BASE PROSPECTUS

NATIONAL BANK OF GREECE S.A.

(incorporated with limited liability in the Hellenic Republic)

€5,000,000,000 Global Medium Term Note Programme

Pursuant to the Global Medium Term Note Programme (the **Programme**) National Bank of Greece S.A. (the **Bank** or the **Issuer**, and with its subsidiaries, the **Group**) may from time to time issue Notes in bearer or registered form denominated in any currency agreed between the Issuer and the relevant Dealer (as defined below).

This base prospectus (the **Base Prospectus**) has been approved as a base prospectus by the *Commission de Surveillance du Secteur Financier* (the **CSSF**), as competent authority under Regulation (EU) 2017/1129 (the **Prospectus Regulation**). 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. Approval by the CSSF should not be considered as an endorsement of the Issuer or of the quality of the Notes. Investors should make their own assessment as to the suitability of investing in the Notes. 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 Bank. Application has been made to the Luxembourg Stock Exchange for Notes 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 Notes being **listed** (and all related references) shall mean that such Notes have been admitted to trading on the Luxembourg Stock Exchange's regulated market and have been admitted to 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 Notes to be issued on the basis that they will not 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 Notes from time to time outstanding under the Programme will not exceed €5,000,000,000 (or its equivalent in other currencies calculated as described herein).

This Base Prospectus (as supplemented as at the relevant time, if applicable) is valid for 12 months from its date in relation to Notes 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.

Notice of the aggregate nominal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes and certain other terms and conditions not contained herein as well as any information which is applicable to each Tranche (as defined under "*Terms and Conditions of the Notes*") of Notes will be set out in a final terms document (the **Final Terms**) which, with respect to Notes to be listed on the Luxembourg Stock Exchange, will be filed with the CSSF. Copies of Final Terms in relation to Notes to be listed on the Luxembourg Stock Exchange will also be published on the website of the Luxembourg Stock Exchange (www.bourse.lu).

The Notes have not been nor will be registered under the U.S. Securities Act of 1933, as amended (the **Securities Act**) or any U.S. State securities laws and may not be offered or sold in the United States or to, or for the account or the benefit of, U.S. persons unless an exemption from the registration requirements of the Securities Act is available and in accordance with all applicable securities laws of any state of the United States and any other jurisdiction. Notes are subject to certain restrictions on transfer, see "*Forms of the Notes and Transfer Restrictions Relating to U.S. Sales*" and "*Subscription and Sale*" below.

The Notes 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 Notes 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 Notes subscribed by one Dealer, be to such Dealer.

Notes of each Tranche will initially be represented by either a Temporary Global Note, a Permanent Global Note, an Unrestricted Global Note and/or a Restricted Global Note (each as defined below), in each case as indicated in the applicable Final Terms (as defined herein). Temporary Global Notes and Permanent Global Notes may also be issued in new global note form, and Registered Notes that are held through Euroclear Bank SA/NV (**Euroclear**) and Clearstream Banking S.A. (**Clearstream, Luxembourg**) may also be held under the new safekeeping structure (**NSS**). See "*Forms of the Notes and Transfer Restrictions Relating to U.S. Sales*" below.

Investing in Notes issued under the Programme involves certain risks. The principal risk factors that may affect the ability of the Bank to fulfil its obligations in respect of the Notes are discussed under "*Risk Factors*" below.

The Bank has been rated CCC+ for long-term debt and C for short-term debt by Fitch Ratings Limited (**Fitch**), Caa1 for long-term debt and NP for short-term debt by Moody's Investors Service Limited (**Moody's**) and B for long-term debt and B for short-term debt by S&P Global Ratings, a division of S&P Global Inc. (**S&P**). Each of Fitch, Moody's and S&P is established in the European Union and is registered under the Regulation (EC) No. 1060/2009 (as amended) (the **CRA Regulation**). As such each of Fitch, Moody's and S&P is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website (at http://www.esma.europa.eu/page/List-registered-and-certified-CRAs) in accordance with the CRA Regulation.

Notes issued under the Programme may be rated by any one or more of the rating agencies referred to above or unrated. Where a Tranche of Notes is rated, such rating will be disclosed in the Final Terms. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

Amounts payable on the Floating Rate Notes and/or the Fixed Reset Notes may be calculated by reference to certain reference rates which may constitute benchmarks for the purposes of Regulation (EU) No. 2016/1011 (the **Benchmarks Regulation**), including one of LIBOR or EURIBOR, as

specified in the relevant Final Terms with respect to Floating Rate Notes or the semi-annual or annual swap rate, as the case may be, for swap transactions in the Specified Currency (as specified in the relevant Final Terms) with respect to Fixed Reset Notes. As at the date of this Base Prospectus, the ICE Benchmark Administration (as administrator of LIBOR) and the European Money Markets Institute (as administrator of EURIBOR) are included in the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority (**ESMA**) under Article 36 of the Benchmarks Regulation. If the semi-annual or annual swap rate, as the case may be, for swap transactions in the Specified Currency (as specified in the relevant Final Terms) with respect to Fixed Reset Notes constitutes a benchmark, the relevant Final Terms will indicate whether or not the benchmark is provided by an administrator included in the register of administrators and benchmarks established and maintained by ESMA under Article 36 of the Benchmarks Regulation.

Arrangers and Dealers

Morgan Stanley **National Bank of Greece S.A.**

The date of this Base Prospectus is 19 December 2019.

IMPORTANT INFORMATION

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

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 Bank 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 Bank or any Dealer.

Certain information under the heading "*Forms of the Notes and Transfer Restrictions Relating to U.S. Sales – Book-Entry System*" has been extracted from information provided by the clearing systems referred to therein. The Bank confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by the relevant clearing systems, no facts have been omitted which would render the reproduced information inaccurate or misleading.

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.

Neither the Dealers 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 Note shall, in any circumstances, create any implication 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 Bank 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.

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

The distribution of this Base Prospectus and any Final Terms and the offering, sale and delivery of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Base Prospectus or any Final Terms comes are required by the Bank and each of the Dealers to inform themselves about and to observe any such restrictions. For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of this Base Prospectus or any Final Terms and other offering material relating to the Notes, see "*Subscription and Sale*" below. In particular, the Notes have not been nor will be registered under the Securities Act and the Notes may include Bearer Notes that are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons. Notes may be offered and sold outside the United States to persons who are not U.S. persons in reliance on Regulation S under the Securities Act (**Regulation S**) and, in the case of Registered Notes, in the United States to qualified institutional buyers (as defined in Rule 144A under the Securities Act (**Rule 144A**), each a **QIB**) in reliance on Rule 144A or another applicable exemption from registration under the Securities Act. In addition, prospective purchasers of Notes are hereby notified that a seller of Notes may be relying on the exemption from the registration requirements of Section 5 of the Securities Act provided by Rule 144A.

Neither this Base Prospectus nor any other information supplied in connection with the Programme or any Notes (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 Bank or any of the Dealers that any recipient of this Base Prospectus or any other information supplied in connection with the Programme or any Notes should purchase any Notes. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Bank. Neither this Base Prospectus nor any other information supplied in connection with the Programme or the issue of any Notes constitutes an offer or invitation by or on behalf of the Bank or any of the Dealers to any person to subscribe for or to purchase any Notes.

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

Neither the delivery of this Base Prospectus nor the offering, sale or delivery of any Notes shall in any circumstances imply that the information contained in it concerning the Bank 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 Bank during the life of the Programme or to advise any investor in Notes issued under the Programme of any information coming to their attention.

PRIIPS / IMPORTANT – EEA RETAIL INVESTORS – If the Final Terms in respect of any Notes includes a legend entitled "*Prohibition of sales to EEA Retail Investors*", the Notes 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 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 (the **Insurance Distribution Directive**), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the **PRIIPs Regulation**) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

MiFID II product governance / target market – The Final Terms in respect of any Notes will include a legend entitled "*MiFID II product governance*" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (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 Notes (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 Notes is a manufacturer in respect of such Notes, 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.

Notification under Section 309B of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the **SFA**) **and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore** (the **CMP Regulations 2018**) **–** Unless otherwise specified before an offer of Notes, the Issuer has determined, and hereby notifies all relevant persons (as defined in section 309A(1) of the SFA), that all Notes issued or to be issued under the Programme shall be prescribed capital markets products (as defined in the CMP Regulations 2018) and Excluded Investment Products (as

defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

The Notes have not been approved or disapproved by the United States Securities and Exchange Commission or any other securities commission or other regulatory authority in the United States, nor have the foregoing authorities approved this Base Prospectus or confirmed the accuracy or determined the adequacy of the information contained in this Base Prospectus. Any representation to the contrary is unlawful.

The maximum aggregate principal amount of Notes outstanding at any one time under the Programme will not exceed €5,000,000,000 (and for this purpose, any Notes denominated in another currency shall be translated into euro at the date of the agreement to issue such Notes (calculated in accordance with the provisions of the Programme Agreement)). The maximum aggregate principal amount of Notes 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*".

CERTAIN DEFINED TERMS AND CONVENTIONS

Capitalised terms which are used but not defined in any particular section of this Base Prospectus will have the meaning attributed to them in "*Terms and Conditions of the Notes*" or any other section of this Base Prospectus. In addition, the following terms as used in this Base Prospectus have the meanings defined below.

In this Base Prospectus, unless otherwise specified, references to a **Member State** are references to a Member State of the European Economic Area, references to **U.S.$**, **U.S. dollars** or **dollars** are to United States dollars 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 pursuant to the Treaty on the Functioning of the European Union, as amended.

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

ALTERNATIVE PERFORMANCE MEASURES

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

In particular:

(a) *Adjusted loans*. For the year ended 31 December 2017, the Group defined "adjusted loans" or "adjusted loans and advances to customers", as loans and advances to customers excluding the amortizing 30-year loan to the Hellenic Republic with a principal amount of approximately €5.4 billion expiring in September 2037 (the **Hellenic Republic Loan**). The Group defined "adjusted loans before allowance for impairment" as loans and advances to customers before allowance for impairment on loans and advances to customers and excluding the Hellenic Republic Loan. Adjusted loans amounted to €32,068 million as at 31 December 2017. Adjusted loans before allowance for impairment amounted to €42,307 million as at 31 December 2017. However, upon adoption of IFRS 9 on 1 January 2018, the entire agreement with the Hellenic Republic (the **Entire Agreement**), which includes the Hellenic Republic Loan, did not pass the "SPPI" (solely payments of principal and interest) test and was mandatorily classified at "FVTPL" (fair value through profit and loss)

within "financial assets at FVTPL" and therefore not included in the loans and advances to customers.

(b) *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;

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

(d) *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.

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

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

Investors should be aware that:

- these financial measures are not recognised as a measure of performance under IFRS; and
- they are used by management to monitor the underlying performance of the business and operations but are not indicative of the historical operating results of the Bank, 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.

SUITABILITY OF INVESTMENT

The Notes may not be a suitable investment for all investors. Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor may wish to consider, either on its own or with the help of its financial and other professional advisers, whether it:

(a) has sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Base Prospectus or any applicable supplement;

(b) has access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;

(c) has sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes where the currency for principal or interest payments is different from the potential investor's currency;

(d) understands thoroughly the terms of the Notes and is familiar with the behaviour of financial markets; and

(e) is able to evaluate possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Legal investment considerations may restrict certain investments. 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 (a) Notes are legal investments for it, (b) Notes can be used as collateral for various types of borrowing and (c) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

STABILISATION

In connection with the issue of any Tranche of Notes, 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 Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of thirty (30) days after the issue date of the relevant Tranche of Notes and sixty (60) days after the date of the allotment of the relevant Tranche of Notes. 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.

U.S. INFORMATION

This Base Prospectus may be submitted on a confidential basis in the United States to a limited number of QIBs for informational use solely in connection with the consideration of the purchase of certain Notes issued under the Programme. Its use for any other purpose in the United States is not authorised. It may not be copied or reproduced in whole or in part nor may it be distributed or any of its contents disclosed to anyone other than the prospective investors to whom it is originally submitted.

The Notes 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 United States persons, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and the regulations promulgated thereunder.

Registered Notes may be offered or sold within the United States only to QIBs in transactions exempt from registration under the Securities Act in reliance on Rule 144A or any other applicable exemption. Each U.S. purchaser of Registered Notes is hereby notified that the offer and sale of any Registered Notes to it may be being made in reliance upon the exemption from the registration requirements of Section 5 of the Securities Act provided by Rule 144A.

Each purchaser or holder of Notes represented by a Restricted Global Note or any Notes issued in registered form in exchange or substitution therefor (together **Legended Notes**) will be deemed, by its acceptance or purchase of any such Legended Notes, to have made certain representations and agreements intended to restrict the resale or other transfer of such Notes as set out in "*Forms of the Notes and Transfer Restrictions Relating to U.S. Sales*". Unless otherwise stated, terms used in this paragraph have the meanings given to them in "*Forms of the Notes and Transfer Restrictions Relating to U.S. Sales*".

AVAILABLE INFORMATION

To permit compliance with Rule 144A under the Securities Act in connection with any resale or other transfers of Notes that are "Restricted Securities" (as defined in Rule 144(a)(3) under the Securities Act), the Bank will furnish, upon the request of a holder of such Notes or of a beneficial owner of an interest therein, to such holder or beneficial owner or to a prospective purchaser designated by such holder or beneficial owner, the information required to be delivered under Rule 144A(d)(4) under the Securities Act and will otherwise comply with the requirements of Rule 144A(d)(4) under the Securities Act, if, at the time of such request, any of the relevant Notes remain outstanding as "restricted securities" within the meaning of Rule 144(a)(3) of the Securities Act and the Bank is not a reporting company under Section 13 or Section 15(d) of the United States Securities Exchange Act of 1934, as amended (the **Exchange Act**), nor exempt from reporting pursuant to Rule 12g3-2(b) under the Exchange Act.

SERVICE OF PROCESS AND ENFORCEMENT OF CIVIL LIABILITIES

The Bank is incorporated under the laws of the Hellenic Republic. All of the officers and directors named herein reside outside the United States and all or a substantial portion of the assets of the Bank and of such officers and directors are located outside the United States. As a result, it may not be possible for investors to effect service of process outside the Hellenic Republic upon the Bank or such persons, or to enforce judgments against them obtained in courts outside the Hellenic Republic predicated upon civil liabilities of the Bank or such directors and officers under laws other than the Hellenic Republic, including any judgment predicated upon United States federal securities laws.

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*", "*Description of the Group*" 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 Bank has based these forward-looking statements on their management's current expectations and projections about future events. These forward-looking statements are subject to risks, uncertainties and assumptions about the Group, including, among other things:

- Recessionary pressure and uncertainty resulting from the Hellenic Republic's economic crisis;
- Hellenic Republic's commitment to achieve very demanding fiscal targets for a protracted period and legacy effects from the economic crisis may impose further constraints on economic activity in Greece;
- The effort to restore conditions of economic normalcy in the Hellenic Republic and enhance its 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;
- Domestic political uncertainty has weighed on financial and economic conditions in the previous years and there can be no assurances that political uncertainty could not arise in the future, thus having a material adverse impact on the Group's business, results of operations, financial condition or prospects;
- If additional European Central Bank (**ECB**) or Emergency Liquidity Assistance (**ELA**) funding is needed in the future it will be subject to ECB rules relating to the eligibility and valuation of collateral used for funding such as Greek government bonds;
- Deteriorating asset valuations may adversely affect the Group's business, results of operations and financial condition and may limit the Group's ability to post collateral for Eurosystem funding purposes;
- High outflows of funds from customer deposits could cause an increase in the Group's costs of funding;
- The sufficiency of the Bank's level of capital if economic conditions in Greece do not improve or if they deteriorate further;
- The Group's need for additional capital and liquidity as a result of regulatory changes;
- The Bank's wholesale borrowing costs and access to liquidity and capital may be negatively affected by, and there may be further material adverse consequences of, any future downgrades of the Hellenic Republic's credit rating;
- A resurgence of default risks for the Hellenic Republic;
- Continuing recognition of the main part of deferred tax assets (**DTAs**) as regulatory capital or as an asset;
- The Bank's ability to continue as a "going concern";
- Constraints to the Bank's operational autonomy as a recipient of State Aid;
- The ability of the Hellenic Financial Stability Fund (**HFSF**), as shareholder, to exercise significant influence over the Group's operations;
- The high level of NPEs has had and may continue to have in the future a negative impact on the Group's operations;
- The Group's loan portfolio may continue to contract;
- Disruptions and volatility in the global financial markets;

- Market fluctuations and volatility which affect the Group's trading and investment activities;
- Volatility in interest rates which may negatively affect the Group's net interest income;
- Competition from Greek and foreign banks;
- The loss of senior management and the inability to recruit or retain experienced and/or qualified personnel;
- Fraud and illegal activities of any form;
- Future pension and post-employment benefit liabilities;
- The Bank's assumptions, judgments and estimates may change over time or may not be accurate, impacting the value of certain financial instruments recorded at fair value;
- Credit risk, market risk, liquidity risk, operational risk and insurance risk;
- Risk that economic hedging may not prevent losses;
- Increasing risk of continually evolving cyber security or other technological risks;
- Increasingly complex regulation which may increase the Group's compliance costs and capital requirements;
- The Group is subject to the European resolution framework which has been implemented and may result in additional compliance or capital requirements and will dictate the procedure for the resolution of the Group;
- Application of the Minimum Requirements for Own Funds and Eligible Liabilities (**MREL**) under the Bank Recovery and Resolution Directive (Directive 2014/59/EU, as amended, the **BRRD**) may affect the Group's profitability;
- Laws governing the bankruptcy of individuals or otherwise settlement of debts owed by individuals and regulations governing creditors' rights in Greece and various South Eastern Europe (**SEE**) countries may limit the Group's ability to receive payments on past due loans, and anticipated changes to such laws may not have the desired effect; and
- other factors described under "*Risk Factors*".

The Bank 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 Bank believes that the following factors may affect its ability to fulfil its obligations under Notes issued under the Programme.

In addition, factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme are also described below.

The Bank believes that the factors described below represent the principal risks inherent in investing in Notes issued under the Programme, but the inability of the Bank to pay interest, principal or other amounts on or in connection with any Notes 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.

The risk factors relating to the Group are deemed to cover the Bank.

FACTORS THAT MAY AFFECT THE ABILITY OF THE BANK TO FULFIL ITS OBLIGATIONS UNDER NOTES ISSUED UNDER THE PROGRAMME

The Notes will constitute unsecured obligations of the Issuer. A purchaser of Notes relies on the creditworthiness of the Bank and no other person. Investment in the Notes involves the risk that subsequent changes in the actual or perceived creditworthiness of the Bank may adversely affect the market value of the Notes.

Risks Relating to the Hellenic Republic's Economic Crisis

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

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

Following almost eight years of recession in the period 2008 to 2016, Gross Domestic Product (**GDP**) growth in Greece entered positive territory in 2017 and accelerated further in 2018 (with annual growth rates of 1.4% year-over-year and 1.9% year-over-year, respectively), despite the tighter-than-initially expected fiscal conditions due to the significant over performance in both years against the fiscal targets of the European Stability Mechanism (**ESM**) stability support programme (**Third Programme**). Economic activity remained on an upward trend in the first half of 2019, continuing to overperform against the respective budget targets (Sources: EL.STAT., Quarterly National Accounts, 2nd Quarter 2019 and Ministry of Finance, State Budget Execution Monthly Bulletin, October 2019). The unemployment rate followed a steadily downward trend declining to a 7-year low of 16.7% in August 2019 from 18.5% in December 2017 and a peak of 27.7% in September 2013 (Source: EL.STAT., Labour Force Survey (LFS), August 2019 and Labour Force Survey database). 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 asset valuations started to recover in 2018, with the improvement gaining additional traction in October 2019, when the yields of the Greek government bonds declined sharply to all-time lows, also bolstered by supportive financial conditions in the euro area. The Hellenic Republic re-

accessed the markets in the period 2018-2019, at increasingly competitive terms, raising a total €12 billion through the issuance of 5-year, 7-year and 10-year bonds (Sources: Athens Exchange (Athexgroup), Press Release "Hellenic Republic – Press points for 7year new GGB", 8 February 2018 and Public Debt Management Agency, Announcement on the issuance of 5-year bond, 1 February 2019, Announcement on the issuance of 10-year GGB, 5 March 2019, Announcement on the issuance of 7-year GGB, 16 July 2019 and Announcement on the reopening of 10-year GGB, 8 October 2019). On this note, equity and real estate valuations recorded strong gains over the course of 2019, starting from a very low basis. Moreover, the total lift on 1 September 2019 of the remaining restrictions on capital outflows and deposit withdrawals (**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 (+1.9% year-over-year in September 2019) and increasing inflows of foreign direct investment of €6.8 billion cumulatively in the period 2017 to 2018 and €2.7 billion in August 2019 (Source: Bank of Greece, Monetary and Banking Statistics and Bank of Greece, Balance of Payments Statistics).

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

The Third Programme was activated on 19 August 2015 against a backdrop of severe economic uncertainty, intensifying liquidity tensions and capital flight that appeared to threaten the membership of the Hellenic Republic in the European Monetary Union and the European Union (**EU**) and gave rise to a new recessionary spiral, following a cumulative contraction in economic activity of 25.9% year-over-year between 2008 and 2014 (Source: EL.STAT., Quarterly National Accounts, 2nd Quarter 2019). In this environment, the Greek government officially requested financial assistance from the EU on 10 July 2015 (Source: European Commission's proposal for a council implementation decision on granting short term European Union financial assistance to Greece under a new programme from the ESM). On 19 August 2015 the Hellenic Republic entered into a Memorandum of Understanding (**MoU**) with the European Commission (**EC**) and the ESM for the provision of further stability support accompanied by the Third Programme.

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

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

In addition, there are still risks relating, *inter alia,* to Greece's medium and longer term potential growth prospects, the sustainability of fiscal performance over a longer time horizon, as well as adverse developments in global financial markets and external demand conditions, as the dependency of Greece's economic performance on exports of goods and tourism increased significantly in previous years (increase in the share of exports of goods and services (including inbound tourism) in GDP of 34.6% in the first half of 2019 and 34.0% in 2018 from 20.0% in 2009 (Source: EL.STAT., Quarterly National Accounts Statistics).

There are still considerable risks surrounding the Greek economy's prospects, along with a slow improvement in liquidity conditions and the above mentioned external sources of risk, continue to exert pressures on private sector consumption, as well as delay investments and capital spending decisions. The Group's business activities are dependent on the level of banking, finance and 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.

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

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

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

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

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

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

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

Finally, the increasing export orientation of the country during the crisis years along with the relatively high amounts of public debt refinancing needs in the long run (beyond 2032), demonstrate that the economy's performance is highly dependent on external economic and financial conditions and thus, sensitive to exogenous shocks.

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

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

Over the past nine years, 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 three Enhanced Surveillance reports (released on 21 November 2018, 27 February 2019 and 5 June 2019) acknowledged Greece's progress achieved in certain areas. However, the third report (June 2019) pointed out that the pace of reform implementation in certain policy areas has slowed down during the first half of 2019 and referred to the risk that most of the remaining commitments will not be completed within schedule, "such as reforms in the field of social welfare (disability assessments), public administration (appointment of the Administrative secretaries) and energy". Moreover, despite the significant work regarding the strengthening of the NPLs resolution framework, the pace of implementation remains uneven and additional efforts are required (Source: European Commission, Enhanced Surveillance Report - Greece, June 2019). A new increase in uncertainty in the event that the regular progress reporting under the Enhanced Surveillance Framework indicates diversion from the agreed reforms, and/or further potential downside risks for economic activity from continuing fiscal pressure on the private sector's financial position and asset valuations could have a material adverse impact on the Bank's business, results of operations, financial condition or prospects.

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

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

The ability of the Hellenic Republic to service its outstanding debt depends on a variety of factors, including the overall health of the Greek economy, the GDP growth rate that can be achieved in future years, the maintenance of sound fiscal and current account positions and the provision by the official lenders of additional concessions for lowering debt-servicing costs. In the event of the re-emergence of the need for an additional restructuring of the Hellenic Republic's debt, owing to adverse conditions arising from the foregoing or other influences, the Bank'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 Bank's borrowers (and thus asset quality) and on investor confidence, requiring the Bank to raise additional capital. In addition, if the Hellenic Republic were to default on its debt obligations to the Bank, the latter could suffer losses and require further capital. There can be no assurance that, under the above described stress conditions, the Bank could raise any or all of the required additional capital on acceptable terms.

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

The capacity of the Hellenic Republic to maintain continuous access to market financing at competitive costs is an important element of Greece's economic and financial recovery and will be closely related to the financial conditions of the private sector in the coming years. The terms of this access remain also dependent on international economic conditions and sources of financial risk, as well as on the prospective path of domestic disposable income and Greek asset valuations. In response to the significant progress in fiscal adjustment and macroeconomic recovery, major rating agencies have upgraded the Hellenic Republic's rating by three to five notches over the past three years, to three to four notches below investment grade. In particular, Fitch Global Ratings upgraded Greece's long-term sovereign rating to "BB-" on 10 August 2018 – affirming its rating in February and August 2019 – and Moody's to "B1" on 1 March 2019, both with a stable outlook, while S&P Ratings upgraded Greece's sovereign bond rating to "BB-" on 25 October 2019 maintaining a positive outlook (Sources: S&P Ratings, Fitch Global Ratings and Moody's press releases on Greek Sovereign outlook). However, there are still considerable uncertainties surrounding the prospective pace of improvement in the country's sovereign rating, which is also closely related to the private sector's creditworthiness.

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

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

Historically, the Group's principal source of funds has been customer deposits, the majority of which are from the Group's Greek depositor base. However, during the first half of 2015, the Bank suffered significant deposit outflows, which were stopped by the imposition of the bank holiday and the capital controls as from 28 June 2015. Since the Group relies on customer deposits for the majority of its funding, if its depositors withdraw their funds at a rate faster than the rate at which borrowers repay their loans, or if the Group is unable to obtain the necessary liquidity by other means, it may be unable to maintain its current levels of funding without incurring significantly higher funding costs or having to liquidate certain of its assets, or without increasing access to the ECB and the Bank of Greece under their exceptional terms. Although the Group's domestic deposits stabilised in 2016, followed by an increasing trend throughout 2017 and 2018 and further stabilisation in 2019, 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 Bank specifically, significant further deterioration in economic conditions in Greece reducing the availability of funds for deposits and the availability and extent of deposit guarantees. Unusually high levels of withdrawals could have the result that the Bank or another member of the Group may not be in a position to continue to operate without additional funding support, which it may be unable to secure. Any of these factors separately or in combination could lead to a sustained reduction in the Group's ability to access customer deposit funding on appropriate terms in the future, which would impact the Group's ability to fund its operations and meet its minimum liquidity requirements and have a material adverse effect on the Group's results of operations, financial condition and prospects.

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

The economic crisis in Greece has adversely affected the Group's credit risk profile, which has from time to time prevented the Group from obtaining funding in the capital markets, and increased the cost of such funding and the need for additional collateral requirements in repo contracts and other secured funding arrangements, including those with the ECB. Although the Group's access to capital markets has gradually been reinstated over recent years, concerns relating to the 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 Bank's principal sources of liquidity are (i) its deposit base, (ii) Eurosystem funding via the Main Refinancing Operations (**MROs**) and the Targeted Longer term Refinancing Operations (**TLTROs**) with the ECB and (iii) repurchase securities agreements (repos) with major foreign financial institutions. ECB funding and repos with financial institutions are 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 Bank.

Although the Group's Eurosystem funding has decreased significantly, with zero dependence on ELA as of 30 June 2019, there can be no assurance that the Group's funding needs will continue to be met by, or that the Group will continue to have access to, Eurosystem funding in the future. In addition, following the Greek government's decision to lift the capital controls, deposit outflows could have a material adverse impact on

the Group's deposit base and on the amount of the Group's ECB and ELA eligible collateral, which could have a material adverse impact on the Group's liquidity and the Group's ability to access Eurosystem funding in the future, which may in turn threaten the Group's ability to continue as a going concern.

Furthermore, the liquidity the Group is able to access from the ECB or ELA may be adversely affected by changes in ECB and Bank of Greece rules relating to collateral. If the ECB or the Bank of Greece were to revise their respective collateral standards, remove asset classes from being accepted, or increase the rating requirements for collateral securities such that certain instruments were not eligible to serve as collateral with the ECB or the Bank of Greece, the Group's access to these facilities could be diminished and the cost of obtaining such funds could increase. In addition the amount of funding available from the ECB or the Bank of Greece is tied to the value of the collateral the Group has provided, which may decline. If the value of the Group's assets 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. 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, July/August 2019 and Bank of Greece, Real Estate database). The Greek real estate market has shown increasing signs of revival, with residential valuations increasing by 1.7% year-over-year in 2018 and by 6.3% year-over-year in the first half of 2019, whereas prices of prime commercial spaces (average of retail and office prices) increased by 5.7% year-over-year in FY: 2018 (Sources: Bank of Greece, Bulletin of Conjunctural Indicators, July-August 2019 and Bank of Greece, Real Estate database). In this vein, construction activity has also picked up, with residential construction increasing by 17.4% year-over-year in 2018, for the first time since 2007, and by 13.1% year-over-year in the first half of 2019 (Source: EL.STAT., Quarterly gross fixed capital formation, 2nd Quarter 2019). Nonetheless, the absolute number of 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)).

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

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

An increase in financial market volatility or adverse changes in the marketability of the Group's assets could impair the Group's ability to value certain of its assets and exposures. The value the Group ultimately 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 Bank's capital will be sufficient, in particular if economic conditions in Greece do not improve or if they deteriorate further.

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

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

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

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

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

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

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

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

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

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

As a recipient of state aid, the Bank'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 Bank entered to a revised Relationship Framework Agreement dated 3 December 2015 (the **Amended Relationship Framework Agreement**), which amended the initial Relationship Framework Agreement dated 10 July 2013 between the Bank 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 Bank has undertaken certain commitments (the **Commitments**) and in 2015 submitted a Revised Restructuring Plan which was approved by the Directorate General for Competition on 4 December 2015 (the **Revised Restructuring Plan**). In line with the Commitments undertaken, among others, the Bank 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 Bank has to follow with respect to lending towards connected borrowers and risk monitoring requirements that the Bank must fulfil. Finally, in the event that the Bank is placed under liquidation, according to the legal framework concerning the HFSF, the HFSF (as shareholder) is satisfied in priority before the common shareholders.

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

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

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

Furthermore, the Commitments of the Hellenic Republic towards the European Commission also provide for the appointment of a monitoring trustee (the **Monitoring Trustee**) for each bank under restructuring, including the Bank. The Monitoring Trustee acts on behalf of the European Commission and aims to ensure the compliance of the Bank with such Commitments, and oversees the implementation of restructuring plans and the Bank'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 Bank's Monitoring Trustee on 16 January 2013. The Monitoring Trustee's powers affect management's discretion by imposing further supervision on the Bank, 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 Bank 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 Bank and the HFSF, the HFSF, as shareholder, has certain rights in relation to the operation of the Bank. Although the Amended Relationship Framework Agreement provides that the Bank's decision making bodies will continue to determine independently, among other things, the Bank'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 Bank's management. Accordingly, as a result of the Bank's participation in recapitalization programmes, the HFSF is able to exercise significant influence over the operations of the Bank.

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

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

Consequently, there is a risk that the HFSF may exercise the rights it has to exert influence over the Bank and may disagree with certain of the Bank'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 8 November 2019, the HFSF holds 355,986,916 common shares having full voting rights, representing 38.92% of the Bank's share capital, while it also holds 13,481,859, representing 1.47% of the Bank'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 "*Description of the Group – Major Shareholders – Common Shares*" below.

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

Risks Relating to the Group's Business

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

NPEs represented 36.5% of the Group's loans as at 30 June 2019 (compared to 40.9% as at 31 December 2018 and 43.9% as at 31 December 2017). The effect of the economic crisis in Greece and adverse macroeconomic conditions in the countries in which the Group operates may result in adverse effects on the credit quality of the Group's borrowers, leading to delinquencies and defaults. In accordance with Greek Law 3869/2010, as amended and in force, individuals who are in a state of permanent inability to pay their debts not attributable to 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). As at 31 December 2018 and 30 June 2019, 81,995 and 83,222 customers, respectively, had applied to the court under the provisions of Greek Law 3869/2010, with combined outstanding balances of EUR 3,730 million and EUR 3,881 million, respectively. In addition, the Group may not be able to enforce certain collateral in enforcement proceedings for real estate used as the main residence of the debtors, subject to certain conditions as described in "*Regulation and Supervision of Banks in Greece – Restrictions on Enforcement of Granted Collateral*". Future provisions for NPLs could have a materially adverse effect on the Group's profitability.

The Group's loan portfolio may continue to contract.

As the Greek economy has remained in recession, in the current economic environment, the Group's domestic loan portfolio may continue to decline, and its foreign loan portfolio may also decline. Furthermore, there are a limited number of high credit quality customers in Greece to whom banking

services may be provided in the Group's target markets. Developments in the Group's loan portfolio will be affected by, among other factors, the health of the Greek economy in light of the economic crisis, the lifting of capital controls imposed on Greek banks (effective 1 September 2019) and the post-programme surveillance following the completion of the Third Programme. The continuing decline in the Group's loan portfolio, in combination with past due loans, could further reduce the Group's net interest income, and this could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

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

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

- *Credit Risk.* Credit risk is the risk of financial loss relating to the failure of a borrower to 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. See "*The Group is exposed to counterparty risk*" above.

- *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*" above.

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

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

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

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

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

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

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

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

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

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

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

The Group faces significant competition from Greek and foreign banks.

The general scarcity of wholesale funding since the onset of the economic crisis, may lead to a significant increase in competition for retail deposits in Greece among the four largest banks (including the Bank) and other smaller banks, which means that the Bank may have to pay higher rates to attract equivalent levels of deposits. The Bank faces competition from foreign banks in its banking operations outside of Greece, some of which may have resources greater than that of the Bank. The Bank 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 Bank operates a branch and a subsidiary in the United Kingdom which may be affected by the United Kingdom's withdrawal from the European Union.

On 23 June 2016 the UK held a referendum on whether the UK should remain a member of the EU. The UK voted to leave the EU. On 29 March 2017, the UK invoked Article 50 of the Lisbon Treaty and officially notified the EU of its decision to withdraw from the EU (**Brexit**). The UK government has commenced preparations for a 'hard' or 'non-deal' Brexit to minimise the risks for firms and businesses associated with an exit with no transitional agreement. The European authorities have not provided UK firms and businesses with similar assurances in preparation for a 'hard' Brexit.

Due to the on-going legal and political uncertainty as regards the terms of the UK's withdrawal from the EU and the structure of the future relationship, the precise impact on the business of the Bank (including the Bank's UK branch) is difficult to determine. As such, no assurance can be given that such matters would not adversely affect the Bank's financial performance or the ability of the Bank to satisfy its obligations under the Notes and/or the market value and/or the liquidity of the Notes in the secondary market.

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

The pace of global economic growth deceleration, evident since mid-2018, has shown signs of abating up to the third quarter of 2019. In that context, euro area real GDP advanced by 1.1% (quarterly annualised rate) on average in the first three quarters of 2019, roughly the same pace as in the second half of 2018. As a result, the annual growth of euro area GDP was 1.2% on average in 2019, so far, compared with 1.4% in the second half of 2018 and 2.4% in the first half of 2018.

The risks for the euro area economy include a weakening external environment amid prolonged or/and escalating trade tensions, the likelihood of a disorderly Brexit and the lack of significant progress regarding structural reforms which may hinder potential growth. These factors, among other things, may restrict the European economic recovery, with a corresponding adverse effect on the Group's business, results of operations and financial condition.

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

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

Adverse developments could also be triggered by sa sharper than expected slowdown of the Chinese economy in view of efforts to stem excessive corporate leverage, a prolongation of the anaemic economic momentum in the euro area, a recurrence of Eurozone sovereign debt and banking stress triggered, *inter alia*,

by political and fiscal uncertainty, the challenging low/negative interest rate operating environment, as well as a weaker than expected performance of the Greek economy.

These developments could:

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

The Group's economic hedging may not prevent losses.

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

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

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

Continuing volatility and further dislocation affecting certain financial markets and asset classes could further impact the Group's results of operations, financial condition and prospects. In the future these factors could have an impact on the mark to market valuations of assets in the Group's Hold to Collect and Sell (**HTCS**) measured at fair value through other comprehensive income (**FVTOCI**) bond portfolios, trading portfolios and financial assets and liabilities for which the fair value option has been elected. In addition, any further deterioration in the performance of the assets in the Group's investment securities portfolios could lead to additional impairment losses, including the Group's holdings of Greek government bonds.

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

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

Furthermore, the Bank, up to October 2017, provided financial assistance to its Auxiliary Pension Plan (**LEPETE**), in order for the LEPETE to cover cash shortfalls. Subsequently, the Board of Directors decided that the Bank will not provide any additional assistance to LEPETE from October 2017 onwards, given that

it has no relevant legal or contractual obligation to provide such assistance. Since December 2017, LEPETE has ceased making payments to the pensioners. There are pending legal actions against the Bank from LEPETE and former employees who are disputing the defined contribution status of the plan, claiming that the Bank has an obligation to cover any deficit arising. Up to 13 June 2019, nine applications for preliminary injunctions were rejected, 21 temporary injunctive measures were ruled in favour of the Bank, whereas five injunction orders were ruled in favour of certain former employees. For these decisions against the Bank, the Bank recognises the relevant expense as incurred. Up to 13 June 2019, the Bank has paid in a total of €615 thousand. There have been 112 legal claims of which 99 have been heard in court and 34 decisions have been issued. Eight first instance court decisions were not in favour of the Bank, and the Bank has filed 7 appeals while 26 decisions were in favour of the Bank for which 24 appeals have been filed until now. One of these cases has been brought by the Bank before the Supreme Court (Άρειος Πάγος, in Greek) and is currently pending. The Bank has not made any payment yet with respect to any of the decisions against it. The Group has not recorded any provisions for these pending legal actions, because management has assessed that the likelihood of the final outcome of the outstanding legal claims being negative is remote.

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

Further to this legislative amendment and Ministerial Decision 28153/276/21.6.2019, on 5 July 2019, the Bank addressed a statement to ETEAEP informing it that it will continue to pay to ETEAEP the corresponding, in accordance with the applicable provisions, auxiliary pension employer's and employee's contributions with regard to the persons (employees) who had been insured by LEPETE up to the enactment of the aforementioned legislative amendment. The Bank in the same statement pointed out that any private relationship between the Bank and LEPETE has been terminated and thus no payment of any kind will be carried out in the future.

The Bank considers that the legislative amendment referring to the imposition of the Bank to pay a supplementary social security contribution of €40 million per annum from 2019 until 2023 and another amount from 1 January 2024 onwards that will be determined by a study prepared by the Greek National Actuarial Authority, as well as a retrospective payment for 2018, opposes fundamental constitutional provisions and in that respect has filed an application for the annulment of the legislative amendment and an application for the suspension of enforcement of the ministerial decision to the Council of State, in order to safeguard its interests.

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

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

The Group is subject to rules and regulations related to combating money laundering and terrorism financing in the jurisdictions where it operates. Compliance with anti-money laundering and anti-terrorist financing rules entails significant cost and effort. Non-compliance with these rules may have serious consequences, including adverse legal and reputational consequences. Although the Group believes that its current anti money laundering and anti-terrorism financing policies and procedures are adequate to ensure compliance with applicable legislation, it cannot guarantee that they will comply at all times with all rules applicable to money laundering and terrorism financing as extended to the entire Group and applied to its staff in all

circumstances. A possible violation, or even any suspicion of a violation of these rules, may have serious adverse legal and financial impacts, which could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

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

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

Although the Group endeavours to safeguard its systems and processes and strive to continuously monitor and develop them to protect its technology infrastructure and data from misappropriation, its computer systems, software and networks have been and will continue to be exposed and possibly vulnerable to unauthorized access, loss or destruction of data (including confidential client information), account takeovers, unavailability of service, computer viruses or other malicious code, cyber-attacks and other external attacks or events, as well as internal breaches. These threats may derive from human error, fraud or malice on the part of employees or third parties, or may result from accidental technological failure. If one or more of these events occurs, it could result in the disclosure of confidential client information, damage to the Group's reputation with its clients and the market, additional costs to it (such as repairing systems or adding new personnel or protection technologies), regulatory penalties and financial losses to both it 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 its 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 Bank and the Group.

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

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

In establishing the fair value of certain financial instruments, the Group relies on quoted market prices or, where the market for a financial instrument is not sufficiently active, internal valuation models that utilise observable financial market data. In certain circumstances, the data for individual financial instruments or classes of financial instruments utilised by such valuation models may not be available or may become

unavailable due to changes in financial market conditions. In such circumstances, the Group's internal valuation models require it to make assumptions, judgments and estimates to establish fair value. In common with other financial institutions, these internal valuation models are complex, and the assumptions, judgments and estimates the Group is often required to make relate to matters that are inherently uncertain, such as expected cash flows. Such assumptions, judgments and estimates may need to be updated to reflect changing facts, trends and market conditions. The resulting change in the fair values of the financial instruments could have a material adverse effect on the Group's earnings and financial condition. Also, market volatility can challenge the factual bases of certain underlying assumptions and has made it difficult to value certain of the Group's instruments. Valuations in future periods, reflecting prevailing market conditions, may result in changes in the fair values of these instruments, which could have a material adverse effect on the Group's results, financial condition and prospects.

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

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

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

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

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.

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

Legal, Regulatory and Compliance Risks

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

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

Since 4 November 2014, the Group has been a significant entity in the Eurozone supervised by SSM and is subject to continuous evaluation of its capital adequacy, and could be requested to operate with higher than minimum regulatory capital and/or liquidity ratios. The supervisory regime applicable to European banks is undergoing a period of change since the SSM took responsibility for the prudential supervision of banks in the Eurozone in November 2014. Competent Authorities will continue to be responsible for supervisory matters not conferred on the ECB, such as consumer protection, money laundering, payment services, and branches of third country banks, besides supporting ECB in day to day supervision. In light of the new supervision legal framework the ECB and the competent national authorities shall carry out a SREP at least on an annual basis. In this view the EBA published on 19 December 2014 the final guidelines for common procedures and methodologies in respect of the SREP (EBA Guidelines). Such EBA Guidelines draw a common approach to determining the amount and composition of additional Pillar 2 own funds requirement implemented since 1 January 2016. On 31 October 2017, the EBA launched a public consultation to review, among others, the EBA 2014 Guidelines with the aim to further enhance an institution's risk management and the convergence among national regulators of their supervisory role in the SREP. The latest revised SREP guidelines were issued on 19 July 2018. They reflect the on-going policy initiatives related to Pillar 2/SREP, which include, among other things, the introduction of Pillar 2 capital guidance (**P2G**), the integration of supervisory stress testing requirements and supervisory assessment of banks' stress testing from the EBA Consultation Paper on Guidelines on stress testing and supervisory stress testing 2, clarification of certain aspects of scoring, further details on the articulation of total SREP capital 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 Bank received the final SREP Decision letter from the ECB which establishes the capital requirements for 2020. In particular for 2020, the Pillar 2 Requirement rate will remain stable at 3%, but OCR will increase to 14% (from 13.75% in 2019) due to the phase-in of the Other Systemically Important Institutions (**O-SII**) buffer (0.25%). The Total Capital Requirements will increase to 16% due to the application of the P2G (2%) as of 2020.

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

Compliance with these new requirements will increase the Group's regulatory capital and liquidity requirements and may increase its compliance costs and disclosure requirements, restrict certain types of transactions, affect its strategy and limit or require the modification of rates or fees that it charges on certain

loans and other products, any of which could lower the return on the Group's investments, assets and equity. The Group may also face increased compliance costs and limitations on its ability to pursue certain business opportunities. The Group cannot predict the effect of any such changes on its business, financial condition, cash flows or future prospects.

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

The Bank and the Group are required by the SSM and the regulators in the Hellenic Republic and other countries in which they undertake regulated activities to maintain minimum levels of capital and liquidity. The Bank, its regulated subsidiaries and its branches may be subject to the risk of having insufficient capital resources to meet the minimum regulatory capital and/or liquidity requirements. In addition, those minimum regulatory capital requirements may increase in the future, or the methods of calculating capital resources may change. Likewise, liquidity requirements are under heightened scrutiny, and may place additional stress on the Group's liquidity demands in the jurisdictions in which it operates. Changes in regulatory requirements may require the Group to raise additional capital. Directive 2013/36/EU (the **CRD IV Directive**) and the EU Regulation 575/2013 (the **Capital Requirements Regulation** or **CRR** and, together with the CRD IV Directive, the **CRD IV**) which incorporate the key amendments that were adopted by the Basel Committee on Banking Supervision (known as **Basel III**) have been directly applicable in all EU member states (the **EU 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 EU 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 the SRM Regulation (together, the **EC Proposals**), which proposals were subsequently amended during the approval process prior to formal approval of the final text by the European Council in May 2019. Amendments to the BRRD to introduce a new asset class of "non-preferred" senior debt entered into force on 28 December 2017 and were transposed into Greek law on 18 December 2018 by Greek law 4583/2018. The final text of the EC Proposals was published in the Official Journal of the European Union on 7 June 2019 and entered into force on 27 June 2019. Among other things, these proposals aim to implement a number of new Basel standards (such as the leverage ratio, the net stable funding ratio, market risk rules and requirements for own funds and eligible liabilities) into European law. CRR II (as defined below) is directly applicable to the Bank and shall apply from 28 June 2021, subject to certain exceptions. However, the CRD V Directive (as defined below) will need to be transposed into Greek law before taking effect. Member States shall, with certain exceptions, adopt and publish by 28 December 2020 the measures necessary to comply with the CRD V Directive.

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

The Capital Requirements Regulation defines the minimum capital requirements (Pillar 1 requirements) and the CRD IV Directive defines the combined buffer requirements for EU institutions. In addition, the CRD IV Directive provides (Articles 97 *et seq*.) that Competent Authorities regularly carry out the SREP, to assess and measure risks not covered, or not fully covered, under Pillar 1 and determine additional capital and liquidity requirements (Pillar 2 requirements). SREP is conducted under the lead of the ECB. The SREP decision is tailored to each bank's individual profile. As at 30 June 2019, the Group's CET1 Ratio exceeded the minimum requirement of CRR and SREP. Implementing regulations in Greece under the CRD IV or higher SREP requirements may impose higher capital requirements, such as higher prudential buffers, which may require the Group to raise further capital. The Group may also be requested by the SSM to address shortcomings identified by the Targeted Review of Internal Models (**TRIM**), which may result in increased capital requirements. 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 Guidelines**). The EBA Guidelines applied from 30 June 2019. They are developed in accordance with the European Council Action Plan, aim to ensure that credit institutions have adequate prudential tools and frameworks in place to manage effectively their NPEs and to achieve a sustainable reduction on their balance sheets. To this end, the EBA Guidelines require institutions to establish NPE reduction strategies and introduce governance and operational requirements to support them. The EBA Guidelines specify sound risk management practices for credit institutions in their management of NPEs and forborne exposures (**FBEs**), including requirements on NPE reduction strategies, governance and operations of NPE workout framework, internal control framework and monitoring. The EBA Guidelines also set out requirements for processes to recognise NPEs and FBEs, as well as a forbearance granting process with a focus on the viability of forbearance measures. In particular, the EBA Guidelines specify that institutions should grant forbearance measures only with the view to return the borrower to a sustainable performing repayment status and are thus in the borrower's interest. The EBA Guidelines introduce a threshold of 5% of gross NPL ratio as a trigger for developing NPE strategies and applying associated governance and operational arrangements. Finally, the EBA Guidelines outline requirements for competent authorities' assessment of credit institutions' NPE management activity as part of the SREP.

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

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

If the Bank is required to raise further capital but is unable to do so on acceptable terms, the Group may be required to further reduce the amount of the Bank's risk weighted assets and thus engage in further disposal of core and other non-core businesses, which may not occur on a timely basis or achieve prices which would

otherwise be attractive to the Bank. Any failure to maintain minimum regulatory capital ratios could result in administrative actions or other sanctions, which in turn may have a material adverse effect on the Bank's operating results, financial condition and prospects. If the Bank is required to strengthen its capital position, it may not be possible for the Bank to raise additional capital from the financial markets or to dispose of marketable assets. That could potentially lead to further requests for State Aid pursuant to the provisions of Greek Law 3864/2010, as amended and in force (the **HFSF Law**) in the circumstances permitted under Greek Law 4335/2015 (the **BRR Law**) and the HFSF Law, which could result in the application of Burden Sharing Measures (as described in "*Description of the Group –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 (which may include the Notes being subject to the bail-in resolution tool by the Relevant Resolution Authority, resulting in their full or partial write-down or conversion).

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 (Senior Non-Preferred Notes issued under the Programme are expected to fall into this category of liabilities), 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 2017/2399) was transposed into Greek law by Greek Law 4335/2015 (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 (as defined in the Terms and Conditions of the Notes) considers that certain required conditions are met.

The final text in relation to the BRRD Reforms was formally approved by the European Council in May 2019 and published in the Official Journal of the European Union on 7 June 2019. Regulation (EU) 2019/877 amended Regulation (EU) No 806/2014 as regards the loss-absorbing and recapitalisation capacity of credit institutions and investment firms. This Regulation shall apply from 28 December 2020. Directive (EU) 2019/879 (**BRRD II**) amended Directive 2014/59/EU as regards the loss-absorbing and recapitalisation capacity of credit institutions and investment firms. Member States shall bring into force the laws, regulations and administrative provisions necessary to comply with this Directive by 28 December 2020. Member States shall apply those measures as from the date of their entry into force in national law, which shall be no later than 28 December 2020. 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 the Relevant Resolution Authority 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 (such as Subordinated Notes) are written down/converted or extraordinary public support is to be provided and without such support the appropriate authority determines that the institution and/or, as appropriate, its group, would no longer be viable.

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

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

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

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

Given the final discretion provided to the Relevant Resolution Authority, it may be difficult to predict when, if at all, the exercise of any bail in power by the Relevant Resolution Authority, 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 in respect of the Notes may affect trading behaviour, including prices and volatility, of the securities of any institution which the market perceives to be potentially considered as failing or likely to fail by the Relevant Resolution Authority.

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

The powers set out in the BRRD will impact how credit institutions and investment firms are managed as well as, in certain circumstances, the rights of creditors. As such, it is too early to anticipate the full impact of the BRRD, and there can be no assurance that 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, Regulation 806/2014 (the **SRM Regulation**) establishes uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism (**SRM**) and a Single Resolution Fund (the **Fund**).

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

On 11 October 2017, the European Commission urged the European Parliament and Council to progress quickly in the adoption of additional measures to tackle the remaining risks in the banking sector and suggested new actions to reduce NPLs and to help banks diversify their investment in sovereign bonds.

The Group could be subject to any such additional measures or actions adopted which may result in additional compliance or capital requirements, and such measures or actions could have a material adverse effect on the Group's business, results of operations, financial condition or prospects.

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

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

The Single Resolution Board's approach for determination of MREL targets has been crystallised to a significant extent, but significant elements still remain open. At the end of 2017 the Single Resolution Board communicated binding MREL targets to some of the banking groups under its remit providing them also with a transition period of up to four years. The Single Resolution Board aims to set binding MREL targets

(at consolidated level) for the remaining banking groups, including the Bank (as applicable to its resolution group), within 2019.

The CRD IV Directive has subsequently been amended by the publication of Directive (EU) 2019/878 of the European Parliament and of the Council of 20 May 2019 (the **CRD V Directive**) and the CRR has subsequently been amended by the publication of Regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019 (**CRR II**). The CRD V Directive and CRR II were both published in the Official Journal of the European Union on 7 June 2019. Member States shall 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.

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

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

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

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

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

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

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

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

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

Laws governing the bankruptcy of individuals or otherwise settlement of debts owed by individuals (including Greek Law 3869/2010 and Greek Law 4605/2019, regarding the debt arrangement of debts for over indebted individuals) and other laws and regulations governing creditors' rights generally vary significantly within the region in which the Group operates. In some countries, the laws offer significantly less protection for creditors than the bankruptcy regimes in Western Europe. In Greece, foreclosures and auctions of all properties were prohibited until 31 October 2015. Although the Greek suspension of every enforcement action due to capital controls was lifted by the 29 October 2015 official announcement of Ministry of Justice, Transparency and Human Rights on 2 November 2015, a prolonged abstention by lawyers', bailiffs and notaries that commenced in January 2016 and ended in November 2017 for all parties, restrained the Bank 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 Bank may continue to encounter difficulties recovering or enforcing collateral on past due loans, which could have a material adverse effect on its financial condition and results of operations.

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

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

General risks relating to a particular issue of Notes

Any Notes issued under the Programme may be subject to the general bail-in tool under the BRRD (and/or, in the case of Subordinated Notes, Non-Viability Loss Absorption) and to the mandatory burden sharing measures for the provision of precautionary capital support, which may result in their write-down in full

The BRRD, as implemented in Greece by the BRR Law, contemplates that the Notes may be subject to the general bail-in tool, which gives resolution authorities the power to write-down certain claims of unsecured creditors of a failing institution and/or to convert certain unsecured debt claims, including the Notes, to equity, which equity could also be subject to any future application of the general bail-in tool. Holders of Notes may be subject to write-down or conversion into equity on any application of the general bail-in tool, which may result in such holders losing some or all of their investment. The bail-in tool may be imposed either as a sole resolution measure or in combination with the rest of the resolution tools that may be imposed by the Relevant Resolution Authority in case of the resolution of a failing Greek credit institution and/or if the credit institution receives state-aid in the form of Government Financial Support Tool pursuant to articles 56-58 of the BRRD and article 6b of Greek law 3864/2010 on the operation of the Hellenic Financial Stability Fund (the **HFSF**). Any Notes that will be issued in the context of the Programme will be subjected to the said bail-in tool. So, if the Bank is subjected to resolution measures in the future or receives state aid in the form of the Government Financial Support Tool pursuant to articles 56-58 of the BRRD and article 6b of Greek law 3864/2010 on the operation of the HFSF, then the value of such Notes may be written down (up to zero) as a result of the imposition of the bail-in tool by the Relevant Resolution

Authority. In addition to the general bail-in tool, the BRRD contemplates that Subordinated Notes may be subject to Non-Viability Loss Absorption, which may result in such holders losing some or all of their investment in respect of Subordinated Notes. Moreover, the conditions for the HFSF granting precautionary recapitalisation support include, among others, the imposition by virtue of a Cabinet Act, pursuant to article 6a of Greek law 3864/2010, of mandatory burden sharing measures on the holders of instruments of capital and other liabilities of the credit institution receiving such support (the **Mandatory Burden Sharing Measures**). The Mandatory Burden Sharing Measures include the absorption of losses by existing subordinated creditors by the writing down of the nominal value of their claims. Absorption of loss by shareholders of the credit institution, so that the equity position of the credit institution becomes zero, is implemented by way of a resolution of the competent corporate body of the credit institution which provides for the decrease of the nominal value of the shares. Any Notes, except for the Unsubordinated Notes and the Unsubordinated MREL Notes (which are included in the last class of preferred liabilities of a credit institution pursuant to the transposition into Greek law of Directive 2017/2399), that will be issued under the Programme are subject to the above provisions of article 6a of the HFSF. Therefore, if the Bank were to receive precautionary capital support from the HFSF in the future and its equity position is negative, there can be no assurance that such Notes will not be subjected to write-down as a result of the Mandatory Burden Sharing Measures.

The exercise of any power under the BRRD or any suggestion of such exercise could also materially adversely affect the rights of Noteholders, the price or value of their investment in any Notes and/or the ability of the Issuer to satisfy its obligations under any Notes.

See further "*Factors that may affect the ability of the Bank to fulfil their obligations under Notes issued under the Programme – 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 circumstances in which the Relevant Resolution Authority may exercise the bail-in tool or other resolution tools pursuant to Greek law 4335/2015 or other future statutes or regulatory acts are vague and such uncertainty may have an impact on the value of the Notes

The conditions for the submission of a credit institution to resolution and the respective activation of the relevant powers of the Relevant Resolution Authority, are set in Article 32 of the BRRD and Greek transposing law 4335/2015. Such conditions include the determination by the Relevant Resolution Authority that (a) the credit institution is failing or is likely to fail; (b) no reasonable prospect exists that any alternative private sector measures (including the write-down) would prevent the failure; and (c) a resolution action is necessary in the public interest, whilst the resolution objectives would not be met to the same extent by the special liquidation of the credit institution pursuant to normal insolvency.

Such conditions, however, are not further specified in the applicable law and so their satisfaction is left to the determination and discretion of the Relevant Resolution Authority, although Guidelines of the EBA on the circumstances under which an institution shall be considered as "failing or likely to fail" have been published. Such uncertainty may impact on the market perception as to whether a credit institution meets or not such conditions and as such it may be subjected to resolution tools. This may have a material adverse impact on the present value of the Notes and other securities of the Issuer listed on organised markets.

In addition, if any Greek bail-in action is taken, interested parties, such as creditors or shareholders, may raise legal challenges. If any litigation arises in relation to Greek bail-in actions (whether actually, or purported to be taken) and such actions are annulled and additional actions need to be taken, including reversal of any Greek bail-in action that is challenged, this may negatively affect liquidity and valuation, and increase the price volatility of the Issuer's securities (including the Notes).

Risks related to the structure of a particular issue of Notes

The Issuer's obligations under Subordinated Notes are subordinated

The Issuer's obligations under Subordinated Notes will be unsecured and subordinated and will rank junior in priority of payment to Senior Creditors. Although Subordinated Notes may pay a higher rate of interest than comparable Notes which are not subordinated (or, are non-preferred senior such as Senior Non-Preferred Notes), there is a real risk that an investor in Subordinated Notes will lose all or some of his investment should the Issuer become insolvent.

Regulatory classification of the Subordinated Notes

The intention of the Bank is for Subordinated Notes to qualify on issue as "Tier 2 capital" of the Group and/or the Bank for regulatory capital purposes.

Although it is the Bank's expectation that such Notes will qualify as "Tier 2 capital" of the the Group and/or the Bank, there can be no assurance that this is or will remain the case during the life of the Notes. If there is a change in the regulatory classification of any Series of Subordinated Notes that would be likely to result in their exclusion, in whole or in part, from "Tier 2 capital" of the Group and/or the Bank, the Issuer will have the right to redeem such Notes in accordance with Condition 10.6 (*Redemption of Subordinated Notes for regulatory reasons*) (subject as set out in such Condition and Condition 10.13 (*Conditions to Substitution, Variation, Early Redemption, Purchase and Modification of Subordinated Notes*). There can be no assurance that holders of such Notes will be able to reinvest the amounts received upon redemption at a rate that will provide the same rate of return as their investments in the relevant Notes. In addition, the occurrence of such event could result in a decrease in the market price of the Notes.

Early redemption or purchase or substitution or variation or modification of the Unsubordinated MREL Notes, Senior Non-Preferred Notes or Subordinated Notes may be restricted

Any early redemption or purchase or substitution or variation or modification of Unsubordinated MREL Notes and Senior Non-Preferred Notes is subject to compliance by the Issuer with any conditions to such redemption or repurchase or substitution or variation or modification prescribed by MREL Requirements at the relevant time, including any requirements applicable to such redemption or repurchase or substitution or variation or modification due to the qualification of such Unsubordinated MREL Notes or Senior Non-Preferred Notes at such time as eligible liabilities available to meet the MREL Requirements, as provided in Condition 10.12 (*Conditions to Substitution, Variation, Early Redemption, Purchase and Modification of Unsubordinated MREL Notes and Senior Non-Preferred Notes*). In addition, the early redemption or purchase or substitution or variation or modification of Unsubordinated MREL Notes and Senior Non-Preferred Notes which qualify as eligible liabilities available to meet MREL Requirements is subject to the prior approval of the Competent Authority where applicable from time to time under the applicable laws and regulations.

Any early redemption or purchase or substitution or variation or modification of Subordinated Notes is subject to (i) the Issuer giving notice to the relevant Competent Authority and such Competent Authority granting prior permission to redeem or purchase or substitute or vary or modify the relevant Subordinated Notes, in each case to the extent and in the manner required by the relevant Applicable Banking Regulations, including Articles 77(b) and 78 of the CRD IV Regulation, and (ii) compliance by the Issuer with any alternative or additional pre-conditions to redemption or purchase or substitution or variation or modification, as applicable, set out in the relevant Applicable Banking Regulations at such time, as provided in Condition 10.13 (*Conditions to Substitution, Variation, Early Redemption, Purchase and Modification of Subordinated Notes*).

As any early redemption, purchase, substitution, variation or modification of any such Notes will be subject to the prior permission of the Competent Authority, the outcome may not necessarily reflect the commercial

intention of the Issuer or the commercial expectations of the holders of those Notes and this may have an adverse impact on the market value of the relevant Notes.

The Issuer's obligations under Senior Non-Preferred Notes rank junior to unsubordinated preferred obligations of the Issuer, such as Unsubordinated Notes and Unsubordinated MREL Notes

The Issuer's obligations under Senior Non-Preferred Notes will be direct, unconditional, unsubordinated and unsecured obligations and will rank junior to Unsubordinated Notes and Unsubordinated MREL Notes (and all other present and future obligations of the Issuer which rank, or are expressed to rank by their terms, *pari passu* with Unsubordinated Notes and Unsubordinated MREL Notes) and any other unsubordinated obligations which rank or are expressed to rank senior to Senior Non-Preferred Notes, including deposits of the Bank. Although Senior Non-Preferred Notes may pay a higher rate of interest than comparable Notes which rank senior to the Senior Non-Preferred Notes, there is a real risk that an investor in Senior Non-Preferred Notes will lose all or some of his investment should the Issuer become insolvent.

Notes subject to optional redemption by the Issuer

An optional redemption feature of Notes is likely to limit their market value. During any period when the Issuer may elect to redeem Notes, the market value of those Notes 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 Notes when its cost of borrowing is lower than the interest rate on the Notes. 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 Notes 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, at its option, redeem Notes for tax reasons in the circumstances described in, and in accordance with, Condition 10.2 (*Redemption for tax reasons*) or, if so specified in the applicable Final Terms, in accordance with Condition 10.3 (*Redemption at the option of the Issuer*) or, in respect of Subordinated Notes only and if so specified in the applicable Final Terms, following a change of the regulatory classification of the relevant Subordinated Notes in the circumstances described in, and in accordance with Condition 10.6 (*Redemption of Subordinated Notes for regulatory reasons*) or, in respect of Unsubordinated MREL Notes and Senior Non-Preferred Notes only and if so specified in the applicable Final Terms, in the circumstances described and in accordance with Condition 10.7 (*Issuer Call due to MREL Disqualification Event*).

Any redemption of the Unsubordinated MREL Notes or Senior Non-Preferred Notes is subject to compliance by the Issuer with any conditions to such redemption prescribed by MREL Requirements at the relevant time (including any requirements applicable to such redemption due to the qualification of such Unsubordinated MREL Notes or Senior Non-Preferred Notes at such time as eligible liabilities available to meet the MREL Requirements). See "*Early redemption or purchase or substitution or variation or modification of the Unsubordinated MREL Notes and Senior Non-Preferred Notes may be restricted*" below for further information.

Any redemption of the Subordinated Notes is subject to the prior approval of the relevant Competent Authority to the extent and in the manner required by applicable laws and regulations, including Articles 77(b) and 78 of the CRD IV Regulation. See *"Early redemption or purchase or substitution or variation of the Subordinated Notes may be restricted"* above for further information.

The redemption at the option of the Issuer feauture is exercisable in whole or, if so specified in the applicable Final Terms, in part and such exercise by the Issuer in respect of certain Notes may affect the liquidity of the Notes in respect of which such option is not exercised

The redemption at the option of the Issuer provided in Condition 10.3 (*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 Notes in part only, such partial redemption may affect the liquidity of the Notes of the same Series in respect of which such option is not exercised. Depending on the number of the Notes of the same Series in respect of which the Issuer's optional redemption is exercised, any trading market in respect of those Notes in respect of which such option is not exercised may become illiquid.

Notes may be subject to substitution and variation without Noteholder consent

If Substitution or Variation is specified as being applicable in the relevant Final Terms (i) in respect of Unsubordinated MREL Notes or Senior Non-Preferred Notes, at any time a MREL Disqualification Event occurs in relation to any Series of Unsubordinated MREL Notes or Senior Non-Preferred Notes or (ii) in respect of Subordinated Notes, at any time a Regulatory Event occurs in relation to any Series of Subordinated Notes or (iii) in respect of any Notes, in order to ensure the effectiveness and enforceability of Condition 26 (*Statutory Loss Absorption Powers*) of the Terms and Conditions of the Notes, then the Issuer may, subject to giving any notice required to be given to, and receiving any consent required from, the Competent Authority and/or as appropriate the Relevant Resolution Authority (without any requirement for the consent or approval of the Holders of the relevant Notes of that Series), at any time either substitute all (but not some only) of such Notes, or vary the terms of such Notes so that they remain or, as appropriate, become, Qualifying Unsubordinated Notes, Qualifying Unsubordinated MREL Notes, Qualifying Senior Non-Preferred Notes or Qualifying Subordinated Notes, as applicable, provided that such variation or substitution does not itself give rise to any right of the Issuer to redeem the varied or substituted securities.

Qualifying Unsubordinated Notes, Qualifying Unsubordinated MREL Notes, Qualifying Senior Non-Preferred Notes or Qualifying Subordinated Notes, as applicable, are securities issued by the Issuer that, other than in respect of the effectiveness and enforceability of Condition 26 (*Statutory Loss Absorption Powers*) of the Terms and Conditions of the Notes, have terms not materially less favourable to the Noteholders of the relevant Notes as a class (as reasonably determined by the Issuer) than the terms of the relevant Unsubordinated Notes, Unsubordinated MREL Notes, Senior Non-Preferred Notes or Subordinated Notes, as applicable. However, no assurance can be given as to whether any of these changes will negatively affect any particular Noteholder. In addition, the tax and stamp duty consequences of holding such substituted or varied notes could be different for some categories of Noteholders from the tax and stamp duty consequences for them of holding the notes prior to such substitution or variation.

Unsubordinated MREL Notes and Senior Non-Preferred Notes could be subject to a MREL Disqualification Event redemption

If at any time a MREL Disqualification Event occurs and is continuing in relation to any Series of Unsubordinated MREL Notes or Senior Non-Preferred Notes, and the applicable Final Terms for the Unsubordinated MREL Notes or Senior Non-Preferred Notes of such Series specify that Issuer Call due to MREL Disqualification Event is applicable, the Issuer may redeem all, but not some only, of the Notes of such Series at the price set out in the applicable Final Terms together with any outstanding interest. Unsubordinated MREL Notes or Senior Non-Preferred Notes may only be redeemed by the Issuer subject to compliance by the Issuer with any conditions to such redemption prescribed by the MREL Requirements at the relevant time (including any requirements applicable to such redemption due to the qualification of such Unsubordinated MREL Notes or Senior Non-Preferred Notes at such time as eligible liabilities available to meet the MREL Requirements). A MREL Disqualification Event shall be deemed to have occurred if, at any time, all or part of the aggregate outstanding nominal amount of such Series of Unsubordinated MREL Notes or Senior Non-Preferred Notes are, or (in the opinion of the Issuer, the Competent Authority or the Relevant Resolution Authority) are likely to be, excluded fully or partially from the eligible liabilities available to meet the MREL Requirements, subject to certain exceptions.

If the Unsubordinated MREL Notes or Senior Non-Preferred Notes are to be so redeemed, there can be no assurance that Noteholders will be able to reinvest the amounts received upon redemption at a rate that will

provide the same rate of return as their investment in the Unsubordinated MREL Notes or Senior Non-Preferred Notes. In addition, the occurrence of a MREL Disqualification Event could result in a decrease in the market price of the Notes.

The events of default under the Unsubordinated MREL Notes, the Senior Non-Preferred Notes and the Subordinated Notes are limited to Enforcement Events

The "*Terms and Conditions of the Notes*" applicable to the Unsubordinated MREL Notes, the Senior Non-Preferred Notes and the Subordinated Notes do not provide for events of default allowing acceleration of such Notes if certain events occur, except in the event of winding up, dissolution, liquidation and/or bankruptcy of the Issuer (otherwise than for the purposes of a reconstruction or amalgamation on terms previously approved by an Extraordinary Resolution of Noteholders) as set out in Condition 13.2 (*Enforcement Events—Unsubordinated MREL Notes, Senior Non-Preferred Notes and Subordinated Notes*) (an **Enforcement Event**). Accordingly, except in the case of an Enforcement Event, if the Issuer fails to meet any obligations under the Unsubordinated MREL Notes, the Senior Non-Preferred Notes or the Subordinated Notes, including the payment of any interest, investors will not have the right of acceleration of principal. Upon a payment default, the sole remedy available to Noteholders for recovery of amounts owing in respect of any payment of principal or interest on the Unsubordinated MREL Notes, the Senior Non-Preferred Notes or the Subordinated Notes will be the institution of proceedings to enforce such payment. Notwithstanding the foregoing, the Bank will not, by virtue of the institution of any such proceedings, be obliged to pay any sum or sums sooner than the same would otherwise have been payable by it.

Waiver of set-off

Under Condition 5 (*Status of the Notes*), each holder of an Unsubordinated MREL Note or a Senior Non-Preferred Note or a Subordinated Note unconditionally and irrevocably waives any right of set-off, netting, counterclaim, abatement or other similar remedy which it might otherwise have, under the laws of any jurisdiction, in respect of such Unsubordinated MREL Note, Senior Non-Preferred Note or Subordinated Note, as the case may be.

Limitation on gross-up obligation under Unsubordinated MREL Notes, Senior Non-Preferred Notes or Subordinated Notes

The obligation under Condition 12 (*Taxation*) to pay additional amounts in the event of any withholding or deduction in respect of taxes on any payments under the terms of Unsubordinated MREL Notes, Senior Non-Preferred Notes or Subordinated Notes applies only to payments of interest due and paid under the Unsubordinated MREL Notes, Senior Non-Preferred Notes or Subordinated Notes and not to payments of principal or premium (as applicable). As such, the Issuer would not be required to pay any additional amounts under the terms of the Unsubordinated MREL Notes, Senior Non-Preferred Notes or Subordinated Notes to the extent any withholding or deduction applied to payments of principal or premium (as applicable). Accordingly, if any such withholding or deduction were to apply to any payments of principal or premium (as applicable) under any Unsubordinated MREL Notes, Senior Non-Preferred Notes or Subordinated Notes, Noteholders may receive less than the full amount of principal or premium (as applicable) due under such Unsubordinated MREL Notes, Senior Non-Preferred Notes or Subordinated Notes, and the market value of such Notes may be adversely affected.

The regulation and reform of "benchmarks" may adversely affect the value of Floating Rate Notes or Fixed Reset Notes linked to or referencing such "benchmarks"

Interest rates and indices which are deemed to be "benchmarks", (including the London interbank offered rate (**LIBOR**) and the euro interbank offered rate (**EURIBOR**, together with LIBOR, the **IBORs**)) are the subject of recent national and international regulatory guidance and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past, to disappear entirely, or have other consequences which

cannot be predicted. Any such consequence could have a material adverse effect on any Notes linked to or referencing such a "benchmark", such as Floating Rate Notes and Fixed Reset Notes. The Benchmarks Regulation was published in the Official Journal of the EU on 29 June 2016 and applies from 1 January 2018. The Benchmarks Regulation applies, subject to certain transitional provisions, to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the EU. Among other things, it (i) requires 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 (ii) prevents certain uses by EU supervised entities of "benchmarks" of administrators that are not authorised or registered (or, if non-EU based, not deemed equivalent or recognised or endorsed).

The Benchmarks Regulation could have a material impact on any Floating Rate Notes linked to or referencing LIBOR and/or EURIBOR or any Fixed Reset Notes referencing the semi-annual or annual swap rate, as the case may be, for swap transactions in the Specified Currency (as specified in the relevant Final Terms with respect to the relevant Fixed Reset Notes), in particular, if the methodology or other terms of the "benchmark" are changed in order to comply with the requirements of the Benchmarks Regulation. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of the relevant benchmark.

More broadly, any of the international or national reforms, or the general increased regulatory scrutiny of "benchmarks", could increase the costs and risks of administering or otherwise participating in the setting of a "benchmark" and complying with any such regulations or requirements.

Specifically, the sustainability of LIBOR has been questioned as a result of the absence of relevant active underlying markets and possible disincentives (including possibly as a result of benchmark reforms) for market participants to continue contributing to such benchmarks. On 27 July 2017, and in a subsequent speech by its Chief Executive on 12 July 2018, the UK Financial Conduct Authority (**FCA**) confirmed that it will no longer persuade or compel banks to submit rates for the calculation of the LIBOR benchmark after 2021 (the **FCA Announcements**). The FCA Announcements indicated that the continuation of LIBOR on the current basis cannot and will not be guaranteed after 2021.

In addition, on 29 November 2017, the Bank of England and the FCA announced that, from January 2018, its Working Group on Sterling Risk-Free Rates had been mandated with implementing a broad-based transition to the Sterling Overnight Index Average (**SONIA**) over the next four years across sterling bond, loan and derivative markets, so that SONIA is established as the primary sterling interest rate benchmark by the end of 2021.

Separate workstreams are also underway in Europe to reform EURIBOR using a hybrid methodology and to provide a fallback by reference to a euro risk-free rate (based on a euro overnight risk-free rate as adjusted by a methodology to create a term rate). On 13 September 2018, the working group on euro risk-free rates recommended Euro Short-term Rate (€STR) as the new risk free rate. In addition, on 21 January 2019, the euro risk free-rate working group published a set of guiding principles for fallback provisions in new euro denominated cash products (including bonds). The guiding principles indicate, among other things, that continuing to reference EURIBOR in relevant contracts may increase the risk to the euro area financial system.

It is not possible to predict with certainty whether, and to what extent, LIBOR and EURIBOR will continue to be supported going forwards. This may cause LIBOR and EURIBOR to perform differently than they have done in the past, and may have other consequences which cannot be predicted.

Such factors may have (without limitation) the following effects on certain "benchmarks": (i) discouraging market participants from continuing to administer or contribute to a "benchmark"; (ii) triggering changes in the rules or methodologies used in the "benchmark" and/or (iii) leading to the disappearance of the "benchmark". Any of the above changes or any other consequential changes as a result of international or national reforms or other initiatives or investigations, could have a material adverse effect on the value of

and return on any Notes linked to, referencing or otherwise dependent (in whole or in part) upon, a "benchmark".

Investors should be aware that, if an IBOR were discontinued or otherwise unavailable, the rate of interest on Floating Rate Notes or Fixed Reset Notes which reference such IBOR will be determined for the relevant period by the fall-back provisions applicable to such Notes. Depending on the manner in which the relevant IBOR rate is to be determined under the "*Terms and Conditions of the Notes*", this may (i) if ISDA Determination applies, be reliant upon the provision by reference banks of offered quotations for the relevant IBOR rate which, depending on market circumstances, may not be available at the relevant time or (ii) if Screen Rate Determination applies, result in the effective application of a fixed rate based on the rate which applied in the previous period when the relevant IBOR was available. Any of the foregoing could have an adverse effect on the value or liquidity of, and return on, any Floating Rate Notes or Fixed Reset Notes which reference the relevant IBOR.

The "*Terms and Conditions of the Notes*" provide for certain fallback arrangements in the event that a published benchmark (including any page on which such benchmark may be published (or any successor service)) becomes unavailable, including the possibility that the rate of interest could be set by reference to a Successor Rate or an Alternative Rate determined by an Independent Adviser in consultation with the Issuer or failing that, by the Issuer, and that such Successor Rate or Alternative Rate may be adjusted (if required) by an Adjustment Spread. In certain circumstances the ultimate fallback of interest for a particular Interest Period or Reset Period (as applicable) may result in the rate of interest for the last preceding Interest Period or Reset Period (as applicable) being used. This may result in the effective application of a fixed rate for Floating Rate Notes or Fixed Reset Notes (as applicable) based on the rate which was last observed on the Relevant Screen Page or Reset Relevant Screen Page (as applicable). In addition, due to the uncertainty concerning the availability of Successor Rates and Alternative Rates and the involvement of an Independent Adviser, the relevant fallback provisions may not operate as intended at the relevant time. If the Independednt Adviser or, as applicable, the Issuer determines that amendments to the "*Terms and Conditions of the Notes*" and the Agency Agreement are necessary to ensure the proper operation of any Successor Rate or Alternative Rate and/or Adjustment Spread, then the necessary amendments shall be made to vary the "*Terms and Conditions of the Notes*" and the Agency Agreement without any requirement for the consent or approval of Noteholders, as provided by Condition 9.4 (*Benchmark Amendments*).

Any such consequences could have a material adverse effect on the value of and return on any such Notes. Moreover, any of the above matters or any other significant change to the setting or existence of any relevant reference rate could affect the ability of the Issuer to meet its obligations under the Floating Rate Notes or Fixed Reset Notes or could have a material adverse effect on the value or liquidity of, and the amount payable under, the Floating Rate Notes or Fixed Reset Notes. Investors should consider these matters with their own independent advisers when making their investment decision with respect to the relevant Floating Rate Notes or Fixed Reset Notes linked to or referencing a benchmark.

In respect of any Notes issued with a specific use of proceeds, such as a "Green Bond", "Social Bond" and "Sustainable Bond", there can be no assurance that such use of proceeds will be suitable for the investment criteria of an investor

The applicable Final Terms relating to any specific Tranche of Notes may provide that it will be the Issuer's intention to apply the proceeds from an offer of those Notes 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 Notes together with any other investigation such investor deems necessary. In particular, no assurance is given by the Issuer or the Dealers that the use of such proceeds for any Green Projects and for any Social Projects will satisfy, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply,

whether by any present or future applicable law or regulations or by its own by-laws or other governing rules or investment portfolio mandates (in particular with regard to any direct or indirect environmental, sustainability or social impact of any projects or uses, the subject of, or related to, the relevant Green Projects or the relevant Social Projects).

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

While it is the intention of the Issuer to apply the proceeds of any Notes 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 Notes. Any such event or failure to apply the proceeds of any issue of Notes 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 Notes 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 Notes and also potentially the value of any other Notes 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.

Fixed Reset Notes

Fixed Reset Notes will initially bear interest at the Initial Interest Rate until (but excluding) the First Reset Date. On the First Reset Date, the Second Reset Date (if applicable) and each Subsequent Reset Date (if any) thereafter, the interest rate will be reset to the sum of the applicable Mid-Swap Rate or the applicable Reference Bond Rate, as specified in the relevant Final Terms, and the Reset Margin as determined by the Calculation Agent on the relevant Reset Determination Date (each such interest rate, a **Fixed Reset Rate of Interest**). The Fixed Reset Rate of Interest for any Reset Period could be less than the Initial Interest Rate or the Fixed Reset Rate of Interest for prior Reset Periods and could affect the market value of an investment in the Fixed Reset Notes. See "*The regulation and reform of "benchmarks" may adversely affect the value of Floating Rate Notes or Fixed Reset Notes linked to or referencing such "benchmarks"*" below for further information.

Fixed/Floating Rate Notes

Fixed/Floating Rate Notes 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 of such Notes has the right to effect such a conversion, this will affect the secondary market and the market value of the Notes 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 Notes may be less favourable than the then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If the Issuer converts from a floating rate to a fixed rate in such circumstances, the fixed rate may be lower than the then prevailing rates on its Notes.

Investors who hold less than the minimum Specified Denomination may be unable to sell their Notes and may be adversely affected if definitive Notes are subsequently required to be issued

In relation to any issue of Notes which have denominations consisting of a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount, it is possible that such Notes may be traded in amounts in excess of the minimum Specified Denomination that are not integral multiples of such minimum Specified Denomination. In such a case a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in its account with the relevant clearing system would not be able to sell the remainder of such holding without first purchasing a principal amount of Notes at or in excess of the minimum Specified Denomination such that its holding amounts to a Specified Denomination. Further, a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in its account with the relevant clearing system at the relevant time may not receive a definitive Note in respect of such holding (should definitive Notes be printed) and would need to purchase a principal amount of Notes at or in excess of the minimum Specified Denomination such that its holding amounts to a Specified Denomination.

If such Notes in definitive form are issued, holders should be aware that definitive Notes which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

Notes issued at a substantial discount or premium

The market values of securities issued at a substantial discount (such as Zero Coupon Notes) 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 the securities, the greater the price volatility as compared to more conventional interest-bearing securities with comparable maturities.

Risks related to Notes generally

Change of law

The "Terms and Conditions of the Notes" are based on English law (or, in respect of Condition 5.2 (Status – Senior Non-Preferred Notes), Condition 5.3 (*Status — Subordinated Notes*) and Condition 27 (*Statutory Loss Absorption Powers*), the laws of the Hellenic Republic) in effect as at the date of this Base Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to English or Greek law or administrative practice after the date of this Base Prospectus.

Greek tax laws are uncertain and the Notes may be subject to optional redemption by the Issuer in the event of changes in tax laws, including changes in application or official interpretation of such laws

Greek tax laws are uncertain and subject to change. Greek Law 4172/2013 on income taxation (as amended and currently in force), which is applicable for tax years commencing from 1 January 2014 onwards, was enacted recently and certain of its provisions may not yet have been fully interpreted or clarified by the competent departments of the Greek Ministry of Finance in accordance with the Greek Ministry of Finance's past practice. Consequently, such law may be subject to contrary or differing future interpretations, guidelines or other form of instructions that may be issued by the Greek Ministry of Finance and the Independent Authority for Public Revenue in the form of circulars, ministerial decisions or other secondary legislation. It is also noted that provisions concerning taxation of interest were significantly amended in December 2019 and no guidelines or other form of instructions on the interpretation of the new provisions have yet been issued by the competent authorities.

If, as a result of any change in, or amendment to, the laws or regulations of the Hellenic Republic or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date of the most recent Tranche of the Notes, the Issuer would be required to pay additional amounts under the Notes, then the Issuer will have the option to redeem the Notes prior to their stated maturity pursuant to Condition 10.2 (*Redemption for tax reasons*) at a redemption price equal to the relevant Early Redemption Amount.

There is a risk that at the time of such redemption an investor may not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes 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.

Modification, waivers and substitution

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

Reliance on DTC, Euroclear and Clearstream, Luxembourg procedures

Notes issued under the Programme will be represented on issue by one or more Bearer Global Notes or Registered Global Notes (together, the **Global Notes**) that may be deposited with a common depositary for Euroclear and Clearstream, Luxembourg or may be deposited with a nominee for DTC (each as defined under "*Forms of the Notes and Transfer Restrictions Relating to U.S. Sales*"). Except in the circumstances described in each Global Note, investors will not be entitled to receive Notes in definitive form. Each of DTC, Euroclear and Clearstream, Luxembourg and their respective direct and indirect participants will maintain records of the beneficial interests in each Global Note held through it. While the Notes are represented by a Global Note, investors will be able to trade their beneficial interests only through the relevant clearing systems and their respective participants.

While the Notes are represented by Global Notes, the Issuer will discharge its payment obligation under the Notes by making payments through the relevant clearing systems. A holder of a beneficial interest in a Global Note must rely on the procedures of the relevant clearing system and its participants to receive payments under the Notes. The Issuer will have no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in any Global Note.

Holders of beneficial interests in a Global Note will not have a direct right to vote in respect of the Notes so represented. Instead, such holders will be permitted to act only to the extent that they are enabled by the relevant clearing system and its participants to appoint appropriate proxies. Similarly, holders of beneficial interests in the Global Notes will not have a direct right under the Global Notes to take enforcement action against the Issuer in the event of a default under the relevant Notes but will have to rely upon their rights under the Deed of Covenant.

Risks related to the market generally

The secondary market generally

Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be very liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies, or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities.

Exchange rate risks and exchange controls

The Issuer will pay principal and interest on the Notes 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 (the **Investor's Currency**) other than the Specified 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:(i) the Investor's Currency-equivalent yield on the Notes; (ii) the Investor's Currency-equivalent value of the principal payable on the Notes; and (iii) the Investor's Currency equivalent market value of the Notes.

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

Interest rate risks

Investment in Fixed Rate Notes involves the risk that if market interest rates are subsequently increased above the rate paid on the Fixed Rate Notes, this will adversely affect the value of the Fixed Rate Notes.

Credit ratings may not reflect all risks

One or more independent credit rating agencies may assign credit ratings to the Bank or the Notes. 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 Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised, suspended or withdrawn by the rating agency at any time.

In general, European regulated investors are restricted under Regulation (EC) No. 1060/2009 (as amended) (the **CRA Regulation**) from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the EU and registered under the CRA Regulation (and such registration has not been withdrawn or suspended, subject to transitional provisions that apply in certain circumstances). Such general restrictions will also apply in the case of credit ratings issued by non-EU credit rating agencies, unless the relevant credit ratings are endorsed by an EU-registered credit rating agency or the relevant non-EU rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended, subject to transitional provisions that apply in certain circumstances). If the status of the rating agency rating the Notes changes, European regulated investors may no longer be able to use the rating for regulatory purposes and the Notes may have a different regulatory treatment. This may result in European regulated investors selling the Notes which may impact the value of the Notes and any secondary market. The list of registered and certified rating agencies published by the European Securities and Markets Authority (**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.

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 Tranche of Notes, the applicable Final Terms. The Issuer and any relevant Dealer may agree that Notes shall be issued in a form other than that contemplated in the Terms and Conditions of the Notes, in which event, if appropriate, and in the case of listed Notes only, a supplement to the Base Prospectus or a new 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 (the **Delegated Regulation**).*

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

Issuer:	National Bank of Greece S.A.
Issuer Legal Entity Identifier (LEI):	5UMCZOEYKCVFAW8ZLO05
Risk Factors:	Investing in Notes issued under the Programme involves certain risks. The principal risk factors that may affect the Issuer's ability to fulfil its respective obligations in respect of the Notes are discussed under "*Risk Factors*" above. In addition, there are certain factors which are material for assessing the potential market risks associated with Notes issued under the Programme. These are also discussed under "*Risk Factors*" above and include certain risks associated with the structure of a particular issue of Notes and risks common to the Notes generally.
Description:	€5,000,000,000 Global Medium Term Note Programme
Arrangers:	Morgan Stanley & Co. International plc and National Bank of Greece S.A.
Dealers:	Morgan Stanley & Co. International plc National Bank of Greece S.A. and any other Dealer appointed from time to time by the Bank either generally in respect of the Programme or in relation to a particular Tranche of Notes.
Certain Restrictions:	Each issue of Notes denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time (see "*Subscription and Sale*" below) including the following restrictions applicable at the date of this Base Prospectus. **Notes having a maturity of less than one year**

	In the case of Notes having a maturity of less than one year, the same will constitute deposits for the purposes of the prohibition on accepting deposits contained in section 19 of the Financial Services and Markets Act 2000 unless they are issued to a limited class of professional investors and have a denomination of at least £100,000 or its equivalent in other currencies, see "*Subscription and Sale*" below. Under the Prospectus Regulation, prospectuses relating to money market instruments having a maturity at issue of less than 12 months and complying also with the definition of securities are not subject to the approval provisions stated therein.
Fiscal Agent:	The Bank of New York Mellon (acting through its London branch)
Registrar:	The Bank of New York Mellon SA/NV, Luxembourg Branch
Transfer Agent:	The Bank of New York Mellon acting through its New York branch and acting through its London branch
Luxembourg Listing Agent:	The Bank of New York Mellon SA/NV, Luxembourg Branch
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 Notes 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. Notes may be listed or admitted to trading, as the case may be, on other or further stock exchanges or markets agreed between the Issuer and the relevant Dealer in relation to the Series. Notes which are neither listed nor admitted to trading on any market may also be issued. The applicable Final Terms will state whether or not the relevant Notes are to be listed and/or admitted to trading and, if so, on which stock exchanges and/or markets.
Clearing Systems:	Euroclear Bank SA/NV, of 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium (**Euroclear**), Clearstream Banking S.A., of 42 Avenue J. F. Kennedy, L-1855 Luxembourg (**Clearstream, Luxembourg**), The Depository Trust Company of 55 Water Street, New York, New York 10041-0004, U.S.A. (**DTC**) and/or any other clearing system as may be specified in the relevant Final Terms.
Initial Programme Amount:	Up to €5,000,000,000 (or its equivalent in other currencies) aggregate principal amount of Notes outstanding at any one time. The Bank may increase the amount of the Programme in accordance with the terms of the Programme Agreement.
Issuance in Series:	Notes will be issued in Series. Each Series may comprise one or

more Tranches issued on different issue dates. The Notes of each Series will all be subject to the same terms and conditions in all respects (or in all respects except for the first payment of interest) so as to form a single Series.

Forms of Notes: Notes may be issued in bearer form (**Bearer Notes**) or registered form (**Registered Notes**), as specified in the relevant Final Terms. Bearer Notes will not be exchangeable for Registered Notes and Registered Notes will not be exchangeable for Bearer Notes. No single Series or Tranche may comprise both Bearer Notes and Registered Notes.

Bearer Notes

Each Tranche of Notes in bearer form will initially be in the form of either a Temporary Global Note or a Permanent Global Note, in each case as specified in the relevant Final Terms. Each Bearer Global Note which is not intended to be issued in new global note form (a **Classic Global Note** or **CGN**), as specified in the relevant Final Terms, will be deposited on or around the relevant issue date with a depositary or a common depositary for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and each Bearer Global Note which is intended to be issued in new global note form (a **New Global Note** or **NGN**), as specified in the relevant Final Terms, will be deposited on or around the relevant issue date of the relevant Tranche of the Notes with a common safekeeper for Euroclear and/or Clearstream, Luxembourg. If so specified in the relevant Final Terms, each Temporary Global Note will be exchangeable for a Permanent Global Note or, if so specified in the relevant Final Terms, for Definitive Notes. If the TEFRA D Rules are specified in the relevant Final Terms as applicable, certification as to non-U.S. beneficial ownership will be a condition precedent to any exchange of an interest in a Temporary Global Note or receipt of any payment of interest in respect of a Temporary Global Note. Each Permanent Global Note will be exchangeable for Definitive Notes in accordance with its terms. Definitive Notes will, if interest-bearing, have Coupons attached and, if appropriate, a Talon for further Coupons.

Registered Notes

Notes in registered form which are offered and sold to non-U.S. persons in offshore transactions in reliance on Regulation S under the Securities Act will be represented by interests in a global registered note certificate (the **Unrestricted Global Note**), and either (i) be deposited with a custodian for and registered in the name of a nominee of The Depository Trust Company (**DTC**); or (ii) be deposited with a common depositary or (in the case of Unrestricted Global Notes to be held under the NSS) a common safekeeper for Euroclear and Clearstream, Luxembourg, and registered in the name of a nominee of the common safekeeper, on or about the date of issue of the relevant Tranche. Up to and including the 40th day after the later of the commencement of the

	offering and the relevant issue date, beneficial interests in an Unrestricted Global Note that is deposited with a custodian for DTC may be held only through Euroclear or Clearstream, Luxembourg. Notes which are offered and sold to QIBS in reliance on Rule 144A or another applicable exemption from registration under the Securities Act will be represented by interests in a global registered note certificate (the **Restricted Global Note** and, together with the Unrestricted Global Note, the **Registered Global Notes**), deposited with a custodian for and registered in the name of a nominee of DTC on or about the date of issue of the relevant Tranche. Interests in the Registered Global Notes will be shown on, and transfers thereof will be effected only through, records maintained by Euroclear, Clearstream, Luxembourg, and DTC and its direct and indirect participants, including depositaries for Euroclear and Clearstream, Luxembourg. Definitive registered notes (**Definitive Registered Notes**) evidencing holdings of Notes will only be available in certain limited circumstances. (See "*Forms of the Notes and Transfer Restrictions Relating to U.S. Sales*" below).
Currencies:	Notes may be denominated in U.S. dollars, Sterling, Euro, Yen and such other currencies without limitation, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements. Payments in respect of Notes may, subject to such compliance, be made in and/or linked to, any currency or currencies other than the currency in which such Notes are denominated.
Status of the Notes:	Notes may be Unsubordinated Notes, Unsubordinated MREL Notes, Senior Non-Preferred Notes or Subordinated Notes, as specified in the relevant Final Terms.
Issue Price:	Notes may be issued at any price. The price and amount of Notes to be issued under the Programme will be determined by the Issuer and the relevant Dealer(s) at the time of issue in accordance with prevailing market conditions.
Maturities:	Any maturity, subject, in relation to specific currencies, to compliance with all applicable legal and/or regulatory and/or central bank requirements.
Redemption:	The applicable Final Terms will indicate either that the relevant Notes cannot be redeemed prior to their stated maturity (other than for taxation reasons or following an Event of Default or an Enforcement Event, as applicable) or that such Notes will be redeemable at the option of (i) the Issuer (see Condition 10.3 (*Redemption at the option of the Issuer*)) or, in the case of Subordinated Notes only, for regulatory reasons (see Condition 10.6 (*Redemption of Subordinated Notes for regulatory reasons*)) or, in case of Unsurbordinated MREL Notes or Senior Non-Preferred Notes only, following a MREL Disqualification Event

	(see Condition 10.7 (*Issuer Call due to MREL Disqualification Event*)) and/or (ii) (in the case of Unsubordinated Notes only) the Noteholders upon giving notice to the Noteholders 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.
Interest:	Notes may be interest-bearing or non-interest bearing. Interest (if any) may accrue at a fixed rate (which, in the case of Fixed Reset Notes, will be reset to the sum of the applicable Mid-Swap Rate or the applicable Reference Bond Rate, as specified in the relevant Final Terms, and the Reset Margin) or a floating rate. The Issuer may also have the right to convert the interest rate from a fixed rate to a floating rate or vice versa.
Substitution or Variation	If Substitution or Variation is specified as being applicable in the relevant Final Terms, in respect of (x) Unsubordinated MREL Notes or Senior Non-Preferred Notes only, if a MREL Disqualification Event occurs, or (y) Subordinated Notes, if a Regulatory Event occurs, or (z) all Notes, as applicable, in order to ensure the effectiveness and enforceability of Condition 26 (*Statutory Loss Absorption Powers*), the Issuer may substitute the Notes, or vary the terms of such Notes, so that the relevant Notes once again become or remain, as appropriate, Qualifying Unsubordinated Notes, Qualifying Unsubordinated MREL Notes, Qualifying Senior Non-Preferred Notes or Qualifying Subordinated Notes, as the case may be. See Condition 17.3 (*Substitution and Variation*).
Cross-default/cross-acceleration:	Unsubordinated Notes will have the benefit of a cross-default / cross-acceleration as described in Condition 13 (*Events of Default*).
Enforcement Events:	Holders of Unsubordinated MREL Notes, Senior Non-Preferred Notes and the Subordinated Notes may declare such Notes to be immediately due and repayable on the occurrence of an Enforcement Event as described in Condition 13.2 (*Enforcement Events—Unsubordinated MREL Notes, Senior Non-Preferred Notes and Subordinated Notes*).
Contractual Recognition of Statutory Loss Absorption Powers	By the acquisition of the Notes, each Noteholder acknowledges and agrees to be bound by the exercise of any Loss Absorption Power by the Relevant Resolution Authority, as set out in more detail in Condition 26 (*Statutory Loss Absorption Powers*). The rights of the Noteholders are subject to, and will be varied if necessary so as to give effect to the exercise of any Loss Absorption Power by the Relevant Resolution Authority. See Condition 26 (*Statutory Loss Absorption Powers*).
Denominations:	The Notes will be issued in such denominations as may be agreed between the Issuer and the relevant Dealer save that the minimum denomination of each Note will be such amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the

relevant Specified Currency, see "*Certain Restrictions – Notes having a maturity of less than one year*" above, and save that the minimum denomination of each Note will be €100,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency).

Taxation: All payments of principal and interest in respect of Notes will be made free and clear of withholding taxes in the Relevant Taxing Jurisdiction unless the withholding is required by law. In that event, the Issuer will (subject as provided in Condition 12 (*Taxation*)) pay such additional amounts in respect of principal and interest or, in respect of Unsubordinated MREL Notes, Senior Non-Preferred Notes and Subordinated Notes, interest only, as will result in the Noteholders receiving such amounts as they would have received in respect of such Notes had no such withholding been required.

Under Greek law as at 19 December 2019, payments of interest under the Non-Listed Notes are subject to Greek income withholding tax and, under the Terms and Conditions of the Notes, where Extended Gross-Up is specified as being applicable in the relevant Final Terms, subject to one limited exception (which would not apply while the Non-Listed Notes are represented by Global Notes cleared through Euroclear and/or Clearstream, Luxembourg), the Bank is required to gross up such payments in order that Noteholders receive such amounts as would have been received by them if no such withholding had been required (see Condition 12.1 (*Gross-up*)). In this case, depending on applicable income tax rules in the tax jurisdiction(s) to which they are subject, the income received by a Holder for tax purposes may be the gross amount paid by the Bank, rather than the net amount received by the Holder.

The attention of Holders is also drawn to the fact that, if the Greek law on income tax withholding changes in the future and payments of interest under the Non-Listed Notes to Non-Greek Legal Persons (as defined in Condition 2 (*Interpretation*)) cease to be subject to Greek income withholding tax, the obligation of the Issuer to gross up interest payments will be limited. Please see Condition 12.1 (*Gross-up*). In such circumstances, Holders who are not Non-Greek Legal Persons may remain subject to income tax withholding, if any is applicable, and (if so) may cease to benefit from any grossing-up of interest payments.

Listed Notes means Notes which are listed on the EU-regulated market of the Bourse of Luxembourg, or on another trading venue within the meaning of article 4 of Directive 2014/65/EU.

Non-Listed Notes means Notes which are not listed in a trading venue, within the meaning of article 4 of Directive 2014/65/EU.

Prospective purchasers of the Notes are advised to consult their own tax advisors as to the tax consequences of the purchase, ownership and disposal of the Notes.

Rating:	A Series of Notes issued under the Programme may be rated or unrated. Where a Series of Notes is rated, such rating will be disclosed in the applicable Final Terms. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.
Substitution of the Issuer	The Terms and Conditions of the Notes contain provisions allowing for the substitution of the Issuer as the debtor in respect of the Notes, any Coupons, the Deed of Covenant and the Agency Agreement, as more fully described in Condition 20 (*Substitution of the Issuer*).
Governing Law:	English law except for Conditions 5.2 (*Status – Senior Non-Preferred Notes*), 5.3 (*Status — Subordinated Notes*) and 26 (*Statutory Loss Absorption Powers*) are governed by, and shall be construed in accordance with, the laws of the Hellenic Republic.
Enforcement of Notes in Global Form:	In the case of Global Notes, individual investors' rights against the Issuer will be governed by a Deed of Covenant dated 19 December 2019 (as amended, supplemented or restated from time to time), a copy of which will be available for inspection at the specified office of the Fiscal Agent.
Selling Restrictions:	For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of offering material in the United States of America, the United Kingdom, the Hellenic Republic, The Netherlands, France, Italy, the EEA, Singapore and Japan, see "*Subscription and Sale*" below.

DOCUMENTS INCORPORATED BY REFERENCE

Information included in the following documents which have previously been published shall be incorporated by reference in, and form part of, this Base Prospectus as set out in the relevant cross-reference lists:

(a) Group and Bank Annual Financial Report 31 December 2018, which includes the Independent Auditor's Report and the Audited Consolidated Financial Statements for the Group for the year ended 31 December 2018 (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);

(b) Group and Bank Annual Financial Report 31 December 2017, which includes the Independent Auditor's Report and the Audited Consolidated Financial Statements for the Group for the year ended 31 December 2017 (the **2017 Annual Financial Statements**) (available at: https://www.nbg.gr/english/the-group/investor-relations/financial-information/annual-interim-financial-statements/Documents/Annual%20and%20interim%20financial%20statements/NBG%20FS%2031%2012%202017%20%CE%95%CE%9D.pdf);

(c) Group and Bank Six-Month Financial Report 30 June 2019, which includes the Independent Auditor's Review Report and the Unaudited Consolidated Financial Statements for the Group for the period ended 30 June 2019 (the **June 2019 Interim 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%2030%2006%202019%20EN.pdf); and

(d) Group and Bank Interim Financial Statements for the period ended 30 September 2019 (the **September 2019 Interim 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%2030%2009%202019%20EN.pdf).

Following the publication of this Base Prospectus a supplement may be prepared by the Bank 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 from the registered office of the Issuer 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 are either deemed not relevant for an investor or are otherwise covered elsewhere in this Base Prospectus.

The Bank 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 Notes, prepare a supplement to this Base Prospectus or publish a new Base Prospectus for use in connection with any subsequent issue of Notes.

CROSS-REFERENCE LIST RELATING TO THE GROUP AND BANK 2017 ANNUAL FINANCIAL STATEMENTS AND 2018 ANNUAL FINANCIAL STATEMENTS

Information Incorporated	31 December 2017	31 December 2018
Appendix for alternative performance measures	N/A	p.64-65
Independent Auditor's Report	p.60-65	p.73-78
Statement of Financial Position	p.66	p.79
Income Statement	p.67	p.80
Statement of Comprehensive Income	p.68	p.81
Statement of Changes in Equity	p.69-70	p.82-83
Cash Flow Statement	p.71	p.84
Notes to the Financial Statements	p.72-177	p.85-210

CROSS-REFERENCE LIST RELATING TO THE GROUP AND BANK JUNE 2019 INTERIM FINANCIAL STATEMENTS

Information Incorporated	30 June 2019
Independent Auditor's Review Report	p.27-28
Statement of Financial Position	p.30
Income Statement – 6 month period	p.31
Statement of Comprehensive Income – 6 month period	p.32
Income Statement – 3 month period	p.33
Statement of Comprehensive Income – 3 month period	p.34
Statement of Changes in Equity	p.35
Cash Flow Statement	p.37
Notes to the Financial Statements	p.38-67

CROSS-REFERENCE LIST RELATING TO THE GROUP AND BANK SEPTEMBER 2019 INTERIM FINANCIAL STATEMENTS

Information Incorporated	30 September 2019
Statement of Financial Position	p. 3
Income Statement – 9 month period	p. 4
Statement of Comprehensive Income – 9 month period	p. 5
Income Statement – 3 month period	p. 6
Statement of Comprehensive Income – 3 month period	p. 7
Statement of Changes in Equity - Group	p. 8
Cash Flow Statement	p. 9
Notes to the Financial Statements	p. 10-38

Copies of the documents specified above as containing information incorporated by reference in this Base Prospectus may be inspected, free of charge, at specified offices of the Paying Agents and will be available on the website of the Luxembourg Stock Exchange (www.bourse.lu).

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions which, as completed by the relevant Final Terms, will be endorsed on or incorporated by reference in each Note in definitive form issued under the Programme. The terms and conditions applicable to any Note in global form will differ from those terms and conditions which would apply to the Note were it in definitive form to the extent described under "Forms of the Notes and Transfer Restrictions Relating to U.S. Sales - Conditions applicable to Bearer Global Notes and Registered Global Notes".

1. Introduction

1.1 Programme

National Bank of Greece S.A. (the **Bank** or the **Issuer**) is the issuer under a Global Medium Term Note Programme (the **Programme**) for the issuance of notes (the **Notes**).

1.2 Final Terms

Notes issued under the Programme are issued in series (each a **Series**) and each Series may comprise one or more tranches (each a **Tranche**) of Notes. Each Tranche is the subject of a Final Terms (the **Final Terms**) which completes these terms and conditions (the **Conditions**). The terms and conditions applicable to any particular Tranche of Notes are these Conditions as completed by the relevant Final Terms.

1.3 Agency Agreement

The Notes are the subject of an amended and restated agency agreement dated 19 December 2019 (as amended or supplemented from time to time, the **Agency Agreement**) between the Bank, The Bank of New York Mellon acting through its London branch as fiscal agent (the **Fiscal Agent**, which expression includes any successor Fiscal Agent appointed by the Bank from time to time in connection with the Notes), The Bank of New York Mellon SA/NV, Luxembourg Branch as registrar (the **Registrar**, which expression includes any successor registrar appointed from time to time in connection with the Notes) and the transfer and paying agents named therein (together with the Fiscal Agent and the Registrar, the **Agents**, which expression includes any successor or additional agents appointed from time to time in connection with the Notes).

1.4 Deed of Covenant

The Notes are entitled to the benefit of a deed of covenant dated 19 December 2019 (as amended, supplemented or restated from time to time, the Deed of Covenant) made by the Issuer.

1.5 The Notes

The Notes are in bearer form (**Bearer Notes**) or in registered form (**Registered Notes**) as specified in the relevant Final Terms and, in the case of definitive Notes, serially numbered, in the currency (the **Specified Currency**) and the denominations (the **Specified Denomination(s)**) specified in the relevant Final Terms. Notes of one Specified Denomination may not be exchanged for Notes of another Specified Denomination and Bearer Notes may not be exchanged for Registered Notes and *vice versa*.

The Notes may be Fixed Rate Notes, Fixed Reset Notes, Floating Rate Notes or Zero Coupon Notes, or a combination of any of the foregoing, depending upon the Interest Basis shown in the relevant Final Terms.

The Notes may be Unsubordinated Notes, Unsubordinated MREL Notes, Senior Non-Preferred Notes or Subordinated Notes as indicated in the relevant Final Terms.

All subsequent references in these Conditions to **Notes** are to the Notes of one Series only which are the subject of the relevant Final Terms, not to all Notes that may be issued under the Programme. References in these Conditions to Notes means the instruments (*ομολογίες* in Greek) issued by the Bank under articles 59 *et seq* of Greek Law 4548/2018 and article 14 of Greek Law 3156/2003, each as applicable from time to time. Copies of the relevant Final Terms are obtainable during normal business hours at the Specified Office of the Fiscal Agent or, in the case of Registered Notes (as defined in Condition 2 (*Interpretation*)) the Registrar and, in any event, at the Specified Office of the Paying Agent in Luxembourg.

1.6 Summaries

Certain provisions of these Conditions are summaries of the Agency Agreement and are subject to their detailed provisions. Noteholders and Couponholders, if any, are bound by, and are deemed to have notice of, all the provisions of the Agency Agreement and the Deed of Covenant applicable to them. Copies of the Agency Agreement and the Deed of Covenant are available for inspection by Noteholders during normal business hours at the Specified Offices of each of the Paying Agents.

2. Interpretation

Definitions:

In these Conditions the following expressions have the following meanings:

Accrual Yield has the meaning given in the relevant Final Terms;

Additional Business Centre(s) means the city or cities specified as such in the relevant Final Terms;

Additional Financial Centre(s) means the city or cities specified as such in the relevant Final Terms;

Adjustment Spread means either a spread (which may be positive or negative), or the formula or methodology for calculating a spread, in either case, which the Independent Adviser or the Issuer (as applicable) determines (acting in good faith and in a commercially reasonable manner) is required to be applied to the Successor Rate or the Alternative Rate (as the case may be) and is the spread, formula or methodology which:

(a) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body; or (if no such recommendation has been made, or in the case of an Alternative Rate);

(b) the Independent Adviser or the Issuer (as applicable) determines (acting in good faith and in a commercially reasonable manner), is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be); (or if the Issuer determines that no such industry standard is recognised or acknowledged); or

(c) the Independent Adviser or the Issuer (as applicable) determines (acting in good faith and in a commercially reasonable manner) to be appropriate;

Alternative Rate means an alternative benchmark or screen rate which the Independent Adviser or the Issuer (as applicable) determines (acting in good faith and in a commercially reasonable manner) in accordance with Condition 8.2 (*Successor Rate or Alternative Rate*) is customary in market usage in the international debt capital markets for the purposes of determining rates of interest (or the relevant component part thereof) in the same Specified Currency as the Notes;

Amortised Face Amount has the meaning given in Condition 10.9 (*Early redemption of Zero Coupon Notes*);

Applicable Banking Regulations means at any time any requirements contained in the laws, regulations, rules, guidelines and policies of the Competent Authority, or of the European Parliament and Council then in effect in the Hellenic Republic, relating to capital adequacy and applicable to the Bank and/or the Group from time to time (including, but not limited to, as at the Issue Date of the relevant Series of Notes, the rules contained in, or implementing, the CRD IV Package and the BRRD, and delegated or implementing acts adopted by the European Commission and guidelines issued by the European Banking Authority in connection with the CRD IV Package and/or the BRRD);

Bearer Note means a Note in bearer form;

Benchmark Amendments has the meaning given to it in Condition 8.4 (*Benchmark Amendments*);

Benchmark Event means:

(a) the Original Reference Rate ceasing be published for a period of at least 5 Business Days or ceasing to exist; or

(b) a public statement by the administrator of the Original Reference Rate that it will, by a specified date within the following six months, cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate); or

(c) a public statement by the supervisor of the administrator of the Original Reference Rate, that the Original Reference Rate has been or will, by a specified date within the following six months, be permanently or indefinitely discontinued; or

(d) a public statement by the supervisor of the administrator of the Original Reference Rate as a consequence of which the Original Reference Rate will be prohibited from being used either generally, or in respect of the Notes, in each case within the following six months; or

(e) it has become unlawful for any Paying Agent, Calculation Agent, the Issuer or other party to calculate any payments due to be made to any Noteholder using the Original Reference Rate; or

(f) a public statement by the supervisor of the administrator of the Original Reference Rate that such Original Reference Rate is no longer representative or may no longer be used;

BRRD means Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms, as amended or replaced from time to time (including by BRRD II);

BRRD II means Directive (EU) 2019/879 of the European Parliament and of the Council of 20 May 2019 amending Directive 2014/59/EU as regards the loss-absorbing and recapitalisation capacity of credit institutions and investment firms and Directive 98/26/EC, as amended or replaced from time to time;

Business Day means a day which is both:

(a) a day (other than a Saturday, Sunday or a public holiday) 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 each Additional Business Centre specified in the applicable Final Terms; and

(b) either (i) in relation to any sum payable in a currency other than euro, a day (other than a Saturday, Sunday or a public holiday) on which commercial banks and foreign exchange markets settle payments in such currency and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the Principal Financial Centre of the relevant currency or (ii) in relation to any sum payable in euro, a TARGET Settlement Day;

Business Day Convention, in relation to any particular date, has the meaning given in the relevant Final Terms and, if so specified in the relevant Final Terms, may have different meanings in relation to different dates and, in this context, the following expressions shall have the following meanings:

(a) **Following Business Day Convention** means that the relevant date shall be postponed to the first following day that is a Business Day;

(b) **Modified Following Business Day Convention** or **Modified Business Day Convention** means that the relevant date shall be postponed to the first following day that is a Business Day unless that day falls in the next calendar month in which case that date will be the first preceding day that is a Business Day;

(c) **Preceding Business Day Convention** means that the relevant date shall be brought forward to the first preceding day that is a Business Day;

(d) **FRN Convention**, **Floating Rate Convention** or **Eurodollar Convention** means that each relevant date shall be the date which numerically corresponds to the preceding such date in the calendar month which is the number of months specified in the relevant Final Terms as the Specified Period after the calendar month in which the preceding such date occurred provided, however, that:

(i) if there is no such numerically corresponding day in the calendar month in which any such date should occur, then such date will be the last day which is a Business Day in that calendar month;

(ii) if any such date would otherwise fall on a day which is not a Business Day, then such date will be the first following day which is a Business Day unless that day

falls in the next calendar month, in which case it will be the first preceding day which is a Business Day; and

(iii) if the preceding such date occurred on the last day in a calendar month which was a Business Day, then all subsequent such dates will be the last day which is a Business Day in the calendar month which is the specified number of months after the calendar month in which the preceding such date occurred; and

(e) **No Adjustment** means that the relevant date shall not be adjusted in accordance with any Business Day Convention;

Calculation Agent means the Fiscal Agent or such other Person specified in the relevant Final Terms as the party responsible for calculating the Rate(s) of Interest and Interest Amount(s) and/or such other amount(s) as may be specified in the relevant Final Terms;

Calculation Amount has the meaning given in the relevant Final Terms;

Competent Authority means the Bank of Greece or other governmental authority in the Hellenic Republic (or other country in which the Bank is then domiciled) and/or to the extent applicable in any relevant situation, the European Central Bank or any successor or replacement entity to either, or other authority having primary responsibility for the prudential oversight and supervision of the Bank or the Group;

Coupon means an interest coupon pertaining to a Bearer Note;

Coupon Sheet means, in respect of a Bearer Note, a coupon sheet relating to such Note;

Couponholder means the holder of a Coupon;

Covered Bond means any bond, note or other security (however defined) designated by the Bank as a covered bond and secured on a defined pool of assets;

CRD IV Directive means the Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC, as amended or replaced from time to time (including by the CRD V Directive);

CRD V Directive means the Directive (EU) 2019/878 of the European Parliament and of the Council of 20 May 2019 amending Directive 2013/36/EU as regards exempted entities, financial holding companies, mixed financial holding companies, remuneration, supervisory measures and powers and capital conservation measures, as amended or replaced from time to time;

CRD IV Package means, taken together (i) the CRD IV Directive and (ii) the CRD IV Regulation;

CRD IV Regulation means Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No. 648/2012, as amended or replaced from time to time (including by the CRD V Regulation);

CRD V Regulation means Regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019 amending 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, as amended or replaced from time to time;

Day Count Fraction means (subject as provided in Condition 6 (*Fixed Rate Note and Fixed Reset Note Provisions*)), in respect of the calculation of an amount of interest on any Note in accordance with these Conditions:

(a) if **Actual/Actual (ICMA)** is specified in the applicable Final Terms,

(i) in the case of Notes 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 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

(ii) in the case of Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:

(A) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (i) the number of days in such Determination Period and (ii) the number of Determination Dates that would occur in one calendar year; and

(B) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (i) the number of days in such Determination Period and (ii) the number of Determination Dates that would occur in one calendar year;

(b) 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);

(c) if **Actual/365 (Fixed)** is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365;

(d) if **Actual/365 (Sterling)** is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;

(e) if **Actual/360** is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 360;

(f) if **30/360, 360/360** or **Bond Basis** is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

Y_1 is the year, expressed as a number, in which the first day of the Interest Period falls;

Y_2 is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

M_1 is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

M_2 is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

D_1 is the first calendar day, expressed as a number, of the Interest Period, unless such number is 31, in which case D_1 will be 30; and

D_2 is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31 and D1 is greater than 29, in which case D2 will be 30;

(g) if **30E/360** or **Eurobond Basis** is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

Y_1 is the year, expressed as a number, in which the first day of the Interest Period falls;

Y_2 is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

M_1 is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

M_2 is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

D_1 is the first calendar day, expressed as a number, of the Interest Period, unless such number is 31, in which case D_1 will be 30; and

D_2 is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31, in which case D_2 will be 30;

(h) if **30E/360 (ISDA)** is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

Y_1 is the year, expressed as a number, in which the first day of the Interest Period falls;

Y_2 is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

M_1 is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

M_2 is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

D_1 is the first calendar day, expressed as a number, of the Interest Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D_1, will be 30; and

D_2 is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31 and in which case D_2 will be 30;

Determination Date has the meaning given in the relevant Final Terms;

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);

Early Redemption Amount means (i) in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Final Terms, or (ii) in respect of Zero Coupon Notes, the Amortised Face Amount;

Early Redemption Date means a date prior to the scheduled Maturity Date on which the Issuer, in accordance with Condition 10 (*Redemption and Purchase*), redeems the Notes;

Exchange Rate means the exchange rate specified in the applicable Final Terms;

Extraordinary Resolution has the meaning given in the Agency Agreement;

Final Redemption Amount means, in respect of any Note, its principal amount or such other amount as may be specified in the relevant Final Terms;

First Reset Date has the meaning given in the relevant Final Terms;

First Reset Rate means the sum of the Reset Margin and the Reset Rate in respect of the First Reset Period and subject to Condition 6.2(a) (*Accrual of interest*);

Fixed Coupon Amount has the meaning given in the relevant Final Terms;

Fixed Reset Rate of Interest has the meaning given in Condition 6.2 (*Fixed Reset Note Provisions*);

Floating Leg Reference Rate has the meaning given in the relevant Final Terms;

Floating Leg Screen Page has the meaning given in the Relevant Final Terms;

Group means the Bank and each entity within the prudential consolidation of the Bank pursuant to the Applicable Banking Regulations;

Group Entity means the Bank or any entity that is part of the Group;

Guarantee means, in relation to any Indebtedness of any Person, any obligation of another Person to pay such Indebtedness;

Holder means a Registered Holder or, as the context requires, the holder of a Bearer Note;

Indebtedness means any indebtedness of any Person for money borrowed or raised;

Independent Adviser means an independent financial institution of international repute or an independent financial adviser with appropriate expertise appointed by the Issuer under Condition 8.1 (*Independent Adviser*);

Initial Interest Rate has the meaning given in the relevant Final Terms;

Initial Mid-Swap Rate has the meaning given in the relevant Final Terms;

Interest Amount means, in relation to a Note and an Interest Period, the amount of interest payable in respect of that Note for that Interest Period;

Interest Commencement Date means the Issue Date of the Notes or such other date as may be specified as the Interest Commencement Date in the relevant Final Terms;

Interest Determination Date has the meaning given in the relevant Final Terms;

Interest Payment Date means the date or dates specified as such in, or determined in accordance with the provisions of, the relevant Final Terms and, if a Business Day Convention is specified in the relevant Final Terms:

(a) as the same may be adjusted in accordance with the relevant Business Day Convention; or

(b) if the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention and an interval of a number of calendar months is specified in the relevant Final Terms as being the Specified Period, each of such dates as may occur in accordance with the FRN Convention, Floating Rate Convention or Eurodollar Convention at such Specified Period of calendar months following the Interest Commencement Date (in

the case of the first Interest Payment Date) or the previous Interest Payment Date (in any other case);

Interest Period means each period beginning on (and including) the Interest Commencement Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date;

ISDA Definitions means the 2006 ISDA Definitions (as amended and updated as at the date of issue of the first Tranche of the Notes of the relevant Series (as specified in the relevant Final Terms) as published by the International Swaps and Derivatives Association, Inc.);

Issue Date has the meaning given in the relevant Final Terms;

Loss Absorption Power means any statutory write-down and/or conversion power existing from time to time under any laws, regulations, rules or requirements, whether relating to the resolution or independent of any resolution action of credit institutions, investment firms and/or Group Entities incorporated in the relevant Member State or, if appropriate, a third country (not or no longer being a Member State) in effect and applicable in the relevant Member State or, if appropriate, third country (not or no longer being a Member State) to the Bank or other Group Entities, including (but not limited to), the bail-in powers provided for by articles 43 and 44 of Greek law 4335/2015 which has transposed BRRD, the write-down powers provided for by articles 59 and 60 of Greek law 4335/2015 and any other such laws, regulations, rules or requirements that are implemented, adopted or enacted within the context of any European Union directive or regulation of the European Parliament and of the Council establishing a framework for the recovery and resolution of credit institutions and investment firms and/or within the context of a relevant Member State resolution regime or otherwise, pursuant to which liabilities of a credit institution, investment firm and/or Group Entities can be reduced, cancelled and/or converted into shares or other obligations of the obligor or any other person;

Margin has the meaning given in the relevant Final Terms;

Maturity Date has the meaning given in the relevant Final Terms;

Maximum Rate of Interest has the meaning given in the relevant Final Terms;

Maximum Redemption Amount has the meaning given in the relevant Final Terms;

Mid-Swap Rate means, in relation to a Reset Determination Date and subject to Condition 6.2 (*Fixed Reset Note Provisions*), the rate for the Reset Determination Date of, in the case of semi-annual or annual Interest Payment Dates, the semi-annual or annual swap rate, respectively (with such semi-annual swap rate to be converted to a quarterly rate in accordance with market convention, in the case of quarterly Interest Payment Dates) for swap transactions in the Specified Currency with a term equal to the relevant Reset Period and commencing on the relevant Reset Date, expressed as a percentage, which appears on the Reset Relevant Screen Page as of approximately 11.00 a.m. in the Principal Financial Centre of the Specified Currency on such Reset Determination Date, all as determined by the Calculation Agent. If such rate does not appear on the Reset Relevant Screen Page (other than in circumstances provided for in Condition 8 (*Benchmark Discontinuation*)), the Mid-Swap Rate for the Reset Date will be the Reset Reference Bank Rate for the Reset Period;

Minimum Rate of Interest has the meaning given in the relevant Final Terms;

Minimum Redemption Amount has the meaning given in the relevant Final Terms;

MREL Disqualification Event shall be deemed to occur if, at any time, all or part of the aggregate outstanding nominal amount of such Series of Notes are, or (in the opinion of the Issuer, the Competent Authority or the Relevant Resolution Authority) are likely to be, excluded fully or partially from the eligible liabilities available to meet the MREL Requirements; provided that a MREL Disqualification Event shall not occur where (a) the exclusion of a Series of Unsubordinated MREL Notes or Senior Non-Preferred Notes from the MREL Requirements is due to (i) the remaining maturity of such Notes being less than any period prescribed thereunder, or (ii) the relevant Notes being bought back by or on behalf of the Issuer or (b) the exclusion of all or some of a Series of Unsubordinated MREL Notes from the MREL Requirements is solely due to (i) such Unsubordinated MREL Notes failing to meet a requirement in relation to their ranking on insolvency of the Issuer or (ii) there being insufficient headroom for such Unsubordinated MREL Notes within a prescribed exception to the otherwise applicable general requirements for eligible liabilities, if any;

MREL Requirements means, at any time, the laws, regulations, requirements, guidelines, rules, standards and policies relating to minimum requirements for own funds and eligible liabilities and/or loss-absorbing capacity instruments applicable to the Bank and/or the Group at such time, including, without limitation to the generality of the foregoing, any delegated or implementing acts (such as regulatory technical standards) adopted by the European Commission and any regulations, requirements, guidelines, rules, standards and policies relating to minimum requirements for own funds and eligible liabilities and/or loss absorbing capacity instruments adopted by the Hellenic Republic, a Competent Authority or a Relevant Resolution Authority from time to time (whether or not such requirements, guidelines or policies are applied generally or specifically to the Bank and/or the Group), as any of the preceding laws, regulations, requirements, guidelines, rules, standards, policies or interpretations may be amended, supplemented, superseded or replaced from time to time;

Non-Greek Legal Person means a legal person which under Greek law is not resident in the Hellenic Republic for tax purposes and does not have a permanent establishment in Greece for tax purposes, does not hold the Notes through a custodian established in Greece and does not receive payment of interest under the Notes in the Hellenic Republic;

Note Certificate means a certificate issued to each Registered Holder in respect of its registered holding;

Noteholder means a holder of a Bearer Note or, as the context requires, a Registered Holder;

Optional Redemption Amount (Call) means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Final Terms;

Optional Redemption Amount (Put) means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Final Terms;

Optional Redemption Date (Call) has the meaning given in the relevant Final Terms;

Optional Redemption Date (Put) has the meaning given in the relevant Final Terms;

Original Reference Rate means the originally-specified benchmark or screen rate (as applicable) used to determine the Rate of Interest (or any component part thereof) or a Fixed Reset Rate of Interest (or any component part thereof) on the Notes;

Payment Business Day means any day (other than a Saturday, Sunday or a public holiday) which (subject to Condition 14 (*Prescription*)) is:

(a) 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:

(i) in the case of Notes in definitive form only, the relevant place of presentation;

(ii) each Additional Financial Centre specified in the applicable Final Terms; and

(b) either (i) in relation to any sum payable in 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 relevant currency or (ii) in relation to any sum payable in euro, a TARGET Settlement Day;

Person means any individual, company, corporation, firm, partnership, joint venture, association, organisation, state or agency of a state or other entity, whether or not having separate legal personality;

Postponed Early Redemption Date means the tenth Business Day following the Early Redemption Date (if any);

Postponed Interest Payment Date means the tenth Business Day following the originally scheduled Interest Payment Date;

Postponed Maturity Date means the tenth Business Day following the originally scheduled Maturity Date;

Principal Financial Centre means, in relation to any currency, the principal financial centre for that currency provided, however, that:

(a) in relation to euro, it means the principal financial centre of such Member State of the European Communities as is selected (in the case of a payment) by the payee or (in the case of a calculation) by the Calculation Agent; and

(b) in relation to Australian dollars, it means Sydney and, in relation to New Zealand dollars, it means Auckland;

Put Option Notice means a notice which must be delivered to a Paying Agent by any Noteholder wanting to exercise a right to redeem a Note at the option of the Noteholder;

Put Option Receipt means a receipt issued by a Paying Agent to a depositing Noteholder upon deposit of a Note with such Paying Agent by any Noteholder wanting to exercise a right to redeem a Note at the option of the Noteholder;

Rate of Interest means the rate or rates (expressed as a percentage *per annum*) of interest payable in respect of the Notes specified in relevant Final Terms or calculated or determined in accordance with the provisions of these Conditions and/or the relevant Final Terms;

A **Rating Downgrade** shall be deemed to have occurred if (i) the surviving entity assuming the obligations of the Issuer does not benefit from a credit rating equal to or higher than the credit rating assigned to the Issuer or the Notes (to the extent any such Notes are rated) prior to the amalgamation, merger or reconstruction; or (ii) any rating agency, having been notified of the proposed amalgamation, merger or reconstruction, shall have stated within 30 days thereafter that, as a result of such amalgamation, merger or reconstruction, the credit rating of the Issuer or the surviving entity assuming the obligations of the Issuer or any Notes issued by the Issuer (to the extent any such Notes are rated) would be downgraded;

Redemption Amount means, as appropriate, the Final Redemption Amount, the Early Redemption Amount, the Optional Redemption Amount (Call), the Optional Redemption Amount (Put) or such other amount in the nature of a redemption amount as may be specified in, or determined in accordance with the provisions of, the relevant Final Terms;

Reference Banks means, in the case of a determination of LIBOR, the principal London office of four major banks in the London inter-bank market, and in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market;

Reference Bond means (a) the security specified in the relevant Final Terms or (b) if, at the Reference Bond Quotation Time on the third business day in Athens preceding the Optional Redemption Date (Call) the Reference Bond is no longer outstanding, such other central bank or government security that, in the majority opinion of three Reference Dealers (i) has a maturity comparable to the remaining term of the Notes and (ii) would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of the Notes. In the event that each such Reference Dealer selects a different central bank or government security, the Issuer shall approach a fourth Reference Dealer and, from the three different central bank or government securities selected by the other Reference Dealers, such fourth Reference Dealer shall select as the Reference Bond the central bank or government security which, in its opinion (i) has a maturity comparable to the remaining term of the Notes and (ii) would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of the Notes. The central bank or government security so selected by the fourth Reference Dealer shall then be the Reference Bond.

Reference Bond Price means, with respect to any Reset Determination Date, (i) the arithmetic average of the Reset Reference Dealer Quotations for such Reset Determination Date, after excluding the highest and lowest such Reset Reference Dealer Quotations, or (ii) if fewer than five such Reset Reference Dealer Quotations are received, the arithmetic average of all such quotations, or (iii) if only one Reset Reference Dealer Quotation is received or if no Reset Reference Dealer Quotations are received, the First Reset Rate shall be the Initial Interest Rate and any Subsequent Reset Rate shall be determined to be the Fixed Reset Rate of Interest as at the last preceding Reset Date;

Reference Bond Quotation Time has the meaning given in the relevant Final Terms;

Reference Bond Rate means, (i) in the case of a redemption pursuant to Condition 10.3 (*Redemption at the option of the Issuer*) if Make-whole Amount is specified in the relevant Final Terms, with respect to the Reference Dealers and the Optional Redemption Date (Call), the rate per annum equal to the average of the five quotations of, in the case of semi-annual or annual Interest Payment Dates, the mid-market semi-annual or annual yield to maturity (with such mid-market yield to maturity to be converted to a quarterly mid-market yield to maturity in accordance with market

convention, in the case of quarterly Interest Payment Dates) of the Reference Bond at the Reference Bond Quotation Time on the third business day in Athens preceding the Optional Redemption Date (Call) quoted in writing to the Issuer by the Reference Dealers or, (ii) in the case of the calculation of interest in respect of a Reset Period, with respect to the Reference Dealers and the Reset Determination Date, the rate per annum equal to the yield to maturity or interpolated yield to maturity (on the relevant day count basis) of the Reset Reference Bond at the Reset Determination Time on the Reset Determination Date assuming a price for the Reset Reference Bond (expressed as a percentage of its principal amount) equal to the Reference Bond Price for such Reset Determination Date;

Redemption Margin has the meaning given in the relevant Final Terms;

Reference Dealers means five (or, in the circumstances set out in the definition of Reference Bond and Reset Reference Bond below, three or four) credit institutions or financial services institutions that regularly deal in bonds and other debt securities as selected by the Issuer;

Reference Price has the meaning given in the relevant Final Terms;

Reference Rate means either LIBOR or EURIBOR, as specified in the relevant Final Terms;

Register means the register maintained by the Registrar in respect of Registered Notes in accordance with the Agency Agreement;

Registered Holder means the person in whose name a Registered Note is for the time being registered in the Register (or, in the case of a joint holding, the first named thereof);

Registered Note means a Note in registered form;

A **Regulatory Event** will occur if at any time there is a change in the regulatory classification of the Subordinated Notes that occurs on or after the Issue Date of the most recent Tranche of Subordinated Notes that results, or would be likely to result, in their exclusion, in whole or in part, from the Tier 2 Capital of the Group and/or the Bank and both of the following conditions are met: (i) the Competent Authority considers such a change to be sufficiently certain and (ii) the Bank demonstrates to the satisfaction of the Competent Authority that the change in the regulatory classification of the Subordinated Notes was not reasonably foreseeable as at the Issue Date of the most recent Tranche of the relevant Subordinated Notes;

Relevant Date means, in relation to any payment, whichever is the later of (a) the date on which the payment in question first becomes due and (b) if the full amount payable has not been received in the Principal Financial Centre of the currency of payment by the Fiscal Agent on or prior to such due date, the date on which (the full amount having been so received) notice to that effect has been given to the Noteholders;

Relevant Indebtedness means any Indebtedness having an original maturity of more than one-year which is in the form of or represented by any bond, note, debenture, debenture stock, loan stock, certificate or other note, but excluding any Covered Bond, which, with the consent of the issuer of such security, is or is intended to be listed, quoted or traded on any stock exchange, over the-counter or other organised market for securities (whether or not initially distributed by way of private placement);

Relevant Nominating Body means, in respect of a benchmark or screen rate (as applicable):

(a) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or

(b) 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 benchmark or screen rate (as applicable) relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable), (c) a group of the aforementioned central banks or other supervisory authorities or (d) the Financial Stability Board or any part thereof;

Relevant Resolution Authority means the resolution authority of the Hellenic Republic, the Single Resolution Board (**SRB**) established pursuant to the SRM Regulation and/or any other authority entitled to exercise or participate in the exercise of any Resolution Power or Loss Absorption Power from time to time;

Relevant Screen Page means the page, section or other part of a particular information service (or any successor or replacement page, section or other part of a particular information service, including, without limitation Reuters) specified as the Relevant Screen Page in the relevant Final Terms, or such other page, section or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the Person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate;

Relevant Settlement Currency Amount means the Specified Currency amount per Specified Denomination which would have been payable on the Relevant Date if the Settlement Disruption Event had not occurred;

Relevant Time means 11.00 a.m. (London time), in the case of LIBOR, or 11.00 a.m. (Brussels time), in the case of EURIBOR;

Representative Amount means an amount that is representative for a single transaction in the relevant market at the relevant time;

Reserved Matter means, *inter alia*, any proposal to change any date fixed for payment of principal or interest in respect of the Notes, to cancel or reduce the amount of principal or interest payable on any date in respect of the Notes, to alter the method of calculating the amount of any payment in respect of the Notes or the date for any such payment, to change the currency of any payment under the Notes or to change the quorum requirements relating to meetings or the majority required to pass an Extraordinary Resolution;

Reset Date means the First Reset Date, the Second Reset Date and each Subsequent Reset Date, as applicable;

Reset Determination Date means, unless otherwise specified in the relevant Final Terms, the second Business Day immediately preceding the relevant Reset Date;

Reset Determination Time means in relation to a Reset Determination Date, 11.00 a.m. in the Principal Financial Centre of the Specified Currency on such Reset Determination Date or such other time as may be specified in the relevant Final Terms;

Reset Margin has the meaning given in the relevant Final Terms;

Reset Period means the First Reset Period or any Subsequent Reset Period, as the case may be;

Reset Period Mid-Swap Rate Quotations means for any Reset Period the arithmetic mean of the bid and offered rates for the fixed leg payable with a frequency equivalent to the frequency with which scheduled interest payments are payable on the Notes during the relevant Reset Period (calculated on the day count basis customary for fixed rate payments in the Specified Currency, such day count basis as determined by the Calculation Agent), of a fixed-for-floating interest rate swap transaction in the Specified Currency with a term equal to the relevant Reset Period and commencing on the relevant Reset Date and in a Representative Amount with an acknowledged dealer of good credit in the swap market, where the floating leg (calculated on the day count basis customary for floating rate payments in the Specified Currency, such day count basis as determined by the Calculation Agent), is equivalent to the Rate of Interest that would apply in respect of the Notes if (a) Screen Rate Determination was specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, (b) the Reference Rate was the Floating Leg Reference Rate and (c) the Reset Relevant Screen Page was the Floating Leg Screen Page;

Reset Rate means (a) if Mid-Swap Rate is specified in the relevant Final Terms, the relevant Mid-Swap Rate or (b) if Reference Bond Rate is specified in the relevant Final Terms, the relevant Reference Bond Rate;

Reset Reference Bank Rate means, in relation to a Reset Determination Date and subject to Condition 6.2 (*Fixed Reset Note Provisions*), the percentage determined on the basis of the Reset Period Mid-Swap Rate Quotations provided by the Reset Reference Banks at approximately 11.00 a.m. in the Principal Financial Centre of the Specified Currency on such Reset Determination Date. The Calculation Agent Agent will request the principal office of each of the Reset Reference Banks to provide a quotation of its rate. If at least five quotations are provided, the Reset Reference Bank Rate for the Reset Date will be the arithmetic mean of the quotations, eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest). If only two quotations are provided, it will be the arithmetic mean of the quotations provided. If only one quotation is provided, it will be the quotation provided. If no quotations are provided, the Reset Reference Bank Rate will be the last observable rate (as determined by the Calculation Agent) for, in the case of semi-annual or annual Interest Payment Dates, the semi-annual or annual swap rate, respectively (with such semi-annual swap rate to be converted to a quarterly rate in accordance with market convention, in the case of quarterly Interest Payment Dates) for swap transactions in the Specified Currency with a term equal to the relevant Reset Period and commencing on the relevant Reset Date, expressed as a percentage, which appeared on the Reset Relevant Screen Page prior to 11.00 a.m. in the Principal Financial Centre of the Specified Currency on the relevant Reset Determination Date or if none, the Mid-Swap Rate for the immediately preceding Reset Period or, if none, the Initial Mid-Swap Rate, provided that the Reset Reference Bank Rate will not be the last observable rate if and to the extent that, in the determination of the Bank, the same could reasonably be expected to prejudice the qualification of the relevant Series of Subordinated Notes as Tier 2 Capital of the Group and/or the Bank and/or

result in the exclusion of the relevant Series of Unsubordinated MREL Notes or Senior Non-Preferred Notes from the eligible liabilities available to meet the MREL Requirements;

Reset Reference Banks means five leading banks in the swap, money, securities or other market most closely connected with the relevant Mid-Swap Rate in the Specified Currency with an equivalent maturity to the Reset Period as selected by the Bank on the advice of an investment bank of international repute;

Reset Reference Bond means for any Reset Period a central bank or government security issued by the government of the state responsible for issuing the Specified Currency (which, if the Specified Currency is euro, shall be Germany) that, in the majority opinion of three Reference Dealers (i) has the nearest actual or interpolated maturity comparable with the relevant Reset Period and (ii) would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities denominated in the Specified Currency and of a comparable maturity to the relevant Reset Period. In the event that each such Reference Dealer selects a different central bank or government security, the Issuer shall approach a fourth Reference Dealer and, from the three different central bank or government securities selected by the other Reference Dealers, such fourth Reference Dealer shall select as the Reset Reference Bond the central bank or government security which, in its opinion (i) has the nearest actual or interpolated maturity comparable with the relevant Reset Period and (ii) would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities denominated in the Specified Currency and of a comparable maturity to the relevant Reset Period. The central bank or government security so selected by the fourth Reference Dealer shall then be the Reset Reference Bond.

Reset Reference Dealer Quotations means, with respect to each Reference Dealer and any Reset Determination Date, the arithmetic average, as determined by the Calculation Agent, of the bid and offered prices for the Reset Reference Bond (expressed in each case as a percentage of its principal amount) as at the Reset Determination Time and quoted in writing to the Calculation Agent by such Reference Dealer;

Reset Relevant Screen Page means the page, section or other part of a particular information service (or any successor or replacement page, section or other part of a particular information service, including, without limitation Reuters) as specified as the Reset Relevant Screen Page in the applicable Final Terms or such other page, section or other part as may replace it on that information service, or such other information service, in each case, as may be nominated by the Person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Mid-Swap Rate;

Resolution Power means any statutory write-down, transfer and/or conversion power existing from time to time under any laws regulations, rules or requirements relating to the resolution of the Bank or any other Group entity, including but not limited to any laws, regulations, rules or requirements implementing the BRRD and/or the SRM Regulation;

Second Reset Date has the meaning given in the relevant Final Terms;

Security Interest means any mortgage, charge, pledge, lien or other security interest including, without limitation, anything analogous to any of the foregoing under the laws of any jurisdiction;

Senior Creditors means creditors of the Bank (a) who are unsubordinated creditors of the Bank, including Holders of Unsubordinated Notes and/or Unsubordinated MREL Notes, (b) who are

Holders of Senior Non-Preferred Notes or holders of other obligations of the Bank which rank or are expressed to rank *pari passu* with Senior Non-Preferred Notes, or (c) who are subordinated creditors of the Bank whose claims rank or are expressed to rank in priority (whether only in the winding up, dissolution, liquidation and/or bankruptcy of the Bank or otherwise) to the claims of the Holders of Subordinated Notes

Senior Non-Preferred Notes has the meaning given in Condition 5.2 (*Status – Senior Non-Preferred Notes*);

Settlement Determination Period means (a) in relation to any Interest Payment Date, the period which falls between ten and three Business Days (inclusive) preceding any relevant Interest Payment Date, as adjusted in accordance with the Following Business Day Convention; (b) in relation to the Maturity Date, the period which falls between ten and three Business Days (inclusive) preceding the Maturity Date, as adjusted in accordance with the Following Business Day Convention; and (c) in relation to any Early Redemption Date, as adjusted in accordance with the Following Business Day Convention, the period which falls between ten and three Business Days (inclusive) preceding any Early Redemption Date, as the case may be;

Settlement Disruption Event means, as determined by the Issuer in its sole discretion acting in good faith and in a commercially reasonable manner, the imposition of laws or regulations by the central banking authority or other legislative, governmental or regulatory authority of the jurisdiction of the Specified Currency which (a) require non-residents of such jurisdiction to obtain permission from such central banking authority or other authority to obtain the Specified Currency, or (b) otherwise restrict a non-resident's ability to obtain the Specified Currency or (c) otherwise regulate the purchase or holding of the Specified Currency by non-residents of such jurisdiction such that costs are imposed on obtaining the Specified Currency which would not be imposed in the absence of such regulations, or (d) has the direct or indirect effect of hindering, limiting or restricting the transfer of the Specified Currency between non-residents of such jurisdiction;

Specified Currency has the meaning given in the relevant Final Terms;

Specified Denomination(s) has the meaning given in the relevant Final Terms;

Specified Office has the meaning given in the Agency Agreement;

Specified Period has the meaning given in the relevant Final Terms;

SRM Regulation means Regulation (EU) No 806/2014 of the European Parliament and Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and amending Regulation (EU) No 1093/2010, as amended or replaced from time to time (including by the SRM II Regulation);

SRM II Regulation means Regulation (EU) 2019/877 of the European Parliament and of the Council of 20 May 2019 amending Regulation (EU) No 806/2014 as regards the loss-absorbing and recapitalisation capacity of credit institutions and investment firms, as amended or replaced from time to time;

Subordinated Notes has the meaning given in Condition 5.3 (*Status — Subordinated Notes*);

Subsequent Reset Rate means the sum of the Reset Margin and the Reset Rate for the relevant Subsequent Reset Period;

Subsidiary means, in relation to the Bank at any particular time, any entity:

(a) whose affairs and policies the Bank controls or has the power to control, whether by ownership of share capital, contract, the power to appoint or remove members of the governing body of such entity or otherwise; or

(b) whose financial statements are, in accordance with applicable law and generally accepted accounting principles, consolidated with those of the Bank;

Successor Rate means the rate that the Independent Adviser or the Issuer (as applicable) determines (acting in good faith and in a commercially reasonable manner) is a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body.

Talon means a talon for further Coupons;

TARGET Settlement Day means any day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System or any successor thereto is open;

Tier 2 Capital means capital that is treated as constituting tier 2 capital under Applicable Banking Regulations from time to time (and shall also include any successor or substitute term applicable pursuant to Applicable Banking Regulations) for regulatory capital purposes;

Zero Coupon Note means a Note specified as such in the relevant Final Terms;

Unsubordinated MREL Notes has the meaning given in Condition 5.1 (*Status — Unsubordinated Notes and Unsubordinated MREL Notes*); and

Unsubordinated Notes has the meaning given in Condition 5.1 (*Status — Unsubordinated Notes and Unsubordinated MREL Notes*).

Interpretation:

In these Conditions:

(a) if the Notes are Zero Coupon Notes, references to interest (other than in relation to interest due after the Maturity Date), Coupons and Couponholders are not applicable;

(b) if Talons are specified in the relevant Final Terms as being attached to the Notes at the time of issue, references to Coupons shall be deemed to include references to Talons;

(c) if Talons are not specified in the relevant Final Terms as being attached to the Notes at the time of issue, references to Talons are not applicable;

(d) any reference to principal shall be deemed to include the Redemption Amount, any additional amounts in respect of principal which may be payable under Condition 12 (*Taxation*), any premium payable in respect of a Note and any other amount in the nature of principal payable pursuant to these Conditions;

(e) any reference to interest shall be deemed to include any additional amounts in respect of interest which may be payable under Condition 12 (*Taxation*) and any other amount in the nature of interest payable pursuant to these Conditions;

(f) references to Notes being "outstanding" shall be construed in accordance with the Agency Agreement; and

(g) if an expression is stated in this Condition 2 to have the meaning given in the relevant Final Terms, but the relevant Final Terms gives no such meaning or specifies that such expression is "not applicable" then such expression is not applicable to the Notes.

3. Form, Denomination and Title

The Notes are Bearer Notes or Registered Notes, as specified in the relevant Final Terms.

3.1 Notes in Bearer Form

Bearer Notes are issued in the Specified Denomination(s) with Coupons and, if specified in the relevant Final Terms, Talons attached at the time of issue. In the case of a Series of Bearer Notes with more than one Specified Denomination, Bearer Notes of one Specified Denomination will not be exchangeable for Bearer Notes of another Specified Denomination. Title to Bearer Notes and Coupons will pass by delivery. The Holder of any Bearer Note or Coupon shall (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any other interest therein, any writing thereon or any notice of any previous loss or theft thereof) and no Person shall be liable for so treating such Holder.

3.2 Notes in Registered Form

Registered Notes are issued in the Specified Denominations and may be held in holdings at least equal to the Specified Denomination (an **Authorised Holding**). The Holder of each Registered Note in whose name such Registered Note is for the time being registered in the Register shall (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any other interest therein, any writing on the Note Certificate relating thereto (other than the endorsed form of transfer) or any previous loss or theft of such Note Certificate) and no person shall be liable for so treating such Holder.

4. Register and Transfers of Registered Notes

4.1 Register

The Registrar will maintain the Register in accordance with the provisions of the Agency Agreement. A Note Certificate will be issued to each Registered Holder in respect of its holding. Each Note Certificate will be numbered serially with an identifying number which will be recorded in the Register.

4.2 Transfers

Subject to Conditions 4.5 (*Closed periods*) and 4.6 (*Regulations concerning transfers and registration*), a Registered Note may be transferred upon surrender of the relevant Note Certificate, with the endorsed form of transfer duly completed, at the Specified Office of the Registrar or any

Transfer Agent, together with such evidence as the Registrar or (as the case may be) such Transfer Agent may reasonably require to prove the title of the transferor and the authority of the individuals who have executed the form of transfer, provided however, that a Registered Note may not be transferred unless the principal amount of Registered Notes transferred and (where not all of the Registered Notes held by a Holder are being transferred) the principal amount of the balance of Notes not transferred are Authorised Holdings. Where not all the Registered Notes represented by the surrendered Note Certificate are the subject of the transfer, a new Note Certificate in respect of the balance of the Registered Notes will be issued to the transferor.

4.3 Registration and delivery of Note Certificates

Within five business days of the surrender of a Note Certificate in accordance with Condition 4.2 (*Transfers*), the Registrar will register the transfer in question and deliver a new Note Certificate of a like principal amount to the Registered Notes transferred to each Registered Holder at its Specified Office or (as the case may be) the Specified Office of any Transfer Agent or (at the request and risk of any such relevant Registered Holder) by uninsured first class mail (airmail if overseas) to the address specified for the purpose by such Registered Holder. In this Condition, **business day** means a day on which commercial banks are open for business (including dealings in foreign currencies) in the city where the Registrar or (as the case may be) the relevant Transfer Agent has its Specified Office.

4.4 No charge

The transfer of a Registered Note will be effected without charge by or on behalf of the Issuer, the Registrar or any Transfer Agent but against such indemnity as the Registrar or (as the case may be) such Transfer Agent may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such transfer.

4.5 Closed periods

Registered Holders may not require transfers to be registered (i) during the period of 15 days ending on the due date for any payment of principal or interest in respect of the Registered Notes or (ii) during the period of 15 days before the Notes may be called for redemption by the Issuer pursuant to Condition 10.3 (*Redemption at the option of the Issuer*) or (iii) after any such Note has been called for redemption or (iv) during the period of 7 days ending on (and including) any Record Date.

4.6 Regulations concerning transfers and registration

All transfers of Registered Notes and entries on the Register are subject to the detailed regulations concerning the transfer of Registered Notes scheduled to the Agency Agreement. The regulations may be changed by the Bank with the prior written approval of the Registrar. A copy of the current regulations will be mailed (free of charge) by the Registrar to any Registered Holder who requests in writing a copy of such regulations.

5. Status of the Notes

5.1 Status — Unsubordinated Notes and Unsubordinated MREL Notes

Condition 5.1(a) is applicable in relation to Notes specified in the Final Terms as being Unsubordinated Notes (**Unsubordinated Notes**) and in relation to Notes specified in the Final

Terms as being Unsubordinated MREL Notes (**Unsubordinated MREL Notes**). Condition 5.1(b) is applicable in relation to Unsubordinated MREL Notes only.

(a) The Unsubordinated Notes and the Unsubordinated MREL Notes constitute direct, general, unconditional, unsubordinated and unsecured obligations of the Issuer which will at all times rank (i) *pari passu* without any preference among themselves and at least *pari passu* with all other present and future unsecured and unsubordinated obligations of the Issuer which rank or are expressed to rank *pari passu* with Unsubordinated Notes and Unsubordinated MREL Notes, (ii) junior to present and future unsecured obligations of the Issuer which are preferred by mandatory provisions of law (and which rank in priority to the Unsubordinated Notes and the Unsubordinated MREL Notes) and (iii) in priority to present and future obligations of the Issuer in respect of (A) Senior Non-Preferred Notes (and all other present and future unsecured obligations of the Issuer which rank or are expressed to rank *pari passu* with Senior Non-Preferred Notes), Subordinated Notes (and all other present and future unsecured obligations of the Issuer which rank or are expressed to rank *pari passu* with Subordinated Notes) and any other subordinated obligations of the Issuer and (B) the share capital of the Issuer.

(b) Each Holder of Unsubordinated MREL Notes unconditionally and irrevocably waives any right of set-off, netting, counterclaim, abatement or other similar remedy which it might otherwise have, under the laws of any jurisdiction, in respect of the Unsubordinated MREL Notes. To the extent that any set-off takes place, whether by operation of law or otherwise, between: (y) any amount owed by the Issuer to a Noteholder or Couponholder arising under or in connection with the Unsubordinated MREL Notes issued by the Issuer or the Coupons relating thereto and (z) any amount owed to the Issuer by such Noteholder or, as the case may be, Couponholder, such Noteholder or, as the case may be, Couponholder will immediately transfer such amount which is set-off to the Issuer or, in the event of its winding up or dissolution or liquidation and/or bankruptcy, the liquidator, administrator or other relevant insolvency official of the Issuer.

5.2 Status – Senior Non-Preferred Notes

This Condition 5.2 is applicable in relation to Notes specified in the Final Terms as being Senior Non-Preferred Notes (**Senior Non-Preferred Notes**).

(a) The Senior Non-Preferred Notes constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer which will rank at all times (i) *pari passu* without any preference among themselves and *pari passu* with all other present and future unsubordinated and unsecured obligations of the Issuer which rank or are expressed to rank *pari passu* with the Senior Non-Preferred Notes, (ii) junior to present and future obligations of the Issuer in respect of Unsubordinated Notes and Unsubordinated MREL Notes (and all other present and future obligations of the Issuer which rank or are expressed to rank *pari passu* with Unsubordinated Notes and Unsubordinated MREL Notes) and any other unsubordinated obligations which rank or are expressed to rank senior to the Senior Non-Preferred Notes, including deposits of the Bank and (iii) in priority to present and future subordinated and unsecured obligations of the Issuer in respect of (A) Subordinated Notes (and all other present and future unsecured obligations of the Issuer which rank or are expressed to rank *pari passu* with Subordinated Notes) and any other subordinated

obligations of the Issuer which rank or are expressed to rank junior to the Senior Non-Preferred Notes and (B) the share capital of the Issuer.

(b) Each Holder of Senior Non-Preferred Notes unconditionally and irrevocably waives any right of set-off, netting, counterclaim, abatement or other similar remedy which it might otherwise have, under the laws of any jurisdiction, in respect of the Senior Non-Preferred Notes. To the extent that any set-off takes place, whether by operation of law or otherwise, between: (y) any amount owed by the Issuer to a Noteholder or Couponholder arising under or in connection with the Senior Non-Preferred Notes issued by the Issuer or the Coupons relating thereto; and (z) any amount owed to the Issuer by such Noteholder or, as the case may be, Couponholder, such Noteholder or, as the case may be, Couponholder will immediately transfer such amount which is set-off to the Issuer or, in the event of its winding up or dissolution or liquidation and/or bankruptcy, the liquidator, administrator or other relevant insolvency official of the Issuer.

5.3 Status — Subordinated Notes

This Condition 5.3 is applicable in relation to Notes specified in the Final Terms as being Subordinated Notes (**Subordinated Notes**).

(a) The Subordinated Notes constitute direct, unsecured and subordinated obligations of the Issuer and rank at all times (i) *pari passu* without any preference among themselves and *pari passu* with all other present and future subordinated and unsecured obligations of the Issuer which rank or are expressed to rank *pari passu* with the Subordinated Notes, (ii) junior to present and future obligations of the Issuer in respect of Unsubordinated Notes and Unsubordinated MREL Notes (and all other present and future obligations of the Issuer which rank or are expressed to rank *pari passu* with Unsubordinated Notes and Unsubordinated MREL Notes) and Senior Non-Preferred Notes (and all other present and future obligations of the Issuer which rank or are expressed to rank *pari passu* with Senior Non-Preferred Notes) and any other obligations of the Issuer which rank or are expressed to rank senior to the Subordinated Notes, including deposits of the Bank and (iii) in priority to present and future subordinated and unsecured obligations of the Issuer (A) which rank or are expressed to rank junior to the Subordinated Notes and (B) in respect of the share capital of the Issuer.

The claims of the Holders will be subordinated to the claims of Senior Creditors, in that, subject as set out in (b) below, payments of principal and interest in respect of the Subordinated Notes (whether in the winding up, dissolution, liquidation and/or bankruptcy of the Issuer or otherwise) will be conditional upon the Issuer being solvent at the time of payment by the Issuer and in that no principal or interest shall be payable in respect of the Subordinated Notes (whether in the winding up, dissolution, liquidation and/or bankruptcy of the Issuer or otherwise) except to the extent that the Issuer could make such payment and still be solvent immediately thereafter. For this purpose, the Issuer shall be considered to be solvent if it can pay principal and interest in respect of the Subordinated Notes issued by the Issuer and still be able to pay its outstanding debts to the Senior Creditors which are due and payable.

(b) Notwithstanding (a) above, Holders will have a claim against the Issuer in the case of winding-up, dissolution, liquidation and/or bankruptcy of the Issuer, but the Holders will only be paid by the Issuer after all Senior Creditors have been paid in full and the Holders

irrevocably waive their right to be treated equally with the Senior Creditors in such circumstances.

(c) Each Holder of Subordinated Notes unconditionally and irrevocably waives any right of set-off, netting, counterclaim, abatement or other similar remedy which it might otherwise have, under the laws of any jurisdiction, in respect of the Subordinated Notes. To the extent that any set-off takes place, whether by operation of law or otherwise, between: (y) any amount owed by the Issuer to a Noteholder or Couponholder arising under or in connection with the Subordinated Notes issued by the Issuer or the Coupons relating thereto and (z) any amount owed to the Issuer by such Noteholder or, as the case may be, Couponholder, such Noteholder or, as the case may be, Couponholder will immediately transfer such amount which is set-off to the Issuer or, in the event of its winding up or dissolution or liquidation and/or bankruptcy, the liquidator, administrator or other relevant insolvency official of the Issuer.

6. Fixed Rate Note and Fixed Reset Note Provisions

6.1 Fixed Rate Note Provisions

This Condition 6.1 is applicable to the Notes only if the Fixed Rate Note Provisions are specified in the relevant Final Terms as being applicable.

(a) Accrual of interest

The Notes bear interest from, and including, the Interest Commencement Date at the Rate of Interest payable in arrear on each Interest Payment Date, subject as provided in Condition 11 (*Payments*). Each Note will cease to bear interest from (and including) the due date for final redemption unless, upon due presentation, payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 6.1 (as well after as before judgment) until (and including) whichever is the earlier of (a) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (b) the day which is seven days after the Fiscal Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

(b) Fixed Coupon Amount

The amount of interest payable in respect of each Note for any Interest Period shall be the relevant Fixed Coupon Amount and, if the Notes are in more than one Specified Denomination, shall be the relevant Fixed Coupon Amount in respect of the relevant Specified Denomination.

(c) Calculation of interest amount

The amount of interest payable in respect of each Note for any period for which a Fixed Coupon Amount is not specified shall be calculated by applying the Rate of Interest to the Calculation Amount, multiplying the product by the relevant Day Count Fraction, rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being

rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of such Note divided by the Calculation Amount. For this purpose a **sub-unit** means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.

6.2 Fixed Reset Note Provisions

This Condition 6.2 is applicable to the Notes only if the Fixed Reset Note Provisions are specified in the relevant Final Terms as being applicable.

(a) Accrual of interest

Each Fixed Reset Note bears interest:

(i) from (and including) the Interest Commencement Date to (but excluding) the First Reset Date at the rate *per annum* equal to the Initial Interest Rate;

(ii) from (and including) the First Reset Date to (but excluding) the Second Reset Date or, if none, the Maturity Date (the **First Reset Period**) at the rate *per annum* equal to the First Reset Rate; and

(iii) if applicable, from (and including) the Second Reset Date to (but excluding) the first Subsequent Reset Date (if any), and each successive period from (and including) any Subsequent Reset Date to (but excluding) the next succeeding Subsequent Reset Date (if any) (each a **Subsequent Reset Period**) at the rate *per annum* equal to the relevant Subsequent Reset Rate,

(in each case rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) (each a **Fixed Reset Rate of Interest**) payable, in each case, in arrear on the Interest Payment Date(s) in each year up to and including the Maturity Date.

(b) Calculation of interest amount

The provisions of Condition 7.2 (*Screen Rate Determination*) shall apply, as applicable, in respect of any determination by the Calculation Agent of the Rate of Interest for a Reset Period in accordance with this Condition 6.2 as if the Fixed Reset Notes were Floating Rate Notes. The Fixed Reset Rate of Interest for each Reset Period shall otherwise be determined by the Calculation Agent on the relevant Reset Determination Date in accordance with the provisions of this Condition 6.2. Once the Fixed Reset Rate of Interest is determined for a Reset Period, the provisions of Condition 6.1 (*Fixed Rate Note Provisions*) shall apply to Fixed Reset Notes, as applicable, as if the Fixed Reset Notes were Fixed Rate Notes.

7. Floating Rate Note Provisions

This Condition 7 is applicable to the Notes only if the Floating Rate Note Provisions are specified in the relevant Final Terms as being applicable.

7.1 Accrual of interest

The Notes bear interest from, and including, the Interest Commencement Date at the Rate of Interest payable in arrear on each Interest Payment Date, subject as provided in Condition 11 (*Payments*). Each Note will cease to bear interest from (and including) the due date for final redemption unless, upon due presentation, payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition (as well after as before judgment) until (and including) whichever is the earlier of (a) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (b) the day which is seven days after the Fiscal Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

7.2 Screen Rate Determination

If Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined, the Rate of Interest applicable to the Notes for each Interest Period will (subject to Condition 8 (*Benchmark Discontinuation*) below) be determined by the Calculation Agent on the following basis:

(a) if the Reference Rate is a composite quotation or customarily supplied by one entity, the Calculation Agent will determine the Reference Rate which appears on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;

(b) in any other case, the Calculation Agent will determine the arithmetic mean of the Reference Rates which appear on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;

(c) if, in the case of (a) above, such rate does not appear on that page or, in the case of (b) above, fewer than two such rates appear on that page or if, in either case, the Relevant Screen Page is unavailable, the Calculation Agent will:

  (i) request each of the Reference Banks to provide its quotation (expressed as a percentage rate *per annum*) of the Reference Rate at approximately the Relevant Time on the Interest Determination Date to prime 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) in an amount that is representative for a single transaction in that market at that time; and

  (ii) determine the arithmetic mean of such quotations; and

(d) if fewer than two such quotations are provided as requested, the Calculation Agent will determine the arithmetic mean of the rates (being the nearest to the Reference Rate, as determined by the Calculation Agent) quoted by major banks in the Principal Financial Centre of the Specified Currency, selected by the Calculation Agent, at approximately 11.00 a.m. (local time in the Principal Financial Centre of the Specified Currency) on the first day of the relevant Interest Period for loans in the Specified Currency to leading European banks for a period equal to the relevant Interest Period and in an amount that is representative for a single transaction in that market at that time, and the Rate of Interest for such Interest Period

shall be the sum of the Margin and the rate or (as the case may be) the arithmetic mean so determined; provided, however, that if the Calculation Agent is unable to determine a rate or (as the case may be) an arithmetic mean in accordance with the above provisions in relation to any Interest Period, the Rate of Interest applicable to the Notes during such Interest Period will be the sum of the Margin and the rate or (as the case may be) the arithmetic mean last determined in relation to the Notes in respect of a preceding Interest Period.

7.3 ISDA Determination

If ISDA Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined, the Rate of Interest applicable to the Notes for each Interest Period will be the sum of the Margin and the relevant ISDA Rate where **ISDA Rate** in relation to any Interest Period means a rate equal to the Floating Rate (as defined in the ISDA Definitions) that would be determined by the Calculation Agent under an interest rate swap transaction if the Calculation Agent were acting as Calculation Agent for that interest rate swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

(a) the Floating Rate Option (as defined in the ISDA Definitions) is as specified in the relevant Final Terms;

(b) the Designated Maturity (as defined in the ISDA Definitions) is a period specified in the relevant Final Terms; and

(c) the relevant Reset Date (as defined in the ISDA Definitions) is the day specified in the relevant Final Terms.

7.4 Maximum or Minimum Rate of Interest

If any Maximum Rate of Interest or Minimum Rate of Interest is specified in the relevant Final Terms, then the Rate of Interest shall in no event be greater than the maximum or be less than the minimum so specified.

7.5 Calculation of Interest Amount

The Calculation Agent will, as soon as practicable after the time at which the Rate of Interest is to be determined in relation to each Interest Period, calculate the Interest Amount payable in respect of each Note for such Interest Period. The Interest Amount will be calculated by applying the Rate of Interest for such Interest Period to the Calculation Amount, multiplying the product by the relevant Day Count Fraction, rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of the relevant Note divided by the Calculation Amount. For this purpose a **sub-unit** means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.

7.6 Publication

The Calculation Agent will cause each Rate of Interest and Interest Amount determined by it, together with the relevant Interest Payment Date, and any other amount(s) required to be determined by it together with any relevant payment date(s) to be notified to the Issuer, the Paying Agents and each stock exchange (if any) on which the Notes are then listed as soon as practicable after such

determination but (in the case of each Rate of Interest, Interest Amount and Interest Payment Date) in any event not later than the first day of the relevant Interest Period. Notice thereof shall also promptly be given to the Noteholders. The Calculation Agent will be entitled to recalculate any Interest Amount (on the basis of the foregoing provisions) without notice in the event of an extension or shortening of the relevant Interest Period. If the Calculation Amount is less than the minimum Specified Denomination the Calculation Agent shall not be obliged to publish each Interest Amount but instead may publish only the Calculation Amount and the Interest Amount in respect of a Note having the minimum Specified Denomination.

7.7 Notifications etc

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition by the Calculation Agent will (in the absence of manifest error) be final and binding on the Bank, the Paying Agents, the Noteholders and the Couponholders and no liability to any such Person will attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions for such purposes.

7.8 Linear Interpolation

Where Linear Interpolation is specified as applicable in respect of an Interest Period in the applicable Final Terms, the Rate of Interest for such Interest Period shall be calculated by the Calculation Agent by straight line linear interpolation by reference to two rates based on the relevant Reference Rate (where Screen Rate Determination is specified as applicable in the applicable Final Terms) or the relevant Floating Rate Option (where ISDA Determination is specified as applicable in the applicable Final Terms), one of which shall be determined as if the Designated Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Period and the other of which shall be determined as if the Designated Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Period provided however that if there is no rate available for a period of time next shorter or, as the case may be, next longer, then the Issuer shall determine such rate at such time and by reference to such sources as it determines appropriate.

Designated Maturity means, (i) in relation to Screen Rate Determination, the period of time designated in the Reference Rate and (ii) in relation to ISDA Determination, as defined in the ISDA Definitions.

8. Benchmark Discontinuation

This Condition 8 is applicable to Notes only if the Floating Rate Note Provisions or the Fixed Reset Note Provisions are specified in the relevant Final Terms as being applicable.

8.1 Independent Adviser

Notwithstanding the provisions above in Condition 8 (*Floating Rate Note Provisions*) or Condition 6.2 (*Fixed Reset Note Provisions*), if a Benchmark Event occurs in relation to an Original Reference Rate when any Rate of Interest (or any component part thereof) or Fixed Reset Rate of Interest (or any component part thereof) remains to be determined by reference to such Original Reference Rate, then the Issuer shall use its reasonable endeavours to appoint an Independent Adviser, as soon as

reasonably practicable, to determine a Successor Rate, failing which an Alternative Rate (in accordance with Condition 8.2 (*Successor Rate or Alternative Rate*)) and, in either case, an Adjustment Spread if any (in accordance with Condition 8.3 (*Adjustment Spread*)) and any Benchmark Amendments (in accordance with Condition 8.4 (*Benchmark Amendments*)).

An Independent Adviser appointed pursuant to this Condition 8 shall act in good faith and in a commercially reasonable manner as an expert and in consultation with the Issuer. In the absence of bad faith, fraud and gross negligence, the Independent Adviser shall have no liability whatsoever to the Issuer, the Fiscal Agent, the Paying Agent, the Calculation Agent, the Noteholders or the Couponholders for any determination made by it pursuant to this Condition 8.

If (i) the Issuer is unable to appoint an Independent Adviser; or (ii) the Independent Adviser appointed by it fails to determine a Successor Rate or, failing which, an Alternative Rate in accordance with this Condition 8.1 prior to the relevant Interest Determination Date or Reset Determination Date, as the case may be, the Issuer (acting in good faith and in a commercially reasonable manner) may determine a Successor Rate or, failing which, an Alternative Rate, provided however that if the Issuer is unable or unwilling to determine a Successor Rate or, failing which, an Alternative Rate in accordance with this Condition 8.1 prior to the relevant Interest Determination Date or Reset Determination Date, as the case may be, (i) in the case of the Rate of Interest on Floating Rate Notes, the Rate of Interest applicable to the next succeeding Interest Period shall be equal to the Rate of Interest last determined in relation to the Notes in respect of the immediately preceding Interest Period or (ii) in the case of the First Reset Rate on Fixed Reset Notes, the Fixed Reset Rate of Interest shall be equal to the Initial Interest Rate or (iii) in the case of the Subsequent Reset Rate on Fixed Reset Notes, the Fixed Reset Rate of Interest shall be equal to the Subsequent Reset Rate last determined in relation to the Notes in respect of the immediately preceding Reset Period or if the immediately preceding Reset Period is the First Reset Period, the First Reset Rate. If there has not been a first Interest Payment Date or First Reset Date, the Rate of Interest for Floating Rate Notes shall be the initial Rate of Interest and the Fixed Reset Rate of Interest for Fixed Reset Notes shall be the Initial Interest Rate (as applicable). Where a different Margin or Maximum or Minimum Rate of Interest or Reset Margin is to be applied to the relevant Interest Period or Reset Period (as applicable) from that which applied to the last preceding Interest Period or Reset Period (as applicable), the Margin or Maximum or Minimum Rate of Interest or Reset Margin relating to the relevant Interest Period or Reset Period (as applicable) shall be substituted in place of the Margin or Maximum or Minimum Rate of Interest or Reset Margin relating to that last preceding Interest Period or Reset Period (as applicable). For the avoidance of doubt, this Condition 8.1 shall apply to the relevant next succeeding Interest Period or Reset Period (as applicable) only and any subsequent Interest Periods or Reset Periods (as applicable) are subject to the subsequent operation of, and to adjustment as provided in, this Condition 8.1.

8.2 Successor Rate or Alternative Rate

If the Independent Adviser or the Issuer (if it is unable to appoint an Independent Adviser or if the Independent Adviser appointed by it fails to determine a Successor Rate or, failing which, an Alternative Rate in accordance with Condition 8.1 (*Independent Adviser*) prior to the relevant Interest Determination Date or Reset Determination Date, as the case may be) acting in good faith and in a commercially reasonable manner determines that:

(a) there is a Successor Rate, then such Successor Rate shall (subject to adjustment as provided in Condition 8.3 (*Adjustment Spread*)) subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) or

the Fixed Reset Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the operation of this Condition 8); or

(b) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate shall (subject to adjustment as provided in Condition 8.3 (*Adjustment Spread*)) subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) or the Fixed Reset Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the operation of this Condition 8).

8.3 Adjustment Spread

If the Independent Adviser or the Issuer (if it is unable to appoint an Independent Adviser or if the Independent Adviser appointed by it fails to determine a Successor Rate or, failing which, an Alternative Rate in accordance with Condition 8.1 (*Independent Adviser*) prior to the relevant Interest Determination Date or Reset Determination Date, as the case may be) acting in good faith and in a commercially reasonable manner determines (i) that an Adjustment Spread is required to be applied to the Successor Rate or the Alternative Rate (as the case may be) and (ii) 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 Rate (as the case may be).

8.4 Benchmark Amendments

If any Successor Rate, Alternative Rate or Adjustment Spread is determined in accordance with this Condition 8 and the Independent Adviser or the Issuer (if it is unable to appoint an Independent Adviser or if the Independent Adviser appointed by it fails to determine a Successor Rate or, failing which, an Alternative Rate in accordance with Condition 8.1 prior to the relevant Interest Determination Date or Reset Determination Date, as the case may be) acting in good faith and in a commercially reasonable manner determines (i) that amendments to these Conditions and the Fiscal Agency Agreement, including but not limited to Relevant Screen Page, Relevant Time, Reset Relevant Screen Page, are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and/or Adjustment Spread (such amendments, the **Benchmark Amendments**) and (ii) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 8.5 (*Notices*), without any requirement for the consent or approval of Noteholders, vary these Conditions and the Agency Agreement to give effect to such Benchmark Amendments with effect from the date specified in such notice.

In connection with any such variation in accordance with this Condition 8.4, the Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

Notwithstanding any other provision of this Condition 8 (*Benchmark Discontinuation*), no Successor Rate, Alternative Rate or Adjustment Spread will be adopted, nor will any other amendment to the terms and conditions of any Series of Notes be made to effect the Benchmark Amendments, if and to the extent that, in the determination of the Bank, the same could reasonably be expected to prejudice the qualification of the relevant Series of Subordinated Notes as Tier 2 Capital of the Group and/or the Bank and/or result in the exclusion of the relevant Series of Unsubordinated MREL Notes or Senior Non-Preferred Notes from the eligible liabilities available to meet the MREL Requirements.

8.5 Notices

Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this Condition 8 will be notified promptly by the Issuer to the Calculation Agent, the Fiscal Agent and the Paying Agent and, in accordance with Condition 19 (*Notices*), the Noteholders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

8.6 Survival of Original Reference Rate

Without prejudice to the obligations of the Issuer under Conditions 8.1 (*Independent Adviser*) to 9.4 (*Benchmark Amendments*), the Original Reference Rate and the fallback provisions provided for in Condition 7.2 (*Screen Rate Determination*) will continue to apply unless and until a Benchmark Event has occurred.

9. Zero Coupon Note Provisions

This Condition 9 is applicable to the Notes only if the Zero Coupon Note Provisions are specified in the relevant Final Terms as being applicable.

9.1 Late payment on Zero Coupon Notes

If the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note pursuant to Condition 10.1 (*Scheduled redemption*), 10.2(*Redemption for tax reasons*), 10.3 (*Redemption at the option of the Issuer*) or 10.5 (*Redemption at the option of the Noteholders*) below or upon its becoming due and repayable as provided in Condition 13.1 (*Events of Default — Unsubordinated Notes*) is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in Condition 10.9 (*Early redemption of Zero Coupon Notes*) as though the references therein to the date fixed for the redemption or the date upon which such Zero Coupon Note becomes due and payable were replaced by references to the date which is the earlier of:

(a) the date on which all amounts due in respect of such Zero Coupon Note have been paid; and

(b) five days after the date on which the full amount of the moneys payable in respect of such Zero Coupon Notes has been received by the Fiscal Agent and notice to that effect has been given to the Noteholders in accordance with Condition 19 (*Notices*).

10. Redemption and Purchase

10.1 Scheduled redemption

Unless previously redeemed, or purchased and cancelled, the Notes will be redeemed at their Final Redemption Amount on the Maturity Date, subject as provided in Condition 1 (*Payments*).

10.2 Redemption for tax reasons

The Notes may be redeemed at the option of the Issuer (but subject, in the case of Unsubordinated MREL Notes and Senior Non-Preferred Notes, to Condition 10.12 (*Conditions to Substitution, Variation, Early Redemption, Purchase and Modification of Unsubordinated MREL Notes and Senior Non-Preferred Notes*) and, in the case of Subordinated Notes, to Condition 10.13 (*Conditions*

to Substitution, Variation, Early Redemption, Purchase and Modification of Subordinated Notes), in whole, but not in part:

(a) at any time (if the Floating Rate Note Provisions are not specified in the relevant Final Terms as being applicable); or

(b) on any Interest Payment Date (if the Floating Rate Note Provisions are specified in the relevant Final Terms as being applicable),

on giving not less than the minimum period nor more than the maximum period of notice specified in the relevant Final Terms to the Fiscal Agent and, in accordance with Condition 19 (*Notices*), to Noteholders (which notice shall, subject to Condition 10.12 (*Conditions to Substitution, Variation, Early Redemption, Purchase and Modification of Unsubordinated MREL Notes and Senior Non-Preferred Notes*) and Condition 10.13 (*Conditions to Substitution, Variation, Early Redemption, Purchase and Modification of Subordinated Notes*), if applicable, be irrevocable), at their Early Redemption Amount, together with interest accrued (if any) to (but excluding) the date fixed for redemption, if:

(i) on occasion of the next payment due under the Notes (in the case of Unsubordinated MREL Notes, Senior Non-Preferred Notes and Subordinated Notes, in respect of payments of interest only): (A) the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 2 (*Taxation*) as a result of any change in, or amendment to, the laws or regulations of the Relevant Taxing Jurisdiction applicable to it, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date of the most recent Tranche of the Notes (provided that, in the case of any redemption of Subordinated Notes pursuant to this Condition 10.2 proposed to be made prior to the fifth anniversary of such Issue Date, if and to the extent then required under the Applicable Banking Regulations, the Issuer has demonstrated to the satisfaction of the Competent Authority that the applicable change or amendment is material and was not reasonably foreseeable as at the Issue Date of the most recent Tranche of the relevant Subordinated Notes); and (B) such obligation cannot be avoided by the Issuer taking reasonable measures available to it; or

(ii) in the case of Subordinated Notes only, interest payments under or with respect to the Subordinated Notes issued by the Issuer are no longer (partly or fully) deductible for tax purposes in the Relevant Taxing Jurisdiction applicable to the Issuer (provided that, in the case of any redemption of Subordinated Notes pursuant to this Condition 10.2 proposed to be made prior to the fifth anniversary of such Issue Date, if and to the extent then required under the Applicable Banking Regulations, the Issuer has demonstrated to the satisfaction of the Competent Authority that the applicable change or amendment is material and was not reasonably foreseeable as at such Issue Date,

provided, however, that, in the case of (i) above, no such notice of redemption shall be given earlier than:

(A) where the Notes may be redeemed at any time, 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts if a payment in respect of the Notes were then due; or

(B) where the Notes may be redeemed only on an Interest Payment Date, 60 days prior to the Interest Payment Date occurring immediately before the earliest date on which the Issuer would be obliged to pay such additional amounts if a payment in respect of the Notes were then due.

For the purposes of this Condition 10.2 and Condition 12 (*Taxation*), the **Relevant Taxing Jurisdiction** means the Hellenic Republic or any political subdivision or any authority thereof or therein having power to tax.

10.3 Redemption at the option of the Issuer

If Issuer Call is specified in the relevant Final Terms as being applicable, the Notes may be redeemed at the option of the Issuer (but subject, in the case of Unsubordinated MREL Notes and Senior Non-Preferred Notes, to Condition 10.12 (*Conditions to Substitution, Variation, Early Redemption, Purchase and Modification of Unsubordinated MREL Notes and Senior Non-Preferred Notes*) and, in the case of Subordinated Notes, to Condition 10.13 (*Conditions to Substitution, Variation, Early Redemption, Purchase and Modification of Subordinated Notes*)) in whole or, if so specified in the relevant Final Terms, in part on any Optional Redemption Date (Call) at the relevant Optional Redemption Amount (Call) plus accrued interest (if any) to (but excluding) such date on the Issuer giving not less than the minimum period nor more than the maximum period of notice specified in the relevant Final Terms to the Noteholders (which notice shall, subject to Condition 10.12 (*Conditions to Substitution, Variation, Early Redemption, Purchase and Modification of Unsubordinated MREL Notes and Senior Non-Preferred Notes*) and Condition 10.13 (*Conditions to Substitution, Variation, Early Redemption, Purchase and Modification of Subordinated Notes*), if applicable, be irrevocable and shall oblige the Issuer to redeem the Notes or, as the case may be, the Notes specified in such notice on the relevant Optional Redemption Date (Call) at the Optional Redemption Amount (Call) plus accrued interest (if any) to (but excluding) such date.

The Optional Redemption Amount (Call) will either be the specified percentage of the principal amount of the Notes stated in the relevant Final Terms or, if Make-whole Amount is specified in the relevant Final Terms, will be an amount equal to the higher of the following (the **Make-Whole Amount**), together with interest accrued to but excluding the Optional Redemption Date (Call):

(a) the principal amount of the Notes to be redeemed; and

(b) the sum of the then current values of the remaining scheduled payments of principal and interest on the Notes to be redeemed, up to but not including the scheduled Maturity Date, discounted to the Optional Redemption Date (Call) on an annual basis (based on the actual number of days elapsed divided by 365 or (in the case of a leap year) by 366) at the Reference Bond Rate (as defined below) plus the Redemption Margin (if any) specified in the relevant Final Terms, in each case as determined by the Issuer.

10.4 Partial redemption

Partial redemption of Bearer Notes:

If Bearer Notes are to be redeemed in part only on any date in accordance with Condition 10.3 (*Redemption at the option of the Issuer*), the Notes to be redeemed shall be selected by the drawing of lots in such place as the Fiscal Agent approves and in such manner as the Fiscal Agent considers appropriate, subject to compliance with applicable law and the rules of each stock exchange on which the Notes are then listed, 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), and the notice to Noteholders referred to in Condition 10.3 (*Redemption at the option of the Issuer*) shall specify the serial numbers of the Notes so to be redeemed. If any Maximum Redemption Amount or Minimum Redemption Amount is specified in the relevant Final Terms, then the Optional Redemption Amount (Call) shall in no event be greater than the maximum or be less than the minimum so specified.

Partial Redemption of Registered Notes:

If Registered Notes are to be redeemed in part only on any date in accordance with Condition 10.3 (*Redemption at the option of the Issuer*), each Registered Note shall be redeemed in part in the proportion which the aggregate principal amount of the outstanding Registered Notes to be redeemed on the relevant Option Redemption Date (Call) bears to the aggregate principal amount of outstanding Registered Notes on such date provided always that the amount redeemed or purchased in respect of each Note shall be equal to the minimum denomination thereof, or an integral multiple thereof.

10.5 Redemption at the option of the Noteholders

This Condition 10.5 is applicable (if so specified in the relevant Final Terms) only in relation to Notes specified in the relevant Final Terms as being Unsubordinated Notes and references to "Notes" and "Noteholders" shall be construed accordingly.

If the Put Option is specified in the relevant Final Terms as being applicable, upon the Holder of any Note giving to the Issuer no less than the minimum period nor more than the maximum period of notice specified in the relevant Final Terms, the Issuer shall, at the option of the Holder of any Note, redeem such Note on the Optional Redemption Date (Put) specified in the relevant Put Option Notice at the relevant Optional Redemption Amount (Put) together with interest (if any) accrued to (but excluding) such date. No Series of Subordinated Notes shall contain the Put Option. In order to exercise the option contained in this Condition 10.5, the Holder of a Note must, not less than 30 nor more than 60 days before the relevant Optional Redemption Date (Put), deposit with any Agent or the Registrar (in the case of Registered Notes) such Note together, in the case of Bearer Notes, with all unmatured Coupons relating thereto and a duly completed Put Option Notice in the form obtainable from any Agent. The Agent with which a Note is so deposited shall deliver a duly completed Put Option Receipt to the depositing Holder. No Note, once deposited with a duly completed Put Option Notice in accordance with this Condition 10.5, may be withdrawn; provided, however, that if, prior to the relevant Optional Redemption Date (Put), any such Note becomes immediately due and payable or, upon due presentation of any such Note on the relevant Optional Redemption Date (Put), payment of the redemption moneys is improperly withheld or refused, the relevant Agent shall mail notification thereof to the depositing Noteholder at such address as may have been given by such Noteholder in the relevant Put Option Notice and shall hold such Note at its Specified Office for collection by the depositing Noteholder against surrender of the relevant Put Option Receipt. For so long as any outstanding Note is held by an Agent in accordance with this Condition 10.5, the depositor of such Note and not such Agent shall be deemed to be the Holder of Note for all purposes.

10.6 Redemption of Subordinated Notes for regulatory reasons

This Condition 10.6 is applicable (if so specified in the relevant Final Terms) only in relation to Notes specified in the relevant Final Terms as being Subordinated Notes and references to "Notes" and "Noteholders" shall be construed accordingly.

If Regulatory Call is specified as being applicable in the relevant Final Terms, then the Issuer may (subject to Condition 10.13 (*Conditions to Substitution, Variation, Early Redemption, Purchase and Modification of Subordinated Notes*)):

(a) at any time (if the Floating Rate Note Provisions are not specified in the relevant Final Terms as being applicable); or

(b) on any Interest Payment Date (if the Floating Rate Note Provisions are specified in the relevant Final Terms as being applicable),

on giving not less than the minimum period nor more than the maximum period of notice specified in the relevant Final Terms to the Fiscal Agent and, in accordance with Condition 19 (*Notices*), to Noteholders (which notice shall, subject to Condition 10.13 (*Conditions to Substitution, Variation, Early Redemption, Purchase and Modification of Subordinated Notes*), be irrevocable and shall specify the date fixed for redemption), redeem all (but not some only) of the Notes then outstanding at any time at their Early Redemption Amount as specified in the applicable Final Terms with interest accrued to (but excluding) the date fixed for redemption, if a Regulatory Event has occurred and is continuing.

10.7 Issuer Call due to MREL Disqualification Event

This Condition 10.7 is applicable (if so specified in the relevant Final Terms) only in relation to Notes specified in the relevant Final Terms as being Unsubordinated MREL Notes or Senior Non-Preferred Notes and references to "Notes" and "Noteholders" shall be construed accordingly.

If Issuer Call due to MREL Disqualification Event is specified as being applicable in the relevant Final Terms, then the Issuer may (subject to Condition 10.12 (*Conditions to Substitution, Variation, Early Redemption, Purchase and Modification of Unsubordinated MREL Notes and Senior Non-Preferred Notes*)):

(a) at any time (if the Floating Rate Note Provisions are not specified in the relevant Final Terms as being applicable); or

(b) on any Interest Payment Date (if the Floating Rate Note Provisions are specified in the relevant Final Terms as being applicable),

on giving not less than the minimum period nor more than the maximum period of notice specified in the relevant Final Terms to the Fiscal Agent and, in accordance with Condition 19 (*Notices*), to Noteholders (which notice shall, subject to Condition 10.12 (*Conditions to Substitution, Variation, Early Redemption, Purchase and Modification of Unsubordinated MREL Notes and Senior Non-Preferred Notes*), be irrevocable and shall specify the date fixed for redemption), redeem all (but not some only) of the Notes then outstanding at any time at their Early Redemption Amount as specified in the applicable Final Terms with interest accrued to (but excluding) the date fixed for redemption, if a MREL Disqualification Event has occurred and is continuing.

10.8 No other redemption

The Issuer shall not be entitled to redeem the Notes otherwise than as provided in Conditions 10.1 (*Scheduled redemption*) to 10.7 (*Issuer Call due to MREL Disqualification Event*) (as may be applicable to the Notes).

10.9 Early redemption of Zero Coupon Notes

The Early Redemption Amount payable on redemption of a Zero Coupon Note at any time before the Maturity Date shall be an amount (the **Amortised Face Amount**) calculated in accordance with the following formula:

$$\text{Early Redemption Amount} = \text{RP} \times (1 + \text{AY})^{y}$$

where:

RP means the Reference Price;

AY means the Accrual Yield expressed as a decimal; and

y is the Day Count Fraction specified in the applicable Final Terms which will be either (i) 30/360 (in which case the numerator will be equal to the number of days (calculated on the basis of a 360-day year consisting of 12 months of 30 days each) from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 360) or (ii) Actual/360 (in which case the numerator will be equal to the actual number of days from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 360) or (iii) Actual/365 (in which case the numerator will be equal to the actual number of days from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 365).

10.10 Purchase

The Issuer or any of its Subsidiaries may (subject, in the case of Unsubordinated MREL Notes and Senior Non-Preferred Notes, to Condition 10.12 (*Conditions to Substitution, Variation, Early Redemption, Purchase and Modification of Unsubordinated MREL Notes and Senior Non-Preferred Notes*) and, in the case of Subordinated Notes, to Condition 10.13 (*Conditions to Substitution, Variation, Early Redemption, Purchase and Modification of Subordinated Notes*)) purchase Notes in the open market or otherwise and at any price, provided that all unmatured Coupons are purchased therewith.

10.11 Cancellation

All Notes redeemed or purchased by the Issuer or any of its Subsidiaries under Condition 10.10 (*Purchase*) above, and any unmatured Coupons attached to or surrendered with them, may be held or resold or surrendered for cancellation.

10.12 Conditions to Substitution, Variation, Early Redemption, Purchase and Modification of Unsubordinated MREL Notes and Senior Non-Preferred Notes

Any redemption or purchase or modification pursuant to Condition 17.2 (*Modification*) or substitution or variation pursuant to Condition 17.3 (*Substitution and Variation*) of Unsubordinated MREL Notes and Senior Non-Preferred Notes is subject to compliance by the Issuer with any conditions to such redemption or repurchase or modification or substitution or variation prescribed by the MREL Requirements at the relevant time (including any requirements applicable to such redemption or repurchase or modification or substitution or variation due to the qualification of such Unsubordinated MREL Notes or Senior Non-Preferred Notes at such time as eligible liabilities available to meet the MREL Requirements).

10.13 Conditions to Substitution, Variation, Early Redemption, Purchase and Modification of Subordinated Notes

Any redemption or purchase or modification pursuant to Condition 17.2 (*Modification*) or substitution or variation pursuant to Condition 17.3 (*Substitution and Variation*) of Subordinated Notes is subject to:

(a) the Issuer giving notice to the Competent Authority and the Competent Authority granting prior permission to redeem or purchase or modify or substitute or vary the relevant Subordinated Notes, in each case to the extent and in the manner required by the relevant Applicable Banking Regulations, including Articles 77(b) and 78 of the CRD IV Regulation; and

(b) compliance by the Issuer with any alternative or additional pre-conditions to redemption or purchase or modification or substitution or variation, as applicable, set out in the relevant Applicable Banking Regulations at such time.

11. Payments

11.1 Payments under Bearer Notes

(a) *Principal*

Payments of principal shall be made only against presentation and (provided that payment is made in full) surrender of Bearer Notes at the Specified Office of any Paying Agent outside the United States by cheque drawn in the currency in which the payment is due on, or by transfer to an account denominated in that currency (or, if that currency is euro, any other account to which euro may be credited or transferred) and maintained by the payee with, a bank in the Principal Financial Centre of that currency (in the case of a sterling cheque, a town clearing branch of a bank in the City of London).

(b) *Interest*

Payments of interest shall, subject to Condition 11.1(h) below below , be made only against presentation and (provided that payment is made in full) surrender of the appropriate Coupons at the Specified Office of any Paying Agent outside the United States in the manner described in Condition 11.1(a) above.

(c) *Payments in New York City*

If any Bearer Notes are denominated in U.S. dollars, payments of principal or interest may be made at the Specified Office of an Agent in New York City if (i) the Issuer has appointed Agents outside the United States with the reasonable expectation that such Agents will be able to make payment of the full amount of the interest on the Bearer Notes in the currency in which the payment is due when due, (ii) payment of the full amount of such interest at the offices of all such Agents is illegal or effectively precluded by exchange controls or other similar restrictions and (iii) payment is permitted by applicable United States law without involving adverse tax consequences to the Issuer.

(d) *Payments subject to fiscal laws*

All payments in respect of the Bearer Notes are subject in all cases to (i) any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 12 (*Taxation*) and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the **Code**) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 12 (*Taxation*)) any law implementing an intergovernmental approach thereto. No commissions or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

(e) *Deductions for unmatured Coupons*

If the relevant Final Terms specifies that the Fixed Rate Note Provisions are applicable and a Bearer Note is presented without all unmatured Coupons relating thereto:

(i) if the aggregate amount of the missing Coupons is less than or equal to the amount of principal due for payment, a sum equal to the aggregate amount of the missing Coupons will be deducted from the amount of principal due for payment, provided however, that if the gross amount available for payment is less than the amount of principal due for payment, the sum deducted will be that proportion of the aggregate amount of such missing Coupons which the gross amount actually available for payment bears to the amount of principal due for payment;

(ii) if the aggregate amount of the missing Coupons is greater than the amount of principal due for payment:

(A) so many of such missing Coupons shall become void (in inverse order of maturity) as will result in the aggregate amount of the remainder of such missing Coupons (the **Relevant Coupons**) being equal to the amount of principal due for payment, provided however, that where this subparagraph would otherwise require a fraction of a missing Coupon to become void, such missing Coupon shall become void in its entirety; and

(B) a sum equal to the aggregate amount of the Relevant Coupons (or, if less, the amount of principal due for payment) will be deducted from the amount of principal due for payment, provided however, that if the gross amount available for payment is less than the amount of principal due for payment, the sum deducted will be that proportion of the aggregate amount of the Relevant Coupons (or, as the case may be, the amount of principal due for payment) which the gross amount actually available for payment bears to the amount of principal due for payment.

Each sum of principal so deducted shall be paid in the manner provided in Condition 11.1(a) aboveabove against presentation and (provided that payment is made in full) surrender of the relevant missing Coupons.

(f) *Unmatured Coupons void*

If the relevant Final Terms specifies that the Floating Rate Note Provisions are applicable, on the due date for final redemption of any Note or early redemption in whole of such Note pursuant to Condition 10.2 (*Redemption for tax reasons*), Condition 10.3 (*Redemption at the option of the Issuer*), Condition 10.5 (*Redemption at the option of the Noteholders*), Condition 10.7 (*Issuer Call due to MREL Disqualification Event*), Condition 10.6 (*Redemption of Subordinated Notes for regulatory reasons*) or Condition 13 (*Events of Default*), all unmatured Coupons relating thereto (whether or not still attached) shall become void and no payment will be made in respect thereof.

(g) *Payments on business days*

If the due date for payment of any amount in respect of any Note or Coupon is not a Payment Business Day in the place of presentation, the Holder shall not be entitled to payment in such place of the amount due until the next succeeding Payment Business Day in such place and shall not be entitled to any further interest or other payment in respect of any such delay.

(h) *Payments other than in respect of matured Coupons*

Payments of interest other than in respect of matured Coupons shall be made only against presentation of the relevant Notes at the Specified Office of any Agent outside the United States (or in New York City if permitted by Condition 11.1(c) aboveabove).

(i) *Partial payments*

If a Paying Agent makes a partial payment in respect of any Note or Coupon presented to it for payment, such Paying Agent will endorse thereon a statement indicating the amount and date of such payment.

(j) *Exchange of Talons*

On or after the maturity date of the final Coupon which is (or was at the time of issue) part of a Coupon Sheet relating to the Notes, the Talon forming part of such Coupon Sheet may be exchanged at the Specified Office of the Fiscal Agent for a further Coupon Sheet (including, if appropriate, a further Talon but excluding any Coupons in respect of which claims have already become void pursuant to Condition 14 (*Prescription*). Upon the due date for redemption of any Note, any unexchanged Talon relating to such Note shall become void and no Coupon will be delivered in respect of such Talon.

11.2 Payments under Registered Notes

(a) *Principal*

Payments of principal in respect of each Registered Note will be made against presentation and surrender of the Registered Note at the Specified Office of the Registrar or any of the Paying Agents. Such payments will be made by transfer to the Designated Account (as defined below) of the Registered Holder appearing in the Register at the close of business on the third business day (being

for this purpose a day on which banks are open for business in the city where the Specified Office of the Registrar is located) before the relevant due date. Notwithstanding the previous sentence, if (a) a Registered Holder does not have a Designated Account or (b) the principal amount of the Notes held by a Registered Holder is less than U.S.$250,000 (or its approximate equivalent in any other Specified Currency), payment will instead be made by a cheque in the Specified Currency drawn on a Designated Bank (as defined below). For these purposes, **Designated Account** means the account (which, in the case of a payment in Japanese yen to a non resident of Japan, shall be a non resident account) maintained by a Registered Holder with a Designated Bank and identified as such in the Register and **Designated Bank** means (in the case of payment in a Specified Currency other than euro) a bank in the Principal Financial Centre of the country of such Specified Currency and (in the case of a payment in euro) any bank which processes payments in euro.

(b) *Interest*

Payments of interest in respect of each Registered Note will be made by a cheque in the Specified Currency drawn on a Designated Bank and mailed by uninsured mail on the business day in the city where the Specified Office of the Registrar is located immediately preceding the relevant due date to the Registered Holder appearing in the Register (i) where in global form, at the close of the business day (being for this purpose a day on which Euroclear and Clearstream, Luxembourg are open for business) before the relevant due date, and (ii) where in definitive form, at the close of business on the fifteenth day (whether or not such fifteenth day is a business day) before the relevant due date (the **Record Date**) at his address shown in the Register on the Record Date and at his risk. Upon application of the Registered Holder to the Specified Office of the Registrar not less than three business days in the city where the Specified Office of the Registrar is located before the due date for any payment of interest in respect of a Registered Note, the payment may be made by transfer on the due date in the manner provided in the preceding paragraph. Any such application for transfer shall be deemed to relate to all future payments of interest (other than interest due on redemption) in respect of the Registered Notes which become payable to the Registered Holder who has made the initial application until such time as the Registrar is notified in writing to the contrary by such Registered Holder. Payment of the interest due in respect of each Registered Note on redemption will be made in the same manner as payment of the principal amount of such Registered Note.

(c) *Payments subject to fiscal laws*

All payments in respect of the Registered Notes are subject in all cases to (i) any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 12 (*Taxation*) and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the **Code**) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 12 (*Taxation*)) any law implementing an intergovernmental approach thereto. No commissions or expenses shall be charged to the Registered Holders in respect of such payments.

(d) *Payments on business days*

Where payment is to be made by transfer to an account, payment instructions (for value the due date or, if the due date is not a Payment Business Day, for value the next succeeding Payment Business Day) will be initiated and, where payment is to be made by cheque, the cheque will be mailed (i) (in the case of payments of principal and interest payable on redemption) on the later of the due date for

payment and the day on which the relevant Note Certificate is surrendered (or, in the case of part payment only, endorsed) at the Specified Office of an Agent and (ii) (in the case of payments of interest payable other than on redemption) on the due date for payment. A Registered Holder shall not be entitled to any interest or other payment in respect of any delay in payment resulting from (A) the due date for a payment not being a Payment Business Day or (B) a cheque mailed in accordance with this Condition arriving after the due date for payment or being lost in the mail.

12. Taxation

12.1 Gross up

All payments of principal and interest in respect of the Notes 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 Relevant Taxing Jurisdiction, unless such withholding or deduction is required by law. In that event, the Issuer shall pay such additional amounts in respect of principal and interest or, in respect of Unsubordinated MREL Notes, Senior Non-Preferred Notes and Subordinated Notes, interest only, as will result in the receipt by the Noteholders and the Couponholders (if relevant) of such amounts as would have been received by them if no such withholding or deduction had been required, except that no such additional amounts shall be payable in respect of any Note or Coupon presented for payment:

(a) in the Hellenic Republic; or

(b) by or on behalf of a Holder which is liable to such taxes, duties, assessments or governmental charges in respect of such Note or Coupon by reason of its having some connection with a Relevant Taxing Jurisdiction other than the mere holding of such Note or Coupon; or

(c) more than 30 days after the Relevant Date except to the extent that the relevant Holder would have been entitled to such additional amounts if it had presented such Note or Coupon on the last day of such period of 30 days; or

(d) by or on behalf of a Holder who would not be liable or subject to such withholding or deduction if it were to comply with a statutory requirement or to make a declaration of non-residence or other similar claim for exemption but fails to do so.

If Extended Gross-Up is specified as being applicable in the relevant Final Terms, notwithstanding the above, exceptions (a), (b) and (d) shall not apply to any Noteholder or Couponholder regarding interest payments under the Notes, if such payments to Non-Greek Legal Persons, at the time of the relevant interest payment, are subject to income tax withholding under the laws of the Hellenic Republic.

12.2 Taxing jurisdiction

If the Bank becomes subject at any time to any taxing jurisdiction other than or in addition to the Relevant Taxing Jurisdiction, references in the Conditions to the Hellenic Republic shall be construed as references to the Hellenic Republic and/or such other jurisdiction.

13. Events of Default

13.1 Events of Default — Unsubordinated Notes

This Condition 13.1 is applicable only in relation to Unsubordinated Notes and references to "Notes" and "Noteholders" shall be construed accordingly. If any of the following events occurs, and is continuing (each an **Event of Default**):

(a) *Non-payment:*

the Issuer fails to pay any amount of principal in respect of the Notes within seven days of the due date for payment thereof or fails to pay any amount of interest in respect of the Notes within 14 days of the due date for payment thereof; or

(b) *Breach of other obligations:*

the Issuer defaults in the performance or observance of any of its other obligations under or in respect of the Notes issued by it and such default remains unremedied for 30 days after written notice thereof requiring the same to be remedied and addressed to the Issuer by any Noteholder has been delivered to the Issuer; or

(c) *Cross-default/cross-acceleration:*

(i) any Indebtedness of the Issuer is not paid when due or within any originally applicable grace period;

(ii) the repayment of any such Indebtedness is accelerated by reason of default and such acceleration has not been rescinded or annulled; or

(iii) the Issuer fails to pay when due or within any originally applicable grace period any amount payable by it under any Guarantee of any Indebtedness;

provided that the amount of Indebtedness referred to in subparagraph (i) and/or subparagraph (ii) above and/or the amount payable under any Guarantee referred to in subparagraph (iii) above individually or in the aggregate exceeds €15,000,000 (or its equivalent in any other currency or currencies); or

(d) *Unsatisfied judgment:*

one or more judgment(s) or order(s) from which no further appeal or judicial review is permissible under applicable law for the payment of an aggregate amount in excess of €15,000,000 (or its equivalent in any other currency or currencies) is rendered against the Issuer and continue(s) unsatisfied and unstayed for a period of 60 days after the date(s) thereof or, if later, the date therein specified for payment; or

(e) *Security enforced:*

a secured party takes possession, or a receiver, manager or other similar officer is appointed, of the whole or a substantial part of the undertaking, assets and revenues of the Issuer and in any of the foregoing cases it shall not be stayed or discharged within 60 days; or

(f) *Insolvency etc:*

(x) the Issuer shall be declared insolvent by a court of competent jurisdiction or is unable to pay its debts as they fall due, (y) an administrator or liquidator of the Issuer or over half of the assets and revenues of the Issuer is appointed (or application for any such appointment is made), (z) the Issuer makes a general assignment or an arrangement or composition with or for the benefit of its creditors or declares a moratorium in respect of any of its Indebtedness or any Guarantee of any Indebtedness given by it or (zz) the Issuer ceases to carry on all or substantially all of its business (other than for the purpose of an amalgamation, merger or reconstruction (i) with another company and such company assumes all the obligations of the Issuer under the Notes, *provided that* no Rating Downgrade occurs following such amalgamation, merger or reconstruction or (ii) on terms approved by an Extraordinary Resolution of the Noteholders); or

(g) *Winding up etc:*

an order is made or an effective resolution is passed for the winding up, liquidation, dissolution and/or bankruptcy of the Issuer (other than (i) if such order or resolution is in connection with an amalgamantion, merger or reconstruction while solvent of the Issuer with another company and such company assumes all obligations of the Issuer under the Notes, *provided that* no Rating Downgrade occurs following such amalgamation, merger or reconstruction or (ii) for the purpose of amalgamation, merger or reconstruction on terms approved by an Extraordinary Resolution of the Noteholders); or

(h) *Analogous Event:*

any event occurs which under the laws of the Hellenic Republic has an analogous effect to any of the events referred to in paragraphs (d) to (g) inclusive above,

then any Note may, by written notice addressed to the Issuer and delivered to the Issuer be declared immediately due and payable, whereupon it shall become immediately due and payable at its Early Redemption Amount together with accrued interest (if any) to (but excluding) the date of payment without further action or formality.

13.2 Enforcement Events—Unsubordinated MREL Notes, Senior Non-Preferred Notes and Subordinated Notes

This Condition 13.2 is applicable only in relation to Unsubordinated MREL Notes, Senior Non-Preferred Notes and Subordinated Notes and any references to "Notes" or "Noteholders" shall be construed accordingly.

If, otherwise than for the purposes of a reconstruction or amalgamation on terms previously approved by Extraordinary Resolution of the Noteholders, an order is made or an effective resolution is passed for the winding up, dissolution, liquidation and/or bankruptcy of the Issuer (an **Enforcement Event**), any Noteholder may, by written notice to the Fiscal Agent, declare such Note(s) to be due and payable whereupon the same shall become immediately due and payable at its Early Redemption Amount as may be specified in, or determined in accordance with the relevant Final Terms, together (if appropriate) with accrued interest to (but excluding) the date of redemption unless such Enforcement Event shall have been remedied prior to receipt of such notice by the Fiscal Agent.

14. Prescription

Claims against the Issuer for payment of principal and interest in respect of the Notes 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.

15. Replacement of Notes and Coupons

If any Note or Coupon is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the Specified Office of the Fiscal Agent or, in the case of Registered Notes, the Registrar (and, if the Notes 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 Notes or Coupons must be surrendered before replacements will be issued.

16. Agents

In acting under the Agency Agreement and in connection with the Notes 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 Noteholders or Couponholders.

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 Fiscal Agent or Calculation Agent and additional or successor paying agents or, in relation to Registered Notes only, Registrar or Transfer Agents, provided, however, that:

(a) the Issuer shall at all times maintain a Fiscal Agent and, in relation to Registered Notes only, a Registrar and Transfer Agents; and

(b) if a Calculation Agent is specified in the relevant Final Terms, the Issuer shall at all times maintain a Calculation Agent; and

(c) if and for so long as the Notes are listed on any stock exchange which requires the appointment of an Agent in any particular place, the Issuer shall maintain an Agent having its Specified Office in the place required by such stock exchange; and

(d) the Issuer shall at all times maintain a paying agent in a jurisdiction within Europe, other than the jurisdiction in which the Issuer is incorporated; and

(e) if and for so long as any Bearer Notes are denominated in U.S. dollars, the Issuer shall at all times maintain an Agent with a Specified Office in New York.

Notice of any change in any of the Agents or in their Specified Offices shall promptly be given to the Noteholders in accordance with Condition 19 (*Notices*).

17. Meetings of Noteholders; Modification and Waiver; Substitution and Variation

17.1 Meetings of Noteholders

The Agency Agreement contains provisions for convening meetings of Noteholders to consider matters relating to the Notes, including the modification of any provision of these Conditions. Any such modification may be made if sanctioned by an Extraordinary Resolution. Such a meeting may be convened by the Bank, and shall be convened by it upon the request in writing signed by Noteholders holding not less than one-tenth of the aggregate principal amount of the outstanding Notes. The quorum at any meeting convened to vote on an Extraordinary Resolution will be two or more Persons holding or representing at least half of the aggregate principal amount of the outstanding Notes or, at any adjourned meeting, two or more Persons being or representing Noteholders whatever the principal amount of the Notes held or represented; provided, however, that the Reserved Matters, described in the Agency Agreement, may only be sanctioned by an Extraordinary Resolution passed at a meeting of Noteholders at which two or more Persons holding or representing at least three-quarters or, at any adjourned meeting, one-quarter of the aggregate nominal amount of the outstanding Notes form a quorum. In addition, the Agency Agreement provides that (i) a resolution passed at a meeting duly convened and held in accordance with the Agency Agreement by a majority consisting of not less than 75 per cent. of the persons voting thereat upon a show of hands or if a poll is duly demanded by a majority consisting of not less than 75 per cent. of the votes cast on such poll, (ii) a resolution in writing signed by or on behalf of not less than 75 per cent. of all Noteholders who for the time being are entitled to receive notice of a meeting of Noteholders and/or (iii) a resolution passed by way of electronic consents given by Noteholders through the relevant Clearing System(s) by or on behalf of the holders of not less than 75 per cent. in nominal amount of the Notes for the time being outstanding, 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 Noteholders. Any Extraordinary Resolution duly passed by the Noteholders will be binding on all the Noteholders and Couponholders, whether present or not and whether or not they voted on the resolution. For the avoidance of doubt, any variation of the Conditions and the Agency Agreement to give effect to the Benchmark Amendments in accordance with Condition 8 (*Benchmark Discontinuation*) shall not require the consent or approval of Noteholders.

17.2 Modification

The Notes and these Conditions may be amended, without the consent of the Noteholders or the Couponholders, to correct a manifest error. In addition, the parties to the Agency Agreement may agree to modify any provision thereof but the Issuer shall not agree, without the consent of the Noteholders, to any such modification unless it is of a formal, minor or technical nature, it is made to correct a manifest error or to comply with mandatory provisions of law or it is, in the opinion of the Issuer, not materially prejudicial to the interests of the Noteholders. The Unsubordinated MREL Notes and Senior Non-Preferred Notes shall only be capable of such modification if the Issuer complies with Condition 10.12 (*Conditions to Substitution, Variation, Early Redemption, Purchase and Modification of Unsubordinated MREL Notes and Senior Non-Preferred Notes*) and the Subordinated Notes shall only be capable of such modification if the Issuer complies with Condition 10.13 (*Conditions to Substitution, Variation, Early Redemption, Purchase and Modification of Subordinated Notes*).

17.3 Substitution and Variation

With respect to:

(a) any Series of Unsubordinated MREL Notes or Senior Non-Preferred Notes, if at any time a MREL Disqualification Event occurs, and if Substitution or Variation is specified as being applicable in the relevant Final Terms; or

(b) any Series of Subordinated Notes, if at any time a Regulatory Event occurs, and if Substitution or Variation is specified as being applicable in the relevant Final Terms; or

(c) all Notes, if Substitution or Variation is specified as being applicable in the relevant Final Terms, in order to ensure the effectiveness and enforceability of Condition 26 (*Statutory Loss Absorption Powers*),

the Issuer may, subject to, in the case of Unsubordinated MREL Notes or Senior Non-Preferred Notes, compliance with Condition 10.12 (*Conditions to Substitution, Variation, Early Redemption, Purchase and Modification of Unsubordinated MREL Notes and Senior Non-Preferred Notes*) and, in the case of Subordinated Notes, compliance with Condition 10.13 (*Conditions to Substitution, Variation, Early Redemption, Purchase and Modification of Subordinated Notes*) (without any requirement for the consent or approval of the Holders of the relevant Notes of that Series) and having given not less than 30 nor more than 60 days' notice to the Fiscal Agent and the Holders of the Notes of that Series (or such other notice periods as may be specified in the form of Final Terms), at any time either substitute all (but not some only) of such Notes, or vary the terms of such Notes so that they remain or, as appropriate, become, Qualifying Unsubordinated Notes, Qualifying Unsubordinated MREL Notes, Qualifying Senior Non-Preferred Notes or Qualifying Subordinated Notes, as applicable, provided that such variation or substitution does not itself give rise to any right of the Issuer to redeem the varied or substituted securities.

Prior to the publication of any notice of substitution or variation pursuant to this Condition 17.3, the Issuer shall deliver to the Fiscal Agent a certificate signed by two authorised signatories of the Issuer stating that the Issuer is entitled to effect such substitution or variation and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to substitute or vary the relevant Notes have occurred.

In these Conditions:

Qualifying Senior Non-Preferred Notes means securities issued by the Issuer that:

(a) other than in respect of the effectiveness and enforceability of Condition 26 (*Statutory Loss Absorption Powers*), have terms not materially less favourable to Holders of the Senior Non-Preferred Notes as a class (as reasonably determined by the Issuer) than the terms of the Senior Non-Preferred Notes and they shall also (A) contain terms which will result in such securities being eligible to count towards fulfilment of the Bank's and/or the Group's (as applicable) minimum requirements for own funds and eligible liabilities under applicable MREL Requirements; (B) have a ranking at least equal to that of the Senior Non-Preferred Notes; (C) have at least the same interest rate and the same Interest Payment Dates as those from time to time applying to the Senior Non-Preferred Notes; (D) have the same redemption rights and obligations as the Senior Non-Preferred Notes; (E) preserve any existing rights under the Senior Non-Preferred Notes to accrued interest; (F) do not contain terms which provide for interest cancellation or deferral; and (G) in the event the Notes carry a rating immediately prior to such variation or substitution, are assigned (or maintain)

the same credit ratings as were assigned to the Senior Non-Preferred Notes immediately prior to such variation or substitution; and

(b) are listed on a recognised stock exchange if the Senior Non-Preferred Notes were listed immediately prior to such variation or substitution.

Qualifying Unsubordinated Notes means securities issued by the Issuer that:

(a) other than in respect of the effectiveness and enforceability of Condition 26 (*Statutory Loss Absorption Powers*), have terms not materially less favourable to Holders of the Unsubordinated Notes as a class (as reasonably determined by the Issuer) than the terms of the Unsubordinated Notes, and they shall also (A) have a ranking at least equal to that of the Unsubordinated Notes; (B) have at least the same interest rate and the same Interest Payment Dates as those from time to time applying to the Unsubordinated Notes; (C) have the same redemption rights and obligations as the Unsubordinated Notes; (D) preserve any existing rights under the Unsubordinated Notes to accrued interest; (E) do not contain terms which provide for interest cancellation or deferral; and (F) in the event the Notes carry a rating immediately prior to such variation or substitution, are assigned (or maintain) the same credit ratings as were assigned to the Unsubordinated Notes immediately prior to such variation or substitution; and

(b) are listed on a recognised stock exchange if the Unsubordinated Notes were listed immediately prior to such variation or substitution.

Qualifying Unsubordinated MREL Notes means securities issued by the Issuer that:

(a) other than in respect of the effectiveness and enforceability of Condition 26 (*Statutory Loss Absorption Powers*), have terms not materially less favourable to Holders of the Unsubordinated MREL Notes as a class (as reasonably determined by the Issuer) than the terms of the Unsubordinated MREL Notes, and they shall also (A) contain terms which will result in such securities being eligible to count towards fulfilment of the Bank's and/or the Group's (as applicable) minimum requirements for own funds and eligible liabilities under applicable MREL Requirements; (B) have a ranking at least equal to that of the Unsubordinated MREL Notes; (C) have at least the same interest rate and the same Interest Payment Dates as those from time to time applying to the Unsubordinated MREL Notes; (D) have the same redemption rights and obligations as the Unsubordinated MREL Notes; (E) preserve any existing rights under the Unsubordinated MREL Notes to accrued interest; (F) do not contain terms which provide for interest cancellation or deferral; and (G) in the event the Notes carry a rating immediately prior to such variation or substitution, are assigned (or maintain) the same credit ratings as were assigned to the Unsubordinated MREL Notes immediately prior to such variation or substitution; and

(b) are listed on a recognised stock exchange if the Unsubordinated MREL Notes were listed immediately prior to such variation or substitution.

Qualifying Subordinated Notes means securities issued by the Issuer that:

(a) other than in respect of the effectiveness and enforceability of Condition 26 (*Statutory Loss Absorption Powers*), have terms not materially less favourable to Holders of the Subordinated Notes as a class (as reasonably determined by the Issuer) than the terms of the Subordinated Notes and they shall also (A) comply with the then-current requirements of the

Applicable Banking Regulations in relation to Tier 2 capital, (B) have a ranking at least equal to that of the Subordinated Notes; (C) have at least the same interest rate and the same Interest Payment Dates as those from time to time applying to the Subordinated Notes; (D) have the same redemption rights and obligations as the Subordinated Notes; (E) preserve any existing rights under the Subordinated Notes to accrued interest; (F) do not contain terms which provide for interest cancellation or deferral; and (G) in the event the Notes carry a rating immediately prior to such variation or substitution, are assigned (or maintain) the same credit ratings as were assigned to the Subordinated Notes immediately prior to such variation or substitution; and

(b) are listed on a recognised stock exchange if the Subordinated Notes were listed immediately prior to such variation or substitution.

18. Further Issues

The Issuer may from time to time, without the consent of the Noteholders or the Couponholders, create and issue further notes having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest) so as to form a single series with the Notes.

19. Notices

To Holders of Bearer Notes

Notices required to be given to the Holders of Bearer Notes pursuant to the Conditions shall be valid if published in a leading English language daily newspaper published in London (which is expected to be the *Financial Times*). In addition, so long as the Notes are listed on the Luxembourg Stock Exchange and the rules of that Exchange so require, notices required to be given to Holders of Bearer Notes pursuant to the Conditions will be published in a daily newspaper of general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) or published on the website of the Luxembourg Stock Exchange (www.bourse.lu) or, if such publication is not practicable, in a leading English language daily newspaper having general circulation in Europe. The Issuer shall also ensure that notices are duly published in a manner which complies with the rules of any stock exchange or other relevant authority on which the Bearer Notes are for the time being listed or by which they have been admitted to trading including publication on the website of the relevant stock exchange or relevant authority if required by those rules. 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). Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the Noteholders.

To Registered Holders

Notices required to be given to the Registered Holders pursuant to the Conditions will be sent to them by first class mail (or its equivalent) or (if posted to an overseas address) by airmail at their respective addresses on the Register. Any such notice shall be deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing. In addition, so long as the Notes are listed on the Luxembourg Stock Exchange and the rules of that Exchange so require, notices required to be given to Registered Holders pursuant to the Conditions will be published in a daily newspaper of general circulation in Luxembourg (which is expected to

be *Luxemburger Wort*) or published on the website of the Luxembourg Stock Exchange (www.bourse.lu) or, if such publication is not practicable, in a leading English language daily newspaper having general circulation in Europe. The Issuer shall also ensure that notices are duly published in a manner which complies with the rules of any stock exchange or other relevant authority on which the Registered Notes are for the time being listed or by which they have been admitted to trading including publication on the website of the relevant stock exchange or relevant authority if required by those rules.

20. Substitution of the Issuer

20.1 The Bank may, without the consent of any Noteholder or Couponholder (but subject, other than in respect of Unsubordinated Notes, to compliance with the relevant Applicable Banking Regulations and/or MREL Requirements), substitute for itself any other body corporate incorporated in any country in the world as the debtor in respect of the Notes, any Coupons, the Deed of Covenant and the Agency Agreement (the **Substituted Debtor**) upon notice by the Bank and the Substituted Debtor to be given in accordance with Condition 19 (*Notices*), provided that:

(a) the Bank is not in default in respect of any amount payable under the Notes;

(b) the Bank and the Substituted Debtor have entered into such documents (the **Substitution Documents**) as are necessary to give effect to the substitution and in which the Substituted Debtor has undertaken in favour of each Noteholder to be bound by these Terms and Conditions and the provisions of the Agency Agreement as the debtor in respect of the Notes in place of the Bank (or of any previous substitute under this Condition 20.2);

(c) the Substituted Debtor shall enter into a deed of covenant in favour of the Holders of the Notes then represented by a global Note on terms no less favourable than the Deed of Covenant then in force in respect of the Notes;

(d) if the Substituted Debtor is resident for tax purposes in a territory (the **New Bank Residence**) other than that in which the Bank prior to such substitution was resident for tax purposes (the **Former Bank Residence**), the Substitution Documents contain an undertaking and/or such other provisions as may be necessary to ensure that each Noteholder has the benefit of an undertaking in terms corresponding to the provisions of Condition 12 (*Taxation*), covering the New Bank Residence as well as the Former Bank Residence;

(e) the Substituted Debtor and the Bank have obtained all necessary governmental approvals and consents for such substitution and for the performance by the Substituted Debtor of its obligations under the Substitution Documents;

(f) such substitution shall not give rise to a right to redeem the Notes pursuant to Condition 10.2, 10.6 or 10.7;

(g) legal opinions shall have been delivered to the Fiscal Agent from lawyers of recognised standing in the jurisdiction of incorporation of the Substituted Debtor and in England and the Hellenic Republic as to matters of law relating to the fulfilment of the requirements of this Condition 20.2 and that the Notes and any Coupons and/or Talons are legal, valid and binding obligations of the Substituted Debtor;

(h) the Notes issued or to be issued under the Programme have been assigned a credit rating by any rating agency and, having been notified of the proposed substitution, such rating agency shall not have stated within 30 days thereafter that, as a result of such substitution, the credit rating of the Notes would be downgraded;

(i) each stock exchange on which the Notes are listed shall have confirmed that, following the proposed substitution of the Substituted Debtor, the Notes will continue to be listed on such stock exchange; and

(j) if applicable, the Substituted Debtor has appointed a process agent in England to receive service of process on their behalf in relation to any legal proceedings arising out of or in connection with the Notes and any Coupons.

20.2 Upon such substitution pursuant to Condition 20.1, the relevant Substituted Debtor shall succeed to, and be substituted for, and may exercise every right and power of, the Issuer under the Notes, any Coupons, the Deed of Covenant and the Agency Agreement with the same effect as if the Substituted Debtor had been named as the Issuer herein and the Bank shall be released from its obligations under the Notes, any Coupons and/or Talons, the Deed of Covenant and the Agency Agreement.

20.3 After a substitution pursuant to Condition 20.1, the Substituted Debtor may, without the consent of any Noteholder or Couponholder, effect a further substitution. All the provisions specified in Conditions 20.1 and 20.3 shall apply *mutatis mutandis*, and references in these Terms and Conditions to the Issuer shall, where the context so requires, be deemed to be or include references to any such further Substituted Debtor.

20.4 After a substitution pursuant to Condition 20.1 or 20.3 any Substituted Debtor may, without the consent of any Noteholder or Couponholder, reverse the substitution, *mutatis mutandis* (but subject, for the avoidance of doubt, in all cases (other than in respect of Unsubordinated Notes), to compliance with the relevant Applicable Banking Regulations and/or MREL Requirements).

20.5 The Substitution Documents shall be delivered to, and kept by, the Fiscal Agent. Copies of the Substitution Documents will be available free of charge during normal business hours at the Specified Office of each of the Paying Agents.

21. Provision of Information

The Issuer shall, during any period in which it is not subject to and in compliance with the reporting requirements of Section 13 or 15(d) of the United States Securities Exchange Act of 1934, as amended (the **Exchange Act**) nor exempt from reporting pursuant to Rule 12g3-2(b) under the Exchange Act, duly provide to any Registered Holder of a Note which is a "restricted security" within the meaning of Rule 144(a)(3) under the United States Securities Act of 1933, as amended (the **Securities Act**) or to any prospective purchaser of such securities designated by such Holder, upon the written request of such Holder or (as the case may be) prospective Holder addressed to the Issuer and delivered to the Issuer or to the Specified Office of the Registrar, the information specified in Rule 144A(d)(4) under the Securities Act.

22. Rounding

For the purposes of any calculations referred to in these Conditions (unless otherwise specified in these Conditions or the relevant Final Terms), (a) all percentages resulting from such calculations will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005%, being rounded up to 0.00001%), (b) all United States dollar amounts used in or resulting from such calculations will be rounded to the nearest cent (with one half cent being rounded up), (c) all Japanese Yen amounts used in or resulting from such calculations will be rounded downwards to the next lower whole Japanese Yen amount, and (d) all amounts denominated in any other currency used in or resulting from such calculations will be rounded to the nearest two decimal places in such currency, with 0.005 being rounded upwards.

23. Settlement Disruption Event and Fallback Provisions

23.1 If Settlement Disruption Event is specified as applicable in the relevant Final Terms, all payments in respect of the Notes will be made in the Specified Currency subject to the occurrence of a Settlement Disruption Event and will in all cases be subject to any fiscal or other laws and regulations applicable thereto.

23.2 If the Issuer determines that a Settlement Disruption Event has occurred and is subsisting during the Settlement Determination Period:

(a) the Issuer shall notify the Fiscal Agent of its determination as soon as practicable after making such determination (but in no event later than one (1) Business Day thereafter) and as soon as practicable thereafter notify the Noteholders thereof, and Noteholders will not be entitled to any amounts in respect of the Notes until the earlier to occur of (a) the day falling two Business Days after the day on which it notifies the Fiscal Agent that a Settlement Disruption Event no longer subsists and (b) the Postponed Interest Payment Date, the Postponed Maturity Date, or the Postponed Early Redemption Date, as the case may be.

(b) upon the Settlement Disruption Event ceasing to subsist, the Issuer shall notify the Fiscal Agent thereof as soon as practicable on or after the Business Day on which the Settlement Disruption Event no longer subsists (but in no event later than one (1) Business Day thereafter) whereupon the Issuer shall as soon as practicable thereafter notify the Noteholders thereof.

(c) if any amount is to be paid on a Postponed Interest Payment Date, Postponed Maturity Date or Postponed Early Redemption Date (as the case may be), payment shall instead be made in euro or such other currency as may be specified in the applicable Final Terms and shall be calculated by the Issuer (and promptly notified to the Fiscal Agent (but in no event later than 10:00 a.m. (London time) two Business Days before the Postponed Interest Payment Date, Postponed Maturity Date or Postponed Early Redemption Date (as the case may be)) in an amount per Specified Denomination which shall be equal to the greater of zero and the amount produced by the following calculation, such amount to be rounded to the nearest whole cent (with 0.5 cent being rounded upwards):

Relevant Settlement Currency Amount × Exchange Rate

23.3 For the avoidance of doubt, no additional amounts shall be payable by the Issuer in respect of any delay in payment resulting from the operation of the provisions of this Condition 23. Any

postponement of payment in accordance with this Condition 23 will not constitute an Event of Default or Enforcement Event.

24. Governing Law and Submission to Jurisdiction

24.1 Governing law

The Agency Agreement, the Deed of Covenant, the Notes, the Coupons and any non-contractual obligations arising out of or in connection with the Agency Agreement, the Deed of Covenant, the Notes and the Coupons are governed by, and shall be construed in accordance with, English law except that Conditions 5.2 (*Status – Senior Non-Preferred Notes*) and 5.3 (*Status — Subordinated Notes*) and 26 (*Statutory Loss Absorption Powers*) are governed by and shall be construed in accordance with the laws of the Hellenic Republic.

24.2 Submission to Jurisdiction of the Issuer

(a) Subject to Condition 24.2(c) below, the English courts have exclusive jurisdiction to settle any dispute arising out of or in connection with the Notes and/or the Coupons, including any dispute as to their existence, validity, interpretation, performance, breach or termination or the consequences of their nullity and any dispute relating to any non-contractual obligations arising out of or in connection with the Notes and/or the Coupons (a **Dispute**) and accordingly the Issuer and any Noteholders or Couponholders in relation to any Dispute submits to the exclusive jurisdiction of the English courts.

(b) For the purposes of this Condition 24.2, the Issuer waives any objection to the English courts on the grounds that they are an inconvenient or inappropriate forum to settle any Dispute.

(c) To the extent allowed by law, the Noteholders and the Couponholders may, in respect of any Dispute or Disputes, take (i) proceedings in any other court with jurisdiction; and (ii) concurrent proceedings in any number of jurisdictions.

25. Third Parties

No person shall have any right to enforce any term or condition of this Note under the Contracts (Rights of Third Parties) Act 1999.

26. Statutory Loss Absorption Powers

By the acquisition of the Notes, each Noteholder acknowledges and agrees to be bound by the exercise of any Loss Absorption Power by the Relevant Resolution Authority that may result in the write-down or cancellation of all or a portion of the principal amount of, or interest on, the Notes and/or the conversion of all or a portion of the principal amount of, or interest on, the Notes into ordinary shares or other obligations of the Issuer or another person, including by means of a variation to the terms of the Notes to give effect to the exercise by the Relevant Resolution Authority of such Loss Absorption Power. Each Noteholder further agrees that the rights of the Noteholders are subject to, and will be varied if necessary so as to give effect to, the exercise of any Loss Absorption Power by the Relevant Resolution Authority.

Upon the Issuer being informed and notified by the Relevant Resolution Authority of the actual exercise the Loss Absorption Power is effective with respect to the Notes, the Issuer shall notify the

Noteholders without delay in accordance with Condition 19 (*Notices*). Any delay or failure by the Issuer to give notice shall not affect the validity and enforceability of the Loss Absorption Power nor the effects on the Notes described in this Condition.

The exercise of the Loss Absorption Power by the Relevant Resolution Authority with respect to the Notes shall not constitute an Event of Default or, as applicable, Enforcement Event and the terms and conditions of the Notes shall continue to apply in relation to the residual principal amount of, or outstanding amount payable with respect to, the Notes subject to any modification of the amount of interest payable to reflect the reduction of the principal amount, and any further modification of the terms that the Relevant Resolution Authority may decide in accordance with applicable laws and regulations relating to the resolution of credit institutions, investment firms and/or Group Entities incorporated in the relevant Member State or, if appropriate, third country (not or no longer being a Member State).

Each Noteholder also acknowledges and agrees that this provision is exhaustive on the matters described herein to the exclusion of any other agreements, arrangements or understandings relating to the application of any Loss Absorption Power to the Notes.

FORMS OF THE NOTES AND TRANSFER RESTRICTIONS RELATING TO U.S. SALES

Bearer Notes

Each Tranche of Bearer Notes will initially be in the form of either a temporary global note (the **Temporary Global Note**), without interest coupons, or a permanent global note (the **Permanent Global Note**), without interest coupons, in each case as specified in the relevant Final Terms. Each Temporary Global Note or, as the case may be, Permanent Global Note (each a **Bearer Global Note**) which is not intended to be issued in NGN form as specified in the relevant Final Terms will be deposited on or around the issue date of the relevant Tranche of the Notes with a depositary or a common depositary for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and each Bearer Global Note which is intended to be issued in NGN form, as specified in the relevant Final Terms, will be deposited on or around the issue date of the relevant Tranche of the Notes with a common safekeeper for Euroclear and/or Clearstream, Luxembourg.

Where the Bearer Global Notes issued in respect of any Tranche are in NGN form, the applicable Final Terms will also indicate whether such Bearer Global Notes are intended to be held in a manner which would allow Eurosystem eligibility. Any indication that the Bearer Global Notes are to be so held does not necessarily mean that the Notes of the relevant Tranche will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any times during their life as such recognition depends upon satisfaction of the Eurosystem eligibility criteria. The common safekeeper for NGNs will either be Euroclear or Clearstream, Luxembourg or another entity approved by Euroclear and Clearstream, Luxembourg, as indicated in the applicable Final Terms.

The relevant Final Terms will also specify whether United States Treasury Regulation §1.163-5(c)(2)(i)(C) (or any successorrules in substantially the same form that are applicable for the purposes of Section 4701 of the United States Internal Revenue Code of 1986, as amended (the **Code**)) (the **TEFRA C Rules**) or United States Treasury Regulation §1.163-5(c)(2)(i)(D) (or any successorrules in substantially the same form that are applicable for the purposes of Section 4701 of the Code) (the **TEFRA D Rules**) are applicable in relation to the Notes or, if the Notes do not have a maturity of more than 365 days, that neither the TEFRA C Rules nor the TEFRA D Rules are applicable.

Temporary Global Note exchangeable for Permanent Global Note

If the relevant Final Terms specifies the form of Notes as being "Temporary Global Note exchangeable for a Permanent Global Note", then the Notes will initially be in the form of a Temporary Global Note which will be exchangeable, in whole or in part, for interests in a Permanent Global Note, without interest coupons, not earlier than the date (the **Exchange Date**) which is the later of (i) 40 days after the Issue Date and (ii) the expiry of the period that ends 40 days after completion of the distribution of this Tranche of Notes as certified by the relevant Dealer(s) to the Issuer and the Fiscal Agent, upon certification as to non-U.S. beneficial ownership. No payments will be made under the Temporary Global Note on or after the Exchange Date unless exchange of such Temporary Global Note for interests in the Permanent Global Note is improperly withheld or refused. In addition, interest payments in respect of the Notes prior to the Exchange Date cannot be collected without such certification of non-U.S. beneficial ownership.

Whenever any interest in the Temporary Global Note is to be exchanged for an interest in a Permanent Global Note, the Issuer shall procure (in the case of first exchange) the prompt delivery (free of charge to the bearer) of such Permanent Global Note to the bearer of the Temporary Global Note or (in the case of any subsequent exchange) an increase in the principal amount of the Permanent Global Note in accordance with its terms against:

(a) presentation and (in the case of final exchange) surrender of the Temporary Global Note to or to the order of the Fiscal Agent (as defined in the **Terms and Conditions of the Notes**); and

(b) receipt by the Fiscal Agent of a certificate or certificates of non-U.S. beneficial ownership, within seven days of the bearer requesting such exchange.

The principal amount of the Permanent Global Note shall be equal to the aggregate of the principal amounts specified in the certificates of non-U.S. beneficial ownership, provided, however, that in no circumstances shall the principal amount of the Permanent Global Note exceed the initial principal amount of the Temporary Global Note.

If:

(a) a Permanent Global Note has not been delivered or the principal amount thereof increased by 5.00 p.m. (London time) on the seventh day after the bearer of a Temporary Global Note has requested the exchange of an interest in the Temporary Global Note for an interest in a Permanent Global Note;

(b) Definitive Notes have not been delivered by 5.00 p.m. (London time) on the thirtieth day after the bearer of a Temporary Global Note has requested exchange of the Temporary Global Note for Definitive Notes; or

(c) a Temporary Global Note (or any part thereof) has become due and payable in accordance with the Terms and Conditions of the Notes or the date for final redemption of a Temporary Global Note has occurred and, in either case, payment in full of the amount of principal falling due with all accrued interest thereon has not been made to the bearer of the Temporary Global Note in accordance with the terms of the Temporary Global Note on the due date for payment,

then the Temporary Global Note (including the obligation to deliver a Permanent Global Note or increase the principal amount thereof or deliver Definitive Notes, as the case may be) will become void at 5.00 p.m. (London time) on such seventh day (in the case of (a) above) or at 5.00 p.m. (London time) on such thirtieth day (in the case of (b) above) or at 5.00 p.m. (London time) on such due date (in the case of (c) above) and the bearer of the Temporary Global Note will have no further rights thereunder (but without prejudice to the rights which the bearer of the Temporary Global Note or others may have under a deed of covenant dated 19 December 2019 (as amended, supplemented or restated from time to time) (the **Deed of Covenant**) executed by the Bank). Under the Deed of Covenant, persons shown in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system as being entitled to an interest in a Temporary Global Note will acquire directly against the Issuer all those rights to which they would have been entitled if, immediately before the Temporary Global Note became void, they had been the holders of Definitive Notes in an aggregate principal amount equal to the principal amount of Notes they were shown as holding in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system.

Temporary Global Note exchangeable for Definitive Notes

If the relevant Final Terms specifies the form of Notes as being "Temporary Global Note exchangeable for Definitive Notes" and also specifies that the TEFRA C Rules are applicable or that neither the TEFRA C Rules or the TEFRA D Rules are applicable, then the Notes will initially be in the form of a Temporary Global Note which will be exchangeable, in whole but not in part, for Definitive Notes not earlier than 40 days after the issue date of the relevant Tranche of the Notes.

If the relevant Final Terms specifies the form of Notes as being "Temporary Global Note exchangeable for Definitive Notes" and also specifies that the TEFRA D Rules are applicable, then the Notes will initially be in the form of a Temporary Global Note which will be exchangeable, in whole or in part, for Definitive Notes not earlier than 40 days after the issue date of the relevant Tranche of the Notes upon certification as to non-U.S. beneficial ownership. Interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership.

Whenever the Temporary Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and Talons attached (if so specified in the relevant Final Terms), in an aggregate principal amount equal to the principal amount of the Temporary Global Note to the bearer of the Temporary Global Note against the surrender of the Temporary Global Note to or to the order of the Fiscal Agent within 30 days of the bearer requesting such exchange. The form of Bearer Notes "Temporary Global Note exchangeable for Definitive Notes" should not be expressed to be applicable in the applicable Final Terms if the Notes are issued with a minimum Specified Denomination such as €100,000 (or its equivalent in another currency) plus one or more higher integral multiples of another smaller amount such as €1,000 (or its equivalent in another currency).

Permanent Global Note exchangeable for Definitive Notes

If the relevant Final Terms specifies the form of Notes as being "Permanent Global Note exchangeable for Definitive Notes", then the Notes will initially be in the form of a Permanent Global Note which will be exchangeable in whole, but not in part, for Definitive Notes:

(a) if an Event of Default or Enforcement Event, as the case may be, has occurred and is continuing; or

(b) if Euroclear or Clearstream, Luxembourg or any other relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business or in fact does so; or

(c) if the Issuer has or will become subject to adverse tax consequences which would not be suffered were the Notes represented by the relevant Permanent Global Note in definitive form.

If:

(a) Definitive Notes have not been delivered by 5.00 p.m. (London time) on the thirtieth day after the bearer of a Permanent Global Note has duly requested exchange of the Permanent Global Note for Definitive Notes; or

(b) a Permanent Global Note (or any part of it) has become due and payable in accordance with the Terms and Conditions of the Notes or the date for final redemption of the Notes has occurred and, in either case, payment in full of the amount of principal falling due with all accrued interest thereon has not been made to the bearer of the Permanent Global Note in accordance with the terms of the Permanent Global Note on the due date for payment,

then the Permanent Global Note (including the obligation to deliver Definitive Notes) will become void at 5.00 p.m. (London time) on such thirtieth day (in the case of (a) above or at 5.00 p.m. (London time) on such due date (in the case of (b) above) and the bearer of the Permanent Global Note will have no further rights thereunder (but without prejudice to the rights which the bearer of the Permanent Global Note or others may have under the Deed of Covenant). Under the Deed of Covenant, persons shown in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system as being entitled to an interest in a Permanent Global Note will acquire directly against the Issuer all those rights to which they would have been entitled if, immediately before the Permanent Global Note became void, they had been the Holders of Definitive Notes in an aggregate principal amount equal to the principal amount of Notes they were shown as holding in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system.

Clearing System Accountholders

In relation to any Tranche of Notes represented by a Bearer Global Note, references in the Terms and Conditions of the Notes to "**Noteholder**" are references to the bearer of the relevant Global Note which, for so long as the Global Note is held by a depositary or a common depositary, in the case of a CGN, or a

common safekeeper, in the case of an NGN, for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system, will be that depositary or common depositary or, as the case may be, common safekeeper.

Each of the persons shown in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system as the Holder of a particular nominal amount of the Notes of the Series (each an **Accountholder**) must look solely to Euroclear and/or Clearstream, Luxembourg and/or such other relevant clearing system (as the case may be) for such Accountholder's share of each payment made by the Issuer to the bearer of such Global Note and in relation to all other rights arising under the Bearer Global Note. The extent to which, and the manner in which, Accountholders may exercise any rights arising under any Bearer Global Note will be determined by the respective rules and procedures of Euroclear and Clearstream, Luxembourg and any other relevant clearing system from time to time. For so long as the relevant Notes are represented by a Bearer Global Note, Accountholders shall have no claim directly against the Issuer in respect of payments due under the relevant Notes and such obligations of the Bank will be discharged by payment to the bearer of the Bearer Global Note.

Legend concerning United States persons

In the case of any Tranche of Bearer Notes, the Notes in global form (other than Temporary Global Notes), the Notes in definitive form and any Coupons and Talons appertaining thereto where the TEFRA D Rules are specified in the applicable Final Terms will bear a legend to the following effect:

"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 in such legend provide that a United States person who holds a Note, Coupon or Talon will generally not be allowed to deduct any loss realised on the sale, exchange or redemption of such Note, Coupon or Talon and any gain (which might otherwise be characterised as capital gain) recognised on such sale, exchange or redemption will be treated as ordinary income.

Registered Notes

Each Tranche of Registered Notes will be represented by:

(a) interests in an Unrestricted Global Note (in the case of Notes initially sold to non-U.S. persons in offshore transactions in reliance on Regulation S under the Securities Act) (**Unrestricted Notes**); and/or

(b) interests in a Restricted Global Note (in the case of Notes initially sold to QIBs in reliance on Rule 144A or another exemption from registration under the Securities Act) (**Restricted Notes**).

In relation to Unrestricted Notes, prior to expiry of the distribution compliance period (as defined in Regulation S) applicable to each Tranche of Notes, beneficial interests in Unrestricted Notes may not be offered or sold to, or for the account or benefit of, a U.S. person save as otherwise provided in Condition 4 (*Register and Transfers of Registered Notes*) and may not be held otherwise than through Euroclear or Clearstream, Luxembourg, and such Unrestricted Notes will bear a legend regarding such restrictions on transfer.

Each Unrestricted Global Note will either (i) be registered in the name of Cede & Co. (or such other entity as is specified in the applicable Final Terms) as nominee for DTC and be deposited on or about the relevant issue date with the custodian for DTC (the **DTC Custodian**) specified in the applicable Final Terms; or (ii) be deposited with a common depositary or common safekeeper, as the case may be, for Euroclear and Clearstream, Luxembourg, and registered in the name of a common nominee of, Euroclear and Clearstream,

Luxembourg or in the name of a nominee of the common safekeeper, as specified in the applicable Final Terms. Persons holding beneficial interests in Registered Global Notes will be entitled or required, as the case may be, under the circumstances described below, to receive physical delivery of definitive Notes in fully registered form.

Each Restricted Global Note will be registered in the name of Cede & Co. (or such other entity as is specified in the applicable Final Terms) as nominee for DTC and will be deposited on or about the issue date with the DTC Custodian as custodian for DTC. The Restricted Global Note (and any Definitive Registered Notes issued in exchange therefor) will be subject to certain restrictions on transfer as described below under "*Transfer Restrictions*".

Transfer Restrictions

On or prior to the 40th day after the relevant issue date, Notes represented by an interest in an Unrestricted Global Note may be transferred to a person who wishes to hold such Notes in the form of an interest in a Restricted Global Note (if issued in respect of a particular Series of Notes) only upon receipt by the Registrar of a written certification from the transferor (in the form set out in Schedule 4 (*Form of Certificate for Exchange or Transfer from Unrestricted Global Note to Restricted Global Note*) to the Agency Agreement) to the effect that such transfer is being made to a person whom the transferor reasonably believes is a qualified institutional buyer within the meaning of Rule 144A, in a transaction meeting the requirements of Rule 144A and in accordance with any applicable securities laws of any state of the United States. After such 40th day, such certification requirements will no longer apply to such transfers, but such transfers will continue to be subject to the transfer restrictions contained in the legend appearing on the face of such Global Note, as described below under "*Exchange of Interests in Registered Global Notes for Definitive Registered Notes*".

Notes represented by an interest in a Restricted Global Note may also be transferred to a person who wishes to hold such Notes in the form of an interest through an Unrestricted Global Note, but only upon receipt by the Registrar of a written certification from the transferor (i) while the Note is a restricted security, (in the form set out in Schedule 5 (*Form of Certificate for Exchange or Transfer from Restricted Global Note to Unrestricted Global Note while the Note is a "Restricted Security" within the meaning of Rule 144 under the Securities Act*) to the Agency Agreement) to the effect that such transfer is being made in accordance with Regulation S under the Securities Act and that such interest will be held immediately thereafter only through Euroclear or Clearstream, Luxembourg; or (ii) after the Note is no longer a restricted security (in the form set out in Schedule 6 (*Form of Certificate for Exchange or Transfer from Restricted Global Note to Unrestricted Global Note when the Note is no longer a "Restricted Security" Within the Meaning of Rule 144 under the Securities Act*) to the Agency Agreement) to the effect that such transfer or exchange is being made in accordance with Regulation S under the Securities Act, or that the Note being exchanged or transferred is not a restricted security (as defined in Rule 144 under the Securities Act).

Transfer restrictions will terminate one year after the relevant issue date provided that any Notes purchased by or on behalf of the Issuer or any of its affiliates have been cancelled in accordance with Condition 10.11 (*Cancellation*) or resold solely in reliance on Regulation S.

Any interest in either a Restricted Global Note or an Unrestricted Global Note that is transferred to a person who takes delivery in the form of an interest in the other Registered Global Note will, upon transfer, cease to be an interest in such Registered Global Note and become an interest in the other Registered Global Note and, accordingly, will thereafter be subject to all transfer restrictions and other procedures applicable to an interest in such other Registered Global Note.

Registered Notes are also subject to the restrictions on transfer set forth therein and will bear a legend regarding such restrictions as set out below.

The Notes are being offered and sold in the United States only to qualified institutional buyers within the meaning of Rule 144A in transactions exempt from the registration requirements of the Securities Act.

As a result of the following restrictions, purchasers of Notes in the United States are advised to consult legal counsel prior to making any purchase, offer, sale, resale or other transfer of such Notes.

Each purchaser of Registered Notes (other than a person purchasing an interest in a Registered Global Note with a view to holding it in the form of an interest in the same Global Note) or person wishing to transfer an interest from one Registered Global Note to another or from global to definitive form or vice versa, will be required to acknowledge, represent and agree, and each person purchasing an interest in a Registered Global Note with a view to holding it in the form of an interest in the same Global Note will be deemed to have acknowledged, represented and agreed, as follows (terms used in this paragraph that are defined in Rule 144A or in Regulation S are used herein as defined therein):

(a) that either: (i) it is a QIB, purchasing (or holding) the Notes for its own account or for the account of one or more QIBs and it is aware, and each beneficial owner of such Notes has been advised, that any sale to it may be made in reliance on Rule 144A or (ii) it is purchasing in an offshore transaction in reliance on Regulation S and is not a U.S. person or purchasing for the account or benefit of a U.S. person;

(b) that, unless it holds an interest in an Unrestricted Global Note and is a person located outside the United States and is not a U.S. person or purchasing for the account or benefit of a U.S. person, if in the future it decides to resell, pledge or otherwise transfer the Notes or any beneficial interests in the Notes, it will do so, prior to the date which is one year after the later of the last Issue Date for the Series and the last date on which the Issuer or an affiliate of the Issuer was the owner of such Notes, only (i) to the Issuer or any affiliate thereof, (ii) inside the United States to a person whom the seller and any person acting on its behalf reasonably believes is a QIB purchasing for its own account or for the account of a QIB in a transaction meeting the requirements of Rule 144A, (iii) in an offshore transaction in compliance with Rule 903 or Rule 904 of Regulation S under the Securities Act, (iv) pursuant to the exemption from registration provided by Rule 144 under the Securities Act (if available) or (v) pursuant to an effective registration statement under the Securities Act, in each case in accordance with all applicable U.S. State securities laws;

(c) it will, and will require each subsequent Holder to, notify any purchaser of the Notes from it of the resale restrictions referred to in paragraph (b) above, if then applicable;

(d) that Notes initially offered to QIBs will be represented by one or more Restricted Global Notes and that Notes offered in an offshore transaction to non-U.S. persons in reliance on Regulation S will be represented by one or more Unrestricted Global Note;

(e) it understands that the Restricted Global Note and any Restricted Definitive Registered Note (as defined below) will bear a legend to the following effect, unless the Issuer determines otherwise in accordance with applicable law:

THE NOTES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933 AS AMENDED (THE **SECURITIES ACT**) OR ANY SECURITIES LAW OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. THE HOLDER HEREOF, BY PURCHASING THE NOTES REPRESENTED HEREBY, AGREES FOR THE BENEFIT OF THE ISSUER THAT THE NOTES REPRESENTED HEREBY MAY BE REOFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY IN COMPLIANCE WITH THE SECURITIES ACT AND

OTHER APPLICABLE LAWS AND ONLY (1) PURSUANT TO RULE 144A UNDER THE SECURITIES ACT TO A PERSON THAT THE HOLDER AND ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A PURCHASING FOR ITS OWN ACCOUNT OR A PERSON PURCHASING FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER WHOM THE HOLDER HAS INFORMED, IN EACH CASE, THAT THE RE-OFFER, RESALE, PLEDGE OR OTHER TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (2) IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR 904 OF REGULATION S UNDER THE SECURITIES ACT, (3) PURSUANT TO AN EXEMPTION FROM REGISTRATION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT (IF AVAILABLE) OR (4) TO THE ISSUER OR THEIR RESPECTIVE AFFILIATES OR (5) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES AND ANY OTHER JURISDICTION; AND (C) IT AGREES THAT IT WILL DELIVER TO EACH PERSON TO WHOM THIS NOTE IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND. NO REPRESENTATION CAN BE MADE AS TO THE AVAILABILITY OF THE EXEMPTION PROVIDED BY RULE 144A FOR RESALES OF THE NOTE.

THIS NOTE AND RELATED DOCUMENTATION (INCLUDING, WITHOUT LIMITATION, THE AGENCY AGREEMENT REFERRED TO HEREIN) MAY BE AMENDED OR SUPPLEMENTED FROM TIME TO TIME, WITHOUT THE CONSENT OF, BUT UPON NOTICE TO, THE HOLDERS OF SUCH NOTES SENT TO THEIR REGISTERED ADDRESSES, TO MODIFY THE RESTRICTIONS ON AND PROCEDURES FOR RESALES AND OTHER TRANSFERS OF THIS NOTE TO REFLECT ANY CHANGE IN APPLICABLE LAW OR REGULATION (OR THE INTERPRETATION THEREOF) OR IN PRACTICES RELATING TO RESALES OR OTHER TRANSFERS OF RESTRICTED SECURITIES GENERALLY. THE HOLDER OF THIS NOTE SHALL BE DEEMED, BY ITS ACCEPTANCE OR PURCHASE HEREOF, TO HAVE AGREED TO ANY SUCH AMENDMENT OR SUPPLEMENT (EACH OF WHICH SHALL BE CONCLUSIVE AND BINDING ON THE HOLDER HEREOF AND ALL FUTURE HOLDERS OF THIS NOTE AND ANY NOTES ISSUED IN EXCHANGE OR SUBSTITUTION THEREFOR, WHETHER OR NOT ANY NOTATION THEREOF IS MADE HEREON).

(f) if it is outside the United States and is not a U.S. person, that if it should resell or otherwise transfer the Notes prior to the expiration of the distribution compliance period (defined as 40 days after the later of the commencement of the offering and the closing date with respect to the original issuance of the Notes), it will do so only (i)(A) in an offshore transaction in compliance with Rule 903 or 904 of Regulation S under the Securities Act or (B) if the Notes are part of a Series that included a tranche represented by Restricted Global Notes on issue, to a QIB in compliance with Rule 144A and (ii) in accordance with all applicable U.S. State securities laws; and it acknowledges that the Unrestricted Global Notes will bear a legend to the following effect unless otherwise agreed to by the Issuer:

"THE NOTES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR ANY OTHER APPLICABLE U.S. STATE SECURITIES LAWS AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS EXCEPT IN ACCORDANCE WITH THE AGENCY AGREEMENT AND PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OR PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT. THIS LEGEND SHALL CEASE TO APPLY UPON THE EXPIRY OF THE PERIOD OF 40 DAYS AFTER THE

COMPLETION OF THE DISTRIBUTION OF ALL THE NOTES OF THE TRANCHE OF WHICH THIS NOTE FORMS PART."; and

(g) that the Issuer and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that if any of such acknowledgements, representations or agreements made by it are no longer accurate, it shall promptly notify the Issuer; and if it is acquiring any Notes as a fiduciary or agent for one or more accounts it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account.

Upon the transfer, exchange or replacement of a Restricted Global Note or a Restricted Definitive Registered Note bearing the above legend, or upon specific request for removal of the legend, the Issuer will deliver only Definitive Registered Notes that bear such legend (**Restricted Definitive Registered Notes**) or will refuse to remove such legend, unless there is delivered to the Issuer and the Registrar such satisfactory evidence (which may include a legal opinion) as may reasonably be required by the Issuer that neither the legend nor the restrictions on transfer set forth therein are required to ensure compliance with the provisions of the Securities Act. Such transfer restrictions will terminate one year after the relevant issue date provided that any Notes purchased by or on behalf of the Issuer or any of its affiliates have been cancelled in accordance with Condition 10.11 (*Cancellation*) or resold solely in reliance on Regulation S.

Exchange of Interests in Registered Global Notes for Definitive Registered Notes

Registration of title to Notes initially represented by the Registered Global Notes in a name other than DTC, Euroclear and Clearstream, Luxembourg, as applicable, or any successor depositary or one of their respective nominees will not be permitted unless:

(a) an Event of Default has occurred and is continuing, or

(b) in the case of Notes registered in the name of a nominee for DTC, either DTC has notified the Issuer that it is unwilling or unable to continue to act as depository for the Notes and no alternative clearing system is available or DTC has ceased to constitute a clearing agency registered under the Exchange Act and no alternative clearing system is available;

(c) in the case of Notes registered in the name of a nominee for a common depositary or common safekeeper, as the case may be, for Euroclear and Clearstream, Luxembourg, 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 legal holidays) or have announced an intention permanently to cease business or have in fact done so; or

(d) the Issuer has or will become subject to adverse tax consequences which would not be suffered were the Notes represented by Definitive Registered Notes.

In such circumstances, the Issuer shall procure the delivery of Definitive Registered Notes in exchange for the Unrestricted Global Note and/or the Restricted Global Note. A person having an interest in a Registered Global Note must provide the Registrar (through DTC, Euroclear or Clearstream, Luxembourg, as applicable) with (a) such information as the Issuer and the Registrar may reasonably require to complete and deliver Definitive Registered Notes (including the name and address of each person in which the Definitive Registered Notes are to be registered and the principal amount of each such person's holding) and (b) (in the case of the Restricted Global Note only) a certificate given by or on behalf of the Holder of each beneficial interest in the Restricted Global Note stating either (i) that such Holder is not transferring its interest at the time of such exchange or (ii) if the notes are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act, that the transfer or exchange of such interest has been made in compliance with the transfer restrictions applicable to the Notes and that the person transferring such interest reasonably believes

that the person acquiring such interest is a qualified institutional buyer and is obtaining such beneficial interest in a transaction meeting the requirements of Rule 144A.

Definitive Registered Notes issued in exchange for interests in the Restricted Global Note will bear the legends and be subject to the transfer restrictions set out above under "*Transfer Restrictions*". Such transfer restrictions will terminate one year after the relevant issue date, provided that any Notes purchased by or on behalf of the Issuer or any of their respective affiliates have been cancelled in accordance with Condition 10.11 (*Cancellation*) or resold solely in reliance on Regulation S.

Whenever a Registered Global Note is to be exchanged for Definitive Registered Notes, such Definitive Registered Notes will be issued within five business days of the delivery to the Registrar of the information and any required certification described in the preceding paragraph against the surrender of the relevant Registered Global Note at the Specified Office of the Registrar. Such exchange shall be effected in accordance with the regulations concerning the transfer and registration from time to time relating to the Notes and shall be effected without charge, but against such indemnity as the Registrar may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such exchange.

If (a) Definitive Registered Notes have not been delivered by 5.00 p.m. (London time) on the 30th day after the due date for their delivery in exchange for interests in a Registered Global Note or (b) any of the Notes represented by a Registered Global Note has become due and payable in accordance with the Terms and Conditions of the Notes or the date for final redemption of the Notes has occurred and, in either case, payment in full of the amount of principal falling due with all accrued interest thereon has not been made to the registered Holder of such Registered Global Note in accordance with its terms on the due date for payment, then such Registered Global Note (including the obligation to deliver Definitive Registered Notes) will become void at 5.00 p.m. (London time) on such 30th day (in the case of (a) above) or at 5.00 p.m. (London time) on such due date (in the case of (b) above) and the registered Holder will have no further rights under such Registered Global Note (but without prejudice to the rights which the Holder of the Notes represented by such Registered Global Note or others may have under a deed of covenant dated 19 December 2019 (as amended, supplemented or restated from time to time) (the **Deed of Covenant**) executed by the Issuer). Under the Deed of Covenant, persons shown in the records of DTC, Euroclear or Clearstream, Luxembourg, as applicable, as being entitled to an interest in the Notes represented by a Registered Global Note will acquire directly against the Issuer all those rights to which they would have been entitled if, immediately before such Registered Global Note became void, they had been the registered Holders of Notes represented by Definitive Registered Notes in an aggregate principal amount equal to the principal amount of Notes they were shown as holding in the records of DTC, Euroclear or Clearstream, Luxembourg, as applicable.

Neither the Registrar nor the Transfer Agent will register the transfer of or exchange of interests in a Registered Global Note for Definitive Registered Notes for a period of 15 days ending on the due date for any payment of principal or interest in respect of the Notes, or register the transfer or exchange of any Notes previously called for redemption.

Book-Entry System

DTC

The Issuer will make an application to DTC for acceptance in its book-entry settlement system of each relevant Tranche of Unrestricted Notes and each Tranche of Restricted Notes. Restricted and Unrestricted Notes accepted in the book-entry settlement system of DTC will have a CUSIP number.

The DTC Custodian and DTC will record electronically the principal amount of the Notes represented by an Unrestricted Global Note and a Restricted Global Note held within the DTC system. Up to and including the 40th day after the later of the commencement of the offering and the relevant issue date, investors may hold

their interests in an Unrestricted Global Note held within the DTC system only through Clearstream, Luxembourg or Euroclear. Thereafter, investors may additionally hold such interests directly through DTC, if they are participants in DTC. Clearstream, Luxembourg and Euroclear will hold interests in the Unrestricted Global Note on behalf of their account holders through customers' securities accounts in Clearstream, Luxembourg's or Euroclear's respective names on the books of their respective depositaries, which in turn will hold such interests in the Unrestricted Global Note in customers' securities accounts in the depositaries' names on the books of DTC. Investors may hold their interests in the Restricted Global Note directly through DTC, if they are participants in DTC, or indirectly through organisations which are participants in DTC.

Payments of the principal of, interest on and any other amounts payable under each Registered Global Note registered in the name of DTC's nominee will be made to, or to the order of, its nominee as the registered Holder of such Registered Global Note. The Issuer expects that the nominee, upon receipt of any such payment, will immediately credit DTC participants' accounts with payments in amounts proportionate to their respective interests in the principal amount of the relevant Registered Global Note as shown on the records of DTC or the nominee. The Issuer also expects that payments by DTC participants to owners of interests in such Registered Global Note held through such DTC participants will be governed by standing instructions and customary practices, as is now the case with securities held for the accounts of customers registered in the names of nominees for such customers. Such payments will be the responsibility of such DTC participants. None of the Issuer, the Registrar, the Fiscal Agent, any Transfer Agent or any Paying Agent will have any responsibility or liability for any aspect of the records relating to or payments made on account of ownership interests in the Registered Global Notes or for maintaining, supervising or reviewing any records relating to such ownership interests.

While a Registered Global Note is lodged with DTC or its custodian, Notes represented by Definitive Registered Notes will not be eligible for clearing or settlement through DTC, Clearstream, Luxembourg or Euroclear.

Euroclear and Clearstream, Luxembourg

Euroclear and Clearstream, Luxembourg each holds securities for its customers and facilitates the clearance and settlement of securities transactions by electronic book-entry transfer between their respective account holders. Euroclear and Clearstream, Luxembourg provide various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear and Clearstream, Luxembourg also deal with domestic securities markets in several countries through established depository and custodial relationships. Euroclear and Clearstream, Luxembourg have established an electronic bridge between their two systems across which their respective participants may settle trades with each other.

Euroclear and Clearstream, Luxembourg customers are world-wide financial institutions, including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Indirect access to Euroclear and Clearstream, Luxembourg is available to other institutions that clear through or maintain a custodial relationship with an account holder of either system.

Transfers of Interests in Registered Global Notes

Transfers of interests in Registered Global Notes will be in accordance with the usual rules and operating procedures of DTC, Euroclear and Clearstream, Luxembourg, as applicable.

The laws of some states of the United States require that certain persons receive individual certificates in respect of their holdings of Notes. Consequently, the ability to transfer interests in a Registered Global Note to such persons will be limited. Because DTC only acts on behalf of participants, who in turn act on behalf of indirect participants, the ability of a person having an interest in a Registered Global Note to pledge such interest to persons or entities which do not participate in the relevant clearing system, or otherwise take

actions in respect of such interest, may be affected by the lack of an Definitive Registered Note representing such interest.

Subject to compliance with the transfer restrictions applicable to the Notes described above and under "*Subscription and Sale*", cross-market transfers between DTC participants, on the one hand, and Clearstream, Luxembourg or Euroclear account holders, on the other, will be effected in DTC in accordance with DTC rules and procedures and on behalf of Clearstream, Luxembourg or (as the case may be) Euroclear by its respective depositary. However, such cross-market transactions will require delivery of instructions to Clearstream, Luxembourg or (as the case may be) Euroclear by the counterparty in such system in accordance with its rules and procedures and within its established deadlines. Clearstream, Luxembourg or (as the case may be) Euroclear will, if the transaction meets its settlement requirements, deliver instructions to its respective depositary to take action to effect final settlement on its behalf by delivering or receiving beneficial interests in the relevant Registered Global Note in DTC, and making or receiving payment in accordance with normal procedures for same-day funds settlement applicable to DTC. Clearstream, Luxembourg account holders and Euroclear account holders may not deliver instructions directly to the depositaries for Clearstream, Luxembourg or Euroclear.

Because of time zone differences, credits of Notes received in Clearstream, Luxembourg or Euroclear, as a result of a transaction with a DTC participant, will be made during the securities settlement processing day dated the business day following the DTC settlement date and such credits of any transactions in such securities settled during such processing will be reported to the relevant Clearstream, Luxembourg or Euroclear account holder on such business day. Cash received in Clearstream, Luxembourg or Euroclear as a result of sales of Notes by or through a Clearstream, Luxembourg account holder or a Euroclear account holder to a DTC participant will be received with value on the DTC settlement date but will be available in the relevant Clearstream, Luxembourg or Euroclear cash account only as of the business day following settlement in DTC. Settlement between Euroclear or Clearstream, Luxembourg account holders and DTC participants cannot be made on a delivery versus payment basis. The arrangements for transfer of payments must be established separately from the arrangements for transfer of Notes, the latter being effected on a free delivery basis. The customary arrangements for delivery versus payment between Euroclear and Clearstream, Luxembourg account holders or between DTC participants are not affected.

For a further description of restrictions on the transfer of Notes, see "*Subscription and Sale*" below.

DTC has advised the Issuer that it will take any action permitted to be taken by a Holder of Notes (including, without limitation, the presentation of Registered Global Notes for exchange as described above) only at the direction of one or more participants in whose account with DTC interests in Registered Global Notes are credited, and only in respect of such portion of the aggregate principal amount of the Registered Global Notes as to which such participant or participants has or have given such direction.

However, in certain circumstances, DTC, Euroclear and Clearstream, Luxembourg, as applicable will exchange the Registered Global Notes for Definitive Registered Notes (which will, in the case of Restricted Notes, bear the legend set out above under "*Transfer Restrictions*").

Although DTC, Clearstream, Luxembourg and Euroclear have agreed to the foregoing procedures in order to facilitate transfers of interests in the Registered Global Notes among participants and account holders of DTC, Clearstream, Luxembourg and Euroclear, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. None of the Issuer, the Registrar, the Fiscal Agent, any Transfer Agent and any Paying Agent will have any responsibility for the performance by DTC, Clearstream, Luxembourg or Euroclear or their respective direct or indirect participants or account holders of their respective obligations under the rules and procedures governing their respective operations.

The terms and conditions applicable to any Definitive Note will be endorsed on that Note and will consist of the terms and conditions set out under "*Terms and Conditions of the Notes*" above and the provisions of the relevant Final Terms which complete those terms and conditions.

Conditions applicable to Bearer Global Notes and Registered Global Notes

Each Bearer Global Note and Registered Global Note will contain provisions which modify the Terms and Conditions of the Notes as they apply to the Bearer Global Note and the Registered Global Note. The following is a summary of certain of those provisions:

Bearer Global Notes

Payments. All payments in respect of the Bearer Global Note will be made against presentation and (in the case of payment of principal in full with all interest accrued thereon) surrender of the Bearer Global Note to or to the order of any Paying Agent and will be effective to satisfy and discharge the corresponding liabilities of the Issuer in respect of the Notes. On each occasion on which a payment of principal or interest is made in respect of the Bearer Global Note, the Issuer shall procure that in respect of a CGN the payment is noted in a schedule thereto and in respect of an NGN the payment is entered *pro-rata* in the records of Euroclear and Clearstream, Luxembourg.

Exercise of Investor put option. In order to exercise the option contained in Condition 10.5 (*Redemption at the option of the Noteholders*), the bearer of the Permanent Global Note must, within the period specified in the Terms and Conditions of the Notes for the deposit of the relevant Note and put notice, give written notice of such exercise to the Fiscal Agent specifying the principal amount of Notes in respect of which such option is being exercised. Any such notice will be irrevocable and may not be withdrawn.

Partial exercise of Issuer call option. In connection with an exercise of the option contained in Condition 10.3 (*Redemption at the option of the Issuer*) in relation to some only of the Notes, the Permanent Global Note may be redeemed in part in the principal amount specified by the Issuer in accordance with the Terms and Conditions of the Notes and the Notes to be redeemed will not be selected as provided in the Terms and Conditions of the Notes but in accordance with the rules and procedures of Euroclear and Clearstream, Luxembourg (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in principal amount, at their discretion).

Notices. Notwithstanding Condition 19 (*Notices*), while all the Notes are represented by a Permanent Global Note (or by a Permanent Global Note and/or a Temporary Global Note) and the Permanent Global Note is (or the Permanent Global Note and/or the Temporary Global Note are) deposited with a depositary or a common depositary for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system or a common safekeeper, notices to Noteholders may be given by delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and, in any case, such notices shall be deemed to have been given to the Noteholders in accordance with Condition 19 (*Notices*) on the date of delivery to Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and, in addition, for so long as any Notes are admitted to trading on the Luxembourg Stock Exchange and it is a requirement of applicable law or regulation, such notices shall be published in a leading newspaper having general circulation in Luxembourg (which is expected to be *Luxemburger Wort*) or published on the website of the Luxembourg Stock Exchange (www.bourse.lu) and for so long as any Notes are listed on any other stock exchange or are admitted to trading by another relevant authority and the rules of that stock exchange or relevant authority so require, such notice will be published on the website of the relevant stock exchange or relevant authority and/or in a daily newspaper of general circulation in the place or places required by those rules. Any such notice shall be deemed to have been given to relevant Accountholders on the day on which the said notice was given to Euroclear and/or Clearstream, Luxembourg.

Registered Global Notes

Partial exercise of Issuer call option. In connection with an exercise of the option contained in Condition 10.3 (*Redemption at the option of the Issuer*) in relation to some only of the Notes, the Registered Global Note may be redeemed in part in the principal amount specified by the Issuer in accordance with the Terms and Conditions of the Notes and the Notes to be redeemed will not be selected as provided in the Terms and Conditions of the Notes but in accordance with the rules and procedures of DTC, Euroclear and Clearstream, Luxembourg, as applicable.

Exercise of Investor put option. In order to exercise the option described in Condition 10.5 (*Redemption at the option of the Noteholders*), the Holder of a Registered Global Note must, within the period specified in the Terms and Conditions of the Notes for the deposit of the relevant Note Certificate and put notice, give written notice of such exercise to the Fiscal Agent specifying the principal amount of Notes in respect of which such option is being exercised. Any such notice will be irrevocable and may not be withdrawn.

*Payments in respect of Registered Notes. S*o long as the Notes are represented by a Registered Global Note, any reference in Condition 11.2 (*Payments under Registered Notes*) to Registered Holder, shall be to the Registered Holder as at the close of the business day (being for this purpose a day on which DTC, Euroclear and Clearstream, Luxembourg and banks located in the city where the specified office of the Registrar is located are open for business) before the relevant due date.

Notice. Notwithstanding Condition 19 (*Notices*), so long as a Registered Global Note is held on behalf of DTC, Euroclear and Clearstream, Luxembourg or any other clearing system (an **Alternative Clearing System**), notices to Holders of Notes represented by such Registered Global Note may be given by delivery of the relevant notice to DTC, Euroclear and Clearstream, Luxembourg, as applicable or (as the case may be) such Alternative Clearing System, *provided, however, that*, so long as the Notes are listed on the Luxembourg Stock Exchange and its rules so require, notices will also be published in a leading newspaper having general circulation in Luxembourg (which is expected to be *Luxemburger Wort*) or published on the website of the Luxembourg Stock Exchange (www.bourse.lu) and, in addition, for so long as any Notes are listed on any other stock exchange or are admitted to trading by another relevant authority and the rules of that stock exchange or relevant authority so require, such notice will be published on the website of the relevant stock exchange or relevant authority and/or in a daily newspaper of general circulation in the place or places required by those rules.

FORM OF FINAL TERMS

[PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes 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, 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 (as amended, the **PRIIPs Regulation**) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.][1]

MiFID II 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 Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in [Directive 2014/65/EU (as amended, **MiFID II**)][MiFID II]; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. [*Consider any negative target market*]. Any person subsequently offering, selling or recommending the Notes (a **distributor**) should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.

[In connection with Section 309B of the Securities and Futures Act (Chapter 289) of Singapore (the "**SFA**") and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "**CMP Regulations 2018**"), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are [prescribed capital markets products] / [capital markets products other than prescribed capital markets products] (as defined in the CMP Regulations 2018) and are [Excluded]/[Specified] Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendation on Investment Products.][2]

[*Date*]

NATIONAL BANK OF GREECE S.A.

Legal entity identifier (LEI): 5UMCZOEYKCVFAW8ZLO05

Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]
Under the €5,000,000,000
Global Medium Term Note Programme

PART A—CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Notes (the **Conditions**) set forth in the Base Prospectus dated 19 December 2019 [and the supplement[s] to

1 Legend to be included on front of the Final Terms if the Notes potentially constitute "packaged" products and no key information document will be prepared or the Issuer wishes to prohibit offers to EEA retail investors for any other reason, in which case the selling restriction should be specified to be "Applicable".

2 For any Notes to be offered to Singapore investors, the Issuer to consider whether it needs to re-classify the Notes pursuant to Section 309B of the SFA prior to the launch of the offer.

the Base Prospectus dated [ ]] which [together] constitute[s] a base prospectus (the **Base Prospectus**) for the purposes of Regulation (EU) 2017/1129 (the **Prospectus Regulation**). This document constitutes the Final Terms relating to the issue of Notes described herein for the purposes of the Prospectus Regulation and must be read in conjunction with the Base Prospectus.

Full information on the Issuer and the offer of the Notes is only available on the basis of a combination of these Final Terms and the Base Prospectus. The Base Prospectus has been published on the website of the Luxembourg Stock Exchange (www.bourse.lu) and copies may be obtained from the registered offices of the Issuer and the specified office of the Principal Paying Agent.

[*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. Italics denote guidance for completing the Final Terms.*]

[*If the Notes have a maturity of less than one year from the date of their issue, the minimum denomination must be £100,000 or its equivalent in any other currency.*]

1.			
	(a)	Series Number:	[ ]
	(b)	Tranche Number:	[ ]
	(c)	Date on which the Notes will be consolidated and form a single Series:	[The Notes will be consolidated and form a single Series with [*provide issue amount/ISIN/maturity date of earlier Tranches*] on [[*insert date*]/the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph 26 below, which is expected to occur on or about [*date*]]][Not Applicable]
2.	Specified Currency or Currencies:		[ ]
3.	Aggregate Nominal Amount of Notes:		
	[(a)]	Series:	[ ]
	[(b)	Tranche:	[ ]]
4.	Issue Price:		[ ]% of the Aggregate Nominal Amount [plus accrued interest from [*insert date*] (*if applicable*)]
5.	(a)	Specified Denominations:	[ ] *(N.B. Notes must have a minimum denomination of €100,000 (or equivalent))* *(Note—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 Notes in definitive form will be issued with a denomination above* [*€199,000*]*.")*

(b)	Calculation Amount:	[ ] (*If only one Specified Denomination, insert the Specified Denomination.* *If more than one Specified Denomination, insert the highest common factor. Note: There must be a common factor in the case of two or more Specified Denominations.)*
6.	(a) Issue Date:	[ ]
(b)	Interest Commencement Date:	[*Specify*/Issue Date/Not Applicable] *(N.B. An Interest Commencement Date will not be relevant for certain Notes, for example Zero Coupon Notes.)*
7.	Maturity Date:	[*Specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year*] (N.*B. In the case of Subordinated Notes, this must be at least five years from the Issue Date*)
8.	Interest Basis:	[[ ]% Fixed Rate] [Fixed Reset Notes] [[ ] month [LIBOR/EURIBOR] +/– [ ]% Floating Rate] [Zero Coupon] (further particulars specified below)
9.	Redemption/Payment Basis:	Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at [ ]% of their nominal amount. (*N.B. In respect of Notes for which a prospectus is required to be published under the Prospectus Regulation, the redemption amount will be 100 per cent. of the nominal amount of the Notes)*
10.	Change of Interest Basis:	[*Specify the date when any fixed to floating rate change occurs or cross refer to paragraphs 15 and 17 below and identify there*][Not Applicable]
11.	Put/Call Options:	[Issuer Call] [Regulatory Call] (N.*B. Only relevant in the case of Subordinated Notes)*

			[Issuer Call due to MREL Disqualification Event] (N.*B. Only relevant in the case of Unsubordinated MREL Notes or Senior Non-Preferred Notes*) [Put Option] (*N.B. Only relevant in the case of Unsubordinated Notes*) [Not Applicable] [(further particulars specified below)]
12.	(a)	Status of the Notes:	[Unsubordinated Notes/Unsubordinated MREL Notes/Senior Non-Preferred Notes/Subordinated Notes]
	(b)	[Date [Board] approval for issuance of Notes obtained:	[ ] [and [ ], respectively]] (*N.B. Only relevant where Board (or similar) authorisation is required for the particular tranche of Notes*)
	[c]	Extended Gross-Up:	[Applicable/Not Applicable]
13.	Exchange Rate:		[[ ]/[Not Applicable]]
14.	Settlement Disruption Event:		[Applicable/Not Applicable]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15.	**Fixed Rate Note Provisions:**	[Applicable/Not Applicable] (*If not applicable, delete the remaining subparagraphs of this paragraph*)
(a)	Rate[(s)] of Interest:	[ ]% *per annum* payable in arrear on each Interest Payment Date
(b)	Interest Payment Date(s):	[ ] in each year up to and including the Maturity Date (*Amend appropriately in the case of irregular coupons*)
(c)	Fixed Coupon Amount[(s)]:	[ ] per Calculation Amount
(d)	Broken Amount(s):	[ ] per Calculation Amount payable on the Interest Payment Date falling [in/on] [ ] [Not Applicable]
(e)	Day Count Fraction:	[30/360 or Actual/Actual (ICMA)]
(f)	Determination Date(s):	[[ ] in each year][Not Applicable] (*Only relevant where Day Count Fraction is Actual/Actual (ICMA). In such a case, insert regular interest payment dates, ignoring issue date or maturity*

date in the case of a long or short first or last coupon)

16. **Fixed Reset Note Provisions:** [Applicable/Not Applicable]

(*If not applicable, delete the remaining subparagraphs of this paragraph*)

(a) Initial Interest Rate: [ ]% *per annum* [payable [annually/semi-annually/quarterly] in arrear on each Interest Payment Date]

(b) Interest Payment Date(s): [ ] in each year up to and including the Maturity Date

(c) Fixed Coupon Amount to (but excluding) the First Reset Date: [[ ] per Calculation Amount/Not Applicable]

(d) Broken Amount(s): [[ ] per Calculation Amount payable on the Interest Payment Date falling [in/on] [ ]][Not Applicable]

(e) Day Count Fraction: [30/360 or Actual/Actual (ICMA)]

(f) Determination Date(s): [[ ] in each year][Not Applicable]

(*Only relevant where Day Count Fraction is Actual/Actual (ICMA). In such a case, insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon*)

(g) First Reset Date: [ ]

(h) Second Reset Date: [ ]/[Not Applicable]

(i) Subsequent Reset Date(s): [ ] [and [ ]]

(j) Reset Determination Date: [ ]/[as specified in the Conditions]

(k) Calculation Agent responsible for calculating the Interest Rate and/or Interest Amount(s) (if not the Fiscal Agent): [ ]

(l) Reset Rate: [Mid-Swap Rate][Reference Bond Rate]

[(*if Mid-Swap Rate is selected, include the following items of this subparagraph, if not delete*)

(i) Reset Relevant Screen Page: [ ]

(ii) Floating Leg Reference Rate: [ ]

(iii) Floating Leg Screen Page: [ ]

(iv) Initial Mid-Swap Rate: [ ]% *per annum* (quoted on a[n annual/semi-annual

			basis])]
			[(*if Reference Bond Rate is selected, include the following items of this subparagraph, if not delete*)
	(v)	Reset Reference Bond:	[*Insert applicable Reset Reference Bond*]]
	(vi)	Reset Determination Time:	[ ]/[as specified in the Conditions]
(m)	Reset Margin:		[+/-][ ]% *per annum*
17.	**Floating Rate Note Provisions**		[Applicable/Not Applicable]
			(*If not applicable, delete the remaining subparagraphs of this paragraph*)
(a)	Specified Period(s):		(*Specified Period and Specified Interest Payment Dates are alternatives. A Specified Period, rather than Specified Interest Payment Dates, will only be relevant if the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention. Otherwise, insert "Not Applicable"*)
(b)	Specified Interest Payment Dates:		(*Specified Period and Specified Interest Payment Dates are alternatives. If the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention, insert "Not Applicable"*)
(c)	First Interest Payment Date:		[ ]
(d)	Business Day Convention:		[Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention][Not Applicable]
(e)	Additional Business Centre(s):		[ ]
(f)	Manner in which the Rate(s) of Interest is/are to be determined:		[Screen Rate Determination/ISDA Determination]
(g)	Calculation Agent responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the Fiscal Agent):		[ ]
	(i)	Screen Rate Determination:	[Applicable/Not Applicable]
		Reference Rate:	Reference Rate: [ ] month [LIBOR/EURIBOR]
		Interest Determination Date(s):	[ ]
			(Second London business day prior to the start of each Interest Period if LIBOR (other than Sterling or euro LIBOR), first day of each Interest Period if Sterling

LIBOR and the second day on which the TARGET System is open prior to the start of each Interest Period if EURIBOR or euro LIBOR)

Relevant Screen Page: [ ]

(In the case of EURIBOR, if not Reuters EURIBOR01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately)

(h) ISDA Determination: [Applicable/Not Applicable]

Floating Rate Option: [ ]

Designated Maturity: [ ]

Reset Date: [ ]

(*In the case of a LIBOR or EURIBOR based option, the first day of the Interest Period*)

(N.B. The fall-back provisions applicable to ISDA Determination under the 2006 ISDA Definitions are reliant upon the provision by reference banks of offered quotations for LIBOR and/or EURIBOR which, depending on market circumstances, may not be available at the relevant time)

(i) Linear Interpolation: [Not Applicable/Applicable - the Rate of interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation (*specify for each short or long interest period*)]

(j) Margin(s): [+/–][ ]% *per annum*

(k) Minimum Rate of Interest: [[ ]% *per annum*/[Not Applicable]]

(l) Maximum Rate of Interest: [[ ]% *per annum*/[Not Applicable]]

(m) Day Count Fraction: [[Actual/Actual (ISDA)][Actual/Actual]
Actual/365 (Fixed)
Actual/365 (Sterling)
Actual/360
[30/360][360/360][Bond Basis]
[30E/360][Eurobond basis]
30E/360 (ISDA)]

18. **Zero Coupon Note Provisions:** [Applicable/Not Applicable]

(*If not applicable, delete the remaining subparagraphs of this paragraph*)

(a) Accrual Yield: [ ]% *per annum*

(b) Reference Price: [ ]

(c)	Day Count Fraction in relation to Early Redemption Amounts:	[30/360] [Actual/360] [Actual/365]

PROVISIONS RELATING TO REDEMPTION

19.	**Notice periods for Condition 10.2 (*Redemption for tax reasons*):**	Minimum period: [ ] days Maximum period: [ ] days
20.	**Issuer Call:**	[Applicable/Not Applicable] (*If not applicable, delete the remaining subparagraphs of this paragraph*)
(a)	Optional Redemption Date(s):	[ ] (*N.B. In the case of Subordinated Notes, this must be at least five years from the Issue Date*)
(b)	Optional Redemption Amount:	[[ ] per Calculation Amount][Make-whole Amount] [(*if Make-whole Amount is selected, include the following items of this subparagraph*)
	(i) Reference Bond:	[*Insert applicable Reference Bond*]
	(ii) Reference Bond Quotation Time:	[ ]
	(iii) Redemption Margin:	[[ ]%][Not Applicable]]
(c)	If redeemable in part:	
	(i) Minimum Redemption Amount:	[ ] per Calculation Amount
	(ii) Maximum Redemption Amount:	[ ] per Calculation Amount
(d)	Notice periods:	Minimum period: [15] days Maximum period: [30] days *(N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 5 clearing system business days' notice for a call) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent.)*

21.	**Regulatory Call:**		[Applicable/Not Applicable] *(If not applicable, delete the remaining subparagraphs of this paragraph.)* *(N.B. Only relevant in the case of Subordinated Notes)*
	(a)	Early Redemption Amount payable on redemption for regulatory reasons (in the case of Subordinated Notes only and subject to the prior approval of the relevant Competent Authority, as applicable, and in accordance with applicable laws and regulations, including Articles 77(b) and 78 of the CRD IV Regulation) as contemplated by Condition 10.6 (*Redemption of Subordinated Notes for regulatory reasons*) and/or the method of calculating the same (if required):	[[ ] per Calculation Amount
	(b)	Notice periods:	Minimum period: [15] days Maximum period: [30] days *(N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 5 clearing system business days' notice for a call) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent.)*
22.	**Issuer Call due to MREL Disqualification Event:**		[Applicable]/[Not Applicable] (*If not applicable, delete the remaining subparagraphs of this paragraph*) (*N.B. Only relevant in the case of Unsubordinated MREL Notes or Senior Non-Preferred Notes*)
	(a)	Early Redemption Amount:	[[ ] per Calculation Amount
	(b)	Notice periods:	Minimum period: [15] days Maximum period: [30] days *(N.B. When setting notice periods, the Issuer is advised to*

consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 5 clearing system business days' notice for a call) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent.)

23.	**Put Option**:	[Applicable/Not Applicable] (*If not applicable, delete the remaining subparagraphs of this paragraph*) (*N.B. Only relevant in the case of Unsubordinated Notes*)
(a)	Optional Redemption Date(s):	[ ]
(b)	Optional Redemption Amount:	[ ] per Calculation Amount
(c)	Notice period:	Minimum period: [ ] days Maximum period: [ ] days *(N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 15 clearing system business days' notice for a put) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent.)*
24.	**Final Redemption Amount:**	[ ] per Calculation Amount
25.	**Early Redemption Amount:**	
	Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons, for regulatory reasons or on event of default:	*[Not Applicable if the Early Redemption Amount is the principal amount of Notes/specify the Early Redemption Amount if different from the principal amount of the Notes]* *(N.B. If the final Redemption Amount is 100% of the nominal value (i.e. par), the Early Redemption Amount is likely to be par (but consider). If, however, the Final Redemption Amount is other than 100% of the nominal value, consideration should be given as to what the Early Redemption Amount should be).*

GENERAL PROVISIONS APPLICABLE TO THE NOTES

26.	**Form of Notes:**	**[Bearer Notes**: [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the Permanent

		Global Note] [Temporary Global Note exchangeable for Definitive Notes on [ ] days' notice] [Permanent Global Note exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note]] (*N.B. The option for an issue of Notes to be represented on issue by a Temporary Global Note exchangeable for Definitive Notes should not be expressed to be applicable if the Specified Denomination of the Notes in paragraph 6 above includes language substantially to the following effect: "[€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€199,000]."*.) **[Registered Notes**: [Unrestricted Global Note registered in the name of a nominee for DTC/a common depositary for Euroclear and Clearstream, Luxembourg/a common safekeeper for Euroclear and Clearstream, Luxembourg] [Restricted Global Note registered in the name of a nominee for DTC]]
27.	**New Global Note:**	[Yes][No]
28.	**Additional Financial Centre(s):**	[Not Applicable/*give details. Note that this item relates to the date and place of payment, and not the end dates of Interest Periods for the purposes of calculating the amount of interest, to which item 17(e) relates*]
29.	**Talons for future Coupons to be attached to Definitive Notes (and dates on which such Talons mature):**	[Yes, as the Notes have more than 27 coupon payments, Talons may be required if, on exchange into definitive form, more than 27 coupon payments are still to be made/No]
30.	**Relevant Benchmarks:**	[[*specify benchmark*] is provided by [*administrator legal name*]][*repeat as necessary*]. As at the date hereof, [[*administrator legal name*][appears]/[does not appear]][*repeat as necessary*] in the register of administrators and benchmarks established and maintained by ESMA under Article 36 of the Benchmarks Regulation]/[As far as the Issuer is aware, as at the date hereof, [*specify benchmark*] does not fall within the scope of the Benchmark Regulation]/[Not Applicable]
31.	**Substitution or Variation of Notes:**	[Not Applicable] / [Applicable] / [Applicable [only] [in relation to MREL Disqualification Event] [and] [in relation to Regulatory Event][and]/[in order to ensure the effectiveness and enforceability of Condition 26

(*Statutory Loss Absorption Powers*)]]

(a) Notice period: [ ]

[[*Relevant third party information*] has been extracted from [*specify source*]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [*specify source*], no facts have been omitted which would render the reproduced information inaccurate or misleading].

SIGNED on behalf of National Bank of Greece S.A.

By: _____
Duly authorised

PART B—OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

(a)	Listing and admission to trading:	[Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to listing on the Official List of the Luxembourg Stock Exchange and to trading on the regulated market of the Luxembourg Stock Exchange with effect from [ ].] [Application will be made by the Issuer (or on its behalf) for the Notes to be admitted to listing on the Official List of the Luxembourg Stock Exchange and to trading on the regulated market of the Luxembourg Stock Exchange with effect from [ ].][Not Applicable] (*Where documenting a fungible issue, need to indicate that original Notes are already admitted to trading*)
(b)	Estimate of total expenses related to admission to trading:	[ ]

2. RATINGS

Ratings:	[The Notes to be issued [[have been]/[are expected to be]/[have not been]] rated]: [*insert details*] by [*insert the legal name of the relevant credit rating agency entity(ies) and associated defined terms*]. [Each of [*defined terms*] is established in the European Union and is registered under the Regulation (EC) No. 1060/2009 (as amended) (the **CRA Regulation**).] *(The above disclosure should reflect the rating allocated to Notes which have been specifically rated.)*

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER

[Save for any fees [of [*insert relevant fee disclosure*]] payable to the [Managers/Dealers], so far as the Issuer is aware, no person involved in the offer of the Notes 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 - *Amend as appropriate if there are other interests*]

[(*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 Prospectus under Article 23 of the Prospectus Regulation*.)]

4. **REASONS FOR THE OFFER AND ESTIMATED NET PROCEEDS**

(a)	Reasons for the offer:	[[The net proceeds from the issue of the Notes 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.*]
(b)	Estimated net proceeds:	[ ]

5. **YIELD** (Fixed Rate Notes only)

Indication of yield:	[[ ]/[Not Applicable]]

6. **OPERATIONAL INFORMATION**

ISIN:	[ ]
Common Code:	[ ]
[CUSIP:	[ ]]
CFI:	[[ ]/Not Applicable]
FISN	[ ]/Not Applicable] (*If the CFI and/or FISN is not required, requested or available, it/they should be specified to be "Not Applicable"*)
Any clearing system(s) other than DTC, Euroclear Bank SA/NV and Clearstream Banking S.A. and the relevant identification number(s):	[Not Applicable/give name(s) and number(s)]
Delivery:	Delivery [against/free of] payment
Names and addresses of initial Paying Agent(s):	[ ]
Names and addresses of additional Paying Agent(s) (if any):	[ ]
Intended to be held in a manner which would allow Eurosystem eligibility:	[Yes. Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper[, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper] and does not necessarily mean that the Notes 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 Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper[, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper]. Note that this does not necessarily mean that the Notes 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.]]

7. **DISTRIBUTION**

(i)	Method of distribution:	[Syndicated/Non-syndicated]
(ii)	If syndicated, names of Managers:	[Not Applicable/*give names*]
(iii)	Date of [Subscription] Agreement:	[ ]
(iv)	Stabilisation Manager(s) (if any):	[Not Applicable/*give name*]
(v)	If non-syndicated, name of relevant Dealer:	[Not Applicable/*give name*]
(vi)	U.S. Selling Restrictions:	[Reg. S Compliance Category 2; TEFRA D/TEFRA C/TEFRA not applicable]] [Rule 144A]
(vii)	Prohibition of Sales to EEA Retail Investors:	[Applicable/Not Applicable] (*If the Notes clearly do not constitute "packaged" products or the Notes do constitute "packaged" products and a key information document will be prepared, "Not Applicable" should be specified. If the Notes may constitute "packaged" products and no key information document will be prepared, "Applicable" should be specified.*)

DESCRIPTION OF THE GROUP

Introduction

National Bank of Greece S.A. (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 June 2019, more than 10 million deposit accounts, more than 2 million lending accounts, 401 branches and one private banking unit and 1,454 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 MROs and the TLTROs with the ECB and (iii) repurchase agreements (repos) with major foreign financial institutions.

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, 10232 Athens, Greece. The telephone number of the Bank is 181818 or +30 210 48 48 484 from abroad.

The Bank has operated a commercial banking business for 178 years. Until the establishment of the Bank of Greece as the central bank of Greece in 1928, the Bank, in addition to commercial banking activities, was responsible for issuing currency in Greece.

Development of the Group

Since 2014, principally in connection with regulatory capital shortfalls identified by comprehensive assessments performed by the SSM (as defined below), the Group has developed capital plans, and raised capital through recapitalisation, restructurings or offerings to address such shortfalls. On 3 November 2015, the Board of Directors of the Bank approved the Capital Plan (as defined below, see "*The Capital Plan"*), which included the disposal of the Group's entire stake in its Turkish subsidiary, Finansbank A.S. (Finansbank) together with its stake in Finans Leasing, thereby disposing of all of its operations in Turkey. This transaction was completed on 15 June 2016, on which date control of Finansbank passed to Qatar National Bank S.A.Q. (**QNB**). The detail of various plans or actions undertaken by the Bank since 2014 are described below.

2014 Comprehensive Assessment

Since 1 November 2014, all systemic Eurozone banks, including the Bank, have been under the direct supervision of the ECB (the Single Supervision Mechanism, **SSM**). Before the ECB assumed its supervisory responsibilities, the Bank, as with all systemic European banks, was subject to an EU-wide comprehensive assessment including an Asset Quality Review (**AQR**) and Stress Test (**Stress Test**).

Comprehensive Assessment

In accordance with the Euro Summit Statement of 12 July 2015 and the ECB decision of 5 August 2015, the ECB conducted a comprehensive assessment of the four systemic Greek banks, including the Bank, the results of which were announced on 31 October 2015 (the **2015 Comprehensive Assessment**).

Under the baseline scenario (including AQR adjustments), the Stress Test generated an additional negative impact on the Bank's regulatory capital, resulting in a stressed CET1 ratio of 6.8% relative to the minimum CET1 ratio threshold set by the ECB at 9.5% for the baseline scenario, implying a capital shortfall of €1,576 million (reduced to €1,456 million (the **Baseline Scenario Shortfall**) taking into account the positive impact stemming from the 2015 third quarter results). Under the adverse scenario, the Stress Test (including AQR adjustments) identified a capital shortfall of €4,482 million (the **Adverse Scenario Shortfall**).

The Capital Plan

To address these capital shortfalls, the Bank undertook a number of capital actions to raise its CET1 capital. These capital actions were set out in a capital action plan (the **Capital Plan**). The following actions were completed in December 2015 (see "*2015 Recapitalisation"* below):

- the Liability Management Offers (**LME Offers**) to eligible holders of seven series of outstanding debt and capital securities (**Target Securities**);
- the International Offering (as defined below) and;
- the Greek Public Offer (as defined below).

Additionally, the Capital Plan included the sale to QNB of the Group's 99.81% stake in Finansbank A.S., together with the Bank's 29.87% direct stake in Finans Leasing (although the sale was not required to be and the Bank did not expect it to be completed by 11 December 2015 (the date by which the LME Offers, the International Offering and the Greek Public Offer were required to be completed).

2015 Recapitalisation

The 2015 recapitalisation (comprising the Capital Plan actions, the HFSF Subscription (as defined below) and the Burden Sharing Measures (as defined below)), enabled the Bank to raise the capital required to satisfy the Adverse Scenario Shortfall of €4,482 million through the issuance of an aggregate of 8,911,608,218 new ordinary shares of the Bank and the issuance of 20,292 CoCos (the **2015 Recapitalisation**).

Burden Sharing Measures

As described above, the Capital Plan actions in the aggregate did not fully address the Adverse Scenario Shortfall, and therefore the Bank made a formal application for EU State aid on 3 December 2015. This EU State aid consisted of the subscription by the HFSF of CoCos (in a principal amount equal to 75% of the amount of EU State aid provided) and newly issued ordinary shares of the Bank (in respect of the remaining 25%) (the **HFSF Subscription**). Consistent with EU State aid rules, EU State aid was provided by the HFSF after the application of the Burden Sharing Measures (as described below).

Since EU State aid was requested by the Bank following the completion of the above-mentioned measures as part of the Capital Plan, prior to the receipt of such EU State aid, the HFSF Bail-in Tool was required to be applied to convert into ordinary shares outstanding classes of the Bank's hybrid capital instruments, all subordinated liabilities and certain senior unsecured liabilities which were not mandatorily preferred by law (together, the **Burden Sharing Measures**). These Burden Sharing Measures were applied to the securities

issued by the Bank not subject to the LME Offers, and the Target Securities that were not purchased by the Bank pursuant to the terms of the LME Offers.

Revised Restructuring Plan as approved by the Directorate General for Competition on 10 May 2019 (the 2019 Revised Restructuring Plan)

The Group is subject to European Commission rules on EU State aid in light of the aid received from the HFSF and the Hellenic Republic. These rules are administered by the Directorate General for the Competition of the European Commission (the **DG Comp**). Under these rules, the Bank's operations are monitored and limited to the operations included in the 2019 Revised Restructuring Plan, which aims to ensure the Bank's return to long-term viability.

The 2019 Revised Restructuring Plan was approved on 10 May 2019, by the European Commission.

The 2019 Revised Restructuring Plan includes a number of commitments to implement certain measures and actions that have to be completed during the period 2019-2020 (the **2019 Revised Restructuring Plan Commitments**). The 2019 Revised Restructuring Plan Commitments relate both to domestic and foreign operations of the Group. Differentiations to the Revised Restructuring Plan relate to the deepening of the Bank's operational restructuring, some amendments on commitments and deadlines, as well as a commitment to sell the remaining stake (32.66%) in NBG Pangaea REIC (**Pangaea**) in substitution for the commitment to dispose of its banking subsidiary in SEE, Stopanska.

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

(a) a further reduction of the number of branches in Greece;

(b) a further reduction of the number of employees in Greece; and

(c) a further reduction of total operating costs in Greece.

Domestic non-banking activities: The Bank will divest from certain domestic non-banking activities. More specifically, in June 2017, the Bank entered into an agreement with EXIN to sell a 75.00% stake in Ethniki Hellenic General Insurance S.A. (**NIC**). However, on 28 March 2018, which was the last date (the **Longstop Date**) for EXIN to fulfill certain conditions precedent specified in the sale and purchase agreement (the **SPA**) entered into between the Bank and EXIN, the Bank took note that such conditions precedent were not fulfilled and henceforth decided to terminate the SPA on 29 March 2018. Following a decision of the Bank's Board of Directors and in consultation with the HFSF, the Bank renewed the sale process of NIC by approaching the remaining selected bidders that participated in the last stage of the binding offers phase in May 2017. Subsequently, on 8 June 2018, the Bank announced receipt of a binding offer from the Chinese group of companies Gongbao and its willingness to consider such offer. However, on 17 October 2018, the Bank announced that the decision was taken not to proceed with further negotiations with the prospective investor.

Under the 2019 Revised Restructuring Plan, the Bank must dispose of at least 80% of NIC. The Bank relaunched the sale process of NIC during October 2019; non-binding offers were received at the end of November 2019 and binding offers are expected to be received by February 2020. In line with the 2019 Revised Restructuring Plan, in May 2019 the Bank completed the sale of its remaining stake in Pangaea.

Divestment from international operations: The Bank will reduce its international activities, by disposing of certain subsidiaries and branches. More specifically, as part of the Revised Restructuring Plan, in 2016, the Bank completed the sale of 100% of its shareholdings in Finansbank and in NBGI Private Equity Limited. In June 2017, the Bank completed the sale of its 99.91% shareholding in UBB (Bulgaria) and its

100.00% shareholding in Interlease E.A.D. (Bulgaria) each to KBC Bank (Belgium). In December 2017, the Bank completed the sale of its 100.00% Serbian subsidiaries Vojvodjanska Banka a.d. Novi Sad, NBG Leasing d.o.o. Belgrade and NBG Services d.o.o. Belgrade to OTP Banka Srbija a.d. In July 2018, the Bank completed the sale its 100.00% subsidiary NBG Albania to ABI. In October 2018, the Bank completed the sale of its 99.83% subsidiary S.A.B.A. to AFGRI. On 20 June 2019, the Bank entered into a sale and purchase agreement for the sale of 99.28% of its Romanian subsidiary Romaneasca to EximBank. Closing of the transaction is subject to approval from the National Bank of Romania and the Romanian Competition Council and is expected to take place by January 2020. The Bank is in the process of divesting remaining foreign operations, including from Cyprus, Egypt and Romania.

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

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

2018 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 2018*".

Major Shareholders

By resolution of the Bank's Annual General Meeting of 26 July 2018, it was decided to simultaneously (i) increase the share capital by EUR 0.90, due to capitalisation of an equal part of the Bank's special reserve of article 4.4a of Codified Law 2190/1920, and (ii) increase the nominal value of each common registered voting share of the Bank from EUR 0.30 to EUR 3.00 and reduce the aggregate number of the Bank's old common registered shares from 9,147,151,527 to 914,715,153 new common registered shares with voting rights by means of a reverse split at a rate of ten (10) old common shares of the Bank to one (1) new common share of the Bank.

Further to the above, as at 8 November 2019, the Bank's outstanding issued share capital consisted of 914,715,153 common shares of a nominal value of EUR 3.00 each.

Common Shares

The following table sets forth certain information regarding holders of the Bank's common shares, based on information known to or ascertainable by the Bank as at 8 November 2019:

	8 November 2019	
	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	420,543,612	45.98%
Legal entities and individuals in Greece	120,656,096	13.19%
Domestic pension funds	3,422,291	0.37%
Other domestic public sector related legal entities and Church of Greece	616,088	0.07%
Other	8,291	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 8 November 2019 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 0.37% 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 Bank'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 2018, 1.3% of the Bank's outstanding loans were to the Hellenic Republic and state related entities, and 12.1% of the Bank's deposits were from the Hellenic Republic and state related entities. The commercial relationship between the Bank, the Hellenic Republic and other state owned enterprises is conducted on a normal "arm's length" basis. The Bank believes that the commercially oriented strategy currently being implemented will continue for the foreseeable future.

Hellenic Republic as Regulator

Through various agencies, including the Bank of Greece, the Hellenic Republic is also the regulator of the Group's business activities. For more information see "*Regulation and Supervision of Banks in Greece*" below.

Organisational Structure

Set forth below is a chart indicating the individual companies within the Group and the Group's participation (direct and indirect) in each company at 30 September 2019.

Primary Operating Area	Country of incorporation	Direct	Indirect	Total
Corporate & Investment Banking				
Ethniki Leasing S.A.	Greece	100.00%	—	100.00%

Primary Operating Area	Country of incorporation	Direct	Indirect	Total
Ethniki Factors S.A.	Greece	100.00%	—	100.00%
Probank Leasing S.A.	Greece	99.87%	—	99.87%
Titlos Plc.[1], [2]	UK	—	—	—
SINEPIA Designated Activity Company[1]	Ireland	—	—	—
International				
National Bank of Greece (Cyprus) Ltd[3]	Cyprus	100.00%	—	100.00%
National Securities Co (Cyprus) Ltd[2]	Cyprus	—	100.00%	100.00%
NBG Management Services Ltd	Cyprus	100.00%	—	100.00%
Stopanska Banka A.D. (Skopje)	FYROM	94.64%	—	94.64%
Bankteco E.O.O.D.	Bulgaria	100.00%	—	100.00%
Banca Romaneasca S.A.[3]	Romania	99.28%	—	99.28%
NBG Leasing IFN S.A.	Romania	100.00%	—	100.00%
NBG (Malta) Holdings Ltd	Malta	—	100.00%	100.00%
NBG Bank Malta Ltd	Malta	—	100.00%	100.00%
CAC Coral Limited	Cyprus	100.00%	—	100.00%
Global Markets & Asset Management				
National Securities S.A.	Greece	100.00%	—	100.00%
NBG Asset Management Mutual Funds S.A.	Greece	100.00%	—	100.00%
Probank M.F.M.C. [2]	Greece	95.00%	5.00%	100.00%
I-Bank Direct S.A.[4]	Greece	99.90%	0.10%	100.00%
NBG Greek Fund Ltd	Cyprus	100.00%	—	100.00%
NBG Finance Plc	UK	100.00%	—	100.00%
NBG Finance (Dollar) Plc	UK	100.00%	—	100.00%
NBG Finance (Sterling) Plc[2]	UK	100.00%	—	100.00%
NBG International Ltd	UK	100.00%	—	100.00%
NBGI Private Equity Ltd[2]	UK	—	100.00%	100.00%
NBG Asset Management Luxembourg S.A.	Luxemburg	94.67%	5.33%	100.00%
Insurance				
Ethniki Hellenic General Insurance S.A.[3]	Greece	100.00%	—	100.00%
NBG Insurance Brokers S.A.	Greece	99.90%	0.10%	100.00%
Ethniki Insurance (Cyprus) Ltd[3]	Cyprus	—	100.00%	100.00%
Ethniki General Insurance (Cyprus) Ltd[3]	Cyprus	—	100.00%	100.00%
National Insurance Agents & Consultants Ltd[3]	Cyprus	—	100.00%	100.00%
S.C. Garanta Asigurari S.A.[3]	Romania	—	94.96%	94.96%
Other				
NBG Property Services S.A.	Greece	100.00%	—	100.00%
Pronomiouhos S.A. Genikon Apothikon Hellados	Greece	100.00%	—	100.00%
KADMOS S.A.	Greece	100.00%	—	100.00%
DIONYSOS S.A.	Greece	99.91%	—	99.91%
EKTENEPOL Construction Company S.A.	Greece	100.00%	—	100.00%
Mortgage, Touristic Protypos S.A.	Greece	100.00%	—	100.00%
Hellenic Touristic Constructions S.A.	Greece	78.04%	—	78.04%
Ethniki Ktimatikis Ekmetalefsis S.A.	Greece	100.00%	—	100.00%
NBG International Holdings B.V.	The Netherlands	100.00%	—	100.00%
ARC Management One SRL[1]	Romania	—	100.00%	100.00%
ARC Management Two EAD[1]	Bulgaria	—	100.00%	100.00%

(1) Special Purpose Entity in which the Bank is the primary beneficiary.
(2) Companies under liquidation.
(3) NIC and its subsidiaries, Romaneasca, and National Bank of Greece (Cyprus) Ltd., have been reclassified to non-current assets held for sale.
(4) Profinance S.A. previously under liquidation, was revived, and renamed to I-Bank Direct S.A

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 2019, 401 branches, one private banking unit and 1,454 ATMs. The Group offers to its customers a wide range of integrated financial services, including:

- retail banking;
- corporate and investment banking;
- leasing and factoring;
- stock brokerage and asset management;
- insurance; and
- real estate and consulting services.

The Bank is the principal operating company of the Group, representing 94.1% of the Group's total assets, excluding non-current assets held for sale, as at 30 June 2019. The Bank's liabilities represent 97.0% of the Group's total liabilities, excluding liabilities associated with non-current assets held for sale, as at 30 June 2019. While the Bank conducts most of the Group's banking activities, it is supported by two non-Greek banking subsidiaries: Stopanska Banka A.D.—Skopje (**Stopanska Banka**) and NBG Bank (Malta) Ltd. (**NBG Malta**).

The Bank holds significant positions in many financial services products in Greece. Based on internal analysis of the published financial statements based on IFRS from the four systemic banks (NBG, Piraeus Bank, Alpha Bank and Eurobank) regarding the Bank's outstanding amounts as at 30 June 2019, the Bank had significant market share of mortgage loans in Greece, with a share of 26.5% and holds a significant position in core deposits (which consist of sight deposits and savings accounts and exclude repos and time deposits), with a market share of 31.2%. See also below the table with the Group's estimated market shares "*Banking Activities in Greece—Retail Banking*" below. The Group is also fourth in mutual fund management with a market share of 13.2% as at the same date according to the Hellenic Fund and Asset Management Association.

Strategic Priorities for 2019-2022

The Bank is currently pursuing six strategic priorities until 2022 as follows:

1. achieving a material reduction in NPEs to around 5% of gross loans by 2022, driven by sales in the consumer, small business lending (**SBL**) and corporate loan portfolios. This reduction will also be driven by increases in concessionary restructurings and a more user friendly legal framework expected to increase the recoverable value in the Bank's mortgages portfolio. Large mortgage securitisations during 2021-2022 will also be considered, once market conditions have improved and restructuring efforts have been explored. An internal Real Estate Owned (**REO**) platform is also being developed to support liquidation targets (see further "*Group Real Estate*" below);

2. developing efficient and more agile operations with a lower cost base, through focused exit solutions to release full time employee capacity and increase average employee productivity together with improvements in efficiency via back-office centralisation and process automation. Other strategic initiatives include branch footprint rationalisation, central functions real estate optimisation and general and administrative expenses reduction through the introduction of a cost control function;

3. boosting revenue generation through an increased focus on cross-selling and fee generation opportunities in the retail bank and deepening large client relationships and broadening the SME base of the corporate bank. In the case of the retail bank, this will be achieved through, for example, segment-focused relationship managers, an accelerated migration of transactions to digital channels to increase time spent on sales and an increased focus on selling fee generating products. In the case of the corporate bank, this will be achieved through enhanced service levels, a refocusing of relationship managers' time from credit underwriting activities to sales, a drive to increase sales of ancillary products and fees and the deployment of economic value added and account planning tools to improve client understanding and sales focus;

4. 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 Bank to have a leaner structure and higher mobility;

5. enhancing client planning and steering tools to enable value-based decision making and using reporting tools to measure performance as part of an increased focus on improving data quality and availability to the Bank; and

6. investing in modernisation of the Bank's technology infrastructure to improve efficiency and service levels and reduce cost through simplification, consolidation of IT infrastructure and process automation.

Banking Activities in Greece

In this section, financial information pertaining to the Bank relates to banking activities in Greece.

Most of the Bank's banking business is domestic and includes retail, corporate and investment banking. Banking activities in Greece include the Bank's domestic operations, Ethniki Leasing, Probank Leasing S.A. (**Probank Leasing**) and Ethniki Factors S.A. (**Ethniki Factors**). The Group's domestic banking operations accounted for 95.3% of its total lending activities as at 30 June 2019 (the **Domestic Banking Loans**) and for 96.9% of its deposits (the **Domestic Banking Deposits**).

The following table sets forth details of the domestic loans before allowance for impairment and deposits as at 31 December 2017, 31 December 2018 and 30 June 2019:

	As at 31 December								As at 30 June			
	2017				2018				2019			
	Loans*		Deposits		Loans		Deposits		Loans		Deposits	
	Amount	% of Total	Amount	% of Total	Amount	% of Total	Amount	% of Total	Amount	% of Total	Amount	% of Total
	(€ million, except for percentages)											
Retail[(1)]	23,690	59.0	29,385	76.6	21,690	57.3	30,745	73.7	19,570	54.7	31,555	75.8
Corporate	15,932	39.7	5,853	15.2	15,649	41.4	5,938	14.2	15,711	44.0	6,099	14.7
Public Sector	524	1.3	3,143	8.2	489	1.3	5,058	12.1	416	1.3	3,955	9.5
Total	**40.146**	**100.0**	**38,381**	**100.0**	**37,828**	**100.0**	**41,741**	**100.0**	**35,746**	**100.0**	**41,609**	**100.0**

* Adjusted loans

(1) Retail loans include consumer loans, personal loans, mortgages, automobile financing, loans to SMEs and credit cards.

The Bank aims to attract domestic deposits from retail and corporate customers through:

- wide coverage of the Bank's domestic branch network;
- the respected status of the Bank's brand name among a large segment of the population; and

- a broad range of services and products offered by the Bank.

Greek Banking Distribution Channels

As at 30 June 2019, the Bank operated in Greece through 402 branches (including one private banking unit). As at 30 June 2019, the Bank operated 1,454 ATMs, 795 (offsite) of which were situated in key locations such as supermarkets, metro stations, shopping centres, hospitals and airports (51% of the Bank's ATMs are equipped with cash deposit devices).

In 2011, the Bank created the first "i-bank store", an innovative concept store which provides visitors with a true phygital (physical and digital) banking experience. As at 30 June 2019, the Bank operated 6 i-bank stores (three in Athens, one in Thessaloniki, one in Larissa and one in Xanthi).

In addition, since the end of 2014, the Bank has developed "i-bank Pay Spot", an integrated payments service for retail stores that allows consumers to make payments (mostly bill payments) in non-banking, convenient locations around Greece.

With "i-bank Pay Spot", consumers can pay in cash or by debit/credit card more than 200 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 1,250 i-bank Pay Spots already operating around Greece and the Bank aims to further expand the network.

The Bank's branches are located in almost every major city and town in Greece. Approximately 45% of the Bank's branches are located in the Attica and Thessaloniki prefectures, the major population centres in Greece. The Bank is engaged in a continuous process of rationalizing the organisation of its branch network in order to reduce costs, primarily by centralizing back office functions to free more employees to work on sales activities directly with customers. In addition, the Bank is continuing to consolidate redundant branches in order to maintain equivalent geographic coverage at a lower cost.

Retail Banking

All of the Group's retail banking activities in Greece are conducted by the Bank. The Bank offers retail customers a number of different types of deposit and investment products, as well as a wide range of traditional banking services and products.

As a result of the economic crisis, the Bank has continued to apply a conservative approach to new consumer lending, with a greater emphasis on risk-averse lending criteria. As a result, the Bank experienced a reduction in balances in 2016 and 2017 and declining origination of mortgage lending. Please see "*Mortgage Lending Products*" below.

The following table illustrates the Bank's estimated market share in Greece for certain categories of retail banking activities as at the dates indicated:

	As at 31 December		As at 30 June
	2017	2018	2019
Mortgage lending (balances)	25.9%	25.9%	26.5%
Consumer loans and credit cards (balances)	19.8%	19.3%	19.2%
Core deposits[(1)]	31.7%	31.2%	31.7%

(1) Core deposits consist of sight deposits and savings accounts and exclude repos and time deposits.

The Bank believes that its strong corporate image and brand recognition in Greece, its large customer base and its extensive network of branches and ATMs are advantages that will facilitate the Bank's access to a diverse depositor base in Greece, providing the Bank with a large, stable and low-cost source of funding.

Savings and Investment Products

Savings and investment products of the Bank are offered in euro and in other currencies. In addition to other products, the Bank offers investment products with yields that are higher than its basic deposit products, including capital-guaranteed principal products, Greek government bonds and other bonds from the Bank's trading portfolio, repurchase agreements between the Bank and its clients and a wide range of mutual funds and unit trust products provided by NBG Asset Management Mutual Funds S.A. (**NBG Asset Management**), which is 100.00% owned by Group companies. See "*Global Investment & Asset Management*" below.

Global Transaction Services

NBG Global Transaction Services (**GTS**) Division serves all customer segments, covering large corporations, SMEs, small businesses and individuals and financial institutions, offering products including all types of collections and payments, letters of credit, letters of guarantee, and supply and trade financing.

In 2018, GTS provided the market with €2.4 billion of credit instruments and €384 million of liquidity through trade financing.

Cross-border guarantees' volume has been increased by €132 million, supporting Greek entities' participation in international bids and strategic projects. Furthermore, export letters of credit have increased by €474 million, while GTS trade finance clientele has increased to 44,600 clients. The Bank maintains a substantial 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 has entered roll-out phase 2. A new customer front-end application has also become available since the end of last year, fully integrated in internet banking and back-end application.

In the context of the Bank's strategy for improving operational efficiency and utilising GTS' expertise, the centralisation of domestic letter of guarantees processing has been initiated. In parallel, GTS has launched the digital signature project, aiming to improve customer experience and offer fast track services.

The Bank consistently innovates structured solutions under International Trade Facilitation Programs, enabling Greek corporates to access alternative financing channels with favorable cost.

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

Supported by industry experts, analysts, and Greek companies' (corporates & SME) votes in the Euromoney Trade Finance Survey 2019, the Bank was granted two awards: Market Leader and Best Service in Greece.

NBG GTS has also been named for the sixth time "Best Trade Finance Bank" by the internationally acclaimed "Global Finance" magazine.

GTS Payments is implementing Swift Global Payments Innovation, which will be operational within 2019, offering transparency and on-time tracking in cross-border payments. During 2018, significant automation in payment operations has been achieved to address the increasing transactions' volume. Towards this direction, GTS has finalised the new system for exceptions and investigations, which underpins GTS operations strategy.

Leveraging on NBG's competitive strengths, GTS plans to engage stronger cross-unit partnerships, under the Bank's transformation pillars and initiatives, to target new clients and to further explore opportunities with existing customers and improve profitability.

Consumer Lending Products

During the crisis period the Bank had mainly focused on effectively managing its existing loan portfolio. Due to the effects of the economic recession and as a result of targeted deleveraging, the balance of the domestic consumer loan portfolio (auto financing, other, consumer lending and credit cards) before any allowance for impairment decreased from €3.9 billion as at 31 December 2017 to €3.1 billion, as at 31 December 2018, mainly due to write-offs and sales, and further decreased to €2.3 billion as at 30 June 2019.

However, the Bank in parallel during the last 3 years set the basis for growth of new lending, mainly through loans for specific purposes (against documentation).

With regard to new business development, apart from the promotion of the Bank's products through its branch network, the Bank is now in the position to cater for the shifting market trends and support consumer products and car purchase financing via strategic partnerships with retail chains and car importing companies or dealers.

Opting to support this, the Bank has been able to invest and capitalise on key collaborations, in order to expand its respective market shares and penetration rates, through innovative and advanced products that involve swift and safe processes, an extensive network of sales persons and one-stop-shop services. As a result, a significant proportion of the Bank's consumer lending disbursements currently takes place through these channels, with partners increasingly taking responsibility for delinquencies, partly or in total.

Moreover, in 2019 the Bank continued focusing on "green" banking, by participating in the "Energy Efficiency at Household Buildings II" program, providing loans with favourable terms and conditions for energy improvements at home.

At the same time, the Bank is working on establishing alternative channels for new lending, as well as on the further growth of its debit, credit and prepaid cards portfolio. The Bank additionally is focused in gaining market share in the card clearing market an area that has significant perspectives in Greece due to the economic environment and the obligatory use of cards due to tax reasons.

In this context, applications for new lending keep being examined under a strict set of underwriting criteria, a risk based pricing and credit policy and rules embedded in the Bank's underwriting systems, to safeguard the new business expansion.

The optimisation and automation of the lending procedures, the digitalisation of customers' services and the exploitation of various cross selling initiatives, are a part of the Bank's transformation program towards consumer lending.

Mortgage Lending Products

Due to the recession, house prices in Greece declined for a prolonged period (from 2008 to 2017 cumulatively by 42.0% (in nominal values) (Source: Bank of Greece Governor Report for 2017, February 2018)), with a decelerating trend during the last two years before increasing 1.7% year-on-year in 2018. The recovery in the real estate market gained further momentum in 2019, with house prices increasing by 4.9% year-on-year in the first quarter and by 7.7% year-on-year in the second quarter of 2019 – the strongest annual pace in 12 years (Source: Bank of Greece, Bulletin of Cunjunctural Indicators, July-August 2019).

As at 30 June 2019, the residential mortgage loan portfolio, before any allowance for impairment, was €15.0 billion, compared to €15.6 billion at 31 December 2018 and €16.3 billion at 31 December 2017.

However, the strengthened prospects of the Greek economic recovery and the stabilisation of the taxation system combined with announcements for taxation decreases and prospects for further increases in house prices and real estate transactions are expected to offer an impetus in mortgage activity.

Since 2018 the Bank has focused on increasing its mortgage loans portfolio. After a significant time period, in 2019 the Bank launched a new mortgage loan product with an initial low installment period up to 3 years, and introduced a mortgage-repair loan without mortgage prenotation, for clients who wish to perform home upgrades without being obliged to provide a pledge.

As part of the Bank's transformation program, the mortgage lending process redesign that is heading towards completion, aims at improving, simplifying and accelerating processes in order to improve customer experience.

Small Business Lending Products

The Small Business & Retail Lending Division (SB & RL Division) is the unit responsible for managing credit provision to small businesses with annual turnover of up to €2.5 million and total exposure of up to €1.0 million, in accordance with the Bank's applicable Credit & Collection policy and approved authority levels. It operates through three credit centres in the main urban centres (Athens, Thessaloniki and Patra), which handle small business loan credit applications.

One of the main responsibilities is the development of the relative SBL products in order to offer a full range of financial solutions to the customers. Apart from the development of new products related to the standard types of loans offered by the Bank, the unit also cooperates with national and European bodies in order to offer special products and financial instruments, such as COSME, EaSI, TEPIX 2. The aim of these programs is to provide SMEs with the necessary for their growth funds, while reducing:

- the need for collateral (COSME and EaSI) thanks to the guarantee provided by the EFSI to the Bank with the support of the European Union;

- the cost of financing, since a zero interest rate is applied on 40% of the loan thanks to the non-interest-bearing portion of the financing supplied by the Entrepreneurship Fund.

As at 31 December 2018, the domestic SBL gross outstanding portfolio amounted to €2,952 million, decreasing by 16.2% compared to €3,431 million at 31 December 2017 and further decreased as at 30 June 2019 to €2,247 million.

The SB & RL Division also supports small businesses that experience difficulties in early stages, by agreeing more favourable terms and conditions for the modification of their debts.

As part of the Bank's transformation program, the redesign of the SBL lending project, which is currently under development, aims to optimise the process and improve customer experience.

Corporate and Investment Banking

Commercial Loans

The Group offers corporate clients a wide range of products and services, including financial and investment advisory services, deposit accounts, loans denominated in euro and other currencies, foreign exchange services, insurance products, custody arrangements and trade finance services.

The Bank extends financing to all sectors of the economy. As at 31 December 2018, domestic commercial lending amounted to €15.6 billion and represented 41.4% of the total domestic loan portfolio of the Group, compared to €15.9 billion as at 31 December 2017, representing 39.7% of the total adjusted domestic loan portfolio of the Group. As at 30 June 2019, domestic commercial lending amounted to €15.7 billion and represented 44.0% of the total domestic loan portfolio of the Group.

The Bank lends primarily in the form of short term credit lines and medium/long-term loans. Apart from financing, the Bank provides standby letters of credit and financial guarantees for its customers, which amounted to €3.4 billion as at 30 June 2019 compared to €3.3 billion as at 31 December 2018 and €3.4 billion as at 31 December 2017.

Shipping Finance

Greece is one of the world’s largest ship owning nations with a long-standing tradition in shipping. Shipping has been one of the most important sectors of the Greek economy with the Bank being one of the key participants in Greek shipping finance, the activities of which are carried out almost exclusively through its dedicated Piraeus based unit.

The Bank has traditionally provided long-term financing, mainly to shipping companies trading in the dry bulk and wet bulk sectors and, to a lesser extent to liner and ferry businesses, with a consistent view to minimising risk and enhancing the portfolio’s profitability. Nearly all of the Bank’s shipping loans are fully secured by mortgages over vessels.

Structured Financing

In 2018, the Bank revamped its Structured Financing business, upgrading it to a core growth arm of its Corporate and Investment Banking (**CIB**) department.

Structured Financing focuses on originating, managing and executing wholesale, event-driven primary financings of high technical complexity across four pillars: Energy Finance, Real Estate Finance, Concessions / Advisory and Leveraged Acquisition Finance. Transactions are mostly executed on a non-recourse basis, either in bilateral or syndicated format, mobilising the team’s in-house placement capabilities, as required. Beyond customary support of local sponsors, Structured Financing is particularly focused on

facilitating foreign direct investment of international sponsors in Greece across the aforementioned financial sectors, enjoying strong collaboration with the Large Corporate and Investment Banking units in order to cover their needs holistically.

Via a dedicated team of 16 professionals with international structuring, financing and advisory background, Structured Financing represents a major budget carrier within CIB both from a net credit growth and a profitability perspective. In 2018, Structured Financing marked a net credit growth of approximately 63% year-on-year, accompanied by an increase of approximately 79% year-on-year in credit lending profitability and contributing almost 50% to CIB's net credit growth and almost 30% to CIB's credit lending profitability.

Such performance trend is continuing for 2019 both in terms of net credit growth and profitability, with the Bank anchoring a financially significant part of systemically important investments of the country, sponsored either by local or international counterparties. Structured Financing 2018- (year to date) 2019 landmark transactions included: i) 100% hard underwriting of an approximate €357m facility for the international energy consortium of SNAM, Enagas and Fluxys, in connection with the acquisition of 66% of DESFA shares, ii) 50% hard underwriting of an up to €665.6m facility for the 20-year extension of the Airport Development Agreement of Athens International Airport, (iii) 50% hard underwriting of an up to €100m facility for capital expenditure purposes of Athens International Airport, iv) 100% underwriting of Renewable Energy transactions in excess of 250MW and v) mandate for 100% hard underwriting of an approximate €220m total debt pack in support of the participation of GMR Airports Limited and GEK TERNA Group in the new international airport at Heraklion, Crete.

Leasing

The Bank began leasing activities in 1990 through its subsidiary, Ethniki Leasing. Ethniki Leasing leases land and buildings, machinery, energy parks, transport equipment, furniture and appliances, computers and communications equipment.

Probank Leasing

Probank Leasing leases land and buildings, machinery, transport equipment, furniture and appliances, computers and communications equipment. Since July 2013, after the acquisition from the Group, Probank Leasing has come to recession and gradually stopped new contracts.

Factoring

The Bank has been active in the provision of factoring services since 1994. In May 2009, Ethniki Factors was established as a wholly owned factoring subsidiary of the Bank, as part of its strategic decision to expand its factoring operations in Greece. Ethniki Factors offers a comprehensive range of factoring services to provide customers with integrated financial solutions and high quality services tailored to their needs.

Investment Banking

In 2018, the NBG Securities' Investment Banking Division provided advisory services focused on Mergers & Acquisitions, Debt and Equity Capital Markets. Among others, NBG Securities acted as 1) Sole Financial Advisor and Joint Coordinator & Bookrunner in relation to the issuance by GEK-TERNA S.A. of a €120 million common bond loan listed on ATHEX, 2) Joint Coordinator & Bookrunner in relation to the issuance by CORAL S.A. (member of the Motor Oil Group) of a €90 million common bond loan listed on ATHEX, 3) Financial Advisor for the provision of a Financial Report to the Board of Directors of DRUCKFARBEN HELLAS S.A., pursuant to article 15 paragraph 2 of Law 3461/2006, as in force, in relation to the voluntary tender offer made by KAZAR INVESTMENTS S.A., and 4) Financial Advisor for the provision of a Financial Report to the Board of Directors of TITAN CEMENT COMPANY S.A., pursuant to article 15 paragraph 2 of Law 3461/2006, as in force, in relation to the voluntary tender offer made by TITAN CEMENT INTERNATIONAL S.A..

Global Investment & Asset Management

Treasury

The Bank carries out its own treasury activities within the prescribed position and counterparty limits. These activities include:

- Greek and other sovereign securities trading;
- foreign exchange trading;
- interbank lending and borrowing in euro and other currency placements and deposits;
- repurchase agreements;
- corporate bonds; and
- derivative products, such as forward rate agreement trading, options and interest rate and currency swaps.

The Treasury is active across a broad spectrum of capital market products and operations, including bonds and securities, interbank placements in the international money and foreign exchange markets and market-traded and over-the-counter financial derivatives. It supplies the branch network with value-added deposit products, and its client base includes institutions, large corporations, insurance funds and large private-sector investors. In general, the Bank enters into derivatives transactions for economic hedging purposes or in response to specific customer requirements.

The Bank is active in the primary and secondary trading of Greek government securities, as well as in the international Eurobond market, especially EGBs, EFSF and ESM issues. The Bank is a founding member of the Group of Greek Government Securities Primary Dealers which was established by the Bank of Greece in early 1998 and of the Group of EFSF-ESM Securities Primary Dealers which was established in 2010.

Private Banking

2018 continued to be a difficult year for the Private Banking business given the restrictions on capital movement imposed which continued to be in effect, which diminished clients' available options for participation in investment products as well as discouraging the gathering of assets from international competition. Achieving a second consecutive year-on-year business expansion result, is a strong reassurance that the business changes devised and introduced gradually over the last two years that aimed to introduce a more outward-looking, professional and competitive business model, had a very positive effect.

Further to delivering the above mentioned targets, 2018 was another year during which operations were further streamlined with a supplemental reduction in costs. Additionally, significant emphasis was paid in the development and introduction of business practices that promote cooperation and synergies with the other business segments of the Bank and primarily with the Retail segment. Such co-operation is aimed at boosting the business performance of both segments over the next years.

Custodian Services

The Bank offers custody services to domestic and foreign institutional clients, as well as to its retail customer base, covering the Greek and major international markets. For the coverage of international markets the Bank cooperates with top global custody providers and International Securities Depositaries, while in countries of SEE where the Bank maintains presence, regional subsidiaries act as sub-custodians in the region.

Asset Management

The Group's domestic fund management business is operated by NBG Asset Management, which is wholly owned by the Group. NBG Asset Management manages funds that are made available to customers through the Bank's extensive branch network.

NBG Asset Management offers 16 investment funds under the brand name Delos, one under the N.P. Insurance brand name and five under the NBG International brand name, all of which are registered in Luxembourg. NBG Asset Management offers a wide range of investment products that provide institutional and private investors access to significant markets in stocks, bonds and money market products, in Greece and internationally.

Additionally, NBG Asset Management offers a more integrated range of contemporary investment services such as:

- portfolio management for institutional and private investors; and
- consultancy investment services for institutional and private investors.

Stock Brokerage

National Securities S.A. (**NBG Securities**) was established in 1988 and constitutes the brokerage and investment banking arm of the Group. NBG Securities offers a wide spectrum of investment services to both individual and institutional customers.

Banking Activities outside of Greece

As at 30 June 2019, the Bank's international network comprised 68 branches (including foreign subsidiaries and Bank branches in the United Kingdom and Cyprus), which offer traditional banking services and financial products and services. The Bank has two commercial banking subsidiaries in FYROM and Malta. The Bank's banking subsidiaries in Romania and Cyprus, and the branch in Egypt remain as non-current assets held for sale, as discussed further above in "*History and Development of the Group—Acquisitions, Divestitures and Capital Expenditures*" above.

The Bank's international operations contributed €31 million or 5.2% of net interest income of the Group from continuing operations and accounted for €2.2 billion or 3.6% of the Group's total assets excluding non-current assets held for sale as at and for the period ended 30 June 2019. Total loans and advances to customers were €1.4 billion at 30 June 2019, whereas due to customer deposits amounted to €1.3 billion at 30 June 2019.

Other

Group Real Estate

As of 2018, Group Real Estate has been called upon to expand beyond its traditional real estate management activities (including warehousing and third-party property management) and to assist the Bank in its NPE reduction effort through the repossession and sale of foreclosed assets. In this context, a dedicated REO Division has been established within Group Real Estate (July 2019) for the efficient management of assets throughout the REO life cycle, from onboarding to commercialisation.

A unified foreclosure policy related to the Bank's strategic goal—NPE reduction—has been adopted in order to define the basic guidelines for the standardisation and homogenisation of the Bank's actions for the liquidation of the debtors' real estate and to assure credibility and transparency in their implementation. The

updated policy ensures that both borrowers and real estate criteria have been included into decision-making mechanisms regarding the final settlement solutions that should be applied.

The Bank has established guidelines and procedures relating to the disposal of properties, including properties acquired through foreclosure, in order to support the reliability, transparency and accountability in transactions and the completion of the process on a timely basis. In this respect, the Group's commercialisation policy has been updated, incorporating new sales strategies for higher volumes and elements of business agility, multiple distribution channels including physical branches as well as digital world solutions, sales fee structures and special purpose vehicle structures both in response to demand by potential investors who have expressed interest, and in line with the progress and absorption of Foreign Direct Investments (FDIs) in Europe.

For the purpose of promoting sales of REOs and other Group properties, the Bank has activated an online portal (www.realestateonline.gr) which was the first site in Greece to promote public e-auction assets by displaying properties scheduled to be auctioned and posted on www.eauction.gr. The portal is currently upgraded to support live electronic tendering of selected REOs, through a 100% online competitive bidding process allowing for transparency and flexibility in real estate transactions.

NPE and NPL management

The Bank has established two dedicated and independent internal units, one responsible for the management of the Bank's retail loans (the Retail Collection Unit (**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 repossessions) with strong involvement of the Group Real Estate Management experts and the top management monitoring.

The Bank is continuously enhancing its NPL and NPE management strategies whilst augmenting its operational capabilities towards accomplishing the Bank's objective of reducing its NPL and NPE stock.

<u>Retail Collections Unit</u>

The RCU was established in 2010 as the independent unit of the Bank responsible for the management of past due and troubled retail loans. It is a centralised function with an end-to-end responsibility for the management of past due loans, from the first day of delinquency all the way to the eventual write off. As at 30 June 2019, the retail NPE loan portfolio (bank level) under RCU management amounted to €8.0 billion compared to €9.3 billion as at 31 December 2018, and €10.2 billion as at 31 December 2017.

RCU's strategy for managing delinquent retail clients is performed through a combination of channels, such as the internal collections centre (**ICC**), dedicated personnel in the Bank's branch network, external debt collection agencies and external law firms. It makes extensive use of information technology, call strategy and monitoring tools in the ICC to perform rigorous collections in the early stages of delinquency, while outsourcing certain (typically smaller, consumer credit) cases to external agencies which are given incentive based remuneration. It utilises a set of key performance indicators to implement restructuring solutions in respect of borrowers, which involve an analysis of such factors as the income and living expenses of the borrower, the presence and amount of collateral and the days past due of the loan. Depending on the risk profile and delinquency status of the loan, the RCU determines the strategy in accordance with a statistically driven framework. Tools employed by the RCU in respect of restructurings include additional collateral, incentives to remain current (such as forgiveness of interest or capital at maturity), maturity extension, monthly payment reduction for three to six years, or partial debt freezes (**split balance**). The "Split and

Settle" product substituting the "Split and Freeze" is envisaged in the new strategy as a potentially more efficient debt forgiveness resolution tool expected to contribute in improving recovery rates.

The "Split & Settle" offering highlights are:

- newly implemented restructuring solution;
- provides higher debt forgiveness compared to previous products, covered by provisions stock.

The "Split & Settle" offering advantages are:

- more sustainable;
- more affordable instalment;
- greater LTV haircut to <100%;
- simpler for clients to understand and for branches to implement.

In the case of late stage delinquencies, settlements may be implemented, which include the forgiving of off balance sheet interest as well as a percentage of capital depending on the collateral and duration of the repayment schedule.

Special Assets Unit (**SAU**)

The 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 2019, the Corporate NPE loan portfolio (bank level) under SAU management amounted to € 4.3 billion compared to € 5.3 billion as at 31 December 2018, and €6.1 billion as at 31 December 2017.

The SAU proposes customised loan modification and debt restructuring solutions to enterprises that are facing difficulties meeting their obligations and have operational and financial weaknesses.

There is a clear prioritisation strategy per portfolio managed, based on aging, size, collateralisation levels and status of legal actions. The SAU assesses the creditworthiness of the borrower using analytical tools and metrics, taking into consideration a number of factors, including but not limited to: cooperativeness of the borrower, the size of exposure, the borrower's viability and debt repayment capacity, collateral levels, market and competitive conditions and the industry in which it operates. Based on the results of its assessment, the SAU proposes customised loan modification and restructuring solutions for the borrowers' loans, also taking into consideration the results of a "net present value" tool. A number of restructuring products and debt settlement solutions for small customers respectively are also in place.

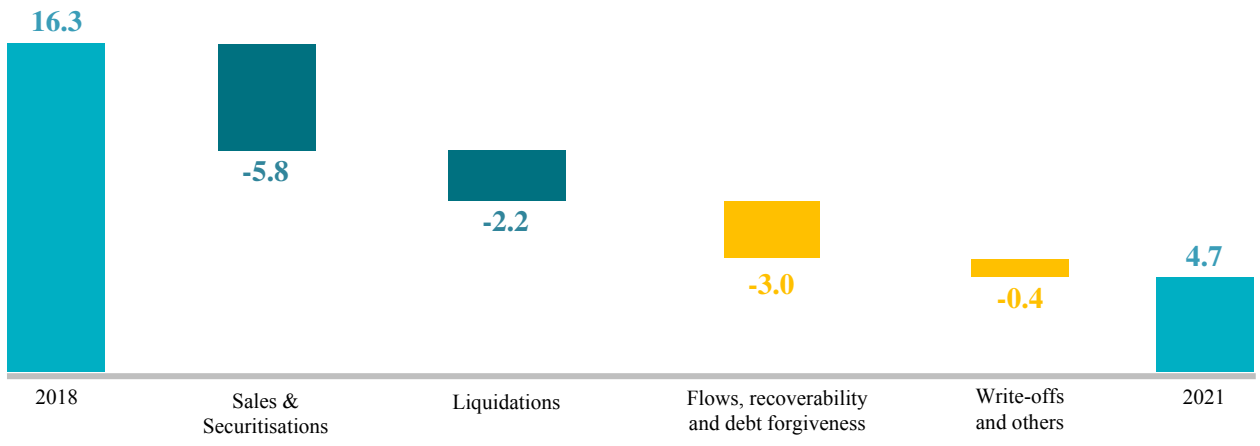
As at 30 June 2019, total bank forborne loans (forborne non-performing exposures and forborne performing exposures) amounting to €2.1 billion were under SAU management (31 December 2018: €2.3 billion and 31 December 2017: €2.5 billion).

NPE reduction targets

From December 2015 to December 2018, the Bank has achieved a decrease of €6.1 billion through a combination of write offs, sales and liquidations, amounting to €4.3 billion and negative NPE formation of €1.8 billion. NPE reduction continued in the first half of 2019, with the stock of NPEs down by €2.5 billion, mainly driven by the nearly completed NPE disposals (Projects Symbol and Mirror, see below).

Finally, new operational targets were submitted to the SSM in March 2019 for the period 2019-2021 (see below Chart 1). The new plan is ambitious and frontloaded, calling for an NPE reduction by 2021 of €11.5 billion and €11.0 billion for the Group and the Bank, respectively, from the end of December 2018 (€16.3 billion and €15.4 billion for the Group and the Bank, respectively), of which a €4.5 billion reduction is targeted in 2019. Half of the envisaged reduction comprises organic actions consisting of more aggressive restructurings, including debt forgiveness and liquidations. The other half derives from portfolio sales and securitisations, facilitated by the Bank's high NPE coverage ratio of 56%. Upon achieving these targets, the NPE ratio will have been reduced to a low-teens level by 2021, and to approximately 5% in 2022, without utilizing any additional dilutive capital.

CHART 1
NPE REDUCTION TARGET FOR 2018-2021 (GROUP, € billion)



Disposal of NPE portfolios

As part of the implementation of the Bank's Transformation Program, the Bank has entered into definitive agreements for the disposal of two non-performing portfolios.

In particular, on 29 July 2019, the Bank announced that it has entered into a definite agreement with a consortium of funds (the **Consortium**) advised by affiliates of Centerbridge Partners, LLP and funds advised by Elliott Advisors (UK) Limited for the disposal of a portfolio of circa 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 closing of the transaction, the Consortium is expected to assign 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.

Furthermore, on 1 August 2019, the Bank announced that it has entered into a definitive agreement with CarVal Investors, for the disposal of a portfolio of unsecured non-performing portfolio of credit cards, consumer loans, SBL and SME loans with total principal amount of €1.2 billion (Project Mirror). The servicing of the portfolio will be 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.

The Bank is finalising a perimeter for another secured NPL portfolio which includes large corporates, SME loans and small business exposures with a total principal amount of approximately €1.5 billion (Project Icon).

On 27 November 2019, the Bank announced that it had entered into sale and purchase agreements with certain funds advised by Cross Ocean Partners for the transfer of a portfolio of shipping loans of a total size of €262 million. The servicing of the portfolio is expected to be assigned by the investors to QQuant Master Servicer S.A which has been licensed by the Bank of Greece under Law 4354/2015. The consideration of the transaction is approximately 50% of the portfolio's on balance-sheet amount (as at 30 June 2019) and has a marginal impact on the Group's capital (based on the CET1 ratio at 30 September 2019).

All of the above transactions are being implemented in the context of the Bank's NPE Strategy and Operational Targets, as submitted to the SSM (see above "*NPE reduction targets*").

Cooperation with specialised servicers

On 31 July 2018, the four systemic Greek banks (Alpha Bank, the Bank, Eurobank and Piraeus Bank) entered into a servicing agreement with a credit institution, doBank S.p.A., which specialises in servicing of NPLs. This agreement is part of the strategic framework of the Greek systemic banks, including the Bank, to reduce their NPEs by protecting the viability of small and medium enterprises and supporting the recovery of the Greek economy.

As part of its ongoing efforts to optimize its NPE management strategies, the Bank expects to examine further cooperation opportunities with specialised servicers.

Legal and Arbitration Proceedings

NBG Auxiliary Pension Fund (LEPETE)

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

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

Up to 11 November 2019, nine applications for preliminary injunctions were rejected, 21 temporary injunctive measures were ruled in favour of the Bank, whereas five injunction orders were ruled in favour of certain former employees. For these five injunction orders against the Bank, the Bank recognises the relevant expense as incurred. Up to 11 November 2019, the Bank has paid in a total of €703 thousand. Furthermore, there have been 115 legal claims of which 108 have been heard in court and 56 decisions have been issued. 11 first instance court decisions were not in favour of the Bank, and the Bank has filed eight appeals while 45 decisions were in favour of the Bank for which 36 appeals have been filed until now. It is noted that the Bank has appealed directly to the Supreme Court for one of the above eight negative decisions. The appeal will be heard before the Supreme Court on 17 December 2019. In the same case, the Bank has filed for interim measures of suspension of the unfavourable decision and the Supreme Court has approved the application and granted the requested interim measures.

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

Introduction of Law 4618/2019

On 10 June 2019, a legislative amendment (Law 4618/2019 art.24) was enacted effectively transferring Bank employees and pensioners from LEPETE to the ETEAEP, the state auxiliary pension plan. The legislative amendment stipulated, *inter alia*, that the Bank should cover the following costs:

(a) the normal employer's contributions for the employees transferred to ETEAEP, from 1 January 2019 onwards. The applicable rates are 3.50% from 1 January to 31 May 2019, 3.25% from 1 June 2019 to 31 May 2022 and 3.00% from 1 June 2022 onwards;

(b) a retrospective payment in relation to the 2018 pensions to be calculated on the basis provided by Law 4618/2019. This amount has been estimated by the Bank at €50 million. Law 4618/2019 provides that 1/5 of the total amount was payable by 31 August 2019 whereas the remaining amount is due in instalments and at the latest by 31 December 2020;

(c) supplementary social security contributions of €40 million per annum from 2019 to 2023;

(d) supplementary employer's contributions from 1 January 2024 onwards to be defined following a study to be prepared by the Greek National Actuarial Authority. The Bank cannot provide a reasonable estimate of the related costs, as Law 4618/2019 does not provide the basis under which the relevant study would be carried out, nor the required clarity as to the extent that any shortfalls would be covered by the Bank; and

(e) the normal employees' contributions for the period from 1 January to 31 May 2019, only.

Further to this legislative amendment and related Ministerial Decision 28153/276/21.6.2019, on 5 July 2019, the Bank addressed a statement to ETEAEP informing it that it will continue to pay to ETEAEP, as from 1 June 2019 onwards, the corresponding, in accordance with the applicable provisions, auxiliary pension employer's and employee's contributions with regard to the persons (employees) who had been insured by LEPETE up to the enactment of the aforementioned legislative amendment. The Bank in the same statement pointed out that any private relationship between the Bank and LEPETE has been terminated and thus no payment of any kind will be carried out in the future.

The Bank considers that the above legislative amendment opposes fundamental constitutional provisions and, in this context, filed with the Council of State an application for the annulment of the relevant administrative decisions issued on the basis of Law 4618/2019, which is planned for hearing before the Plenary Session of the Council on 7 February 2020 and an application for the suspension of enforcement of the above.

On 5 August 2019, the Bank received the decision of the Council of State that rejected the application for the suspension of enforcement of the ministerial decision, but purely due to formal and procedural reasons as, according to the court ruling, the request for suspension related in substance to the suspension of provisions of the actual law, which is not compatible with procedural rules and court jurisprudence. On the other hand the Council of State through the reasoning of its decision connects its final judgment as concerns the application for the annulment to the outcome of the proceedings before the Civil Courts (especially before the Supreme Court). Furthermore, it considers that the aforementioned law does not impose on the Bank the burden of covering deficits nor of paying the retirement amounts to the retirees itself and consequently, that the law does not establish any liability for the Bank from 1 January 2024 onwards.

On 2 July 2019 and 29 November 2019, the Bank paid amounts of €36 million and €4 million, respectively, with respect to the supplementary contribution for 2019 as required by the ministerial decision (see (c) above). In addition, as of the date of this Base Prospectus, the Bank has had to pay €5 million corresponding to the employer's and employees contributions for January to May 2019 (see (a) and (e) above) but due to technical issues of ETEAEP systems, the payment has not yet been made.

The Bank has recognised the collective amount of €40 million paid in July and November 2019 as an expense, due to the uncertainty of its recovery. No other expense or provision in relation to items (b) to (e) above has been recognised, as management estimates that the said legislative amendment, stipulating that the Bank should assume costs relating to existing pensioners to which the Bank considers that it had no liability under the previous regime (LEPETE scheme), will be deemed unconstitutional by the Council of State,

taking also into account that the likelihood of the final outcome of the outstanding legal claims before the Civil Courts being negative is remote. In this context, the Bank expects that any amounts paid or to be paid under items (b) to (e), prior to the decision of the Council of State in relation to the petition for annulment, will be either reimbursed or off-set against future contributions to ETEAEP (item (a) above).

Depending on the outcome of the petitions for annulment before the Council of State, which have been scheduled for hearing before the Plenary Session of the Council on 7 February 2020 and any further legal actions the Bank may proceed with, the assessment of management as to the probability of outflows may change, in which case the Bank may need to record significant additional provisions in future periods with respect to the above issue.

Legal proceedings

The Group is a defendant in certain claims and legal actions arising in the ordinary course of business. For the cases for which a provision has not been recognized, management is unable to estimate the possible losses because the proceedings may last for many years, many of the proceedings are in early stages, there is uncertainty of the likelihood of the final result, there is uncertainty as to the outcome of the pending appeals and there are significant issues to be resolved. However, in the opinion of the management, after consultation with its legal counsel, the ultimate disposition of these matters is not expected to have a material adverse effect on the consolidated or separate Statement of Financial Position, Income Statement and Cash Flow Statement, taking into account that at 30 June 2019 the Group has provided for cases under litigation an amount of €64 million (31 December 2018: €67 million).

Capital Requirements

The table below sets out Pillar 1 and Pillar 2 capital requirements for the Group for 2019 and 2018:

	CET1 Capital Requirements		**Overall Capital Requirements**	
	2019	**2018**	**2019**	**2018**
Pillar 1	4.5%	4.5%	8.0%	8.0%
Pillar 2	3.0%	3.0%	3.0%	3.0%
Capital Conservation Buffer	2.5%	1.875%	2.5%	1.875%
O-SII Buffer	0.25%	0.00%	0.25%	0.00%
Total	**10.25%**	**9.375%**	**13.75%**	**12.875%**

The capital adequacy ratios for the Group and the Bank as at 30 June 2019 and 31 December 2018 are set out in Note 19 to the June 2019 Interim Financial Statements (which are incorporated by reference in this Base Prospectus). See also "*Risk Factors – Factors that may affect the ability of the Bank to fulfil its obligations under Notes issued under the Programme – The Group may not be allowed to continue to recognize the main part of deferred tax assets as regulatory capital or as an asset, which may have an adverse effect on its operating results and financial condition*".

Enhancement of the internal control system and management of risk

Objectives of the Internal Control System

Aiming to safeguard the reputation and credibility of the Bank and the Group towards its shareholders, customers, investors and the supervisory and other independent authorities, the Bank provides for the continuous enhancement, at Group level, of its Internal Control System (**ICS**). The ICS refers to the set of controls and processes that mitigate risks and cover all activities on an ongoing basis and is designed to ensure that the Bank and the Group operate effectively.

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

- Consistent implementation of the Group business strategy through the efficient use of available resources;
- Identification and management of all undertaken risks, including operational risk;
- Completeness and reliability of data and information that are necessary for the accurate and timely preparation of the Bank and the Group's financial statements and the presentation of reliable financial information regarding the Bank and the Group's financial performance;
- Compliance with the local, European and international legal and regulatory framework that governs the operation of the Bank and the Group, including internal regulations, IT systems and code of ethics;
- Adoption of international corporate governance best practices; and
- Prevention and detection of any errors and irregularities that may put at risk the reputation and the interests of the Bank and the Group, their shareholders and customers.

In the context of developing the business strategy and identifying the main business risks, the Board of Directors, with the support of its committees, adopts appropriate policies aiming to ensure an adequate and effective ICS for the Bank and the Group. Management is responsible for the design and implementation of effective internal controls and adequate and efficient procedures, relevant to the range, risks and nature of the activities undertaken by the Bank and the Group, for identifying and assessing any ICS's deficiencies and for undertaking the necessary corrective actions. Specifically, the risk management and ICS related activities are performed on three different levels, in order to create three lines of defence, as follows:

- **First Line of Defence (1LoD)**: includes the units at the first level which are responsible for identifying, assessing and minimising the risks they undertake, by establishing and implementing internal rules and controls to their on-going business.
- **Second Line of Defence (2LoD)**: includes the units that oversee the effectiveness of the risk management activities, through monitoring of the 1LoD units activities.
- **Third Line of Defence (3LoD)**: the Internal Audit function of the Bank and the Group, which reports directly to the Board of Directors through the Audit Committee, acting as an independent reviewer, focusing on the effectiveness of the risk management framework and control environment.

The Board of Directors and management aim to continuously enhance the ICS in order to reduce losses and operate effectively. In this context, senior management has made the following enhancements to the ICS during the first half of 2019 with the aim to further improve the coordination between the three lines of defence by:

- **Establishment of the Internal Control Coordination Committee (ICCC)** in February 2019, with the aim to support the Board, its Committees and Senior Management fostering coordination and cooperation among the various control functions, (i.e. 2LoD; Group Operational Risk Management, Internal Control Function, Group Compliance & Regulatory Affairs, Group Corporate Governance

& Corporate Social Responsibility, Group Cyber Security & Data Governance, Regulatory Affairs and HFSF Relations as well as 3LoD and Group Internal Audit).

- **Establishment of the Internal Control Function (ICF)** in May 2019 with the purpose of addressing the ExCo and the Board's need for a holistic view on the Bank's internal controls. The ICF is responsible for:

  (a) establishing an integrated internal control framework, in close cooperation with the other 2LoD functions;

  (b) enhancing Bank-wide internal controls;

  (c) monitoring remediation actions;

  (d) monitoring and reporting on the effectiveness and efficiency of internal controls; and

  (e) promoting Bank-wide internal control culture.

- **Strengthening the Operational Risk Management Function** by establishing, in January 2019, a separate Group Operational Risk Management Division under the CRO, to:

  (a) design, propose, support and periodically validate the Operational Risk Management Governance Framework (**ORMGF**), ensuring that it is aligned with the best practices, the regulatory requirements and the directions set by the Board of Directors;

  (b) ensure the development of policies, methods and systems for the identification, measurement and monitoring of operational risks and their periodic assessment and validation;

  (c) address all operational risk related issues as per the directions and decisions of the Board Risk Committee;

  (d) continuously monitor and review the Group operational risk profile and report to senior management and the supervisory authorities.

RISK MANAGEMENT

Risk Management Governance

The Group adopts practices regarding risk management governance, taking into account all relevant guidelines and regulatory requirements, as set by the Basel Committee on Banking Supervision, the EBA, the ECB and the Bank of Greece and the HCMC, as well as any decisions of the competent authorities supervising the Group's entities (see "*Regulation and Supervision of Banks in Greece*" below).

The Group's risk-governance framework comprises a number of different constituents. In particular, the Board of Directors of the Bank (the **Board**) has established the Board Risk Committee (**BRC**) overseeing all risk-management functions across the Group. All risk-management units report to the Group Risk Control and Architecture Division (**GRCAD**), the Group Financial and Liquidity Risk Management Division (**GFLRMD**), the Model Validation Unit (**MVU**), the Group Operational Risk Management Division (**GORMD**) and the Group Strategic Risk Management Division (**GSRM**) which are supervised by the Group Chief Risk Officer (the **CRO**). Additionally, the Chief Credit Officer, also operating under the CRO, supervises three Credit Units, which are involved in the credit approval procedures for the Group's corporate banking, retail banking and subsidiaries portfolios. The Credit Units perform unbiased control of the risks undertaking in respect of each portfolio and have the right of veto. A separate compliance function, the Compliance Division, oversees all internal and external compliance matters, such as applicable Greek and EU laws and regulations, as well as accounting standards. The Internal Audit Division of the Bank and the Group, which reports directly to the Board through the Audit Committee, complements the risk-management framework and acts as an independent reviewer (as a third line of defence in addition to the Board Risk Committee and the Compliance Division), focusing on the effectiveness of the risk-management framework and control environment.

Management of Specific Risks

Credit Risk

Credit risk is the risk of financial loss relating to the failure of a borrower to honour its contractual obligations. It arises in lending activities as well as in various other activities where the Group is exposed to the risk of counterparty default, such as its trading, capital markets and settlement activities. Credit risk is the largest single risk the Group faces. The credit risk processes are conducted separately by the Bank and each of its subsidiaries. The credit risk procedures established by the subsidiaries are coordinated by the GRCAD.

The Group's internal controls implemented for the above processes include proper management of the credit-granting functions, periodical and timely remedial actions on deteriorating credits, and independent, on-going assessments of the credit risk management processes by the Internal Audit Division, covering in particular the credit risk systems/models employed by the Group. Additionally, the GRCAD measures and monitors credit risk on an on-going basis through documented credit risk policies, internal rating systems, as well as information systems and analytical techniques that enable measurement of credit risk inherent in all relevant activities. Thus, the Group achieves active credit risk management through the application of appropriate limits for exposures to a particular single or group of obligors, use of credit risk mitigation techniques, estimation of risk adjusted pricing for most products and services, and a formalised validation process, encompassing all risk rating models, conducted by the Bank's independent MVU.

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

The Credit Policies of the Bank are approved by the Board of Directors upon recommendation of the Board Risk Committee (**BRC**) following proposal by the Group CRO to the BRC and the Executive Committee, and are reviewed on an annual basis and amended whenever it is needed and at least every two years.

The Credit Policies of each subsidiary are approved by the competent local boards or committees, following a recommendation by the responsible officers or subsidiaries' bodies, according to the decisions of the Bank and the provisions of the Credit Policies. Each proposal must bear the prior consent of the Group CRO, or the Head of NBG's Group International Credit Division in cooperation with the Head of NBG's Group Risk Control and Architecture Division for issues falling under their responsibility. The subsidiaries' Credit Policies are subject to periodical revision.

Any exception to the Credit Policies of the subsidiaries is ultimately approved by the Group CRO, or the Head of NBG's Group International Credit Division in cooperation with the Head of NBG's Group Risk Control and Architecture Division, for issues falling under their responsibility. All exceptions and their justification are duly recorded and have either an expiry date or a review date.

Through the application of the Retail Banking Credit Policy, the evaluation and estimation of credit risk, for new as well as for existing products, are effectively facilitated. NBG's top management is regularly informed on all aspects regarding the Credit Policy. Remedial action plans are set to resolve the issues, whenever necessary, within the risk appetite and strategic orientation of the Bank. Retail Banking Credit Policy is subject to regular reviews during which all approved policy changes are incorporated in the Policy Manual.

Concentration Risk

One of the most significant types of credit risk for the Group is Concentration Risk. The fundamental instruments for controlling Corporate Portfolio concentration are obligor limits (which reflect the maximum permitted level of exposure for a specific obligor, given his or her risk rating) and sector limits. Any risk exposure in excess of the authorized internal obligor limits must be approved by a Credit Approving Body of a higher level, based on the Credit Approval Authorities as presented in the Corporate Credit Policy. Both obligor limits and sector limits are subject to BRC approval on an annual basis.

Credit risk concentration arising from a large exposure to a counterparty or group of connected clients whose probability of default depends on common risk factors is also monitored, according to the Large Exposures and Large Debtors reporting framework.

Finally, within the Internal Capital Adequacy Assessment Process, the Bank has adopted a methodology to measure the risk arising from concentration to economic sectors (sectoral concentration) and to individual companies (name concentration).

Market Risk

Market risk is the current or prospective risk to earnings and capital arising from adverse movements in interest rates, equity and commodity prices and exchange rates, and their levels of volatility. The Group engages in moderate trading activities in order to enhance profitability and service its clients. These trading activities create market risk, which the Group seeks to identify, estimate, monitor and manage effectively through a framework of principles, measurement processes and a valid set of limits that apply to all of the Group's transactions. The most significant types of market risk for the Group are interest rate, equity and foreign exchange risk.

Interest Rate Risk

Interest rate risk is the risk related to the potential loss on the Group's portfolio due to adverse movements in interest rates. A principal source of interest rate risk exposure arises from the interest rate, over-the-counter (**OTC**) and exchange traded, derivative transactions as well as from the trading and the held to collect and sell (**HTCS**) bond portfolios.

The most significant contributor to market risk in the Group is the Bank. More specifically, the Bank is active in the interest rate and cross currency swap market and engages in vanilla and more sophisticated transactions for hedging and proprietary purposes and it maintains positions in bond and interest rate futures, mainly as a means of hedging and to a lesser extent for speculative purposes. Additionally, the Bank retains a portfolio of Greek T-Bills and government bonds and other EU sovereign debt, EFSF bonds, as well as moderate positions in Greek and international corporate issues.

Equity Risk

Equity risk is the risk related to the potential loss due to adverse movements in the prices of stocks and equity indices. The Group holds a limited portfolio of stocks, the majority of which are traded on the ATHEX and retains positions in stock and equity index derivatives traded on the ATHEX, as well as, on international exchanges. The cash portfolio comprises of trading (i.e. short-term) and held to collect and sell (i.e. long-term) positions. The portfolio of equity derivatives is used for proprietary trading, as well as for the hedging of equity risk arising from the Bank's cash position and equity-linked products offered to its clients. In the same context and to a lesser extent, the Group enters into OTC equity derivative transactions for trading and hedging purposes.

Foreign Exchange Risk

Foreign exchange risk is the risk related to the potential loss due to adverse movements in foreign exchange rates. The Open Currency Position (**OCP**) of the Bank primarily arises from foreign exchange spot and forward transactions. The OCP is distinguished between trading and structural. The structural OCP contains all of the Bank's assets and liabilities in foreign currency (for example loans, deposits, etc.), along with the foreign exchange transactions performed by the Treasury Division. Apart from the Bank, the foreign exchange risk undertaken by the rest of the Group's subsidiaries is insignificant.

The Group trades in all major currencies, holding mainly short term positions for trading purposes and for servicing its institutional/corporate, domestic and international clientele. According to the Bank's policy, the OCP should remain within the limits set by the Treasury Division and the GFLRMD at the end of each trading day. The same policy applies to all of the Group's subsidiaries.

*Market risk on trading and held to collect and sell — Value-at-Risk (**VaR**)*

The Bank uses market risk models and specific processes to assess and quantify the portfolio's market risk, based on best practice and industry-wide accepted risk metrics. More specifically, the Bank estimates the market risk of its trading and HTCS portfolios using the VaR methodology. This has been implemented in the Bank's risk platform which is RiskWatch by Algorithmics. In particular, the Bank has adopted the variance-covariance (**VCV**) methodology, with a 99% confidence interval and a 1-day holding period. The VaR is calculated on a daily basis for the Bank's trading and HTCS portfolios, along with the VaR per risk type (interest rate, equity and foreign exchange risk). The VaR estimates are used internally as a risk management tool, as well as for regulatory purposes. The GFLRMD calculates the VaR of the Bank's trading and HTCS portfolios, for internal use, on a daily basis, using the latest 75 exponentially weighted daily observations to construct the VCV matrices. For regulatory purposes, the calculations apply only on the trading portfolio and the VCV matrices are based on 252, equally weighted, daily observations. The risk factors relevant to the financial products in the Bank's portfolio are interest rates, equity indices, foreign exchange rates and commodity prices. Additionally, the GFLRMD calculates the stressed VaR (**sVaR**) of the

Bank's trading portfolio, which is defined as the VaR, where model inputs are calibrated to historical data from a continuous 1-year period of significant financial stress, relevant to the Bank's portfolio. The relevant VCV matrices are identified over a 10-year period, starting on January 2008. Similarly to VaR, the Bank calculates sVaR on a daily basis, using a 1-day holding period and 99% confidence level. Finally, the GFLRMD calculates the VaR of the Bank's portfolios by applying the historical simulation approach, for comparative purposes.

The Bank has also established a framework of VaR limits in order to control and manage the risks to which it is exposed in a more efficient way. These limits are based on the Bank's Risk Appetite, as outlined in the Bank's Risk Appetite Framework (**RAF**), the anticipated profitability of the Treasury, as well as on the level of the Bank's own funds (capital budgeting), in the context of the Group strategy. The VaR limits refer not only to specific types of market risk, such as interest rate, foreign exchange and equity, but also to the overall market risk of the Bank's trading and available-for-sale portfolios taking into account the respective diversification between portfolios. Moreover, the same set of limits are used to monitor and manage risk levels on the regulatory trading book, on an overall basis and per risk type, since this is the aggregation level relevant for the calculation of the own funds requirements for market risk, under the Internal Model Approach (pursuant to Title IV, Chapter 5 of the 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 during the on-site investigation that took place in the last quarter of 2017, in the context of the TRIM performed by the ECB. The successful completion of the TRIM assured the use of the Bank's internal model for the calculation of own funds requirements for market risk.

The Bank is mostly exposed to interest rate risk, which is quantified through interest rate VaR. The evolution of the interest rate VaR depends on the sensitivity of the Bank's trading and HTCS portfolios to key risk factors, namely the euro swap rates and the respective government yields, as well as on the level of their volatilities.

Within the first six months of 2019, the VaR of the Bank's trading and HTCS portfolios were mainly affected by the evolution of the volatilities of the Greek sovereign yields. In particular, since mid-May 2019, the VaR followed an upward path which was primarily attributed to the increase in the yield volatilities, triggered by the compression of the respective sovereign spreads of Greece.

Back-testing

The Bank performs back-testing on a daily basis, in order to verify the predictive power of the VaR model. In accordance with the guidelines set out in the 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 2019, there was only one case in which the back-testing result exceeded the respective VaR calculation.

Stress Testing

The VaR model is based on certain theoretical assumptions, which do not fully capture the potential bigger movements known as "tail events" in the markets.

To enhance the predictability of the Bank's VaR model and minimise the effect of the aforementioned limitations, the Bank performs stress testing on a weekly basis. The aim of stress testing is to evaluate the gains or losses that may occur under extreme market conditions and applies on both trading and held to collect and sell portfolios.

Counterparty Credit Risk

Counterparty credit risk 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.

GMORMD monitors the country risk arising from the Bank's operations on a daily basis, mainly focusing on the countries where the Group has a presence.

Liquidity Risk

Liquidity risk is defined as the current or prospective risk to earnings and capital arising from the institution's inability to meet its liabilities when they come due without incurring unacceptable losses.

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

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

In addition, top management receives, on a daily basis, a liquidity report which presents a detailed analysis of the Group's funding sources, counterbalancing capacity, cost of funding and other liquidity metrics related to the RAF, Recovery Plan and Contingency Funding Plan. Moreover, the Asset Liability Committee (**ALCO**) monitors the gap in maturities between assets and liabilities, as well as the Bank's funding requirements based on various assumptions, including conditions that might have an adverse impact on the Bank's ability to liquidate investments and trading positions and its ability to access the capital markets. On a long term perspective, the Loans-to-Deposits ratio is monitored. This ratio stood at 68.5% and 69.7% as of 30 June 2019, on a domestic (Greece) and on a Group level, respectively.

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

The Bank's principal sources of liquidity are its deposit base, Eurosystem funding currently via the MROs and the TLTROs with ECB and repos with major foreign Financial Institutions (**FIs**). ECB funding and repos with FIs are collateralised mainly by high quality liquid assets, such as EU sovereign bonds, Greek government bonds and T-Bills, as well as by other assets, such as highly rated corporate loans and covered bonds issued by the Bank.

Following a milestone year for the Bank's liquidity in 2018, where the Bank was the first Greek systemic bank to fully restore both Basel III liquidity metrics (LCR and NSFR) within the regulatory limits, the Bank's liquidity profile was further enhanced during the first half of 2019, marking its strong position on the liquidity front and ensuring its ability to fund the recovering Greek economy and contributing to a healthy balance sheet. More specifically, the LCR and the NSFR currently stand comfortably above the respective

regulatory limits, while the Bank maintains a very comfortable liquidity buffer, a stable and improving deposit base, historically low ECB funding and full access to the secured interbank markets.

Insurance risk

The insurance policies issued by the Group carry a degree of risk. The risk under any insurance policy is the possibility of the insured event resulting in a claim. By the very nature of an insurance policy, risk is based on fortuity and is therefore unpredictable.

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

The above risk exposure is mitigated by diversification across a large portfolio of insurance policies. The variability of risks is also improved by the careful selection and implementation of the Group's underwriting policy, reinsurance strategy and internal guidelines, within an overall risk management framework. Pricing is based on assumptions and statistics and the Group's empirical data, taking into consideration current trends and market conditions.

Reinsurance arrangements include proportional, optional facultative, excess of loss and catastrophe coverage.

Operational risk

Operational risk (**OR**) is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. OR includes legal risk, but excludes strategic and business risk, but it also takes into consideration the reputational impact of OR.

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

The Group recognises the importance of OR and has established a high quality, effective framework, namely the Operational Risk Management Framework (**ORMF**), for its management across all Group operations since 2007.

OR management is integrated into the day-to-day business, adding value to the organization, based on the following elements:

- The **Risks and Controls Self-Assessment (RCSA)** process, alongside with the assessment of the relevant control environment; its purpose is establishing a formal procedure for the identification, assessment, monitoring and mitigation of potential operational risks within a business entity.

- The **Loss Collection process**, as well as the maintenance of a sound and consistent loss database; OR losses are collected at a Group level. All organizational entities of the Bank, as well as all Greek and foreign subsidiaries are responsible for recording operational incidents or/and losses following certain guidelines, under a standardized methodology.

- The determination, update and monitoring of **Action Plans**; these are all the necessary steps and measures intended to mitigate/reduce operational risks.

- The definition and monitoring of **Key Risk Indicators**; their purpose is to assist in the identification and monitoring of potential risk exposures, by acting as early detection/warning indicators by identifying issues that cause risk events to arise.

- The **Scenario Analysis**; a systematic process of obtaining expert opinions, based on reasoned assessments of the likelihood and impact of plausible severe operational losses.

- The **Training Initiatives and Risk Culture awareness**; The Operational Risk Group fosters awareness and knowledge of OR at all levels of the organization.

All of the above components improve the control environment and strengthen the Group's OR culture, while generating a positive reputational impact.

In 2019, the Group Operational Risk Management Unit was established as a separate division, with responsibility to:

- Establish, oversee, support and continuously update and improve the ORMF;

- Ensure the development of policies, methods and systems for the identification, measurement and monitoring of operational risks and their periodic assessment and validation; and

- Continuously monitor and review the Group operational risk profile providing adequate information to all stakeholders in compliance with regulatory requirements.

MANAGEMENT AND EMPLOYEES

Board of Directors of the Bank

The Bank is managed by the Board of Directors (the **Board**), which is responsible for ensuring strategic direction, management supervision and adequate control of the Bank, with the ultimate goal of increasing the long-term value of the Bank and protecting the corporate interest at large, in compliance with the current legislation and regulatory framework, including the provisions of the Amended Relationship Framework Agreement between the Bank and the HFSF and the obligations of the Bank towards the Monitoring Trustee.

The Board's tasks, key responsibilities and authorities are set out in Greek Law 4548/2018, Greek Law 4261/2014, EU Regulation 468/2014, Greek Law 3016/2002, Greek Law 3864/2010, as each time in force, and the Relationship Framework Agreement between the Bank and the HFSF and in the Bank's Articles of Association and in its Corporate Governance Code.

Appointment of Directors and Operation of the Board

The members of the Board are elected by the Bank's General Meeting of Shareholders for a term that cannot exceed three years and ends at the ordinary General Meeting of the Shareholders in the year in which such term expires. Uneven terms of office may be provisioned for each Director, insofar as this is prescribed by the current legal and regulatory framework. All members can be re elected. The General Meeting of Shareholders determines each time the exact number of the members of the Board (the Board may consist of a minimum of seven up to a maximum of 15 members and must always be an odd number) 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 with the duties of (indicatively): acting as a sounding board for the Chairman; discussing with other Directors issues on which the Chairman might have a conflict of interest and acting as intermediary between Directors and the Chairman, as necessary; being available to shareholders if they have concerns which contact through the normal channels of Chairman, CEO or other Executive Directors has failed to resolve or for which such contact is inappropriate; and leading the annual evaluation of the Chairman according to the Bank's Board Evaluation Policy.

Responsibilities of the Board

Among other matters, the Board is responsible for:

- reviewing and approving the strategic direction of the Bank and the Group, including the business plan, the annual budget and the key strategic decisions as well as providing guidance to the Bank's and the Group's Management;
- reviewing the Group's corporate structure, monitoring its embedded risks and ensuring the cohesiveness and effectiveness of the Group's corporate governance system;
- acquiring shareholdings in other banks in Greece or abroad, or divestment thereof;
- establishing branches, agencies, and representation offices in Greece and abroad;
- establishing associations and foundations under Article 108 and participating in companies falling under Article 784 of the Greek Civil Code;
- approving the Bank's internal labour regulations;
- nominating General Managers and other executives of the Bank, as appropriate in line with the applicable framework and accordingly following proposals by the Bank's responsible bodies;
- reviewing and approving the Group and the Bank's annual and interim financial report;
- issuing Bonds of any type, with the exception of those for which the Bank's General Meeting is exclusively responsible in accordance with the Greek law;
- approving and reviewing a Code of Ethics for the employees of the Bank and the Group and the Code of Ethics for financial professionals;
- approving the Bank's and the Group's Corporate Social Responsibility (**CSR**) Policy; and
- approving and reviewing the Group Remuneration Policy upon decision of its non-executive members, following recommendation by the Human Resources and Remuneration Committee of the Board.

Moreover, pursuant to article 10 of Greek Law 3864/2010 (the **HFSF Law**), 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 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 "*Description of the Group – 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 agenda, monthly access to the Chair of the Human Resources and Remuneration Committee to discuss proposals or matters of concern and the right to address the Human Resources and Remuneration Committee on request.

Furthermore, in July 2019, the Bank's Board of Directors appointed, from among its independent non-executive members, a Senior Independent Director with the duties of (indicatively): acting as a sounding board for the Chairman; discussing with other Directors issues on which the Chairman might have a conflict of interest and acting as intermediary between Directors and the Chairman, as necessary; being available to shareholders if they have concerns which contact through the normal channels of Chairman, CEO or other Executive Directors has failed to resolve or for which such contact is inappropriate; and leading the annual evaluation of the Chairman according to the Bank's Board Evaluation Policy.

The following table sets forth the current Board:

Name	**Position in Board of Directors of the Bank**	**Start of Term***	**End of Term**	**Profession/ Main Expertise, Experience**	**Principal activities performed outside of NBG**
Costas Michaelides	Chair (Non-executive Member)	26 July 2018	2021	Chair of the Board	-
Aikaterini Beritsi	Vice – Chair (Non-executive Member)	31 July 2019	2021	Vice Chair of the Board	Participation in the Board of Directors of EYDAP S.A.
Executive members					
Pavlos Mylonas	Chief Executive Officer	26 July 2018	2021	Chief Executive Officer	-

DimitriosKapotopoulos	Executive Member	24 January 2019	2021	Executive Board Member	-
Christina Theofilidi	Executive Member	31 July 2019	2021	Executive Board Member	-
Independent non-executive members					
Gikas Hardouvelis	Senior Independent Director	31 July 2019	2021	Professor/ Economist/Risk, Strategy and Corporate Governance Experience	Professor, Department of Banking and Financial Management at the University of Piraeus, Participation in the Board of Directors of the Foundation for Economic and Industrial Research (IOBE) and of the Multinational Finance Society, participation in the Board of Trustees of Anatolia College, Member of the Academic Council of Cyprus International Institute of Management and Research Fellow at the Centre for Economic Policy Research, London
Claude Piret	Member	26 July 2018	2021	Independent Non-Executive Expert Member as prescribed by Art.10 of Greek Law 3864/2010 as in force. Risk experience/ Financial Services	-

Avraam Gounaris	Member	31 July 2019	2021	Economist / Financial Services	Chairman of the Board of Directors of Folli Follie group, participation in the Board of Directors of ECUSA and Euroconsultants
Wietze Reehoorn	Member	31 July 2019	2021	Independent Non-Executive Expert Member as prescribed by Art. 10 of Greek Law 3864/2010 as in force Risk, Strategy and Corporate Governance Experience	Participation as member of the Supervisory Council of Rijksuniversiteit Groningen and of Frans Hals Museum, Chairman of the Supervisory Council of Stichting Topsport Community, participation in the Board of Directors of ABE Bonnema Stichting and member/Director of Koninklijke Hollandsche Maatschappij der Wetencchappen
Andrew McIntyre	Member	26 July 2018	2021	Independent Non-Executive Expert Member as prescribed by Art.10 of Greek Law 3864/2010 as in force. Risk and Financial Audit Expertise	Participation in Board of Directors of Ecclesiastical Insurance Group plc, C. Hoare & Co, Lloyds Bank Corporate Markets plc, Chair of the Audit Committee at Hermes Property Unit Trust and at Cavamont Holdings Limited (non-directorships)
Elena Ana Cernat	Member	31 July 2019	2021	Banking/Digital Banking Experience	Participation in Board of Directors of Alior Bank Warsaw and Yoga Vidya Romania

Representative of the HFSF (Greek Law 3864/2010)

Periklis Drougkas	Member	26 July 2018	2021	Economist	Participation in the Board of Directors of Tirana Bank Sh. A.
Board and Board Committees' Secretary					
Panos Dasmanoglou		26 July 2018	2021	General Manager of Group Compliance and Corporate Governance	-

*** Date of election of the Members of the Board by the Annual General Meeting of Shareholders of 2018 and 2019 respectively.**

During 2019, the following changes took place as regards composition of the Board:

- On 24 January 2019, Mr. Dimitrios Kapotopoulos was elected as executive member of the Board of Directors, replacing the resigned executive member Mr. Dimitrios Dimopoulos.

- On 10 July 2019, at the Board of Directors meeting, Ms. Eva Cederbalk and Mr. Haris Makkas resigned from their positions as independent non-executive members of the Board of Directors. At the same date Mr. Yiannis Zographakis resigned from his position as non-executive member of the Board. Moreover, at the same meeting of the Board of Directors held on 10 July 2019, it was announced that Mr. Panos Dasmanoglou will no longer serve as executive member of the Board and will remain as General Manager at the Bank and Company Secretary, with the same duties.

- On 31 July 2019, Ms. Aikaterini Beritsi was elected as non-executive member of the Board by the Annual General Meeting of the Bank's Shareholders and was appointed Vice Chair of the Board of Directors. Moreover, the Annual General Meeting of the Bank's Shareholders elected Ms. Christina Theofilidi as executive member of the Board of Directors as well as Mr. Gikas Hardouvelis, Mr. Avraam Gounaris, Mr. Wietze Reehoorn and Ms. Elena Ana Cernat as new independent non-executive members of the Board.

- On 29 August 2019, at the Board of Directors meeting, the resignation of Mr. John McCormick from his position as independent non-executive member of the Board of Directors was announced.

HFSF influence

Pursuant to the HFSF Law and the Presubscription Agreement dated 28 May 2012, as amended and restated on 21 December 2012, the HFSF initially appointed a representative on the Bank's Board in 2012. The HFSF representative, according also to the stipulations of the Amended Relationship Framework Agreement between the Bank and the HFSF, participates in the Board Committees. Additionally, according the provisions of the Amended Relationship Framework Agreement between the Bank and the HFSF, the HFSF also appoints an Observer to the Board and Board Committees (without voting rights).

Pursuant to the 2015 Recapitalisation, the HFSF participated in the Bank's recapitalisation by contributing ESM notes and acquiring in exchange common shares with full voting rights representing 38.92% of the share capital of the Bank, and CoCos which were fully repaid on 15 December 2016. Additionally, the HFSF retains common shares with restrictions on the exercise of voting rights, as per article 7a of the HFSF Law as

in force, corresponding to 1.47% of the share capital of the Bank, which could have full voting rights shares upon certain conditions.

Subject to the Amended Relationship Framework Agreement applicable law and the Bank's Articles of Association, the Bank's decision making bodies will continue to determine independently, amongst others, the Bank's commercial strategy and policy in compliance with the Revised Restructuring Plan and the decisions on the day to day operation of the Bank will continue to rest with the Bank's competent bodies and officers, as the case may be, in accordance with their statutory, legal and fiduciary responsibilities.

Monitoring Trustee

From January to February 2013, monitoring trustees (each, a **Monitoring Trustee**), acting on behalf of the European Commission, were appointed in all banks under restructuring—including the Bank, in accordance with the commitments undertaken by the Hellenic Republic towards the European Commission in 2012, regarding banks under restructuring, in the Memorandum of Economic and Financial Policies, contained in the First Review of the Second Economic Adjustment Programme for Greece.

The Monitoring Trustees are respected international auditing or consulting firms approved by the European Commission on the basis of their competence, their independence from the banks and the absence of any potential conflict of interest. In each credit institution under restructuring, the Monitoring Trustees work on behalf and under the direction of the European Commission, within the terms of reference agreed with the European Committee (**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 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, the commitments undertaken by the Greek government see to the "*Description of the Group – History and Development of the Group – Revised Restructuring Plan as approved by the Directorate General for Competition on 10 May 2019 (the 2019 Revised Restructuring Plan)*" above.

The commitments include the commitments regarding the implementation of the restructuring plan and the commitments on corporate governance and commercial operations. The restructuring period shall end on 31 December 2020 at the latest. The commitments apply throughout the restructuring period unless the individual commitment states otherwise. The Monitoring Trustee has the duty to monitor the Bank's compliance with the Commitments.

The Monitoring Trustee submits relevant reports to the EC/ECB/IMF on a quarterly basis.

The Trustee monitors closely the Bank's commercial practices. The Monitoring Trustee participates as an observer in meetings of the Board and certain Board/Executive Committees and has full access to any of the Bank's records including Board minutes.

Board Committees

Six Committees, namely the Strategy and Transformation Committee, the Board Risk Committee, the Audit Committee, the Corporate Governance and Nominations Committee, the Human Resources and Remuneration Committee and the Ethics and Culture Committee, have been set up and operate at Board level. The Committee members are remunerated annually for their participation in each Committee.

Audit Committee

The Audit Committee was established in 1999 and operates in accordance with the provisions of the Bank of Greece Governor's Act No. 2577/2006 and Greek Law 4449/2017 (article 44).

The Committee is comprised of the following members:

Chair	Andrew McIntyre
Vice Chair	Claude Piret
Member	Aikaterini Beritsi
Member	Avraam Gounaris
Member	Periklis Drougkas (HFSF representative)

Human Resources and Remuneration Committee

The Human Resources and Remuneration Committee (**HRRC**) was established by Board decision (meeting no. 1259/5 May 2005).

The Committee is comprised of the following members:

Chair	
Vice Chair	Elena Ana Cernat (Acting Chair)
Member	Claude Piret
Member	Aikaterini Beritsi
Member	Periklis Drougkas (HFSF representative)

Corporate Governance and Nominations Committee

The Corporate Governance and Nominations Committee (**CGNC**) was established by Board decision (meeting no. 1259/5 May 2005).

The Committee 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 (**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 Committee 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 Committee is comprised of the following members:

Chair	Claude Piret

Vice Chair	Gikas Hardouvelis
Member	Andrew McIntyre
Member	Wietze Reehoorn
Member	Elena Ana Cernat
Member	Periklis Drougkas (HFSF representative)

Strategy & Transformation Committee

The Strategy Committee was established by Board decision (meeting no. 1387/29 September 2009) and was renamed the Strategy and Transformation Committee by Board Decision (meeting no. 1622/26.07.2018). The Committee 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 Committee is comprised of the following members:

Chair	Wietze Reehoorn
Member	Gikas Hardouvelis
Member	Claude Piret
Member	Avraam Gounaris
Member	Elena Ana Cernat
Member	Periklis Drougkas (HFSF representative)

Ethics & Culture Committee

The Ethics and Culture Committee (the "**ECC**") was established by Board decision (meeting no. 1622/26.07.2018), aiming to ensure, *inter alia*, the application of the highest standards of ethics and integrity throughout all of the activities of the Bank in accordance with international best practice.

The ECC is comprised of the following members:

Chair	Andrew McIntyre
Member	Avraam Gounaris
Member	Periklis Drougkas (HFSF representative)

Executive Committees

Senior Executive Committee

The Senior Executive Committee 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 Committee is comprised of the following members:

Chairman	Pavlos Mylonas	CEO
Member	Dimitrios Kapotopoulos	Executive Member of the BoD
Member	Christina Theofilidi	Executive Member of the BoD
Member	Vasileios Kavalos	General Manager - Group Treasury and

		Financial Markets
Member	Fotini Ioannou	General Manager - Special Assets
Member	Ioannis Vagionitis	General Manager of Group Risk Management, Chief Risk Officer
Member	Christos Christodoulou***	General Manager, Group CFO
Member	-	General Manager, Group COO**
Member	Ernestos Panayiotou	General Manager – Transformation and Business Strategy
Member without voting rights	Panos Dasmanoglou	General Manager of Group Compliance and Corporate Governance
Member without voting rights	Georgios Triantafillakis	General Manager of Legal Services

An Extended Executive Committee also operates which, additionally to the above members, is comprised of the following members:

Member	Evi Hatzioannou	General Manager of Group Human Resources Strategy & Development
Member	Ioannis Kyriakopoulos*	General Manager, Group Real Estate
Member	Chara Dalekou	General Manager of Group Marketing
Member	Kostas Adamopoulos	Assistant General Manager – Strategic Transactions
Member	Beate Randulf	Assistant General Manager - Chief Control Officer

* Mr Ioannis Kyriakopoulos participates in the Board of Directors of Athens Exchange Group and Prodea Investments (**PANGAIA**)

** Mr Nikos Christodoulou was General Manager, Group Chief Operating Officer and member of the Committee until 30.10.2018. In case of not filling the position of Chief Operating Officer of the Bank and the Group, Mr Stratos Molyviatis - Assistant General Manager, Group Chief Information Officer shall attend the meetings of the Executive Committee

*** Mr Christos Christodoulou participates in the Board of Directors of Flexfin LTD

Asset and Liability Committee

ALCO was established in 1993. The Committee'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.

The Committee is comprised of the following members:

Chairman	Pavlos Mylonas	CEO

Deputy Chairman & Member	Ioannis Vagionitis	General Manager of Group Risk Management, Chief Risk Officer
Member	Dimitrios Kapotopoulos	Executive Member of the BoD
Member	Christina Theofilidi	Executive Member of the BoD
Member	Christos Christodoulou	General Manager, Group CFO
Member	Vasileios Kavalos	General Manager - Group Treasury and Financial Markets

The Committee 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.

The Committee members do not receive any remuneration for their participation in the Committee.

Executive Credit Committee

The Executive Credit Committee was established in 2008 and its purpose is the optimisation and the sound operation of the risk taking limits.

The Committee is comprised of the following members*:

Chairman	Pavlos Mylonas	CEO
Member	Dimitrios Kapotopoulos	Executive Member of the BoD
Member	Ioannis Vagionitis	General Manager of Group Risk Management, Chief Risk Officer
Member	Constantinos Vossikas	General Manager, Chief Credit Officer

* In the case of meetings where issues regarding corporate special assets are discussed, Mrs Fotini Ioannou, General Manager Special Assets, participates in the Committee.

Disclosure and Transparency Committee

The Disclosure and Transparency Committee was established in 2003. Its purpose is to monitor the accuracy and completeness of the information included in public announcements and in any publications issued by the Bank monitoring and submission of proposals for the improvement of the procedures carried out for the collection, assessment and timely disclosure of information required by the relevant legal framework, and generally for compliance with the legal and regulatory framework concerning the obligations for accurate and timely disclosure of information.

The Committee is comprised of the following members:

Chairman	Pavlos Mylonas	CEO
Member	Dimitrios Kapotopoulos	Executive Member of the BoD
Member	Christina Theofilidi	Executive Member of the BoD
Member	Panos Dasmanoglou	General Manager of Group Compliance and Corporate Governance
Member	Christos Christodoulou	General Manager, Group CFO

Member	-	General Manager, Group COO*
Member	Marinis Stratopoulos	General Manager of International Activities
Member	Georgios Triantafillakis	General Manager of Legal Services
Member	Ioannis Vagionitis	General Manager of Group Risk Management, Chief Risk Officer
Member	Georgios Kaloritis	General Manager, Group Chief Audit Executive
Member	—	Assistant General Manager Group Finance**
Member	Vasileios Kavalos	General Manager - Group Treasury and Financial Markets

* Mr Nikos Christodoulou was General Manager, Group Chief Operating Officer and member of the Committee until 30.10.2018

** Mr Nikos Voutychtis was Assistant General Manager of Group Finance and member of the Committee until 12.02.2016 when he resigned from the Bank

Provisions and Write Offs Committee

The Committee 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 Committee to be liable of a loss in value in accordance with the relevant "Provisions and Write Offs Policy" of the Group.

The Committee is comprised of the following members:

Chairman	Pavlos Mylonas	CEO
Member	Christos Christodoulou	General Manager, Group CFO
Member	Ioannis Vagionitis	General Manager of Group Risk Management, Chief Risk Officer

Crisis Management Committee

The Crisis Management Committee was established in 2012 and is the supreme executive body with responsibilities over the Business Continuity Plan (**BCP**). The Committee acts upon every sudden and unforeseen change of conditions (relating to operational, business, environmental and personnel issues etc.), which can lead to a crisis that may have strategic impact consequences, and aims to effectively coordinate the actions necessary to deal with unforeseen situations which may jeopardise the smooth operation of the Bank. Specifically, it is in charge of informing, mobilising and coordinating the Bank's relevant units, taking into account the nature, extent and the size of the crisis; and solving problems that require immediate attention.

The Committee is comprised of the following members:

Chairman	Pavlos Mylonas	CEO
Member	Dimitrios Kapotopoulos	Executive Member of the BoD
Member	Christina Theofilidi	Executive Member of the BoD
Member	Evi Hatzioannou	General Manager of Group Human Resources Strategy & Development
Member	-	General Manager, Group COO*
Member	Georgios Kaloritis	General Manager, Group Chief Audit Executive
Member	Christos Christodoulou	General Manager, Group CFO
Member	Georgios Triantafillakis	General Manager of Legal Services
Member	Ioannis Vagionitis	General Manager of NBG Group Risk Management, Chief Risk Officer
Member	Stylianos Dionysopoulos	Head of Group Security Division

* Mr Nikos Christodoulou was General Manager, Group Chief Operating Officer and member of the Committee until 30.10.2018

Compliance and Reputational Risk Committee

The Compliance and Reputational Risk Committee was established in 2013. The Committee ensures the adequacy of the Bank's and the Group's controls that enable compliance with the regulatory framework as well as with the Policies of the Bank and the Group. Additionally, the Committee ensures that the management of reputational risk is in accordance with the risk appetite that has been approved by the Board and with the creation of long-term value for shareholders.

The Committee is comprised of the following members:

Chairman	Pavlos Mylonas	CEO
Deputy Chair and Member	Panos Dasmanoglou	General Manager of Group Compliance and Corporate Governance
Member	Christina Theofilidi	Executive Member of the BoD
Member	Dimitrios Kapotopoulos	Executive Member of the BoD
Member	Ioannis Vagionitis	General Manager of NBG Group Risk Management, Chief Risk Officer
Member	Georgios Triantafillakis	General Manager of Legal Services
Member	Chara Dalekou	General Manager of Group Marketing

Potential Conflicts of Interests

There are no potential conflicts of interest between the duties to the Bank of the persons listed above and their private interests and/or other duties.

Employees

As at 30 June 2019, the Bank employed a total of 8,434 staff of which 281 are in the Bank's foreign branches, compared to 8,853 and 271 respectively, as at 31 December 2018. Additionally, the Group's subsidiaries in Greece and abroad employed approximately 3,678 employees as at 30 June 2019, compared to 3,759 as at 31 December 2018.

Most of the Bank's employees belong to a union and the Greek banking industry has been subject to strikes over the issues of pensions and wages. Bank employees throughout the Hellenic Republic went on strike for 6 days in 2018.

REGULATION AND SUPERVISION OF BANKS IN GREECE

The Group is subject to financial services laws, regulations, administrative acts and codes applying in each jurisdiction in which it operates.

Further to this, the Group is subject to the European Union regulatory framework and Greek laws and regulations and to supervision by the ECB/SSM and the Bank of Greece.

Single Supervisory Mechanism (SSM)

Council Regulation (EU) No 1024/2013 (**Regulation 1024/2013**) established the SSM for Eurozone credit institutions. The SSM maintains an important distinction between significant and non-significant entities, which will be subject to differing supervisory regimes. The Bank is included in the list of significant supervised entities which the ECB updates and publishes regularly (last update 1 October 2019). 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 EU member state establishing a branch or providing cross border services in EU member states that are not part of the Eurozone, to carry out the tasks of the competent authority of the home EU 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 one of the EU member states; 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 1163/2014 lays down the methodology and procedure regarding the annual supervisory fees which are born by the supervised credit institutions.

In Greece, as an EU 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 categorized as "significant" or "less significant": the ECB directly supervises significant banks, whereas the NCAs are in

charge of supervising less significant banks, with the ECB exercising indirect supervision. The Bank is currently categorised as "significant" and is therefore subject to direct supervision by the ECB. The day to day supervision is conducted by Joint Supervisory Teams, which comprise staff from both NCAs and the ECB.

Supervisory Review Evaluation Process

The Bank is subject to continuous evaluation of its capital adequacy in the context of the SSM and could be requested to operate with higher than minimum regulatory capital and/or liquidity ratios. Such evaluations are carried out by the ECB mainly through the SREP.

Following the completion of SREP for 2018, the ECB notified the Group of its new total SREP capital requirement (**TSCR**), which applies from 1 March 2019. According to this decision, the ECB requires the Bank to maintain, on a consolidated and on an individual basis, a TSCR of 11%.

The TSCR of 11% includes:

- the minimum Pillar I own funds requirement of 8% to be maintained at all times in accordance with Article 92(1) of the CRR (as defined below), and

- an additional Pillar II own funds requirement of 3% to be maintained at all times in accordance with Article 16(2)(a) of Regulation 1024/2013, to be made up entirely of Common Equity Tier 1 (**CET1**) capital.

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

In addition to the TSCR, the Group is also subject to the Overall Capital Requirement (**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 below).

The combined buffer requirement is defined as the sum of:

- a capital conservation buffer (the **Capital Conservation Buffer**);

- the institution specific Countercyclical Capital Buffer (**CcyB**); and

- the systemic risk buffer (**Systemic Risk Buffer**) / systemically important institutions buffer (**Systemically Important Institutions Buffer**), as applicable.

The Capital Conservation Buffer stands at 2.5% for 2019 for all banks in the EU.

The CcyB is implemented as an extension of the Capital Conservation Buffer and has the primary objective of protecting the banking sector from periods of excess aggregate credit growth that have often been associated with the build-up of system-wide risk. It is calculated as the weighted average of the buffers in effect in the jurisdictions to which a credit institution has significant credit exposures. Bank of Greece defined its methodology for determining the CcyB in 2015 and consecutively set the CcyB at 0% for Greece throughout 2016, 2017, 2018 and 2019 (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 and 161/2019). The CcyB is also currently 0% in all other countries in which the Group has significant exposures. Thus, the institution specific CcyB for the Group is currently 0%.

For O-SIIs an additional capital buffer is applied, which is 0.25% for 2019 (for 2020 it will be increased to 0.50%) for all four credit institutions that where characterised as O-SIIs in Greece (including the Bank) (Bank of Greece, Executive Committee Act no 151/30.10.2018, Bank of Greece, Executive Committee Act no 163/1/1.11.2019). See further "*Capital Requirements/Supervision*" below.

Revert to Standardised Approach for Capital Requirements Calculation

In 2008 (i.e. upon implementation of the Basel II framework) the Bank obtained the approval of the NCA to use the Internal Rating's Based (**IRB**) approach for calculating own funds requirements for credit risk for the corporate (including Specialised Lending) and its residential mortgage exposures. In 2013, the Bank expanded the use of the IRB approach after relevant application in order to calculate own fund requirements for credit risk for the retail SME exposures.

Up to 31 December 2013, the regulatory documents governing the Standardised Approach (**SA**) and the IRB approach were the Bank of Greece Governor's Acts 2588/20.8.2007 and 2589/20.8.2007 respectively. As of 1 January 2014 these documents were superseded by the CRR. The change of the regulatory framework did not alter the approaches used to calculate the own funds requirements for credit risk as regards the Bank's portfolios.

The Bank had been using the Foundation-IRB approach (without own estimates of LGD or Conversion Factors) regarding its corporate exposures (including Specialised Lending) and the Advanced-IRB approach (with own estimates of LGD and/or Conversion Factors) regarding its residential mortgage and retail SME portfolios until the first quarter of 2019. In particular, 46% of total exposures were subject to credit risk under IRB, 18% under Advanced IRB and 28% under Foundation IRB respectively. The own funds requirements for credit risk for all other portfolios are calculated using the SA.

In July 2018 the Bank applied to the ECB for permission to revert to the use of the SA for the calculation of the risk-weighted exposure amounts currently under the IRB approach, in accordance with Article 149 of the CRR and following relevant approval by the Bank's Executive Committee and Board of Directors.

The main rationale for the reversal to the use of the SA request is the need for the Bank to prioritise on resources and investments towards addressing the most critical challenges such as the implementation of an ambitious strategy for the reduction of the stock of NPEs and operational costs reduction. Thus, the restriction of operational burden caused by the full roll-out and maintenance of the IRB Approach will allow the Bank to focus in the medium term on areas of strategic importance. Furthermore, RWAs will be more stable and predictable while an adverse immediate impact will be offset by the benefits of the planned NPE reduction.

NBG, following application for permission to migrate its credit IRB portfolios to Standardised Approach, has received a decision by ECB on permission to revert to the SA for calculating own funds requirements for credit risk as of 21 May 2019.

The reversal to the SA for calculating own funds requirements for credit risk was completed in the second quarter of 2019 and the Bank officially reported the capital requirements under the SA for the whole portfolio as of 30 June 2019.

The Bank will preserve its internal modelling infrastructure and intends to take advantage of the experience gained with credit risk models in order to maintain and develop further the use of the models and enhance modelling capabilities used for risk management purposes covering the following areas indicatively: a) credit approval and risk based pricing; b) IFRS 9 and credit risk adjustments calculation; c) risk management controls and monitoring; d) early warning systems; e) EVA and RAPM modelling and f) internal capital assessment and allocation.

EU-wide stress test 2020

On 31 January 2018 the ECB commenced the stress test exercise (the **2018 Stress Test**) relating to the four systemic Greek banks (Alpha Bank, Eurobank, the Bank and Piraeus Bank) with the publication of the macroeconomic scenarios to be used by the banks. The stress test of the four systemic Greek banks was conducted on an accelerated timeline compared to the other in-scope banks in order to allow the results to be published before the end of the current European Stability Mechanism Program for Greece (August 2018), but following the same EBA approach and methodologies as that applied to the other EU banks. The results for the four systemic Greek banks were announced by the Supervisory Board on 5 May 2018, and showed that in the adverse scenario, the average CET1 capital depletion was 9 percentage points, equivalent to EUR 15.5 billion. Following the supervisory dialogue, the Bank was informed that the stress test outcome, along with other factors, have been assessed by SSM's Supervisory Board pointing to no capital shortfall and that no capital plan was deemed necessary as a result of the exercise.

On 7 November 2019, the EBA published a press release[3] 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 will be formally launched in January 2020 and the results published by 31 July 2020.

Similar to the 2018 exercise, the 2020 EU-wide stress test is a bottom-up exercise with constraints, including a static balance sheet assumption. The aim of the EU-wide stress test is to assess the resilience of EU banks to a common set of adverse economic developments in order to identify potential risks, inform supervisory decisions and increase market discipline. The exercise is primarily focused on the assessment of the impact of risk drivers on the solvency of banks. Banks are required to stress a common set of risks and in addition, banks are requested to project the impact of the scenarios on net interest income and to stress P&L and capital items not covered by other risk types.

According to the EBA's press release, the key milestone dates of the 2020 EU-wide stress test exercise are:

- Launch of the exercise at the end of January 2020;
- First submission of results to the EBA at the beginning of April 2020;
- Second submission to the EBA in mid-May 2020;
- Final submission to the EBA in mid-July 2020; and
- Publication of results by end-July 2020.

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

[3] https://eba.europa.eu/eba-publishes-2020-eu-wide-stress-test-methodology-and-draft-templates

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 authorized in the Member States participating in the SSM and the SRM. The European banking sector pays contributions to the Fund. The Council Implementing Regulation (EU) 2015/81 provides for an adjustment mechanism to avoid distortions between institutions and achieve a balanced distribution of contributions between the different types of institutions. This Regulation lays down rules specifying the conditions for implementing of the obligation of the SRB to calculate the contributions for individual institutions pursuant to Regulation (EU) 806/2014 to the Fund and the methodology for the calculation of those contributions, introducing also by derogation of the general methodology an adjusted methodology for an initial transitional period of eight years by way of a gradual phasing in of the SRM methodology. In May 2017 European Commission Delegated Regulation (EU) 2017/747 of 17 December 2015 entered into force, providing for criteria relating to the calculation of *ex ante* contributions, and the circumstances and conditions under which the payment of extraordinary *ex post* contributions to the Fund may be partially or entirely deferred.

The SRM works as follows:

- The SSM, as the supervisor, would signal when a bank in the euro area or established in an EU 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 Directive 2013/36/EU of the European Parliament and of the Council on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms (the **CRD IV Directive**), which has been transposed into Greek legislation by Greek Law 4261/2014 (the **CRD Law**), and Regulation (EU) No 575/2013 of the European Parliament and of the Council on prudential requirements for credit institutions and investment firms (the **CRR** and together with the CRD IV Directive, **CRD IV**) which is legally binding and directly applicable in all EU 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 and 2019 (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 EU 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. For globally systemically important institutions the additional buffer ranges between 1% and 3.5%, whereas for O-SIIs it could

reach 2%. Bank of Greece specified a 0% capital buffer for 2016, 2017 and 2018 for all four institutions in Greece that were characterized as O-SIIs (including the Bank). However, starting from 2019, a buffer of 1% was gradually phased in during a four year period (2019: 0.25%, 2020: 0.5%, 2021: 0.75%, 2022: 1%).

- ***Deductions from Common Equity Tier 1.*** CRD IV revised the definition of items that should be deducted from regulatory capital. In addition, most of the items that were required to be deducted from regulatory capital are now deducted in whole from the CET1 component;

- ***Central Counterparties.*** To address the systemic risk arising from the interconnectedness of credit institutions and other financial institutions through the derivatives markets, the new framework is supporting the efforts of the committee on payments and settlement systems and International Organization of Securities Commissions (**IOSCO**) to establish strong standards for financial market infrastructures, including central counterparties (**CCPs**). A 2.0% risk weight factor is introduced to certain trade exposures to qualifying CCPs (replacing the current 0% risk weighting). The capitalisation of credit institution exposures to CCPs will be based in part on the compliance of the CCP with the IOSCO standards (since non-compliant CCPs will be treated as bilateral exposures and will not receive the preferential capital treatment referred to above);

- ***Counterparty Credit Risk.*** CRD IV is raising counterparty credit risk management standards in a number of areas, including for the treatment of so-called wrong way risk, i.e., cases where the exposure increases when the credit quality of the counterparty deteriorates. For example, the proposal includes a capital charge for potential mark to market losses associated with a deterioration in the creditworthiness of a counterparty (i.e. CVA risk) and the calculation of expected positive exposure by taking into account stressed parameters;

- ***Leverage Ratio.*** CRD IV introduced an unweighted Tier I leverage ratio (the Leverage Ratio) that applies for all credit institutions as part of the Pillar II framework from 1 January 2013. The ratio has migrated to a Pillar I minimum requirement now that CRR II (as defined below) has entered into force;

- ***Liquidity Requirements.*** From 1 October 2015, CRD IV progressively introduced a liquidity coverage ratio (which defines an amount of unencumbered, high quality liquid assets that must be held by a credit institution to offset estimated net cash outflows over a 30-day stress scenario, and has been phased in gradually, starting at 60% in 2015, and set at 100% in 2018) (the **LCR**). CRD IV also provides for a net stable funding ratio (which defines an amount of longer term, stable funding that must be held by a credit institution over a one-year timeframe based on liquidity risk factors assigned to assets and off balance sheet exposures) (the **NSFR**). On 8 March 2017, the EBA published the final guidelines on the liquidity coverage ratio disclosure. The final guidelines provide harmonised disclosure templates and tables for liquidity coverage ratio disclosure without altering the general disclosure framework provided for in the CRR. Moreover, on 17 April 2018 the EBA published its final draft of implementing technical standards amending the European Commission's Implementing Regulation (EU) No. 680/2014 on supervisory reporting. The updated implementing technical standards include changes to additional monitoring metrics for liquidity; and

- ***Maximum Distributable Amount.*** Pursuant to Article 131 of the CRD Law, the Bank may not make discretionary payments (as defined in the CRD Law), beyond the Maximum Distributable Amount.

It should be noted that Regulation (EU) 2019/876 amended Regulation (EU) No 575/2013 as regards the leverage ratio, the net stable funding ratio, requirements for own funds and eligible liabilities, counterparty credit risk, market risk, exposures to central counterparties, exposures to collective investment undertakings, large exposures, reporting and disclosure requirements, and Regulation (EU) No 648/2012. This Regulation shall apply from 28 June 2021 subject to certain exceptions.

In addition to CRD IV, the EBA produces a number of binding technical standards, guidelines and recommendations for its implementation.

Together with Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 (see below "*Bank Recovery and Resolution Directive*") CRD IV forms the common financial regulatory framework in the EU, also known as 'the Single Rulebook'.

In addition to the substantial changes in capital and liquidity requirements introduced by Basel III and CRD IV, there are several new global initiatives, in various stages of finalisation, which represent additional regulatory pressure over the medium term and will impact the EU's future regulatory direction. These initiatives include, among others, the Markets in Financial Instruments Regulation (Regulation (EU) No 600/2014), applicable since 3 January 2018 and a revised Markets in Financial Instruments Directive (Directive 2014/65/EU) transposed into national legislation by Greek Law 4514/2018 published in Government Gazette Issue A No.14 of 30 January 2018.

In addition, on 23 November 2016, the European Commission published legislative proposals for amendments to the CRR, CRD IV Directive, the BRRD and the SRM Regulation (together, the **EC Proposals**), which proposals were subsequently amended during the approval process prior to formal approval of the final text by the European Council in May 2019. The final text was published in the Official Journal of the European Union on 7 June 2019 and entered into force on 27 June 2019. Among other things, these proposals aim to implement a number of new Basel standards (such as the leverage ratio, the net stable funding ratio, market risk rules and requirements for own funds and eligible liabilities) and to transpose the Financial Stability Board's Total Loss Absorbing Capacity termsheet into European law. The CRD IV Directive has subsequently been amended by the publication of Directive (EU) 2019/878 of the European Parliament and of the Council of 20 May 2019 (the **CRD V Directive**) and the CRR has subsequently been amended by the publication of Regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019 (**CRR II**). The CRD V Directive and CRR II were both published in the Official Journal of the European Union on 7 June 2019 and entered into force on 27 June 2019. Member States shall 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.

Solvency II

As at 1 January 2016 Greek Law 4364/2016 came into force, replacing the previously existing Presidential Decree 400/70 and establishing in Greece the new Solvency II framework as detailed in Directive 2009/138/EC, which is a fundamental revision of the capital adequacy regime for the European insurance sector business.

Bank Recovery and Resolution Directive

On 15 May 2014, the European Parliament and the Council of the European Union adopted Directive 2014/59/EU establishing a framework for the recovery and resolution of credit institutions and investment firms (the **BRRD**). It 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 EU member states, relying on a network of national resolution authorities and resolution funds to resolve banks. Directive (EU) 2017/2399 (Directive 2017/2399), which was transposed into Greek Law by Law 4583/2018 (published in the Government Gazette Issue A No. 212/18.12.2018), amends BRRD as regards the ranking of unsecured debt instruments in insolvency hierarchy.

By virtue of Greek Law 4335/2015 (the **BRR Law**), and in particular Article 2 "Recovery and resolution of credit institutions and investment firms and other provisions", the BRRD was transposed into Greek Law and the Bank of Greece has been designated as the national resolution authority (the **National Resolution Authority**). Greek Law 4335/2015 provides among others for the following:

(a) **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.

(b) **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:

(i) 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,

(ii) 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,

(iii) 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,

(iv) 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,

(v) 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,

(vi) requires the updating of the business strategy of the credit institution,

(vii) requires changes in the legal or business structures of the credit institutions, and

(viii) 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.

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 stabilization 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 an EU 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

Directive 2014/65/EU on markets in financial instruments repealing MiFID I (**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 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 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 shall, with certain exceptions, adopt and publish by 28 December 2020 the measures necessary to comply with the CRD V Directive.

The Greek Law 4261/2014 (**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 Law 4261/2014;
- Revoke, in cooperation with the ECB according to Regulation 1024/2013, the license of the bank.

In the context of the SSM, the ECB and the NCAs (the Bank of Greece in Greece), Regulation 1024/2013 stipulates the supervisory tasks conferred upon the SSM and Regulation 468/2014 determines the framework of cooperation within the SSM.

The regulatory framework applicable to the Bank has been also affected by the establishment of the HFSF and the recapitalization framework. Moreover, Regulation (EU) 2016/445 specifies certain of the options and discretions conferred on competent authorities under Union law concerning prudential requirements for credit institutions that the ECB is exercising.

The Hellenic Financial Stability Fund – The Greek Recapitalisation Framework

Formation of the Hellenic Financial Stability Fund

The HFSF was established by Greek Law 3864/2010 (the **HFSF Law**), as a private law entity with capital funded by the Greek government out of the resources made available by the EU and the IMF to ensure adequate capitalization of the Greek banking system. Additionally, Greek Law 4389/2016 (article 188) prescribes HFSF as a subsidiary of Hellenic Corporation of Assets and Participations. It should be noted that Hellenic Corporation of Assets and Participations does not belong to the Greek public sector.

The purpose of the HFSF, according to the HFSF Law, is to maintain the stability of the Greek banking system for protection of the public interest. The duration of the HFSF has been set until and including 31 December 2022 and it may be extended upon decision of the Greek Minister of Finance, provided that such extension is necessary for the fulfillment of its purposes.

Amended Relationship Framework Agreement

Following the participation of the HFSF in the Bank's share capital in 2013, the Bank and the HFSF entered into the Relationship Framework Agreement. In connection with its receipt of State Aid as part of its recapitalization in December 2015, the Bank entered into an Amended Relationship Framework Agreement (Amended Relationship Framework Agreement) with the HFSF on 3 December 2015. This Amended Relationship Framework Agreement replaced the earlier Relationship Framework Agreement entered into by the Bank in 2013.

According to the Amended Relationship Framework Agreement, the HFSF should, among others (i) monitor and assess how the Bank complies with the applicable restructuring plan, (ii) exercise its shareholding rights in compliance with the rules of prudent management of its assets and in compliance with State Aid and competition rules of the European Union, (iii) ensure that the Bank operates on market terms, and (iv) that in

due time the Bank returns to private ownership in an open and transparent manner. The Amended Relationship Framework Agreement determines the relationship between the Bank and HFSF certain matters relating to, amongst others: (a) the corporate governance of the Bank, (b) the Revised Restructuring Plan and its monitoring, (c) the monitoring of the implementation of the Bank's NPL management framework and of the Bank's performance on NPL resolution. In addition, the Amended Relationship Framework Agreement deals with, (d) the obligations that are defined as material for the purposes of the Amended Relationship Framework Agreement, including for the switch to full voting rights, (e) the monitoring of Bank's actual risk profile against the approved risk and capital strategy, (f) the HFSF's consent for matters that are defined as material for the purposes of the Amended Relationship Framework Agreement and, in particular, for the HFSF's consent request, (g) litigation and other proceedings that are defined as material for the purposes of the Amended Relationship Framework Agreement and concern the Group, and (h) the duties, rights and obligations of HFSF's representative on the Board. Moreover, the Amended Relationship Framework Agreement states that, subject to its provisions, the applicable law, and the charter documents, the Bank's decision making bodies will continue to determine independently, amongst others, the Bank's commercial strategy and policy in compliance with the currently applicable restructuring plan and the decisions on the day-to-day operation of the Bank will continue to rest with the Bank's competent bodies and officers, as the case may be, in accordance with their statutory, legal and fiduciary responsibilities.

The Amended Relationship Framework Agreement prescribes the appointment of the HFSF representative to the Board of Directors and the appointment of an observer (without voting rights) also participating at the Board of Directors. Additionally, as prescribed by the Amended Relationship Framework Agreement, both the representative and the observer participate in the Board Committees.

According to the provisions of the applicable framework as outlined previously, the HFSF representative's rights as prescribed within the Amended Relationship Framework Agreement include the following:

(a) 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.

(b) 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.

(c) 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.

(d) 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:

(a) 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;

(b) to request that the committee is convened within the next seven (7) days from the HFSF representatives' written request to the Chairman of the committee. The relevant request shall include the proposed items of the agenda. If the Chairman of the committee does not proceed to the convocation of the committee within the above deadline or does not include all the proposed items in the invitation, then the HFSF representative shall be entitled to convoke the committee within five (5) days as of the expiry of the above seven (7) days period.

Further, the Amended Relationship Framework Agreement prescribes in detail requirements for the Bank to inform the HFSF representative and the HFSF Observer, including on the activities and decisions of Board committees in which they participate.

Under the Amended Relationship Framework Agreement, the Bank has the obligation to obtain the prior written consent of the HFSF for all material matters set forth within the agreement, including, among others, the Revised Restructuring Plan, including any amendment, extension or revision of the Plan, the Group policy governing relations with connected borrowers and any amendment, extension, revision or deviation thereof, the Group Risk and Capital strategy document(s) especially the risk appetite statements and risk governance and any amendment, extension, revision or deviation thereof, the Group Investment/Divestment Policy regarding participations, real estate and loan portfolios and any amendment, extension, revision or deviation thereof, and other matters particularly prescribed within the Amended Relationship Framework Agreement as material materials requiring prior-written consent and according to the exceptions the Amended Relationship Framework Agreement prescribes.

If the Bank breaches or defaults in performing or complying with or fails to perform or comply with any of its material obligations, the HFSF shall give to the Bank a default notice specifying such breach, default or failure and, in the case of a breach, default or failure capable of remedy, stipulating a period during which such breach, default or failure shall be remedied. Provided that such period is accepted by the HFSF, and if such event is still outstanding after a remedy period has been provided by the HFSF, whenever such period is applicable, and without prejudice to any other rights of the HFSF under the HFSF Law and the Amended Relationship Framework Agreement, restrictions of the HFSF's voting rights concerning the portion of shares to which these apply, shall be lifted and the HFSF shall have full voting rights with respect to the particular shares now subject to restrictions in accordance with article 7A of the HFSF Law, upon notification to the Bank of the respective decision of the General Council of the HFSF.

The Amended Relationship Framework Agreement requires that:

(a) The Bank shall at each time adopt and apply a corporate governance structure that ensures the implementation of the Amended Relationship Framework Agreement, compliant at any time with the requirements of the HFSF Law, the contractual obligations and the Revised Restructuring Plan.

(b) The Bank shall provide to the HFSF the documents, as required, in order to ensure the effective monitoring of the implementation of the Revised Restructuring Plan and NPL management framework, to effectively allow the HFSF to perform its statutory role. In December 2016 the Board Risk Committee Charter was revised, such that the Committee has a dual role, having specific competence over NPLs/NPEs and operating as the Bank's special Committee that deals with NPLs in accordance with article 10 Paragraph 8 of the HFSF Law.

(c) 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.

(d) In case of any actual or reasonably foreseeable adverse deviations in the Bank's or the Group's performance and risk profile, relative to the base scenario of the Revised Restructuring Plan, or relative to the budget, or with respect to the Risk and Capital Strategy if adverse deviations have already been approved by the HFSF through the approval of the budget, the Board should promptly submit its recommended corrective strategic actions to the HFSF for its review and consent.

(e) Performance against the Revised Restructuring Plan as well as progress on key initiatives undertaken by the Bank (e.g. Divestments, Integrations, etc.) will be monitored as follows:

  (i) Regular meetings between the Bank's management and the HFSF.

  (ii) A formal monitoring review of performance against the Revised Restructuring Plan or relative to the budget, if adverse deviations have already been approved by the HFSF through the approval of the budget (see above), will be conducted on a quarterly basis, in line with the Bank's results reporting cycle. For the purpose of the monitoring reviews, the Bank will provide the HFSF with a report on its financial and business performance against the Revised Restructuring Plan or relative to the budget, if adverse deviations have already been approved by the HFSF through the approval of the budget (see above) quarterly targets, clearly highlighting performance to date against the currently applicable restructuring plan targets as well as against budget, key initiatives and expected impact for the next four quarters rolling and identifying any adverse deviations from the targets and associated corrective measures /initiatives, which must be approved by the HFSF.

(f) The HFSF will monitor and evaluate the performance of the Bank's Board of Directors and its Committees.

(g) 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.

(h) 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.

(i) The Board should approve the following policies and amendments thereof: the Bank's Group Strategy, Policy and Governance regarding the management of its Arrears and Non-Performing Loans, Conflict of Interest policy, Related Party Transactions policy, Provisioning & Write-off policy, Sponsorship/Donation policy, Outsourcing policy, Board /Committees self-assessment policy.

The Amended Relationship Framework Agreement shall remain in force for as long the HFSF holds shares issued by the Bank, irrespective of its participation percentage. However, if its participation percentage falls below 15% of the Bank's share capital, only certain clauses of the Amended Relationship Framework

Agreement shall remain in force, as particularly prescribed within the Amended Relationship Framework Agreement.

The Amended Relationship Framework Agreement is available at HFSF's website www.hfsf.gr/en/agreements_2015.htm (section: agreements). The information on this website is not incorporated by reference in this Base Prospectus.

Disposal of Shares

The HFSF will decide on the way and procedure for disposing its shares at a time it deems appropriate, whether in a single transaction or a series of transactions, and in any case within five years from entry into force of Greek Law 4340/2015 and in compliance with the EU state aid rules. The disposal of shares within the time limits stipulated above may not be made to any entity belonging directly or indirectly to the Hellenic Republic, in accordance with Greek law. The Greek Minister of Finance, following a proposal by the HFSF, can extend the above- mentioned periods.

Specific Information on the Warrants issued by the HFSF

According to article 7 paragraph 4 of the HFSF Law, as in force and of Cabinet Act 38/2012 (as amended) issued on 26 June 2013, 245,779,626 warrants were granted to private investors participating in the capital increase of the Bank in 2013 according to the HFSF Law and Cabinet Act 38/2012. Trading of the warrants on the Athens Exchange began on 27 June 2013.

Warrants were transferable securities with no restrictions concerning their transfer. Each warrant incorporated the right of its holder to purchase HFSF shares, the corresponding number of which is determined based on the provisions of Cabinet Act 38/2012, as amended and in force. The warrants did not provide voting rights to holders or owners thereof.

The warrants could be exercised every six months, with the first exercise date being six months following their issuance and the last exercise date being fifty-four (54) months following their issuance. The ninth and final exercise date (27 December 2017) was the date of expiry of the warrants.

After the end of the ninth and final exercise process (27 December 2017), and following the settlement of participation orders including the fractional shares, 2,538 warrants in total on shares issued by the Bank and owned by the HFSF were exercised. The exercised warrants corresponded to 1,391 common shares, i.e. to 0.00002% of the total share capital, increasing commensurately the Bank's free float. The total consideration paid by the warrant holders to the HFSF amounted to EUR 112,803.57.

In accordance with the provisions of the HFSF Law and Cabinet Act 43/2015, which amended Cabinet Act 38/2012, the warrants which were not exercised until that date automatically expired and were cancelled by the HFSF after the settlement date of the exercise orders on 29 December 2017.

Monitoring Trustee

Information in respect of the Monitoring Trustee is included in "*Management and Employees – Monitoring Trustee*" above.

Capital Controls

As of 1 September 2019, the restrictions on cash withdrawals and capital transfers have been repealed by virtue of article 86 of Law 4624/2019. All relevant Ministerial Decisions and Decisions of the Committee for the approval of banking transactions that were adopted during the period that the restrictions on cash withdrawals and capital transfers were in force have been repealed by the abovementioned article of Law 4624/2019 as well.

Settlement of business and corporate debts

Greek Law 3816/2010, passed in January 2010, allowed borrowers who are physical or legal persons to apply for the settlement of professional and corporate debts, whether or not due (from 1 January 2005 onwards) to lending banks. To take advantage of the relevant provisions, an application must have been submitted by the debtor to the relevant bank by 15 April 2010.

Settlement of Amounts Due by Indebted Individuals

On 3 August 2010, Greek Law 3869/2010 (see also "*Restrictions on Enforcement of Granted Collateral*" below) was put in force with respect to the "settlement of amounts due by indebted individuals" and amended thereafter by various laws. The Greek Law 3869/2010 allows the settlement of amounts due by individuals evidencing permanent and general inability to repay their debts, by submitting an application for a three-year settlement of their debts and writing off the remainder of their debts, in accordance with the terms of the settlement agreed. All individuals, consumers and professionals are subject to the provisions of Greek Law 3869/2010, with the exception of individuals already subject to mercantile law.

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

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

Greek Law 3869/2010 was also amended by Greek Law 4549/2018, which introduced some changes that provide, among others, (a) that the acceptance of the inherited indebted property does not constitute, without the existence of other factors, ground for the rejection of the application, (b) a waiver of the banking secrecy against the debtor has to be given by the latter, (c) the formalities for the partial funding by the Hellenic Republic of the amount of monthly payments set by court decision and the enforcement procedure on the debtor's assets, (e) the consequences of the debtor's death and (f) a recourse right for co-borrowers and guarantors.

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

During the hearing date of the application, if the creditors do not accept the debtors' settlement plan, or if objections are submitted by some creditors and not substituted according to the above, the court confirms the

existence of the disputed claims, the fulfillment of the conditions for settlement of debts and the borrower's relief. If the borrower's real estate property is not sufficient, after deducting the required amount for the coverage of the reasonable living expenses of the borrower and the members protected by the latter, including social security expenses borne by the borrower, the court orders the monthly payment of the remaining amount for the satisfaction of creditors' claims, pro rata distributed and for a period of three (3) years, pursuant to the borrowers' income and its real estate property.

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

If there are assets that can be liquidated and their liquidation is deemed necessary, a liquidator is appointed by the court. Special provisions were set for the protection of the main residence of the debtor, for applications that will be submitted until 31 December 2018. In case that the debtor does not fulfill the obligations under the settlement plan or intentionally delays four consecutive monthly payments on a yearly basis or payments so that the due amount cumulatively exceeds the value of four (4) monthly installments annually, the court allows the creditor to commence liquidation procedures against the debtor and his only residence. The Act of Legislative Content dated 31 December 2018 extended to 28 February 2019 the protection of primary residence from being auctioned off.

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

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

As of 1 March 2019, the right of a borrower to request the exemption of their primary residence in the context of Law 3869/2010 has ceased to apply. Greek Law 4605/2019, which passed on 1 March 2019 and entered into force on 30 April 2019, provided for an amended framework for the settlement of amounts due by individuals for the purpose of protecting their main residence against liquidation proceedings.

Pursuant to the new legal framework, as amended and in force, over-indebted debtors who meet the below criteria may apply through electronic means until 31 December 2019 for the settlement of their debts by arranging a partial repayment of their due debts as prescribed by Greek Law 4605/2019. Both consumers and professionals will be subject to the new provisions regardless of whether they have the capacity to be declared bankrupt under Greek law 3588/2007 (the Greek Bankruptcy Code).

Settlement is possible only for amounts owed to credit institutions and, in the case of a house loan, to the Hellenic Consignment Deposit and Loans Fund and credit companies and for which a mortgage or a mortgage pre-notation has been registered in favour of the aforementioned entities over the debtor's main residence and provided that the amounts owed are claims outstanding for at least 90 days as at 31 December 2018. The application can be filed by a person temporarily staying for professional reasons at a leased property or at a property the use of which has been granted to that person free of charge and which is located outside the prefecture where his/her main residence is located. The application can, also, be filed by any third party individual that is the owner of the encumbered property. Ownership of the main residence does not have to be exclusive and complete in order to be protected. However, debts of natural persons cannot be settled if there is a guarantee by the Greek State for them.

The following criteria must also cumulatively be met:

(a) the main residence (which is the last residence declared to the Greek tax authorities) for which protection is requested is located in Greece and its objective value may not exceed €175,000 in case the debts include corporate loans and €250,000 for any other type of loan; (b) the total amount owed at the date of submitting the application does not exceed €130,000 (except for corporate loans in which case the total amount owed should not exceed €100,000); (c) no final court decision has been issued under the previous regime of Law 3869/2010, either accepting or rejecting the debtor's application. If such decision has been issued, the debtor may submit an application pursuant to Greek Law 4605/2019 provided that before the submission of the application the decision issued under the previous regime of Law 3869/2010 has been annulled by the court following an admission of an appeal or other remedy; (d) the available family income of the debtor does not exceed €12,500 the year preceding the application filing, increased by €8,500 for a married debtor or debtor which has entered into a cohabitation agreement, and by €5,000 for each "dependent member" (e.g. child) and for up to three (3) such dependent members; (e) deposits and other financial products or precious metals of the applicant, their wife or husband, including the persons with which the applicant has entered into a cohabitation agreement and of their "dependent member(s)" do not exceed €15,000 at the date of the submission of the application; and (f) if the total amounts owed exceed €20,000, the value of the real estate assets as well as the value of the vehicle(s) of the applicant, their wife or husband and "dependent member" do not exceed €80,000 the year of the application submission.

Moreover, for the protection of their main residence, the debtor should pay in equal monthly instalments and within 25 years, 120% of the value of its main residence plus interest 3-month EURIBOR + 2%. In case the aforementioned interest rate is negative, it will be deemed zero for the purposes of calculating the value of the main residence. In case 120% of the value of its main residence exceeds the total amounts owed (for which the request for settlement was submitted), the total amounts owed are paid respectively in equal monthly instalments. The Greek State also contributes to the payment of these monthly instalments under certain conditions.

It is also explicitly provided in the new law that (a) a single application per debtor may be filed for the settlement of amounts owed; (b) from the notification of the application to the creditor(s) until the lapse of the deadline provided by law for the debtor to request the judicial settlement, in case a consensus arrangement is not reached, auction proceedings against the debtor's main residence are suspended; (c) a settlement proposal accepted by both the creditor and the debtor constitutes an enforceable title by virtue of which enforcement proceedings may be either initiated in relation to the remaining debtor's assets (except for their main residence) or initiated also for their main residence in case the debtor fails to meet the payment settlement conditions (i.e. if the debtor owes in total more than three (3) monthly instalments); and (d) transfer of claims of credit institutions, the assignment of the debtor's claims to entities of Greek Law 4354/2015 or their securitisation according to the provisions of Greek Law 3156/2003 (the **Greek Securitisation Law**) or the replacement of the guarantor or co-debtor do not prevent the settlement of amounts owed by the over-indebted individuals.

In case a consensus arrangement is not reached between the parties (i.e. the credit institution or the Hellenic Consignment Deposit and Loans Fund and the debtor), the latter may request the protection of the main residence by the competent court, on the terms mentioned herein above.

If the borrower successfully completes the settlement plan and fully complies with it, then the remaining portion of the loan exceeding 120% of the value of the applicant's main residence plus interest 3-month EURIBOR + 2% will be written off. In addition, any mortgage or mortgage pre-notation that has been registered over the main residence securing a claim under the settlement plan, is lifted. Finally, if the debtor fails to meet the payment settlement conditions (i.e. if the debtor owes in total more than three (3) monthly instalments), enforcement proceedings may be initiated against the debtor.

Non-performing loans and loans in arrears

Pursuant to article 72 of Greek Law 4389/2016 a governmental council for private debt management (the **Council**) has been created, whose objective is, among others:

(a) to form and disclose the strategy and policies for the organization of an integrated mechanism for the effective administration of private debt, as well as to form and review an action plan with binding timetables for the implementation of the abovementioned strategy,

(b) to identify weaknesses and propose amendments to the existing legal framework, both in terms of substance and procedure to enhance the effectiveness of private debt resolution issues, including the acceleration of the procedures relating to delayed loan repayment and the improvement of the legal framework governing the real estate market;

(c) to define actions of public awareness for the purpose of directly and efficiently informing and supporting citizens and other interested parties with respect to taking decisions on the above matters;

(d) to create a network for the provision of free consultancy services to individuals and legal entities on debt management and for planning of financial management awareness for households and SMEs;

(e) to set any timetables required for the implementation of a strategic plan for the efficient management of private debt and monitor whether such timetables are respected;

The Council provided a definition of "cooperating borrower" specifying when a borrower is classified as cooperating towards his/her lenders and assessed a methodology for determining "reasonable living expenses".

Moreover, Greek Law 4389/2016 (article 78) provides for a specialised secretariat for private debt management responsible for a) supporting the governmental council's for private debt management work, b) organizing and forming the policy for the provision of information and support to citizens interested in taking loans and to borrowers, as well as the financial education of households and small-medium enterprises, and c) business coordinating of the Steering Committee. Furthermore, the Greek Law 4389/2016 (article 81 as in force) also provides for 30 Borrowers' Service Centers, as regional offices of the specialised secretariat for private debt management, responsible for informing and supporting natural and legal persons (households and small-medium enterprises) and providing financial, legal and consulting services regarding taking up loans, management of debts and in general financial management issues.

Additionally, Greek Law 4224/2013, as in force, provides for the establishment, by virtue of a decision of the Bank of Greece, of a Code of Conduct for NPLs.

Greek Law 4224/2013, as in force, in conjunction with ministerial decision No. 5921/2015, provides that the consumer ombudsman will act extra judicially as mediator solely for the amicable settlement of the dispute between lenders and borrowers for the purpose of settling non- accruing loans within the framework of the Code of Conduct for the management of non- accruing loans.

In the implementation of the above the Bank of Greece has published regulatory framework concerning the management of loans in arrears and non-accruing loans and specifically:

- Executive Committee Act No. 42/30.5.2014 "Supervisory framework for the management of loans in arrears and non-accruing loans" as amended, and in force.

- Credit and Insurance Committee Decision 116/1/25.8.2014 of Bank of Greece "Introduction of a Code of Conduct under Greek Law 4224/2013", further amended by Credit and Insurance Committee Decision No. 148/1/05.10.2015 and as revised by Credit and Insurance Committee

Decision No. 195/1/29.7.2016, as in force, regarding the Revision of the Code of Conduct under Greek Law 4224/2013.

Executive Committee Act No. 42/30.5.2014, as in force, lays down a special framework of requirements for credit institutions' management of past due and non-accruing loans, in the framework of the provisions of Law 4261/2014, the Capital Requirements Regulation and the relevant Bank of Greece decisions. This framework imposes, among others, the following obligations on credit institutions:

(a) to establish an independent arrears and NPLs management (ANPLM) function;

(b) to develop a separate, documented ANPLM strategy, the implementation of which will be supported by appropriate Management Information Systems (MIS) and procedures; and

(c) to establish regular reporting to the management of the credit institution and the Bank of Greece.

The provisions of this Act apply to:

(a) all credit institutions authorised by the Bank of Greece, on a solo and a consolidated basis; and

(b) branches in Greece of credit institutions based in third countries, as defined in the CRD Law which fulfill certain criteria.

In order to ensure an objective and impartial approach to ANPLM and the application of modifications to distressed debtors, credit institutions shall ensure that the ANPLM function enjoys an appropriate degree of independence from other functions, in particular the lending and management of performing loans functions. This function shall be clearly defined, separate and subject to control and monitoring by the internal audit function of the credit institution.

The Code of Conduct under Greek Law 4224/2013, as revised by virtue of No.195/1/29.7.2016 decision of the Credit and Insurance Committee of the Bank of Greece, lays down general principles of conduct and introduces provisions in relation to the procedures for risk assessment, valuation of the repayment ability, binding rules of conduct for the institutions with precise timelines, including the establishment of detailed and documented arrears resolution procedure and appeals review procedure, and terms of communication between institutions and borrowers. Furthermore, it introduces best practices, aimed to strengthen the climate of confidence, ensure engagement and information exchange between borrowers and lending institutions, so that each party can weigh the benefits or consequences of alternative forbearance or resolution and closure solutions for loans in arrears for which the loan agreement has not been terminated, with the ultimate goal of working out the most appropriate solution for the case in question.

The Code of Conduct requires, *inter alia*, detailed written policies and procedures for loans in arrears, a detailed record with categorisation of loans and borrowers, standardization of the content of communications, compliance with the guidelines of the Code of Conduct as to the manner, timing and confidentiality of communications and specific requirements as to the procedures for loans in arrears, the procedures for the assessment of objections and the handling of "non-cooperating" borrowers. Each institution bound by the Code of Conduct must be in a position to evidence to the Bank of Greece its compliance with the requirements of the Code of Conduct.

The provisions of this Code of Conduct shall apply to all supervised institutions that extend credit in Greece, including branches of foreign credit institutions and the financial institutions.

In dealing with cases of borrowers in arrears or pre-arrears, every institution shall apply an Arrears Resolution Procedure (the **ARP**) involving the following steps:

- Step 1: Communication with the borrower

- Step 2: Collection of financial and other information
- Step 3: Assessment of financial data
- Step 4: Proposal of appropriate solutions to the borrower
- Step 5: Appeals review procedure

The Bank of Greece will not deal with individual cases of disputes between creditors and borrowers that may arise from the implementation of the Code of Conduct.

Article 65 of Greek Law 4472/2017 provides the legal framework relating to the liability of the representatives of the Greek State and credit institutions deriving from loan or other debt restructuring actions.

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 the 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.

Guidelines on disclosure of NPEs and FBEs

On 17 December 2018, the EBA published the final guidelines on disclosure of NPEs and FBEs. Such disclosure shall provide the market participants and interested parties a clearer picture of the banks' assets, NPEs' and FBEs' main features and, in cases of bad banks, the allocation of their troubled assets and the value of the collaterals backing such assets. The Guidelines include a group of common standards applicable to any bank and another group of additional standards applicable to significant credit institutions with gross NPL ratio at 5% or higher.

Systemic proposal for the management of NPEs by the Bank of Greece

A systemic proposal for the management of NPEs was published in the Bank of Greece's Overview of the Greek Financial System in November 2018. In particular, the proposed scheme envisages the transfer of a significant part of NPEs along with part of the deferred tax credits, which are booked on bank balance sheets, to a Special Purpose Vehicle. Loans will be transferred at net book value (net of loan loss provisions). The amount of the deferred tax asset to be transferred will match additional losses, so that the valuations of these loans will approach market prices. Subsequently, legislation will be introduced enabling the transferred deferred tax credit to be converted into an irrevocable claim of the Special Purpose Vehicle (**SPV**) on the Greek State with a predetermined repayment schedule (according to the maturity of the transaction). To finance the transfer, the SPV will proceed with a securitisation issue, comprising (indicatively) three classes of notes (senior, mezzanine and junior/equity). The lower class of notes (equity) will be subscribed by banks (each participating by no more than 20%) and the Greek State. The valuation of the loans to be transferred will be carried out by independent third parties, and the final structure of the transaction (including the tranches of the three classes of notes) will be determined by the arrangers subject to market conditions. The Bank of Greece anticipates that private investors will absorb part of the senior-ranked securities and a large portion of the mezzanine securities. The ability to absorb additional losses arising from the participation of the Greek State (through the transformation of deferred tax credits into an irrevocable claim of the SPV) significantly enhances the probability of repayment of the senior and mezzanine bonds. At the same time, by participating in the lower class of notes (junior/equity), the Greek State and banks will be entitled to claim any excess value. The scheme will be managed exclusively by private investors (servicing companies for loans and credits), and apparently there will be an asset class separation for each transaction and management operation depending on the category (business, mortgage, consumer loans, etc.). It is understood that managers will be appointed following a competitive process and the management framework will be in line with best international transparency and supervisory practices. It should be noted that, before completion of the transaction, banks are expected to proceed, in consultation with the supervisory arm of the European Central Bank, to a restatement of targets for NPE reduction, with the ultimate goal of achieving a single-digit ratio.

Asset protection scheme for banks in Greece

On 10 October 2019, the European Commission announced that it has found Greek plans aimed at supporting the reduction of NPLs of Greek banks to be free of any State aid. The Commission found that, under the asset protection scheme (known by the name of "Hercules"), the Greek State will be remunerated in line with market conditions for the risk it will assume by granting a guarantee on securitised NPLs. "Hercules" is designed to assist banks in securitising and moving NPLs off their balance sheets. Under the

scheme, an individually managed, private securitisation vehicle will buy NPLs from the bank and sell notes to investors. The State will provide a public guarantee for the senior, less risky notes of the securitisation vehicle. In exchange, the State will receive remuneration at market terms.

The Greek law which provides the terms and conditions under which the State guarantee may be provided in the context of NPL securitisation by credit institutions under the asset protection scheme "Hercules" was voted by the Greek Parliament on 12 December 2019. The new law provides for the conditions under which the securitisation must be implemented in order to qualify for the provision of the State guarantee, in line with decision no. C (2019)7309 of the European Commission. Such conditions include *inter alia,* that the notes to be issued in the context of the securitisation must include at least senior and junior notes and the price paid to the Greek banks for the sale and transfer of NPLs cannot exceed their aggregate net asset value. The Greek state guarantee will be provided in favour of senior notes for the full repayment of principal and interest thereunder throughout the term of the notes. The aggregate commitment of the Greek state under the new law amounts to € 12 billion. Applications for the provision of the Greek state guarantee may be filed by credit institutions, either in the context of securitisations that have already been implemented or for securitisations that are currently in the process of implementation exclusively within 18 months as of 10 October 2019, i.e. by 10 April 2021 or such other date as may be designated by a ministerial decision on the basis of a decision of the European Commission.

The Greek State guarantee becomes effective upon (i) transfer through sale against positive value, of at least 50% plus one of the issued junior notes to private investors and of such number of junior notes, and (if issued) mezzanine notes that allows the derecognition of the securitised receivables, (ii) rating of the senior tranche of the notes being rated at no less than BB- by an External Credit Assessment Institution (as defined in point (98) of Article 4(1) of the Capital Requirements Regulation) and (iii) assignment of the administration of the securitised NPL portfolio to an independent special purpose vehicle. If the State guarantee has not become effective within 12 months as of the publication of the respective Ministerial Decision granting the guarantee, then such decision ceases automatically to be in force and the amount of the guarantee is released. There can be no new application for the same securitisation before the lapse of six months. A ministerial decision will be issued to set out the details for the implementation of the aforementioned law.

Framework for the management and transfer of claims

Articles 1-3A of Greek Law 4354/2015, as amended and in force, as well as Executive Committee Act 118/19.5.2017 as amended by Executive Committee Act 153/1/8.01.2019 and in force establish the framework for the management and transfer of claims from loans that can include non-accruing loans and set the requirements for the operation of loan management companies and loan transfer companies. Certain loan categories had been temporarily excluded from the scope of the permitted sale and transfer until 31 December 2017; in particular such exclusion includes loan agreements with mortgage or prenotation of mortgage on first residence of an objective value of up to EUR 140,000.

Bank of Greece's Executive Committee Act no 156/12.03.2019 amended Executive Committee Act 118/19.5.2017 on the framework for the management and transfer of claims from loans and the requirements for the operation of loan management companies and loan transfer companies. The amendments, include among others provisions regarding banning of management of claims against natural and/or legal person who maintain a "special relationship" with the aforementioned companies and the obligation of the said companies to cooperate with accredited data collection and processing entities with regard to the economic behavior and the creditworthiness of debtors.

The management of claims from loans and credit granted by credit or financial institutions shall be undertaken, exclusively by Sociétés Anonymes having their registered offices:

(a) in Greece; or

(b) in another EEA Member-State, which have established a branch in Greece and have the aforementioned business activities in their scope.

Bank of Greece is the competent authority for the issuance of the respective license for such companies.

Furthermore, the aforementioned companies, following a relevant authorization by Bank of Greece, may grant loans or credit to debtors whose loans and/or credit have been managed by them, aiming exclusively at the refinancing of the debtors' loans or the restructuring of the debtor-business on the basis of a restructuring plan agreed between the parties and under the consent of the claims' owner.

In relation to the agreements for the assignment of claims' management from non- accruing loans, Greek Law 4354/2015 lays down that non-accruing loans management companies may undertake the management of claims from loans and/or credit, which have been granted or are granted by credit or financial institutions. Said management companies are entitled to initiate any legal proceedings and to proceed with any other judicial measures for the collection of claims.

The transfer of claims from credits and loans granted by credit or financial institutions can take place only through sale, under relevant written agreement, in accordance with the provisions in article 3 of Greek Law 4354/2015, as in force, and only to:

(a) limited liability companies that according to their Articles of Association are allowed to engage in acquiring claims from loans and credits and they are seated in Greece and are also registered in General Commercial Registry (GEMI);

(b) Companies that are seated in the EEA and according to their Articles of Association are allowed to engage in in acquiring claims from loans and credits and subject to the provisions of the European Union legislation; and

(c) in companies that are seated in third countries, and according to their Articles of Association are allowed to engage in acquiring claims from loans and credits, subject to the provisions of the European Union legislation and have the discretion to be located in Greece through a branch under certain conditions.

A necessary condition in order for the claims of the credit or financial institutions from non-performing loans to be offered for sale, is the extrajudicial invitation of the borrower and the guarantor, if the borrower is considered a consumer, within twelve (12) months prior to the offer, to arrange its obligations on the basis of a written offer for an appropriate arrangement with specific payment terms according also to the provision of the Code of Conduct. Disputed or adjudicated claims as well as claims against non-cooperative, are excluded from the abovementioned 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).

Directive on credit servicers, credit purchasers and the recovery of collateral

The proposed Directive on credit servicers, credit purchasers and the recovery of collateral (COM 2018/135) would enable banks to deal in a more efficient way with loans once these become non-performing by improving conditions to either: (1) sell the credit to third parties on a secondary market; or (2) enforce the

collateral used to secure the credit. One of the central objectives of the proposal is to foster the development of secondary markets where banks can sell NPLs both at national level and across Member States while maintaining a high level of borrower protection. To achieve this objective, the Directive introduces a harmonised and less restrictive regime for credit purchasers and servicers and removes undue impediments to cross-border activity. It would stimulate the further development of a well-functioning secondary market and would therefore greatly contribute to the reduction of the current stocks of NPLs.

In order to attain the second central objective, the Commission proposed a supplementary mechanism for the accelerated extrajudicial recovery of collateral. The mechanism would allow banks and business borrowers (not consumers) to agree upfront by contract on a method of swift recovery of collateral by the creditor in case of the business borrower's default. This mechanism would enhance secured creditors' chances at value recovery and is designed to help to avoid the build-up of future NPLs.

According to the Fourth Progress Report on the reduction of NPLs and further risk reduction in the Banking Union of 12 June 2019, while the Council has reached a partial general approach regarding secondary markets, negotiations regarding the recovery of collateral were ongoing. Deliberations in the European Parliament on both aspects should be taken up as a priority once the new Parliament is settled in. Rapid conclusion of this file, which is part of the Council Action Plan, is of paramount importance to contributing to EU endeavours to successfully tackle the NPL issue across Europe. Therefore, the Commission called on the co-legislators to swiftly reach an agreement on this important proposal.

European 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 8 January 2018 and with effect one month after its publication, set the terms and conditions for the settlement of loans guaranteed by the Greek State pursuant to article 103 of Greek law 4549/2018. Specifically, according to article 103 of Greek law 4549/2018 and the said Decision, credit institutions and borrowers, natural persons and businesses, may proceed with settlement of loans guaranteed by the Greek State, without the intervention of the Greek State, according to the ordinary banking criteria, on the basis of increasing the probability of repayment of the loan by the borrower. The settlement of the aforementioned loans is concluded under specific terms and conditions specified in the Ministerial Decision, but without any increase in the liability of the Greek State under the guarantee.

Extrajudicial debt settlement mechanism for businesses

Greek Law 4469/2017, as amended by Greek Laws 4472/2017,4549/2018, 4587/2018 and 4613/2019 provides for an extrajudicial procedure for settling debts towards any creditor, which derive from the debtor's business activity or other cause, provided that the settlement of those debts is considered vital by the participants in order to secure the debtor's business viability.Any individual who can declare bankruptcy and any legal entity with income from business activity may apply for inclusion in the extrajudicial debt settlement mechanism, provided their tax residence is in Greece and specific criteria provided for by law are met. The extrajudicial debt settlement mechanism does not apply to debts generated after 31 December 2018.

Each debtor's application may be submitted electronically to the Special Private Debt Management Secretariat (EGDICH) by 31 December 2019 on the dedicated electronic platform in EGDICH's website. Financial institutions may, as creditors, initiate the procedure by communicating a written invitation to the debtor to enter the procedure. If the debtor fails to respond, he/she loses the right to initiate the procedure at a later stage.

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

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

The extrajudicial procedure is concluded by the execution of a debt restructuring agreement between the debtor and consenting creditors, otherwise the procedure is deemed unsuccessful. Creditors whose claims do not exceed certain thresholds (€500,000 and 1.5% of the debtor's total debt per creditor, as well as €5,000,000 and 15% of the debtor's total debt) are excluded from the scope of this extrajudicial procedure and are not bound by the debt restructuring agreement. The debtor or a participating creditor may submit an application for ratification of the debt restructuring agreement to the Multi-Member Court of First Instance of the debtor's registered seat.

Without prejudice to the above paragraph, the ratification decision covers the total of the debtor's claims governed by the restructuring agreement and binds the debtor and all the creditors, irrespective of their participation in the negotiation procedure or in the debt restructuring agreement.

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

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

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

By means of Joint Ministerial Decision No 130060/29.11.2017, a simplified procedure was introduced for businesses eligible to apply for an extra judicial debt settlement mechanism under Greek Law 4469/2017, with total debt up to €50,000. This Decision was modified by Joint Ministerial Decision No 61654/2019 (Government Gazette Issue B 2324/14.6.2019) which provides for a simplified extrajudicial procedure for settling business debts not exceeding €300.000 in total.

Settlement of business debts

Greek Law 4307/2014, as amended by Greek Laws 4374/2016 , 4380/2016 (article 2),4403/2016 (article 56), as well as 4599/2019 (article 34) and in force, among others, provides for urgent interim measures for the relief of private debt (including, *inter alia*, relief and settlement of debts or provision of extraordinary debt business regulation process or extraordinary special management process), especially debt of viable small businesses and professionals towards financial institutions (namely credit institutions, leasing and factoring companies, provided they are under the supervision of the Bank of Greece), the Hellenic Republic and Social Security Institutions, as well as for emergency procedures for the reorganization or liquidation of operating indebted but viable businesses, provided that the aforementioned persons are considered as "eligible debtors" under the relevant provisions, namely, they have submitted the relevant application at the latest by 30 September 2016 and cumulatively meet the following criteria:

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

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

(c) they have not been convicted in any capacity for 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 EUR 2,500,000.

Interest Rates

Under Greek law interest rates applicable to bank loans are not subject to a legal maximum, but they must comply with certain requirements intended to ensure clarity and transparency, including with regard to their readjustments. Specifically, Governor of the Bank of Greece Act No. 2501/31.10.2002 and Decision No. 178/19.7.2004 of the Banking and Credit Committee of the Bank of Greece provide that credit institutions operating in Greece should, among others, determine their interest rates in the context of the open market and free competition rules, taking into consideration the risks undertaken on a case-by-case basis, as well as potential changes in the financial conditions and data and information specifically provided by parties for this purpose.

Limitations apply to the compounding of interest under Greek law. In particular, the compounding of interest with respect to bank loans and credits only applies if the relevant agreement so provides and is subject to limitations that apply under article 30 of Greek Law 2789/2000 as in force and article 39 of Greek Law 3259/2004, as in force. Greek credit institutions must also apply article 150 of CRD Law on interest rates of loans and other credits pursuant to which credit institutions are precluded from recognising on an accrual basis interest on loans or other credits extended, in any form. After the lapse of a time period during which recognised interest on loans or other credits remains overdue, which may not exceed six (6) months with respect to loans to natural persons fully secured by real estate and three (3) months with respect to debts from other credits. After the expiry of the above time period, they shall only be allowed to carry out non-accounting calculation of interest, including any default and compound interest, where allowed, which shall be entered in accounting records if and when collected.

Moreover, according to Article 150 paragraph2 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 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 the EU 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 the EU member states, and for certain prudential and supervisory requirements, including for the establishment and supervision of credit intermediaries, appointed representatives and non-credit institutions. In Greece, the aforementioned Directive has been transposed into Greek legislation by virtue of Greek Law 4438/2016 (published in Government Gazette 220/A/28.11.2016). The main provisions of Greek Law 4438/2016, include among others, consumer information requirements, principle based rules and standards for the performance of services (e.g. conduct of business obligations, competence and knowledge requirements for staff), a consumer creditworthiness assessment obligation, provisions on early repayment, provisions on foreign currency loans, provisions on tying practices, some high-level principles and a passport for credit intermediaries who meet the admission requirements in their home EU member state.

Compulsory Deposits with the Bank of Greece

The compulsory reserve requirement framework has been amended in accordance with Eurosystem regulations. As from January 2012 according to ECB Regulation 1745/2003 as amended by the Regulations 1052/2008, 1358/2011, 1376/2014 and 2016/1705 the compulsory reserve requirement ratio set by Eurosystem regulation is 1% for all categories of liabilities (such as deposits and debt securities issued) to clients comprising the commitment base, with the exception of the following categories, to which a zero ratio applies:

- deposits with agreed maturity over two years;
- deposits redeemable at notice over two years;
- repos; and
- debt securities issued with agreed maturity over two years.

This commitment ratio applies to all credit institutions in Greece.

Restrictions on Enforcement of Granted Collateral

The Hellenic Bank Association on 21 July 2015 announced that banks operating in Greece will continue until the end of 2015 to provide protection of primary residence to borrowers under the provisions of Greek Law 4224/2013. According to Greek Law 4224/2013 enforcement of auctions concerning the primary residence of individuals was suspended from 1 January 2014 until 31 December 2014 provided that the relevant property was declared as such in the last income tax declaration of those individuals and the assessed market value of such property did not exceed the amount of EUR 200,000, under the condition that law's criteria were cumulatively met with specific characteristics of the financial status of debtors, e.g. thresholds of income and real estate values. Those properties that did not fall under the criteria of that law were no longer protected from foreclosure and auction proceedings. During the aforementioned suspensions, debtors were obliged to pay monthly installments. Nevertheless, in exceptional cases (e.g., debtors with no income), there was an option of zero amount payments.

Furthermore, due to the difficulties caused by the imposition of the capital controls, any enforcement action and primarily auctions, seizures, evictions, were suspended from 21 July 2015 (by virtue of the ministerial decision no. 49214/21.07.2015, as extended, through successive ministerial decisions) to October 2015 and then lifted by an official announcement of the Ministry of Justice, Transparency and Human Rights, on 2 November 2015.

A prolonged abstention by lawyers, bailiffs and notaries that commenced in January 2016 and ended in November 2017 for all parties restrained the Bank from proceeding to enforcement, seizures and auctions of any real estate during that period.

Enforcement of collateral has been also affected by Greek Law 3869/2010, as in force, regarding restructuring of individuals' debt through a court application. In August 2015 Greek Law 4336/2015, amended the Greek Law 3869/2010 and included in the settlement, debts to public sector, such as tax authorities, municipalities and social security organizations. As at 31 December 2018 and 30 June 2019, 81,995 and 83,222 customers that had applied to the court under the provisions of Greek Law 3869/2010 had outstanding balances of EUR 3,730 million and EUR 3,881 million respectively. As at 30 September 2019 32% were rejected and 68% were accepted. Greek law 3869/2010 was further amended by Greek laws 4346/2015, 4366/2016 and 4549/2018, referring among others to the necessary criteria for the protection of primary residence (e.g. cooperative borrower, income and residential property value thresholds) and to the possibility of partial state subsidy for three years for vulnerable borrowers under certain conditions. According to Greek law 3869/2010, as in force, until 28 February 2019 the primary residence of the debtors could be protected under the provisions of this law provided that the specific requirements of the said law were fulfilled.

As of 1 March 2019, the right of a borrower to request the exemption of their primary residence in the context of Law 3869/2010 has ceased to apply. Greek Law 4605/2019, which passed on 1 March 2019 and entered into force on 30 April 2019, provides for an amended framework for the settlement of amounts due by individuals for the purpose of protecting their main residence against liquidation proceedings. Pursuant to the new legal framework, over-indebted debtors who meet the criteria provided by Greek Law 4605/2019 may apply through electronic means until 31 December 2019 for the settlement of their debts by arranging a partial repayment of their due debts. A more detailed description of the requirements for and the consequences of the implementation of the settlement plan under Greek law 4605/2019 is provided under "*Settlement of Amounts Due by Indebted Individuals*" herein above. Both consumers and professionals will be subject to the new provisions regardless of whether they have the capacity to be declared bankrupt under Greek law 3588/2007 (the Greek Bankruptcy Code). Settlement is possible only for amounts owed to credit institutions and the Hellenic Consignment Deposit and Loans Fund (in case of a house loan) and for which a mortgage or a mortgage pre-notation has been registered in favour of the aforementioned entities over the debtor's main residence and provided that at the date of submission of the application, the amounts owed are claims outstanding for more than 90 days as at 31 December 2018. The application can, also, be filed by any third party individual that is the owner of the encumbered property. Greek Law 4605/2019 provides for an

automatic suspension of all auction proceedings against the debtor's main residence from the notification of the application for submission of the debtor to this regime until the lapse of the deadline provided by the law for applying for judicial settlement in case the applicant was not deemed eligible or an extra-judicial settlement was not achieved. A settlement proposal accepted by both the creditor and the debtor, or a court decision accepting the debtor's application for settlement, constitutes an enforceable title by virtue of which enforcement proceedings may be either initiated in relation to the remaining debtor's assets (except for their main residence) or initiated also for their main residence in case the debtor fails to meet the payment settlement conditions (i.e. if the debtor owes in total more than three (3) monthly instalments).

Additionally, pursuant to Greek Law 4469/2017, which provides for an extrajudicial debt settlement mechanism for businesses from the point that the invitation for participation is sent by the coordinator to the creditors and for a period of 90 days, any individual and collective enforcement measures against the debtor, pending or not, for the satisfaction of claims the settlement of which is pursued through the extrajudicial debt settlement, are automatically suspended. The above suspension includes any request for preventive measures and the registration of a prenotation of mortgage, unless the taking of preventive measures aims at the prevention of the depreciation of the debtor's business due to the disposal of its assets. It should be noted that according to the provisions of article 45 of Greek Law 4587/2018, amending Greek Law 4469/2017, suspension of enforcement measures shall continue to apply after the expiry of the 90-day period and until the completion of the extrajudicial procedure, provided that the non-completion of the procedure within the above period is due to the receipt of extension by creditors for actions, and only against those creditors. If a prolongation is requested after the 90 days have elapsed, the suspension shall apply to the creditor requesting the extension and for as long as that extension takes place. The above suspension ceases automatically in case: a) the procedure is terminated without success for any reason, or b) a decision is taken by the majority of the participating creditors to that effect. The debtor may apply for the extension of the above suspension period for a period no longer than 4 more months with the consent of the majority of creditors.

Constraints on enforcement of granted collateral were further limited by the commencement of electronic auctions by virtue of Greek Law 4472/2017. The first electronic auction took place in November 2017. Though Greek Law 4472/2017 has introduced electronic auctions, Greek Law 4512/2018 imposed that all auctions shall be performed only electronically from 21 February 2018, except for auctions that shall be performed under the Code of Collecting Public Revenue where the aforementioned apply from 1 May 2018. Article 168 paragraph 2 of Greek Penal Code, as amended by Greek Law 4637/2019, further provides that it is a criminal action for anyone to cause interruption or disruption of the proper conduct of the service or auction.

TAXATION

Greece

The following is a summary of certain material Greek tax consequences of the ownership and disposal of the Notes. The discussion is not exhaustive and does not purport to deal with all the tax consequences applicable to all possible categories of Holders, some of whom/which may be subject to special rules, and also does not touch upon procedural requirements such as the filing of a tax declaration, proof of tax residency or of supporting documentation required. Further, it is not intended as tax advice to any particular Holder and it does not purport to be a comprehensive description or analysis of all of the potential tax considerations that may be relevant to a Holder in view of such Holder's particular circumstances.

The summary is based on the Greek tax laws in force on the date of this Base Prospectus, published case law, ministerial decisions and other regulatory acts of the respective Greek authorities as in force at the date hereof and does not take into account any developments or amendments that may occur after the date hereof, whether or not such developments or amendments have retroactive effect. There are also certain tax issues which have not been clarified, up to this time, by the tax administration. Among others, provisions concerning taxation of interest were significantly amended in December 2019.

Individuals are assumed not to be acting in the course of business for tax purposes. "Greek tax residents" includes, as regards non-Greek legal persons and legal entities, their permanent establishments in Greece, where the Notes are held through that permanent establishment.

Tax considerations are subject to the more favourable provisions of any applicable bilateral treaty for the avoidance of double taxation (the **DTT**).

Prospective purchasers of the Notes are advised to consult their own tax advisors as to the tax consequences of the purchase, ownership and disposal of the Notes.

Disposal of Notes—Capital Gains

Individual Holders – Greek tax residents. Capital gains over the Notes are exempted from income tax over capital gains. However, capital gains will be subject to a tax called "solidarity contribution". The rate of the solidarity contribution rises progressively from 2.2% to 10% and is calculated with reference to both taxable and tax-exempt annual income exceeding EUR 12,000. In this context it should be noted that the tax authorities have expressed the view that the difference between the acquisition value on the secondary market and the payment of principal received upon expiry of a corporate bond does not constitute capital gains.

Individual Holders – Non-Greek tax residents. Capital gains over the Notes are exempted from income tax over capital gains. However, capital gains will be subject to a tax called "solidarity contribution". The rate of the solidarity contribution rises progressively from 2.2% to 10% and is calculated with reference to both taxable and tax-exempt annual income exceeding EUR 12,000. In this context it should be noted that the tax authorities have expressed the view that the difference between the acquisition value on the secondary market and the payment of principal received upon expiry of a corporate bond does not constitute capital gains. Notwithstanding the above, solidarity contribution qualifies as income tax falling within the ambit of a relevant DTT (Circular no. E2009/2019) therefore, individual holders that are non-Greek tax residents and benefit from the provisions of a relevant DTT could be fully or partially exempted from solidarity contribution, insofar as the relevant DTT limits or prohibits the taxation of capital gains.

Holders which are Legal Persons or Legal Entities – Greek tax residents. Taxation of capital gains over the Notes is deferred until capitalisation or distribution. Upon capitalisation or distribution, they will be

taxed at the corporate income tax rate applicable at the time of capitalisation or distribution (at the legal person / legal entity level).

Holders which are Legal Persons or Legal Entities – Non-Greek tax residents. No income would be generated in Greece from the disposal of the Notes by legal persons or legal entities which are not resident for tax purposes in Greece.

A. Payments of Interest under the Listed Notes

"Listed Notes" means Notes which are listed on the EU-regulated market of the Bourse of Luxembourg, or on another trading venue within the meaning of article 4 of Directive 2014/65/EU

Individual Holders – Greek tax residents. Payments of interest under the Listed Notes by the Issuer to individual Holders of the Listed Notes who are Greek tax residents are subject to income tax at a flat rate of 15%, which exhausts their tax liability for income tax in Greece. Where payment is made through a Greek paying agent, the entire amount of tax will be withheld by the paying agent. Interest from the Listed Notes will be subject to a further tax called "solidarity contribution". The rate of the solidarity contribution rises progressively from 2.2% to 10% and is calculated with reference to both taxable and tax-exempt annual income exceeding EUR 12,000.

Individual Holders – Non-Greek tax residents. Payments of interest under the Listed Notes by the Issuer to individual Holders who are non-Greek tax residents are exempted from income tax and solidarity contribution. Where payment is made through a Greek paying agent, the Holder must file appropriate proof of tax residency, in order to not be subject to withholding on the payment of interest.

Holders which are Legal Persons or Legal Entities – Greek tax residents. Payments of interest by the Issuer to legal persons and legal entities which are Holders of the Listed Notes and which are Greek tax residents (including Greek permanent establishments of non-Greek legal persons and legal entities) will be treated as part of their annual income. The income tax rate for legal persons and legal entities is currently 24% for income generated in 2019 (29% for credit institutions). Where payment is made through a Greek paying agent, a withholding of 15% will be applied to the payment, which will be treated as an advance over income tax for that financial year.

Holders which are Legal Persons or Legal Entities – Non-Greek tax residents. Payments of interest by the Issuer to legal persons and legal entities which are Holders of the Listed Notes and which are non-Greek tax residents and have no permanent establishment in Greece are exempted from income tax. Where payment is made through a Greek paying agent, the Holder must file appropriate proof of tax residency in order not to be subject to withholding over the payment of interest.

B. Payments of Interest under the Non-Listed Notes

"Non-Listed Notes" means Notes which are not listed in a trading venue, within the meaning of article 4 of Directive 2014/65/EU.

Withholding tax and gross-up

Under Greek law as at 19 December 2019, payments of interest under the Non-Listed Notes are subject to Greek income withholding tax and, under the Terms and Conditions of the Notes, where Extended Gross-Up is specified as being applicable in the relevant Final Terms, subject to one limited exception (which would not apply while the Non-Listed Notes are represented by Global Notes cleared through Euroclear and/or Clearstream, Luxembourg), the Issuer is required to gross up such payments in order that Noteholders receive such amounts as would have been received by them if no such withholding had been required (see Condition 12.1 (*Gross-up*)). In this case, depending on applicable income tax rules in the tax jurisdiction(s)

to which they are subject, the income received by a Holder for tax purposes may be the gross amount paid by the Issuer, rather than the net amount received by the Holder.

The attention of Holders is also drawn to the fact that, if the Greek law on income tax withholding changes in the future and payments of interest under the Non-Listed Notes to Non-Greek Legal Persons (as defined in Condition 2 (*Interpretation*)) cease to be subject to Greek income withholding tax, the obligation of the Issuer to gross up interest payments will be limited. Please see Condition 12.1 (*Gross-up*). In such circumstances, Holders who are not Non-Greek Legal Persons may remain subject to income tax withholding, if any is applicable, and (if so) may cease to benefit from any grossing-up of interest payments by the Issuer.

Individual Holders – Greek tax residents. Payments of interest under the Non-Listed Notes by the Issuer to individual Holders of the Non-Listed Notes who are Greek tax residents are subject to income tax at a flat rate of 15%, which exhausts their tax liability for income tax in Greece. The entire amount of tax will be withheld by the Issuer. Interest from the Non-Listed Notes will be subject to a further tax called "solidarity contribution". The rate of the solidarity contribution rises progressively from 2.2% to 10% and is calculated with reference to both taxable and tax-exempt annual income exceeding EUR 12,000.

Individual Holders – Non-Greek tax residents. Payments of interest by the Issuer to individual Holders of the Non-Listed Notes who are non-Greek tax residents are subject to income tax at a flat rate of 15%, which exhausts their tax liability for income tax in Greece withheld by the Issuer, insofar as there is no applicable DTT in force providing otherwise. Where this is the case, appropriate documentation to this effect must be filed for the DTT provisions to be applied. In any case, interest will be subject to a further tax called "solidarity contribution". The rate of the solidarity contribution rises progressively from 2.2% to 10% and is calculated with reference to both taxable and tax-exempt annual income exceeding EUR 12,000. Notwithstanding the above, solidarity contribution qualifies as income tax, falling within the ambit of a relevant DTT (Circular no. E2009/2019), therefore, individual holders that are non-Greek tax residents and benefit from the provisions of a relevant DTT could be fully or partially exempted from solidarity contribution, insofar as the relevant DTT limits or prohibits the taxation of interest.

Holders which are Legal Persons or Legal Entities – Greek tax residents. Payments of interest by the Issuer to legal persons and legal entities which are Holders of the Non-Listed Notes and which are Greek tax residents (including Greek permanent establishments of non-Greek legal persons and legal entities) will be treated as part of their annual income. The income tax rate for legal persons and legal entities is currently 24% for income generated in 2019 (29% for credit institutions) A withholding of 15% will be applied to the payment, which will be treated as an advance over income tax for that financial year.

Holders which are Legal Persons or Legal Entities – Non-Greek tax residents. Payments of interest by the Issuer to legal persons and legal entities which are Holders of the Non-Listed Notes and which are non-Greek tax residents are subject to income tax at a flat rate of 15%, which exhausts their tax liability for income tax in Greece, withheld by the Issuer, insofar as there is no applicable DTT in force providing otherwise.

Luxembourg

The following information 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 Notes 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 Notes

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 Notes, nor on accrued but unpaid interest in respect of the Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of the Notes held by non-resident holders of Notes.

(b) Resident holders of Notes

Under Luxembourg general tax laws currently in force and subject to the law of 23 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 Notes, nor on accrued but unpaid interest in respect of Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of Notes held by Luxembourg resident holders of Notes.

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 per cent. 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 Luxembourg paying agent. Payments of interest under the Notes coming within the scope of the Law will be subject to a withholding tax at a rate of 20 per cent.

The Proposed Financial Transactions Tax (FTT)

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 in the Notes (including secondary market transactions) in certain circumstances. The issuance and subscription of Notes 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 the Notes 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 dealings 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 EU Member States may decide to participate.

Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

Foreign Account Tax Compliance Act

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 the FATCA provisions and IGAs to instruments such as Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as Notes, 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 Notes, 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 Notes 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 Notes (as described under Condition 18 (*Further Issues*)) that are not distinguishable from previously issued Notes are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all Notes, including the Notes offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA. Holders should consult their own tax advisers regarding how these rules may apply to their investment in Notes.

SUBSCRIPTION AND SALE

Notes may be issued from time to time by any Issuer to any one or more of the Dealers. The arrangements under which Notes 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 19 December 2019, as modified and/or supplemented and/or restated from time to time (the **Programme Agreement**) and made between the Bank and the Dealers. Any such agreement will, *inter alia,* make provision for the form and terms and conditions of the relevant Notes, the price at which such Notes will be subscribed by the Dealers and the commissions or other agreed deductibles (if any) payable or allowable by the Issuer in respect of any 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 Notes.

United States

The Notes 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 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.

Notes 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. tax 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 **Code**).

In connection with any Notes which are offered or sold outside the United States in reliance on an exemption from the registration requirements of the Securities Act provided under Regulation S (**Regulation S Notes**), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree that, except as permitted by the Programme Agreement, it has not offered and sold, and will not offer or sell Notes of any Tranche within the United States or to, or for the account or benefit of, U.S. persons (i) as part of their distribution at any time or (ii) otherwise until 40 days after the later of the date of issue of the relevant Tranche of Notes and the completion of the distribution of such Tranche, as certified to the Fiscal Agent or the Issuer by the relevant Dealer(s) (or, in the case of a sale of a Tranche of Regulation S Notes to or through more than one Dealer, by each of such Dealers as to Regulation S Notes of such Tranche purchased by or through it, in which case the Fiscal Agent or the Issuer shall notify each such Dealer when all such Dealers have so certified), in each case except 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 Notes 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 Notes within the United States or to, or for the account or benefit of, U.S. persons.

In addition, until 40 days after the commencement of the offering of any Tranche of Notes, an offer or sale of Notes of such Tranche within the United States by any dealer (whether or not participating in the offering of such Notes) 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.

Dealers may arrange for the resale of Notes in registered form to QIBs pursuant to Rule 144A and each such purchaser of Notes is hereby notified that the Dealers may be relying on the exemption from the registration requirements of the Securities Act provided by Rule 144A.

Prohibition of sales to EEA Retail Investors

Unless the Final Terms in respect of any Notes specifies "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 Notes 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; or

(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.

United Kingdom

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA would not, if it was not an authorised person, apply to the Bank; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

The Hellenic Republic

The offering of the Notes has not been submitted to the approval procedure of the HCMC provided for by the Prospectus Regulation and Law 3401/2005, to the extent applicable. Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that it has not offered or sold and will not offer or sell the Notes by any form of solicitation or advertising in the Hellenic Republic that would not fall under the exemptions of article 3 of Law 3401/2005, to the extent applicable or article 1 paragraph 4 of the Prospectus Regulation on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market.

Japan

The Notes 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 any Notes, directly or indirectly, 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.

France

Each of the Dealers and the Issuer has represented and agreed that, in relation to a private placement in France, it has not offered or sold and will not offer or sell, directly or indirectly, any Notes to the public in France, and has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, this Base Prospectus, the relevant Final Terms or any other offering material relating to the Notes, and that such offers, sales and distributions have been and will be made in France only to (a) providers of investment services relating to portfolio management for the account of third parties and/or (b) qualified investors (*investisseurs qualifies*) acting for their own account, all as defined in, and in accordance with, Articles L.411-l, L.411-2 and D.411-1 of the French *Code monétaire et financier*.

Republic of Italy

The offering of the Notes has not been registered pursuant to Italian securities legislation and, accordingly, no Notes may be offered, sold or delivered, nor may copies of the Base Prospectus or of any other document relating to the Notes be distributed in the Republic of Italy, except:

(i) to qualified investors (*investitori qualificati*), as defined pursuant to Article 2 of the Prospectus Regulation and any applicable provision of Legislative Decree No. 58 of 24 February 1998, as amended (the **Financial Services Act**) and Italian CONSOB regulations; or

(ii) in other circumstances which are exempted from the rules on public offerings pursuant to Article 1 of the Prospectus Regulation, Article 34-*ter* of CONSOB Regulation No. 11971 of 14 May 1999, as amended from time to time, and the applicable Italian laws.

Any offer, sale or delivery of the Notes or distribution of copies of the Base Prospectus or any other document relating to the Notes in the Republic of Italy under (i) or (ii) above must:

(a) be made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, CONSOB Regulation No. 20307 of 15 February 2018 (as amended from time to time) and Legislative Decree No. 385 of 1 September 1993, as amended (the **Banking Act**); and

(b) comply with any other applicable laws and regulations or requirement imposed by CONSOB, the Bank of Italy (including the reporting requirements, where applicable, pursuant to Article 129 of the Banking Act and the implementing guidelines of the Bank of Italy, as amended from time to time) and/or any other Italian authority.

Singapore

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Base Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Base Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or

(iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

(a) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

(a) where no consideration is or will be given for the transfer;

(b) where the transfer is by operation of law;

(c) as specified in Section 276(7) of the SFA; or

(d) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 of Singapore.

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 Notes 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 Notes 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 none of the Issuer nor any of the other Dealers shall have any responsibility therefor.

None of the Issuer and the Dealers represents that Notes 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.

GENERAL INFORMATION

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 Notes 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 the Markets in Financial Instruments Directive (Directive 2014/65/EU). However, Notes 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 update of the Programme was authorised by an authorising act executed by the CEO of the Bank and a member of the Executive Committee of the Bank on 19 December 2019. The Bank has obtained or will obtain from time to time all necessary consents, approvals and authorisations in connection with the issue and performance of the Notes. Any issue of Notes is subject to the prior decision of the Bank's competent body or person.

Use of proceeds

The net proceeds of the issue of each Tranche of Notes will be applied by the Group, as indicated in the applicable Final Terms relating to the relevant Tranche of Notes, either (a) to meet part of its general financing requirements; or (b) to finance or refinance, in whole or in part, Green Eligible Projects and Social Eligible Projects (as defined below).

According to the definition criteria set out by the International Capital Market Association (**ICMA**) Green Bond Principles, only Tranches of Notes financing or refinancing Green Eligible Projects will be denominated "Green Bonds".

According to the definition criteria set out by ICMA Social Bond Principles, only Tranches of Notes financing or refinancing Social Eligible Projects will be denominated "Social Bonds".

According to the definition criteria set out by ICMA Sustainability Bond Guidelines, only Tranches of Notes financing or refinancing Green Eligible Projects and Social Eligible Projects will be denominated "Sustainable Bonds".

On or before the issue of Green Bonds, Social Bonds or Sustainable 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

Save as disclosed, with respect to the Bank, in "*Description of the Group – Legal and Arbitration Proceedings*" at pages 160 to 162, there are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Bank is aware), during the 12 months preceding the date of this Base Prospectus which may have, or have had in the recent past, significant effects on the Bank's or the Group's financial position or profitability.

No significant or material change

There has been no material adverse change in the prospects of the Bank or the Group since 31 December 2018 and there has been no significant change in the financial performance or position of the Bank or the Group since 30 September 2019.

Documents available for inspection

For so long as the Programme remains in effect or any Notes shall be outstanding, copies and, where appropriate, English translations of the following documents will, when published, be available for inspection from https://www.nbg.gr/en/the-group/investor-relations/dept-investors/globalmediumtermnoteprogramme:

(a) the Base Prospectus together with any supplement or further prospectus (the Base Prospectus together with any supplement or further prospectus will also be obtainable, free of charge);

(b) the Agency Agreement;

(c) the Deed of Covenant;

(d) the Procedures Memorandum;

(e) any Final Terms relating to Notes which are listed on any stock exchange (such Final Terms will also be obtainable, free of charge). (In the case of any Notes which are not listed on any stock exchange, copies of the relevant Final Terms will only be available to the relevant Noteholders);

(f) any supplemental agreement prepared and published in connection with the Programme; and

(g) in addition, this Base Prospectus is and, in the case of Notes to be listed on the official list and admitted to trading on the regulated market of the Luxembourg Stock Exchange, the relevant Final Terms will be, available on the website of the Luxembourg Stock Exchange at www.bourse.lu,

and the Memorandum and Articles of Association of the Bank will be available for inspection from https://www.nbg.gr/en/the-group/corporate-governance/regulations-principles.

Clearing Systems

The Notes 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 Tranche of Notes allocated by Euroclear and Clearstream, Luxembourg will be specified in the applicable Final Terms. In addition, the Issuer may make an application for any Notes in registered form to be accepted for trading in book-entry form by DTC. If the Notes 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, 1 Boulevard du Roi Albert II, B-1210 Brussels. The address of Clearstream, Luxembourg is Clearstream Banking, 42 Avenue JF Kennedy, L-1855 Luxembourg. The address of DTC is 55 Water Street, New York, New York 10041, United States of America.

Financial statements available

For so long as the Programme remains in effect or any Notes shall be outstanding, copies and, where appropriate, English translations of the following documents will, when published, be available for inspection from https://www.nbg.gr/en/the-group/investor-relations/financial-information/annual-interim-financial-statements:

(a) the published annual report and audited consolidated financial statements of the Group and the Bank for the two most recent financial years ended prior to the date of this Base Prospectus; and

(b) any subsequent interim financial statements of the Group and the Bank.

Independent Auditors

The Group and Bank 2018 Annual Financial Statements and 2017 Annual Financial Statements prepared in accordance with International Financial Reporting Standards as adopted by the EU as of and for the years ended 31 December 2018 and 31 December 2017 incorporated by reference in this Base Prospectus have been audited by Pricewaterhouse Coopers S.A., being certified public accountants. Pricewaterhouse Coopers 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).

Pricewaterhouse Coopers S.A. have reviewed the Group and Bank 2019 June Interim Financial Statements as at and for the six months ended 30 June 2019.

Conditions for determining price

The price and amount of Notes 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.

Yield

In relation to any Tranche of Fixed Rate Notes, an indication of the yield in respect of such Notes will be specified in the applicable Final Terms. The yield is calculated at the Issue Date of the Notes on the basis of the relevant Issue Price. The yield indicated will be calculated as the yield to maturity as at the Issue Date of the Notes and will not be an indication of future yield.

Conflict of interest

Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for, the Bank and their respective affiliates in the ordinary course of business. In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Bank or its affiliates. Certain of the Dealers or their affiliates that have a lending relationship with the Bank routinely hedge their credit exposure to the Bank consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes issued under the Programme. Any such short positions could adversely affect future trading prices of Notes issued under the Programme. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

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