value is mis-stated by an amount exceeding 2.0% of the Nominal Value (as at the date of the relevant Nominal Value Test), the Asset Monitor will be required to conduct such tests following each Calculation Date for a period of six months thereafter.

In addition, the Asset Monitor has agreed to carry out the determinations and procedures provided for in paragraphs I.8 and IV.1(a) of the Secondary Covered Bond Legislation and shall include the result of such determinations and procedures in the Asset Monitor Report.

The Asset Monitor is entitled to assume that all information provided to it by the Servicer for conducting such tests is true and correct and not misleading, and is not required to conduct a test or otherwise take

steps to verify the accuracy 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 minimum once per annum.

The Issuer or the Servicer, as applicable, will pay to the Asset Monitor a 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 replacement to be approved by the Trustee (such approval to be given 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 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 replacement (such replacement to be approved by the Trustee (such approval to be given 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. If a replacement 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 any circumstances.

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 entered into on the Programme Closing Date (and as amended and restated from time to time) 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 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) of the Conditions 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 foregoing provisions 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 Conditions above.

Deed of Charge

Pursuant to the terms of the Deed of Charge entered into on the Programme Closing Date (and as amended and restated from time to time) 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, interest and benefits of the Transaction Account, the Swap Collateral Accounts and each other account (if any) in which the Issuer may at any time have or acquire any right, title, benefit or interest and which forms part of the Cover Pool (or amounts standing to the credit of such account forms part of the Cover Pool) (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 91, 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 91 of Greek Law 3601/2007. The proceeds of any such enforcement of the Deed of Charge and paragraph 10 of article 91 of Greek Law 3601/2007 will be required to be applied in accordance with the order of priority set out in the Post-Cover Pool 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 91 of Greek Law 3601/2007 (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-Cover Pool 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) the payments to be made 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 may 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 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 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:

- 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 Adjusted Required Redemption Amount for the sale of the Selected Loans; or
- 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 6.7 (*Purchases*).

Law and Jurisdiction

The Covered Bond Swap Agreement (and each Covered Bond Swap thereunder) will be governed by English law.

FX Swap Agreements

Some of the Loan Assets in the Cover Pool may be denominated in a currency other than euro and will either pay a variable rate of interest for a period of time that may either be linked to a specified interest rate, such as LIBOR or a rate that tracks a specific base rate or will pay a fixed rate of interest for a period of time. As noted above, the Issuer will make payments to each Covered Bond Swap Provider in euro. To provide a hedge against the possible variance between:

- (a) the currency of the relevant Loan Assets and the rates of interest payable on such Loan Assets in the Cover Pool; and
- (b) the euro payments to be made by the Issuer under the Covered Bond Swaps,

the Issuer, the provider of the fx swap (each such provider, an “**FX Swap Provider**”) and the Trustee may enter into one or more fx swap transactions in respect of the Loans in the Cover Pool which are denominated in a currency other than euro under one or more FX swap agreements (each, an “**FX Swap Agreement**”) and each such transaction an “**FX Swap**”).

Under the terms of each FX Swap, in the event that the relevant rating of the FX Swap Provider or any guarantor of the FX Swap Provider's obligations is downgraded by that Rating Agency below the rating specified in the FX Swap Agreement (in accordance with the requirements of that Rating Agency) for the FX Swap Provider or any guarantor of the FX Swap Provider's obligations, the FX Swap Provider may, in accordance with the FX Swap Agreement, be required to take certain remedial measures which may include providing collateral for its obligations in respect of the FX Swaps, arranging for its obligations under the FX Swaps to be transferred to an entity with ratings required by the relevant Rating Agency, procuring another entity with the ratings required by that Rating Agency to become co-obligor or guarantor in respect of its obligations under the FX Swaps (such guarantee to be provided in accordance with then current guarantee criteria of that Rating Agency), or taking such other action as it may agree with that Rating Agency. A failure to take such steps within the periods set out in the FX Swap Agreement may, subject to certain conditions, allow the Issuer to terminate the FX Swap Agreement.

The FX Swap Agreement may also be terminated in certain other circumstances, together with any other events of default and termination events set out in the FX Swap Agreement (each referred to as an “**FX Swap Early Termination Event**”), which may include:

- at the option of a party to the FX Swap Agreement, if there is a failure by the other party to make timely payments of any amounts due under the FX Swap Agreement; and
- at the option of the Issuer, upon the occurrence of the insolvency of the FX Swap Provider or any guarantor of the FX Swap Provider's obligations, or the merger of the FX Swap Provider without an assumption of its obligations under the FX Swap Agreement.

Upon the termination of a FX Swap pursuant to an FX Swap Early Termination Event, the Issuer or the FX Swap Provider may be liable to make a termination payment to the other in accordance with the provisions of the FX Swap Agreement. The amount of this termination payment will be calculated and made in euro. Any termination payment made by the FX Swap Provider to the Issuer in respect of an FX Swap will first be used (prior to the occurrence of an Issuer Event) to pay a replacement FX Swap Provider to enter into a replacement FX Swap with the Issuer, unless a replacement FX Swap has already been entered into on behalf of the Issuer. Any premium received by the Issuer from a replacement FX Swap Provider in respect of a replacement FX Swap will first be used to make any termination payment due and payable by the Issuer with respect to the previous FX 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 FX Swap will first be used to reimburse the relevant FX 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 FX Swap.

If a withholding or deduction for or on account of taxes is imposed on payments made by the FX Swap Provider to the Issuer under the FX Swaps, the FX 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 FX Swap Provider under the FX Swaps, the Issuer shall not be obliged to gross-up those payments.

The FX Swap Provider may transfer all its interest and obligations in and under the relevant FX Swap Agreement to a transferee with the minimum ratings in line with the criteria 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 FX Swap Provider directly and not via the Priorities of Payments.

The FX Swap Provider may transfer all its interest and obligations in and under the relevant FX Swap Agreement to a transferee with minimum ratings in line with the criteria of the Rating Agencies, without any prior written consent of the Trustee, subject to certain conditions. The terms of an FX Swap Agreement may provide that 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:

- (a) require that the FX 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 Adjusted Required Redemption Amount for the sale of the Selected Loans; or

- (b) request that the FX 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 FX Swap transaction with the FX Swap Provider.

Law and Jurisdiction

Each FX Swap Agreement is (and each FX Rate 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 (and as amended and restated from time to time) 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 long-term issuer default rating of the Account Bank falls below A- by S&P or if the short-term, unsecured, unsubordinated and unguaranteed debt obligation rating of the Account Bank falls below P-1 by Moody's (or such other ratings that may be agreed between the parties to the Bank Account Agreement and the relevant Rating Agency from time to time), 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 then rating any Covered Bonds) of its obligations under the Bank Account Agreement from a financial institution having the long-term issuer default ratings at least equal to A- by S&P and the short-term, unsecured, unsubordinated and unguaranteed debt obligation rating at least equal to P-1 by Moody's and provided that Moody's (to the extent it is rating any Covered Bonds at the time) has provided confirmation in writing that the ratings on the Covered Bonds would not be adversely affected thereby (and in the case of any other Rating Agency, such Rating Agency has been notified), 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 financial institution with a long-term issuer default rating of at least A- by S&P and a short-term, unsecured, unsubordinated and unguaranteed debt obligations are rated at least P-1 by Moody's and which is an authorised financial institution under the Financial Services and Markets Act 2000 (as amended).

The costs arising from any remedial action taken by the Account Bank, following its long-term issuer default rating ceasing to be rated at least A- by S&P or its short-term, unsecured, unsubordinated and unguaranteed debt obligation rating ceasing to be rated at least P-1 by Moody's (or such other ratings that may be agreed between the parties to the Servicing and Cash Management Deed and each Rating Agency then rating any Covered Bonds at the time) 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).

Any Custody Agreement entered into is governed by English law.

Issuer-ICSDs Agreement

The Issuer has entered into an Issuer-ICSDs Agreement with Euroclear Bank SA/NV 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 paragraph 1 of Law 4261/2014, 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%, with a tax free bracket of €12,000 and a top marginal rate of 10%.

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 21 June 2010, as amended and restated from time to time (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 a 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 15 of the Final Terms. On 27 September 2017 the Parties entered into an amended and restated Programme Agreement, whereby UBS acceded to the aforementioned as Arranger and Dealer.

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 Retail Investors

Unless the Final Terms in respect of any Covered Bonds specifies the “Prohibition of Sales to EEA Retail Investors” as “Not 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, 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. 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 Regulation (EU) 2017/1129 (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

Prohibition of sales to UK Retail Investors

Unless the Final Terms in respect of any Covered Bonds specifies “Prohibition of Sales to UK Retail Investors” as “Not 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, 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 in relation thereto to any retail investor 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 (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (“**EUWA**”); or
 - (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or
 - (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA (the “**UK Prospectus Regulation**”); and
- (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 to be offered so as to enable an investor to decide to purchase or subscribe for the Covered Bonds.

Other regulatory restrictions

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 4706/2020, as in force. 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 1 paragraph 4 of the Prospectus Regulation and article 58 par. 1 of Greek Law 4706/2020 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 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), 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 dated 26 May 2010.

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/or 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

Save for the impact of the COVID-19 pandemic on the Bank and the Group (as further described in the sections of the Base Prospectus headed “*Risk Factors - The Group is subject to risks related to the future evolution of and response to the COVID-19 pandemic that may materially and adversely affect its business, results of operations, prospects and financial condition*” and “*The Issuer - COVID-19 outbreak*”), there has been no material adverse change in the prospects of the Bank or the Group since 31 December 2019. There has been no significant change in the financial performance or financial position of the Bank or the Group since 30 September 2020.

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 as at and for the years ended 31 December 2018 and 31 December 2019 (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 2020 (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 2020 (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%AC15billioncoveredbondprogrammeii>.

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 SA/NV, 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 Group and Bank 2019 Annual Financial Statements and 2018 Annual Financial Statements prepared in accordance with International Financial Reporting Standards as endorsed by the EU as at and for the years ended 31 December 2019 and 31 December 2018 incorporated by reference in this Base Prospectus have been audited by PricewaterhouseCoopers S.A., being certified public accountants. PricewaterhouseCoopers S.A. are members of the Body of Certified Public Accountants in Greece (SOEL) and are also registered with the Public Company Accounting Oversight Board (PCAOB) and Hellenic Accounting and Auditing Oversight Board (ELTE).

With respect to the Group and Bank 2020 June Interim Financial Statements included in this Base Prospectus, PricewaterhouseCoopers S.A. reported that they have applied limited procedures in accordance with professional standards for the review of such information. However, their separate report dated 7 August 2020 appearing herein state that they did not audit and they do not express an opinion on that unaudited financial information. Accordingly, the degree of reliance on their report on such information should be restricted in light of the limited nature of the review procedures applied.

Any websites included in the Base Prospectus are for information purposes only and do not form part of the Prospectus.

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