



## OTE PLC

(incorporated with limited liability in England and Wales)

GUARANTEED BY

## HELLENIC TELECOMMUNICATIONS ORGANIZATION S.A.

(incorporated with limited liability in the Hellenic Republic)

€6,500,000,000

### GLOBAL MEDIUM TERM NOTE PROGRAMME

Under this €6,500,000,000 Global Medium Term Programme (the “**Programme**”) OTE PLC (the “**Issuer**”) may from time to time issue notes (the “**Notes**”) denominated in any currency agreed between the Issuer, the Guarantor and the relevant Dealer(s) (each as defined below). The Notes will have the benefit of an unconditional and irrevocable guarantee by Hellenic Telecommunications Organization S.A. (the “**Guarantor**” or “**OTE**”).

The maximum aggregate principal amount of Notes outstanding at any time under the Programme will not exceed €6,500,000,000 (or the equivalent in other currencies) (and, for this purpose, any Notes denominated in any other currency shall be translated into Euros at the date of the agreement to issue such Notes calculated in accordance with the provisions of the Dealership Agreement (as defined under “*Subscription and Sale*”). The maximum aggregate principal amount of Notes which may be outstanding at any time under the Programme may be increased from time to time, subject to compliance with the relevant provisions of the Dealership Agreement.

The Notes may be issued on a continuing basis to one or more of the Dealers specified under “*Overview of the Programme*” and any additional Dealer appointed under the Programme from time to time by the Issuer and the Guarantor (each a “**Dealer**” and together the “**Dealers**”), which appointment may be for a specific issue or on an ongoing basis. References in this Base Prospectus to the “**relevant Dealer**” shall, in relation to 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 being intended to be subscribed by one Dealer, be to such Dealer.

Interest and/or other amounts payable under Floating Rate Notes may be calculated by reference to the London Interbank Offered Rate (“**LIBOR**”) or the Euro Interbank Offered Rate (“**EURIBOR**”) which are provided by ICE Benchmark Administration Ltd. (“**ICE**”) and the European Money Markets Institute (“**EMMI**”), respectively. As at the date of this Base Prospectus, ICE appears on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority (“**ESMA**”) pursuant to Article 36 of the Benchmarks Regulation (Regulation (EU) 2016/1011) (the “**Benchmarks Regulation**”) and EMMI does not appear on such register. As far as the Issuer and the Guarantor are aware, the transitional provisions in Article 51 of the Benchmarks Regulation apply, such that EMMI is not currently required to obtain authorisation or registration (or, if located outside the EU, recognition, endorsement or equivalence).

This Base Prospectus constitutes a base prospectus in respect of non-equity securities within the meaning of Art. 22 N° 6(4) of Commission Regulation (EC) N° 809/2004 of 29 April 2004, as amended (the “**Prospectus Directive Regulation**”) and within the meaning of Article 5.4(a) of Directive 2003/71/EC of 4 November 2003, as amended or superseded (the “**Prospectus Directive**”).

Application has been made to the *Commission de Surveillance du Secteur Financier* (“**CSSF**”) in its capacity as competent authority under the Luxembourg Act dated 10 July 2005 relating to prospectuses for securities (the “**Luxembourg Law on Prospectuses for Securities**”) to approve this Base Prospectus 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, which is a regulated market for the purposes of the Markets in Financial Instruments Directive 2014/65/EU (as amended, “**MFID II**”) (the “**Luxembourg Stock Exchange**”), during the period of 12 months from the date of this Base Prospectus. Application has also been made for Notes issued under the Programme to be listed on the official list of the Luxembourg Stock Exchange. Reference in this Prospectus to Notes being listed on the Luxembourg Stock Exchange (and all related reference) shall mean that such Notes have been admitted to trading on the regulated market of the Luxembourg Stock Exchange and to the official list of the Luxembourg Stock Exchange. The Programme also permits Notes to be issued on an unlisted basis or to be listed on such other or further stock exchanges as may be agreed with the Issuer. The relevant Final Terms (as defined herein) in respect of the issue of any Notes will specify whether or not such Notes will be listed on the Luxembourg Stock Exchange (or on any other stock exchange).

Notes issued under the Programme may be rated or unrated. Where a Tranche of Notes is rated, such rating will not necessarily be the same as the rating(s) assigned to Notes already issued. Where a Series or Tranche of Notes is rated, the applicable rating(s) will be specified in the relevant Final Terms. Whether or not each credit rating applied in relation to a relevant Series or Tranche of Notes will be (1) issued by a credit rating agency established in the European Economic Area (“**EEA**”) and registered under Regulation (EU) No 1060/2009, as amended (the “**CRA Regulation**”), (2) issued by a credit rating agency which is not established in the EEA but endorsed by a CRA which is established in the EEA and registered under the CRA Regulation or (3) issued by a credit rating agency which is not established in the EEA but which is certified under the CRA Regulation will be disclosed in the Final Terms. In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the EEA and registered under the CRA Regulation unless (i) the rating is provided by a credit rating agency not established in the EEA but is endorsed by a credit rating agency established in the EEA and registered under the CRA Regulation or (ii) the rating is provided by a credit rating agency not established in the EEA which is certified under the CRA Regulation. A list of credit rating agencies registered in accordance with the CRA Regulation is available on the website of ESMA at <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>. A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating agency.

The Issuer and the Guarantor may agree with any Dealer that Notes may be issued in a form not contemplated by the Terms and Conditions of the Notes herein, in which event (in the case of Notes intended to be listed on the Luxembourg Stock Exchange) a Drawdown Prospectus or, if appropriate, an updated Base Prospectus will be made available, which will describe the effect of the agreement reached in relation to such Notes.

#### SEE “**RISK FACTORS**” FOR A DISCUSSION OF CERTAIN FACTORS TO BE CONSIDERED IN CONNECTION WITH AN INVESTMENT IN THE NOTES.

Investors should note that the CSSF gives no undertaking as to the economic or financial soundness of any transaction contemplated by this Base Prospectus or the quality or solvency of the Issuer in accordance with the provisions of Article 7(7) of the Luxembourg Law on Prospectuses for Securities implementing the Prospectus Directive.

#### Arranger

HSBC

#### Dealers

Alpha Bank  
BNP PARIBAS  
BofA Merrill Lynch  
Citigroup  
Credit Suisse  
Deutsche Bank

Eurobank Ergasias S.A.  
Goldman Sachs International  
HSBC  
Morgan Stanley  
National Bank of Greece  
Piraeus Bank S.A.

The date of this Base Prospectus is 10 April 2019.

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## IMPORTANT NOTICES

Each of the Issuer and the Guarantor accepts responsibility for the information contained in this document and the Final Terms for each tranche of Notes issued under the Programme, and, to the best of the knowledge and belief of each of the Issuer and the Guarantor (each of which has taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

This Base Prospectus should be read and construed together with any supplements hereto and, in relation to any Tranche (as defined herein) of Notes, should be read and construed together with the relevant Final Terms (as defined herein).

The Issuer and the Guarantor, having made all reasonable enquiries, have confirmed to the Dealers named under “*Subscription and Sale*” below that the information contained in this Base Prospectus (including for this purpose, each relevant Final Terms) with regard to the Issuer, the Guarantor and the Guarantor’s subsidiaries is true and accurate in all material respects and is not misleading; that any opinions or intentions expressed herein with respect to the Issuer, the Guarantor, the Guarantor and its consolidated subsidiaries and the Notes are honestly held; that this Base Prospectus does not omit to state any other fact necessary to make such information, opinions or intentions (with respect to the Issuer, the Guarantor or the Notes) not misleading in any material respect; and that all reasonable enquiries have been made to ascertain all facts material for the purposes aforesaid.

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

No representation or warranty is made or implied by the Dealers or any of their respective affiliates, and none of the Dealers and any of their respective affiliates 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 the information contained in this Base Prospectus is true subsequent to the date hereof or the date upon which this Base Prospectus has been most recently amended or supplemented or that there has been no adverse change, or any event reasonably likely to involve any adverse change, in the condition (financial or otherwise) of the Issuer or the Guarantor since the date thereof or, if later, the date upon which this Base Prospectus has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

The distribution of this Base Prospectus 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 Issuer, the Guarantor 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*” and “*Form of Notes and Transfer Restrictions relating to U.S. Sales*”. In particular, the Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”) and 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**”)) in reliance on Rule 144A. 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 Final Terms constitutes an offer or an invitation to subscribe for or purchase any Notes and is not intended to provide the basis of any credit or other evaluation and should

not be considered as a recommendation by the Issuer, the Guarantor, the Dealers or any of them that any recipient of this Base Prospectus or any Final Terms should subscribe for or purchase any Notes. Each recipient of this Base Prospectus or any Final Terms should determine for itself the relevance of the information contained in this Base Prospectus and shall be taken to have made its own investigation and appraisal of the condition (financial or otherwise) of the Issuer and the Guarantor.

In this Base Prospectus, unless otherwise specified, references to “U.S.\$”, “U.S. dollars” or “dollars” are to United States dollars, references to “£” are to pounds sterling and references to “EUR”, “€” or “Euro” are to the currency introduced at the start of the third stage of European economic and monetary union, and as defined in Article 2 of Council Regulation (EC) № 974/98 of 3 May 1998 on the introduction of the euro, as amended.

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.

This Base Prospectus has been prepared on the basis that any offer of Notes in any Member State of the European Economic Area, which has implemented the Prospectus Directive (each, a “**Relevant Member State**”) will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of Notes. Accordingly any person making or intending to make an offer in that Relevant Member State of Notes which are the subject of an offering contemplated in this Base Prospectus as completed by Final Terms in relation to the offer of those Notes may only do so in circumstances in which no obligation arises for the Issuer, the Guarantor or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer. Neither the Issuer, the Guarantor nor any Dealer have authorised, nor do they authorise, the making of any offer of Notes in circumstances in which an obligation arises for the Issuer, the Guarantor or any Dealer to publish or supplement a prospectus for such offer.

IN CONNECTION WITH THE ISSUE OF NOTES IN ANY SERIES OR TRANCHE UNDER THE PROGRAMME, A DEALER OR DEALERS (IF ANY) ACTING AS THE STABILISATION MANAGER(S) (OR PERSONS ACTING ON BEHALF OF ANY STABILISATION MANAGER(S)) MAY OVER-ALLOT NOTES OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF THE NOTES IN SUCH SERIES AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL. HOWEVER, STABILISATION MAY NOT 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 SERIES OF NOTES IS MADE AND, IF BEGUN, MAY CEASE AT ANYTIME, BUT IT MUST END NO LATER THAN THE EARLIER OF 30 DAYS AFTER THE ISSUE DATE OF THE RELEVANT SERIES OF NOTES AND 60 DAYS AFTER THE DATE OF THE ALLOTMENT OF THE RELEVANT SERIES OF NOTES. ANY STABILISATION ACTION OR OVER ALLOTMENT SHALL BE CONDUCTED IN ACCORDANCE WITH ALL APPLICABLE LAWS AND RULES.

**MIFID II product governance / target market** - The Final Terms in respect of any Notes may 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 Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

**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 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 MiFID II; (ii) a customer within the meaning of Directive 2002/92/EC (as amended or superseded, the “**Insurance Mediation Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Directive. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**PRIPs 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.

**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).

HSBC Bank plc will not regard any actual or prospective holders of Notes (whether or not a recipient of this Base Prospectus and/or the relevant Final Terms) as their client in relation to any issue of Notes described in the relevant Final Terms when read together with this Base Prospectus and will not be responsible to anyone other than the Issuer for providing the protections afforded to its clients nor for providing the services in relation to any issue of Notes described in the relevant Final Terms when read together with this Base Prospectus or any transaction or arrangement referred to herein or therein. Each of the Dealers reserves the right to determine whether or not any actual or prospective holders of Notes are to be regarded as its clients in relation to any such issue of Notes at the relevant time of such issue of Notes.

## **SUPPLEMENT TO THE BASE PROSPECTUS**

The Issuer and the Guarantor have undertaken, in connection with the listing of the Notes on the Luxembourg Stock Exchange and pursuant to Article 13 of the Luxembourg Law on Prospectuses for Securities, that if there shall occur a significant factor, material mistake or inaccuracy relating to the information included in this Base Prospectus, the Issuer will prepare or procure the preparation of a supplement to this Base Prospectus or, as the case may be, publish a new Base Prospectus, for use in connection with any subsequent issue by the Issuer of Notes to be listed on the Luxembourg Stock Exchange and in accordance with Article 13 of the Luxembourg Law on Prospectuses for Securities.

## RISK FACTORS

*The following factors may affect the ability of the Issuer and the Guarantor to fulfil their obligations in respect of Notes issued under the Programme. All of these factors are contingencies, which may or may not occur and neither the Issuer nor the Guarantor is in a position to express a view on the likelihood of any such contingency occurring. Prior to making an investment decision, prospective purchasers of the Notes should carefully consider, along with the other matters referred to in this Base Prospectus, the following risks associated with an investment in securities issued by the Issuer specifically, which could be material for the purpose of assessing the market risks associated with Notes issued under the Programme.*

*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. Prospective investors should also consult their own financial and legal advisers about risks associated with an investment in any Notes issued under the Programme and the suitability of investing in such Notes in light of their particular circumstances, without relying on the Issuer, the Guarantor or the Dealers. Investors are advised to make, and will be deemed by the Dealers, the Issuer and the Guarantor to have made, their own investigations in relation to such factors before making any investment decisions in relation to the Notes.*

### **Risk Factors relating to the Guarantor**

***There is increased competition in wholesale services and the Guarantor's wholesale customers may face financial difficulties, which could, in turn, affect the Guarantor.***

Wholesale activities are subject to a significant degree of regulation, in particular, with respect to the tariffs the Guarantor charges for the relevant services. The Hellenic Telecommunications and Post Commission (“HTPC” or “EETT”) may reduce the tariffs that the Guarantor is allowed to charge to its competitors. The Guarantor's customers for wholesale services are mainly alternative providers of telecommunications services, which could make significant investments in developing their own infrastructure with a view to reducing their reliance on, and use of, the Guarantor's own network infrastructure, which will, in turn, result in a decrease in the wholesale services provided by the Guarantor.

Certain of the Guarantor's customers for wholesale services also face increased competition with respect to the tariffs for the services they provide, as well as significant capital expenditure requirements to develop their own networks and, accordingly, a number of these customers are highly leveraged in order to fund their capital expenditure. The financial difficulties that these telecommunications providers already face, or may face in the future, especially exacerbated by the current economic and financial conditions in Greece, may lead to increases in the Guarantor's bad debt provisions. The Guarantor cannot be certain that it will not have to increase its provisions for bad debts relating to debts owed by alternative operators facing financial difficulties, especially in the event that macroeconomic conditions in Greece do not improve or deteriorate further. Loss of wholesale business or potential financial difficulties faced by the Guarantor's wholesale customers could have a material adverse effect on the Guarantor's business, results of operations, financial condition and prospects.

***If the Guarantor does not respond promptly and efficiently to increased competitive pressures, its market share in Greek fixed-line services may decline further.***

Since the liberalisation of the Greek telecommunications market in 2001, the Guarantor has faced, and continues to face, competitive pressures in the provision of domestic and international fixed-line services. As a result of the migration of certain of the Guarantor's customers to its competitors, the Guarantor has experienced a gradual decline in its share of the Greek market for voice fixed-line services, in terms of both numbers of subscribers and voice traffic. The Guarantor expects competition in the Greek telecommunications market to continue to intensify as a result of a number of factors, including regulatory developments, improvements to competitors' infrastructure, competitors having exclusive infrastructure in certain areas and continuing consolidation of market shares, including planned and potential efforts of the Guarantor's competitors (in particular, Vodafone Greece and Wind Hellas) to strengthen their position in the fixed-line market.

The competitive landscape in the market has continued to evolve following a number of mergers and acquisitions and strategic alliances between fixed-line and mobile operators. Such evolution has led to the creation of a number of strong market players to compete with the Guarantor on equal or better terms. Vodafone Greece and Wind Hellas are the Guarantor's major competitors for the provision of combined fixed-line and mobile services in the Greek market. Recent adverse economic conditions have fostered further consolidation in the market, which have affected corporate and individual expenditure on fixed-line services, as well as recent trends in the electronic communications sector of bundling services to make them more attractive, in line with the decreasing average income in Greece.

In 2016, Vodafone Greece and Wind Hellas signed a memorandum of understanding in respect of the common deployment of fixed Next Generation Access (“NGA”) network. They are also continuing to leverage on their network sharing agreement through “Victus Networks”, a joint venture established in 2014.

In January 2018, Vodafone announced the acquisition of Cyta Hellas for a total enterprise value of €118 million, enhancing its scale mainly in the fixed line business and building on the acquisition and integration of Hellas Online. The acquisition was formally completed in July 2018 after obtaining the approval of the EETT.

In September 2017, Vodafone enriched its PAY-TV offering by entering into an agreement with Forthnet, to resell on wholesale basis NOVA sports premium content over the IP platform. Wind Hellas also entered into a similar arrangement with Forthnet, and began reselling on wholesale basis NOVA sports premium content over IP based platform in April 2018.

Forthnet is currently a provider of PAY TV and fixed telecommunication services and, following the EETT decision in January 2019 in respect of mobile virtual networks operators (“MVNO”), it has requested to become an MVNO. In November 2017, a sale process was launched by Piraeus Bank, National Bank, Alpha Bank and Attica Bank in respect of a 32.7% stake in Forthnet. In October 2018 a consortium comprising Wind Hellas and Vodafone submitted a formal offer, with a rival offer submitted by Antenna Group. In January 2019, Piraeus Bank, National Bank of Greece, Alpha Bank and Attica Bank, subsequently increased their joint stake in Forthnet to approximately 36.0%. The Forthnet sale process is currently ongoing, and the sellers have entered into exclusive talks with the Vodafone-Wind consortium.

The development of broadband services and offerings of television subscription services have also become, and the Guarantor expects them to continue to be, an increasingly important part of telecommunications operators’ offerings in the mid-term future. In addition, competition access lines have also increased in recent years (reaching 2.1 million as at 31 December 2018, a 0.5% increase as compared to 31 December 2017), demonstrating the effect of such offerings on the market.

As the Guarantor’s competitors expand or converge their business operations in fixed, mobile, broadband and television services, they may benefit from a larger customer base, increasing economies of scale and opportunities for synergies which could enhance their ability to compete effectively with the Guarantor in the Greek telecommunications market. At the same time, the Guarantor is subject to certain regulatory restrictions, which may limit its ability to offer fixed services on the same competitive terms. See “—Regulatory and competitive pressures affect the Guarantor’s ability to set competitive retail and wholesale tariffs”.

As a result of the above, the Guarantor’s market shares in both the business and residential market sectors may decline further in coming years. The Guarantor also expects to face increasing pressure to further reduce prices, further enhance the quality of its network, adopt more efficient technologies, improve the level of its services, reduce costs (to the extent permitted (see “—Regulatory and competitive pressures affect the Guarantor’s ability to set competitive retail and wholesale tariffs”)) and promote customer satisfaction. If the Guarantor does not respond to these pressures promptly and efficiently, its market share may decline, which could have a material adverse effect on the Guarantor’s business, results of operations, financial condition and prospects.

***As alternative telecommunications operators extend their own networks, they are expected to improve the quality of their services and become more competitive.***

A number of telecommunications operators in Greece, including both fixed-line and mobile operators have developed and extended their own networks in order to expand their customer bases. Furthermore, based on the relevant HTPC provisions as regards the introduction of Very High Bitrate Digital Subscriber Line (“VDSL”) Vectoring in the access network, Vodafone and Wind are deploying NGA networks in various areas. The Guarantor expects that, as these operators continue to compete and further reduce their prices, the services offered by such competitors, including the number of unbundled local loops, will increase and their operating costs will decrease, as a result of increased economies of scale, making such companies more competitive. Current market conditions may also lead to the merger of certain of the Guarantor’s competitors, which will, in turn, increase the network resources available to the combined operator. See “—Additional risk factors relating to Mobile Telephony—Cooperation of Cosmote’s competitors could affect Cosmote’s performance which could, in turn, materially adversely affect the Guarantor’s business, results of operations, financial condition and prospects.” The expansion or combination of the operators’ own networks may result in a reduction on their reliance on leasing capacity from the Guarantor’s network and, in particular, its wholesale services, such as leased lines and wholesale broadband services. As a result, other participants in the market may become more competitive. This could have a material adverse effect on the Guarantor’s market share, or on its revenues and its profitability, any of which, in turn, could have a material adverse effect on its business, results of operations, financial condition and prospects.

The Guarantor may be unable to implement new technologies and launch new products in a timely and cost-efficient manner or to penetrate new markets in a timely manner in response to technological advances, changing market conditions or customer requirements.



The telecommunications industry is subject to rapid technological changes. Advances in telecommunications and information technology have in the past created, and may in the future continue to create, alternatives to fixed-line transmission based on switching or may facilitate the provision of telecommunications services that circumvent conventional tariff structures. The Guarantor expects that new products and technologies will continue to emerge and that existing products and technologies will further develop. Although not yet fully realised, the current trend towards convergence of the telecommunications, broadcasting and information technology services may also affect further developments.

Changing technology intensifies competition for operators of fixed-line and mobile networks, including the Guarantor and its wholly-owned subsidiary, Cosmote Mobile Telecommunications S.A. (“**Cosmote**”), as existing and new competitors develop or adopt new or advanced technologies and compete in terms of service quality and pricing. The Guarantor also faces competition with the emergence of “over the top” (“**OTT**”) competitors. The Guarantor may be required to deploy new technologies rapidly if, for example, customers begin demanding enhanced features, such as increased bandwidth, or if one of its competitors decides to emphasize a newer technology in its marketing. In particular, with respect to OTT services, services such as Skype, Google Hangouts, FaceTime, Instagram, Viber, and Facebook Messenger, are capable of providing mobile data-only users with mobile voice, messaging and video services and providing fixed broadband-only users with fixed telephony and video services. These services are provided over the Guarantor’s network and may lead to the Guarantor losing revenue streams from its existing customers, as well as a concurrent increase in network load, which would require additional investments in order to secure the quality of service. An increase in the penetration of such OTT services could have a material adverse effect on the Guarantor’s business, results of operations, financial condition and prospects.

The Guarantor is already using, or plans to implement, several new technologies in its network and in its new service offerings. The Guarantor cannot, however, be certain that it may continue to have cost-efficient access to know-how for such modern technologies, or that it will be able to implement them as quickly, or as effectively as its competitors. Furthermore, as new technologies develop, difficulties in accessing such new technologies or competitive pressures may force the Guarantor to implement these technologies at a substantial cost. For example, the rollout of Fibre to Home (“**FTTH**”), if required, could cost substantially more than current expectations or historical capital expenditure and therefore reduce the Guarantor’s free cash-flow.

The Guarantor cannot predict with any accuracy the effect of technological changes on its business or on its ability to provide competitive services.

Any failure of the Guarantor to introduce its new products and services in a timely and efficient manner under evolving market conditions, to take advantage of the recent expansion and upgrade of its network or to effectively respond to competition from new technologies could have a material adverse effect on its business, results of operations, financial condition and prospects.

The Guarantor’s commercial success in the introduction of technologically advanced services, such as VDSL vectoring and FTTH now being offered, depends on a number of factors, including:

- sufficient demand from the Guarantor’s existing and potential customers to offset its past and anticipated investment in these services;
- the Guarantor’s success in identifying and implementing in a timely manner appropriate technologies that may allow it to respond efficiently to its customers’ needs and to its competitors’ alternative technologies and its ability to continue investing on an incremental basis with a view to securing increased capacity and better quality of service with its existing infrastructure;
- the Guarantor’s ability to compete effectively with other providers of these services;
- the Guarantor’s ability to timely reformulate its policies to conform to market conditions and needs; and
- the Guarantor’s ability to operate as a one-stop-shop, integrating telecommunications, hardware, and software services into a single offer, depending on different customer needs.

The absence of, or the Guarantor’s failure in, any one or more of these factors, could materially adversely affect the Guarantor’s business, results of operations, financial condition and prospects.

***Macroeconomic conditions in Greece and the Greek fiscal position have deteriorated markedly.***

The Guarantor and its consolidated subsidiaries (the “**Group**”) derive the majority of its revenues from Greece (75.5% in 2018 and 74.4% in 2017 (excluding Telecom Albania)) and the majority of its operations are located in Greece. Since late 2008 and, in particular, since early 2010, the Greek economy has encountered and continues to encounter

significant fiscal challenges and structural weaknesses. See “*Description of the Guarantor—Recent Macroeconomic Events Affecting Greece*”. While a recovery is underway, Greece is facing economic crisis legacies resulting from its significant fiscal deficits and high levels of borrowing. According to statistics published by the International Monetary Fund (the “**IMF**”), public debt as a percentage of GDP was 188.1% as at 31 December 2018 and 181.8% as at 31 December 2017 and is forecast to be 177.1% in 2019. The political, economic and budgetary challenges faced by Greece with respect to the public debt burden and weakening economic prospects led to sequential ratings downgrades during 2010, 2011 and 2012 by the international rating agencies, although such ratings have since been upgraded and the ratings currently assigned to Greece as at the date of this Base Prospectus are B+ (positive) by S&P Global Ratings and B1 (stable) by Moody’s Investors Services.

The Greek economy re-entered recession in 2015, following a mild recovery in 2014. In July 2018, the IMF concluded its 2018 Article IV consultation noting that “following a deep and protracted contraction, growth has finally returned to Greece”.

On 28 June 2015, capital controls were imposed in Greece, which currently include monthly limits on ATM withdrawals made abroad and restrictions on payments abroad, including payments by the Guarantor. Capital controls were subsequently eased in 2017 and again in October 2018 but remain in place. Although the Guarantor has thus far not been materially affected by any such issues, there can be no guarantee that it will not be so affected in the future in respect of either its own or customers’ finance. While it is expected that capital controls may be eased further during 2019, it is uncertain how long Greece will continue to maintain capital controls. While capital controls are in place, the Guarantor’s and its customers’ liquidity may be affected.

Following negotiations, the third economic adjustment programme for Greece (the “**Third EAP**”) started on 19 August 2015 and ran until 20 August 2018. In total, Greece received disbursements of €61.9 billion of financial assistance out of a possible €86 billion under the programme provided by the European Stability Mechanism (“**ESM**”). The conditions for receiving financial assistance included the implementation by Greece of a number of measures and reforms in order to address economic challenges. The overall aim of the programme was to secure a return to sustainable economic growth in Greece, and the programme was monitored by the European Commission, in liaison with the ECB, ESM and IMF.

A first disbursement of funds of the amount of €13 billion was made on 20 August 2015 following signature of the memorandum of understanding. The first review of the programme was completed in June 2016, paving the way for the release of the 2nd tranche of financial assistance, amounting to €10.3 billion. The second review of the programme was completed in June 2017, permitting the disbursement of the third tranche of the financial assistance available for Greece under the programme in the amount of €8.5 billion. The third review of the Third EAP was completed on 12 March 2018, and a fourth tranche of €6.7 billion was authorized on 27 March 2018 and disbursed in two stages (€5.7 billion was disbursed on 28 March 2018 and €1 billion was disbursed on 15 June 2018). The ESM disbursed a fifth and final tranche of €15 billion on 6 August 2018, of which €9.5 billion will be used to build up Greece’s international reserves and €5.5 billion will be used for debt service.

In June 2018, the Eurogroup commended Greek authorities for the completion of all agreed actions of the final review of the Third EAP and agreed to provide additional debt relief and supported the implementation of an enhanced post-programme surveillance framework. The IMF confirmed its continued involvement in Greece in the post-programme surveillance framework alongside the European institutions.

Negative macroeconomic trends may continue in the near future to affect the levels of disposable income and spending of individuals and corporations in Greece. It remains uncertain whether the fiscal consolidation programme previously adopted or measures to be adopted in the future will be successful in the medium- or long-term in reversing the negative macroeconomic trends prevailing in Greece. If Greece is required to adopt further restrictive fiscal measures or is unable to ease current fiscal measures, it may have a further adverse impact on prospects for economic growth and disposable income in Greece, and no assurance can be given that Greece will be able to serve its sovereign debt.

Moreover, the Greek economy may not achieve the robust growth that is necessary to improve conditions for foreign direct investment and the availability of funding from the capital markets. Notwithstanding the post-Third EAP surveillance framework, the Greek economy will continue to be affected by the credit risk of other countries in the EU, the creditworthiness of commercial counterparties internationally and the repercussions arising from changes to the European institutional framework, which may contribute to continuing investor concerns regarding Greece’s capacity to honour its financial commitments.

Further reductions in disposable income and consumer spending as a result of the deterioration of macroeconomic conditions may result in (i) the Guarantor’s corporate clients further restricting technology and telecommunications spending and (ii) its residential customers of telecommunications services (such as, fixed-line and mobile telephony, internet and television) further reducing spending for these services or turning to lower price alternatives that may be offered by the Guarantor’s direct and indirect competitors. This could have a material adverse effect on the Guarantor’s

business, including on the Guarantor's market share.

The Guarantor may decide to respond to such pressures by reducing its rates in order to remain competitive, which would, in turn, also negatively affect its revenues. The Guarantor may, however, be restricted from taking such mitigating action, as there can be no assurance that the national regulatory authority, HTPC will permit it to reduce its rates, which could cause the Guarantor to experience a significant competitive disadvantage and, in turn, exacerbate its market share losses. See “—*Regulatory and competitive pressures affect the Guarantor's ability to set competitive retail and wholesale tariffs*”.

***Greece has, and may continue to, adopt fiscal measures that adversely affect the Guarantor.***

In response to the deteriorating macroeconomic conditions faced in the previous years, a range of fiscal measures were adopted, aimed at reducing state expenditure (including reductions in public investments and the income of employees in the public sector and pensions) and at increasing tax revenues, including the introduction of significant increases in direct and indirect taxes, intended to improve Greece's fiscal position.

In July and August 2015, Greece introduced Law № 4334/2015 and Law № 4336/2015, respectively, which modified the income tax code introduced in July 2013 as Law № 4172/2013. Among the changes to the tax code were an increase in the corporate income tax rate from 26% to 29% and an increase in the percentage of corporate income tax paid in advance from 80% to 100% of tax due. These changes applied retroactively to any profits derived from accounting periods after 1 January 2015.

In May 2016, a social security and taxation reform package was approved by the Hellenic Republic, aimed at creating the savings necessary to meet a 3.5% budget surplus target before interest payments in 2018. Such reform package was agreed with the Eurogroup in June 2016 upon its first review of the Third EAP. The fiscal reform package included, in particular, an increase in the dividend withholding tax rate to 15%, the introduction of progressive income tax scales for employees, self-employed persons and individuals deriving real estate income, an increase in social security contributions from 2017 and an increase in solidarity levy rates. On 1 June 2016, a special tax on PAY-TV subscriber bills at a rate of 10% (before VAT) was introduced and the standard rate of VAT was increased to 24% (from 23%). A special tax on fixed-line phones and internet, at the rate of 5% (before VAT), was introduced on bills issued as of 1 January 2017. The special reduced VAT rates for certain of the Greek islands of the Aegean sea have been abolished, (except in respect of Lesbos, Chios, Samos, Kos and Leros, which will retain the special reduced VAT rates until 30 June 2019 due to increased refugee inflows). Additional amendments to individual taxation were introduced by Law № 4472 published in May 2017. The law provides for the abolition of the 1.5% discount on payroll withholding tax with effect from 1 January 2018, as well as the reduction of tax credits applied on employment and pension income which has not yet been enacted.

Certain provisions of the modified tax code and the reform package introduced in 2016 have increased the taxation of individuals and the VAT rate on a number of products and services. Such increases may reduce disposable income levels of the Guarantor's customers in Greece, which could, in turn, result in reduced retail demand for the Guarantor's products and services.

Law № 4579/2018 published on 3 December 2018, transposed article 2 of Directive 2017/2455/EU introducing amendments to the place of taxation in the case of telecommunication services. It provides for a gradual reduction of the corporate income tax rate by 1% annually, starting in 2019 and ending in 2022. The corporate income tax rate for 2019 will be 28% and will decrease to 27% in 2020, 26% in 2021 and 25% in 2022 (and for subsequent years). On 6 March 2019, the Greek Parliament voted for the reduction of the dividend withholding tax rate from 15% to 10% to be effective with retroactive effect from 1 January 2019.

Despite the recent tax relief measures, there can be no assurance that other fiscal measures aimed at raising funds will not be implemented, which could have a material adverse effect on the Guarantor's financial condition.

***The Hellenic Republic is a major customer of the Guarantor.***

The Hellenic Republic is the Guarantor's largest customer for telecommunications services (see “*Description of the Guarantor—Control of the Guarantor—The Hellenic Republic*”). The uncertainties that continue to exist in Greece's fiscal position may have a negative impact on the Guarantor's ability to maintain current revenue levels and customer spending from the Hellenic Republic or to recover amounts owing to it from the Hellenic Republic, which, in turn, could have a material adverse effect on the Guarantor's financial results and financial condition.

***Political, economic, legal and regulatory uncertainties prevailing in many markets outside Greece in which the Guarantor has invested, or plans to invest, could have a material adverse effect on its international investments.***

The Guarantor has made equity investments in telecommunications operators and has acquired indirectly through those operators, regulatory licences to provide telecommunications services in Romania. Investments the Guarantor has already made, and additional investments it may consider in the future, were or may be located in countries that present a different, and in some cases greater, risk profile than that of the telecommunications sector in Greece.

Relevant risks could include, but are not limited to:

- unanticipated changes in the legal or regulatory environment and licensing requirements in such countries;
- tariffs, taxes, price, wage and exchange controls and other trade barriers;
- other restrictions on, or costs of, the repatriation of profits or capital;
- political and social instability;
- significant economic volatility;
- strong inflationary pressures; and
- interest rate and exchange rate fluctuations.

The south-eastern European countries where the Guarantor has made investments are at varying stages of transition to a market economy. Consequently, they have experienced, or may experience, changes in their economies and their governmental policies that may affect the Guarantor's investments in these countries. Although these countries are at different stages of developing institutions and legal and regulatory systems characteristic of parliamentary democracies, including having recently become, or aspiring to become, EU Member States, these institutions may not yet be as firmly established as they are in Western Europe. Similarly, the interpretation and procedural safeguards of the new legal and regulatory regimes in these countries are still developing and in certain cases existing laws and regulations may be applied inconsistently. In some circumstances, it may not be possible to obtain the legal remedies provided under such laws and regulations in a timely manner. As a result, the Guarantor may face further uncertainty as to the performance of its international investments.

The Group's largest investments outside Greece are in Romania, through Telekom Romania Communications S.A. ("**Telekom Romania**") and Telekom Romania Mobile Communications S.A. ("**Telekom Romania Mobile**"). Romania's exports are largely (approximately 75%) directed to members of the Eurozone, and, accordingly, the outlook for the Eurozone's economies has an effect on Romania's exports and overall trade balance. According to IMF statistics, Romania's GDP is considered to have grown by 6.9% in 2017 and 4.0% in 2018 and is forecast to grow by 3.4% in 2019.

In recent years, south-eastern European countries in which the Guarantor has made investments have mainly experienced negative rates of economic growth, or significantly slower growth rates, as compared to previous years. There can be no assurance that the macroeconomic environment in Romania will not deteriorate and any such deterioration could have a material adverse impact on the operating and financial performance of the Guarantor's businesses in the respective market. In addition, in previous years, countries in which the Group operates have experienced high inflation, which may result in high interest rates, devaluations of local currencies and government controls on currency exchange rates or prices, any of which may affect the Guarantor's results. The currency in Romania has been subject to devaluations in certain cases in previous years and may suffer further devaluations, which could adversely affect the stated value of its shareholdings in entities in this jurisdiction.

All of these conditions in south-eastern Europe could have a material adverse effect on the Guarantor's international investments and, accordingly, on its business, results of operations, financial condition and prospects.

***The Group is exposed to foreign currency risk.***

The Group operates in south-eastern Europe and, as a result, is exposed to currency risk due to changes in the rates of exchange between the functional currencies of its operating subsidiaries and its reporting currency, the Euro. The main currencies within the Group are the Euro and the Romanian Leu ("**Ron**"). Although telecoms tariffs in Romania are indexed to the Euro, a material depreciation of the Ron against the Euro could have a material adverse effect on the Group's financial condition and results of operations.

In addition, some of the Group's costs are denominated in currencies that may appreciate relative to the Euro (the Guarantor's reference currency). This could have an adverse impact on the Guarantor's profitability and cash flow generation.

***Financial market conditions may impair the Guarantor's ability to obtain financing and increase its cost of debt.***

Although macroeconomic conditions in Greece are showing signs of improvement, uncertainties continue to exist which may affect the Guarantor's ability to obtain financing and increase its cost of debt. The Group's adjusted net debt as at 31 December 2018 has stabilised at €738.8 million, as compared to €737.1 million as at 31 December 2017, and the Group continues to have significant financial commitments that will come due in the coming years. If there are not sufficient funds to meet such commitments from the Group's own funds, the Guarantor will need to consider refinancing alternatives.

If the capital and credit markets deteriorate and the availability of funds becomes limited, the Guarantor may incur increased interest rates and other costs associated with debt financing and its ability to access the capital markets or borrow money may be impaired, which could have a material adverse effect on its financial condition.

***The Guarantor and the Group are exposed to credit risk.***

Credit risk is the risk of financial loss to the Group and the Guarantor if a counterparty fails to meet its contractual obligations. The carrying value of financial assets at each reporting date is the maximum credit risk to which the Group and the Guarantor are exposed in respect of the relevant assets.

Defaulted payments of trade receivables could potentially adversely affect the liquidity of the Group and the Guarantor. However, due to the large number of customers and the diversification of the Group's customer base, there is little concentration of credit risk with respect to these receivables. Concentration of risk does however exist in respect of amounts receivable from other telecommunication service providers, due to their relatively small number and the high level of transactions they have with the Group and the Guarantor. The Group and the Guarantor assess credit risk in accordance with established policies and procedures and have made appropriate provisions for impairment. Nevertheless, the failure of one or more telecommunications service providers to meet its obligations to the Group could have a material adverse effect on the financial condition of the Group.

The Guarantor has also made certain advances to the Greek Auxiliary Pension Fund, principally as a result of the Voluntary Exit Schemes, which are being repaid gradually via an amortising schedule. The Guarantor is, therefore, exposed to the credit risk of the Auxiliary Pension Fund.

Cash and cash equivalents are also exposed to a high level of credit risk in light of the macroeconomic conditions in Greece, which places significant pressure on domestic banks. Most of the Group's cash is invested in highly rated banks and with a very short term tenor. Nevertheless, a failure of one or more counterparties to meet its contractual obligations could have a significant impact on the Group's cash reserves and financial condition.

***Any future ratings downgrade may impair the Guarantor's ability to obtain financing and increase its cost of debt.***

The long-term credit ratings assigned to the Guarantor are BB+ (positive) by S&P Global Ratings Europe Limited ("S&P") and Ba2 (stable) by Moody's Investors Service España S.A. ("Moody's") following recent improvements to the Greek sovereign rating.

Ratings issued by Moody's on the GMTN Programme or on any Notes issued under the GMTN programme are on an unsolicited basis.

The Guarantor's credit ratings are dependent on the credit ratings assigned to Greece and any downgrade of the sovereign rating has in the past and is likely in the future to result in a downgrade of the Guarantor's rating. There can be no assurance that the ratings assigned to the Guarantor will not be downgraded or that any future downgrades of Greece's sovereign credit ratings will not result in further downgrades of the Guarantor's credit ratings. Any future ratings downgrades may impair the Guarantor's ability to obtain financing and increase its costs of debt and could have a material adverse effect on its business, results of operations, financial condition and prospects.

***The Guarantor's business depends on the upgrading of its existing networks.***

The Guarantor must continue to maintain, improve and upgrade its existing networks in a timely and satisfactory manner in order to retain and expand its customer base in each of its markets. A reliable and high-quality network is necessary to manage churn by sustaining the Guarantor's customer base, to maintain strong customer brands and reputation and to satisfy regulatory requirements, including minimum service requirements. The maintenance and improvement of the Guarantor's existing networks depends on its ability to:

- upgrade the functionality, capacity and speed of its networks to offer increasingly customised services to its customers;
- increase coverage in certain of the Group's markets;
- expand and maintain its customer service, network management and administrative systems; and
- upgrade older systems and networks to adapt them to new technologies.

The Guarantor's network investments may also be limited by market uptake and customer acceptance. If the Guarantor fails to make adequate capital expenditures or investments, or to properly and efficiently allocate such expenditures or investments, the performance of the Guarantor's networks, both in real terms and in relative terms, as compared to its competitors, could suffer, resulting in lower customer satisfaction, diminution of brand strength and increased churn.

Many of these factors are not entirely within the Guarantor's control and may be affected by applicable regulation. If the Guarantor fails to maintain, improve or upgrade its networks, its services and products may be less attractive to new customers and the Guarantor may lose existing customers to competitors, which could have a material adverse effect on its business, results of operations, financial condition and prospects.

***Equipment and network systems failures, or other natural disasters or unforeseen circumstances, could significantly disrupt the Guarantor's operations, which could negatively affect its reputation, reduce its customer base and result in lost revenue.***

In common with other telecommunications operators, the Guarantor's technological infrastructure and other property, including its network infrastructure for mobile telecommunications and fixed-line services, are vulnerable to damage or disruptions from numerous events, including fire, flood, earthquakes, windstorms or other natural disasters, power outages, terrorist acts, equipment or system failures, human errors or intentional wrongdoings, including breaches of the Guarantor's network or information technology security. Although the Guarantor has implemented programmes to help mitigate the risks associated with network systems failures and security threats and is insured for damages to assets and any consequent business interruption as a result of the events mentioned above, any such failure for whatever reason could result in (i) reduced usage of the Guarantor's services as a result of subscriber dissatisfaction with poor performance and reliability, (ii) harm to the Guarantor's reputation and ability to attract and retain subscribers and (iii) regulatory penalties or unanticipated capital expenditures, any of which could, in turn, have a material adverse effect on the Guarantor's business, results of operations, financial condition and prospects.

***The change of control provisions in the Guarantor's existing indebtedness could be triggered.***

Three series of outstanding Notes issued under the Programme in an aggregate principal amount of €1.45 billion (made up of €350 million due December 2019, €700 million due July 2020 and €400 million due July 2022), as well as the corresponding intragroup lendings, contain change of control provisions, which would be triggered if any entity other than Deutsche Telekom AG ("**Deutsche Telekom**"), Deutsche Telekom acting together with the Hellenic Republic or any other telecommunications operator with a credit rating equivalent or superior to Deutsche Telekom's credit rating, gains the power to direct the management and policies of the Guarantor, whether through the ownership of voting rights, or otherwise.

In 2016, the Guarantor signed a €339 million syndicated loan arranged by the European Bank for Reconstruction and Development (the "**EBRD**") (as at the date of this Base Prospectus, €56.5 million is outstanding) and a €50 million parallel bilateral loan with the Black Sea Trade and Development Bank ("**BSTDB**") (as at the date of this Base Prospectus €8.3 million is outstanding). In 2017, Cosmote entered into term loan and syndicated facilities with the European Investment Bank ("**EIB**") and the EBRD, respectively, both in the amount of €150 million and guaranteed by the Guarantor (as at the date of this Base Prospectus, €138.5 million is outstanding).

Each of the EBRD, EIB and BSTDB loans include change of control clauses applicable to the Guarantor which would be triggered if an entity other than Deutsche Telekom, Deutsche Telekom together with the Hellenic Republic or any other telecommunications operator with a credit rating equivalent or superior to Deutsche Telekom's credit rating, gains the power to direct the management and policies of the Guarantor, whether through the ownership of voting rights or otherwise. In addition, both of Cosmote's bank loans include a change of control applicable to Cosmote, which is triggered if the Guarantor ceases to control Cosmote.

In the event that a change of control clause is triggered, the requirement to repay amounts outstanding under the Notes and the related on-loan agreements, as well as under the EBRD, EIB and BSTDB loans could potentially have a material adverse effect on the Guarantor's business results of operations, financial condition and prospects and ability to make payments in respect of the Notes.

***Deutsche Telekom and the Hellenic Republic, the Guarantor's two major shareholders, may have diverging opinions regarding the Guarantor's strategy and management.***

Deutsche Telekom and the Hellenic Republic are the Guarantor's two major shareholders. As at the date of this Base Prospectus, Deutsche Telekom directly holds shares and voting rights representing 46.0% of the Guarantor's issued share capital. The Hellenic Republic directly holds 1.02% of the Guarantor's issued share capital and the corresponding voting rights.

The Hellenic Republic also holds indirectly 4.64% of the Guarantor's issued share capital through the Unified Social Insurance Fund ("EFKA") the largest pension fund in Greece (the management of which is appointed by the Hellenic Republic). Pursuant to an agreement dated 4 March 2009 between the Hellenic Republic and the "Social Security Fund- Single Employees Insurance Fund" ("IKA-ETAM"), the Hellenic Republic transferred 19,606,015 common registered shares of the Guarantor, representing 4% of the Guarantor's share capital and voting rights, to IKA-ETAM. Pursuant to the agreement, IKA-ETAM was obliged to exercise the voting rights attaching to its shares in coordination with the Hellenic Republic, by authorising the same persons as those authorised by the Hellenic Republic, to exercise voting rights in respect of its shares at the Guarantor's general meetings of the shareholders. Following the consolidation of IKA-ETAM into EFKA (the largest pension fund in Greece the management of which is appointed by the Hellenic Republic, (by virtue of Greek Law 4387/2017, articles 51 and 53) and pursuant to article 70 of Greek Law 4387/2016, on 1 January 2017, the shares were transferred to EFKA, the successor of IKA-ETAM, and EFKA is the successor to the rights and obligations of IKA-ETAM, therefore to the rights and obligations arising from the above agreement between the Hellenic Republic and IKA-ETAM. EFKA proceeded with the consolidation of a series of smaller pension funds (which owned shares with corresponding voting rights of the Guarantor) and currently holds 4.64% of the Guarantor's issued share capital and the corresponding voting rights.

There are certain restrictions on the disposal of Deutsche Telekom's and the Hellenic Republic's stakes in the Guarantor. See "*Description of the Guarantor—Control of the Guarantor—Major Shareholders*".

On 14 May 2008, the Hellenic Republic and Deutsche Telekom signed a shareholders' agreement (the "**Shareholders' Agreement**") relating to the governance of the Group.

The Shareholders' Agreement was amended and restated on 2 November 2016 (approved by decision № 259/25.10.2016 of the Inter-Ministerial Committee of Restructurings and Privatizations on 25 October 2016) (the "**Amended and Restated Shareholders' Agreement**"). The parties to the Amended and Restated Shareholders' Agreement were the Hellenic Republic, Deutsche Telekom and the Hellenic Republic Asset Development Fund ("**HRADF**"). The Amended and Restated Shareholders' Agreement contains provisions relating to the composition of the Board of Directors (including rights to nominate the Chairman and Managing Director), requirements for supermajority votes of the board of directors for certain matters, changes in voting rights and reserved matters (including a veto right for the Hellenic Republic on certain and specific matters).

On 18 November 2016, the Hellenic Republic transferred 24,507,520 common registered shares of the Guarantor, (representing 5% of the Guarantor's share capital and voting rights) to the HRADF.

On 31 May 2018, Deutsche Telekom AG and the Hellenic Republic, notified the Guarantor that on 30 May 2018 Deutsche Telekom AG acquired an additional 5.0% stake in the Guarantor from HRADF, equivalent to 24,507,520 common registered shares with voting rights. The transaction took place through the Athens Exchange for a consideration of €284,051,959.81. As of 30 May 2018, HRADF no longer holds any shares of the Guarantor.

If Deutsche Telekom and the Hellenic Republic disagree regarding the interpretation or implementation of the Amended and Restated Shareholders' Agreement, or their opinions with respect to matters of material importance regarding the Guarantor's strategy and management materially diverge, such disagreement or divergence of opinions could result in a delay or a lack of clarity in the implementation of the Guarantor's strategies or investments, or may conflict with, or deviate from, previously adopted and implemented strategies or investments. This could, in turn, have a material adverse effect on the Guarantor's business, results of operations, financial condition and prospects.

***The Group may incur impairment losses in respect of its subsidiaries.***

In some of the markets in which the Group has invested, it faces challenges regarding the financial outlook of some of its subsidiaries. In particular, the Group may incur impairment losses relating to the recognised amounts of goodwill allocated to these subsidiaries, or relating to a write down in the carrying value of their assets.

In December 2017, an impairment test was performed by Telekom Romania with respect to its property, plant and equipment and intangible assets and, as a result, an impairment loss of €55.5 million was recognised in the Guarantor's 2017 consolidated income statement. In December 2018, a value in use impairment test was performed by Telekom

Romania, and based on the result of this impairment test, no impairment losses were identified in the carrying value of Telekom Romania's assets in the Guarantor's consolidated income statement as at 31 December 2018. If the performance of the Guarantor's subsidiaries deteriorates, the Group may have to recognise further impairment losses in subsequent financial periods.

***The Group may be required to make additional contributions to pension funds.***

Based on actuarial studies performed in prior years and on current estimations, the pension funds that the Group contributes to show (or will show in the future) increasing deficits. The Group does not have a legal obligation to cover any future deficiencies of these funds, nor does it voluntarily intend to cover such possible deficiencies. However, there can be no assurance that the Group will not be required to make additional contributions in the future in order to cover operating deficits of these funds.

Under Greek labour law, employees are entitled to termination payments in the event of dismissal or retirement with the amount of payment varying in relation to the employee's compensation, length of service and manner of termination (dismissal or retirement). The provision made for staff retirement indemnity is reflected in the Group's consolidated financial statements in accordance with IAS 19 "Employee Benefits" and is based on an independent actuarial study.

In addition, the Group provides a "Youth Account", which entitles employees' children to a lump sum payment when they reach the age of 25. The lump sum payment is made up of employees' contributions, interest thereon and the Guarantor's contribution, which can reach up to an amount of three times the maximum between the average salary of the Guarantor's employees or 86 times the daily salary of an unskilled worker, depending on the number of years of contributions. The provision for benefits under the Youth Account is based on an independent actuarial study.

The Guarantor's contributions to the staff retirement indemnity and the Youth Account are based on assumptions as to the future growth of staff wages and the appropriate discount rate for valuing future liabilities. If these assumptions were to prove to be materially incorrect, or if the statutory levels of entitlement were to change in the future, the Guarantor could be required to make additional contributions to these employee benefit funds, which could have a material adverse effect on its financial condition and prospects.

***The Guarantor and other Group Companies have an active, union-represented work force, which has in the past gone on strike and may cause work stoppages.***

A high percentage of the Guarantor's full-time employees are members of the OME-OTE labour union (the "OTE Union"). The OTE Union is strong and influential, and has historically opposed disposals of ownership interests in the Guarantor by the Hellenic Republic. In recent years, the Guarantor has experienced a number of strikes, both on a nationwide basis and in specific geographic regions. A collective labour agreement was in place for 2015-2017. At the end of 2017, the Guarantor signed an agreement with the OTE Union for a three month extension of the agreement. While a new collective labour agreement was signed on 22 March 2018 and is in force for the period 1 January 2018 – 31 December 2019, however, there can be no assurance that strikes or work stoppages or other industrial action will not have a material adverse effect on the Guarantor's business, results of operations, financial condition and prospects.

On 23 March 2018, Cosmote signed a new two-year collective labour agreement with Cosmote Union, which is in force from 1 January 2018 until 31 December 2019, on substantially similar terms to the agreement between the Guarantor and the OTE Union. However, there can be no assurance that strikes or work stoppages or other industrial action will not have a material adverse effect on the Guarantor's business, results of operations, financial condition and prospects.

The collective labour agreements concluded at the level of Telekom Romania Mobile and Telekom Romania on 1 March 2018, expire on 1 March 2020. However, there can be no assurance that strikes, other protests or similar action will not take place, which would have a material adverse effect on the business of the Guarantor.

***If the Guarantor is unable to recruit and retain key personnel, its plans to maintain its positions in the fixed-line and mobile telecommunications markets and to expand and grow in the areas of internet, high-speed data and business telecommunications services could be impeded.***

Recruiting specialist technical, commercial and information technology personnel is crucial to the Guarantor's future success and efficiency. Since 2006, following the enactment of Law № 3522/2006 and the adoption of the Guarantor's new internal personnel regulation pursuant to Article 38 of that Law, the Guarantor has implemented flexible recruitment procedures in order to recruit experienced and specialist personnel, for both entry level and managerial positions. Any failure to recruit experienced and specialist personnel and to retain the current necessary skilled personnel could significantly impede the Guarantor's plans to maintain its position in the fixed-line and mobile communications services market, as well as its plans to expand and grow its offering of high-speed internet, high-speed data and business telecommunications services, which could, in turn, have a material adverse effect on the Guarantor's business, results of operations, financial condition and prospects.



***Any failure by the Guarantor to continue to operate Pay-TV services in a reliable, competitive and profitable fashion, could have an adverse effect on the Guarantor's business plan and operating results.***

In 2009, the Guarantor began offering IPTV through OTE TV which was rebranded in 2016 as Cosmote TV (video over asymmetric digital subscriber line (“ADSL”) -2+ broadband) services to subscribers, initially in major urban centres. In June 2011, an agreement was executed between Guarantor and the Hellenic Republic for the provision of Pay TV satellite direct to home services (“DTH”) services for a 15- year term. This agreement was amended in October 2013 to increase the total daily programme transition time of Pay TV services to 1,470. The Guarantor launched DTH commercially in October 2011 and since then has offered both DTH and IPTV services under the commercial name Cosmote TV. The Guarantor also launched its OTE TV GO (currently Cosmote TV GO) Pay-TV service in April 2015. As at 31 December 2018, the Guarantor had 541,907 IPTV and satellite television subscribers and in 2017 had signed exclusive deals with UEFA and major European football leagues, secured premium movie rights and had concluded carriage agreements with most major Greek and international channels, including movie channels. The Guarantor's competitors, such as Forthnet (through Nova), Vodafone Greece and Wind Hellas, also offer basic IPTV or DTH services in the Greek market, and recently Wind Hellas entered into an agreement with Netflix for the provision of its subscription-based streaming OTT package. Any expansion in the services offered by the Guarantor's competitors could negatively affect the growth of the Guarantor's Pay- TV services.

Any failure to continue operating Pay-TV and satellite services in a competitive and reliable fashion could have a material adverse effect on the Guarantor's business, results of operations, financial condition and prospects.

***Potential disputes with major suppliers, or failure by such suppliers to perform their obligations, could cause the Guarantor to incur significant cost overruns and delays in implementing its investment plans.***

The Guarantor relies on a number of suppliers to satisfy its requirements for telecommunications equipment. Its main suppliers of fixed-line network equipment include Nokia Solutions & Networks, Cisco, Ericsson, Coriant and Huawei. Nokia Solutions Networks and Ericsson, which are also Cosmote's main suppliers of equipment for its second generation (“2G”), 2.5G and third generation (“3G” or “UMTS”) and fourth generation (“4G/4G+”) networks. If the Guarantor has significant disputes with its suppliers, or if its suppliers fail to perform their respective obligations, the Guarantor may incur significant cost overruns and delays in implementing its investment plans. Shipments of equipment could also be delayed or the Guarantor may be forced to seek alternative suppliers using procurement procedures approved by the EU if the Guarantor's suppliers fail to meet their obligations. Any of these developments could have a material adverse effect on the Guarantor's business, results of operations, financial condition and prospects.

***The Group collects and processes subscriber data as part of its routine business operations and the loss of such data may violate laws and regulations.***

The Group collects, stores and uses data in the ordinary course of its operations that is protected by data protection laws. Although precautions are taken to protect subscriber data in accordance with the privacy requirements provided for under applicable laws, the Guarantor may fail to do so and certain subscriber data may be lost as a result of human error or technological failure or otherwise be used inappropriately. Violation of data protection laws or regulations by the Group or one of its partners or suppliers may result in fines, reputational harm and subscriber churn and could have a material adverse effect on the Guarantor's business, results of operations, financial condition and prospects.

On 27 April 2016, the General Data Protection Regulation (EU) (2016/679) (the “**Data Protection Regulation**”) was adopted by the European Parliament and the European Council. The Data Protection Regulation contains extensive obligations for companies in relation to procedures and mechanisms for dealing with personal data and rights of data subjects and in cases of a breach, permits supervisory authorities to impose fines of up to 4% of the Group's annual worldwide turnover. The Data Protection Regulation entered into force on 25 May 2018 after a two-year transition period. On 10 January 2017, the European Parliament and the European Council proposed the adoption of a new regulation aimed at dealing with respect for private life and the protection of personal data in electronic communications and repealing Directive 2002/58/EC (the “**ePrivacy Regulation**”).

The Group has established a dedicated Information Security and Telecom Fraud Prevention Division, which, by assessing the information security risks, develops all necessary policies and procedures, oversees their implementation, designs new security systems and infrastructure, and evaluates their effectiveness (e.g., through periodic system security audits). In 2018, the Group also established a Data Privacy Department to oversee compliance with the data privacy regulatory framework. The Group's Security Operations Centre collects and analyses data from multiple security systems in order to timely detect security incidents, including cyber-attacks, and respond effectively. While the Group has put such structures and processes in place, there can be no assurance that the Guarantor or its partners or suppliers will at all times be compliant with the requirements of either the Data Protection Regulation or the ePrivacy Regulation. Failure to do so may result in fines or reputational harm and could have a material adverse effect on the Guarantor's business, results of operations, financial condition and prospects.

***The telecommunication sector is at risk of cyber-attacks, which may impact upon the Guarantor's ability to comply with its confidentiality and privacy obligations.***

The telecommunication sector has become increasingly digitalized, automated and online-based in recent years. The sharp rise in cyber and data related crime in recent years presents a significant challenge for the Group in terms of securing data and systems against attack. This increases the risk of information and network technology system failures (e.g. through distributed denial of service attacks (“DDoS”)), such as an explicit attempt by attackers to prevent legitimate users of a computer system from using that computer system, either by unauthorised access or unauthorised data loss (such as through hacking). Although the Group has put mitigation measures in place, including insurance coverage following cyber-attacks, DDoS attacks, transmission of malicious software and other non-physical causes of service failure, it may fail to maintain the availability of information and network technology systems or protect data in accordance with applicable regulations and requirements.

***The Group is subject to risks from legal and similar proceedings, including disputes and legal proceedings relating to the regulatory, competition and tax authorities, competitors and other parties.***

The Group is involved in disputes and legal proceedings of a civil, regulatory, competition or tax nature. Such disputes or legal proceedings, whether with or without merit, could be expensive and time consuming, could divert the attention of senior management and, if resolved adversely to the Group, could harm its reputation and increase its costs, all of which could result in a material adverse effect on the Guarantor's business, results of operations, financial condition and prospects. There can be no assurance as to the outcome of any particular dispute or legal proceeding.

In addition, the Guarantor has not been audited by the tax authorities for the years 2011 to 2018 and most of its Greek subsidiaries have not been audited by the tax authorities for the years 2010 to 2018. Since 2011, Greek companies that are required to prepare audited statutory financial statements and have taxable revenues of over €0.2 million, are subject to the “Annual Tax Certificate” process, as provided for by paragraph 5 of Article 82 of Law N° 2238/1994 and Article 65a of Law N° 4174/2013. The Annual Tax Certificate is issued by the same statutory auditor or audit firm that issues the audit opinion on the statutory financial statements. Annual Tax Certificates have been issued and submitted, with no substantial adjustments with respect to tax expense and corresponding tax provisions in respect of the years 2011 to 2017, for the Greek entities of the Group that are subject to the Annual Tax Certificate process. The 2018 Annual Tax Certificate audit is currently in progress. Accordingly, the tax liabilities of the Guarantor and its subsidiaries have not been finalized for all years and there can be no assurance that, as a result of the completion of the tax audits, such liabilities will not increase, as compared to the currently estimated amounts.

***The Guarantor's business is exposed to the risk of fraud, which could result in lower revenues and margins and materially adversely affect the Guarantor's image.***

In common with other telecommunications operators, the Guarantor is exposed to the risk of fraud where perpetrators of fraud aim to use the Guarantor's services without paying or aim to defraud the operator's customers or the operator itself through the communication services offered by the operator. As new technologies and networks emerge and become more complex, new types of fraud, which are increasingly difficult to detect or combat may also develop. If the Guarantor is subject to such fraud, it could have a material adverse effect on the Guarantor's business, results of operations, financial condition and prospects.

***The Guarantor is subject to increasing compliance, corruption, bribery and human rights legislation, which may impose responsibility for the actions and omissions of third parties***

The Group is increasingly subject to laws and regulations which impose responsibility on the Group for the actions or omissions of its employees, agents, associates and other third parties. Compliance violations (such as fraud, corruption, bribery, embezzlement, theft, money laundering, falsification of financial statements, unfair competition, workplace discrimination, human rights violations and any misconduct which could harm the Group's reputation, or any attempts to conceal the above) which are committed either within the Group or outside the Group involving business partners (e.g. customers, suppliers or distributors) who are doing business with the Group, could have an adverse impact on the Group's financial position and reputation and might lead to fines, sanctions and limitations in business operations.

***If the Guarantor does not comply with certain applicable rules and regulations, the HTPC may amend or revoke one or more of its licences. Outside Greece, the Guarantor also faces uncertain and changing regulatory restrictions in the countries in which it operates.***

The Guarantor relies on a number of licences in order to provide some of its fixed-line and mobile telephony and other services. In Greece, the HTPC may, under the telecommunications regulation, amend or revoke the Guarantor's licences, if it does not comply with certain applicable rules and regulations, or if it does not meet certain terms and conditions.

The Guarantor's licence to provide fixed-line services for point to point microwave links in Greece does not have an expiry date, while its licence to use the 1.5 GHz band (2x28MHz bandwidth) expires in December 2020 and its licence to use the 3.5 GHz band (2x30MHz bandwidth) expires in April 2029. In January 2019, the EETT opened a public consultation on the issuance of rights to use radio frequencies in the 1.5 GHz band. The Tetra licence at 410MHz (2x2MHz bandwidth) expires in July 2020. In addition, Cosmote, the Guarantor's wholly-owned subsidiary that provides mobile telephony services, holds spectrum licences at the following spectrum bands: at 800MHz a 2x10MHz bandwidth licence expiring in February 2030 at 900 MHz a 2x10MHz bandwidth spectrum licence expiring in September 2027, at 1800 MHz a 2x10MHz bandwidth licence expiring in June 2027 and a 2x25MHz bandwidth licence expiring in December 2035, at 2.1 GHz a 2x15 MHz paired FDD bandwidth licence and a 5MHz unpaired TDD bandwidth licence expiring in August 2021, and at 2600 MHz a 2x30 MHz paired FDD bandwidth spectrum licence and a 20 MHz unpaired TDD bandwidth spectrum licence expiring in February 2030. Cosmote uses these spectrum holdings to deliver 2G, 3G/UMTS and 4G/LTE services. Carrier aggregation between the LTE bands is also used in order to offer LTE-Advanced, marketed as 4G+. Each of these licences is subject to renewal by a resolution of the HTPC, according to the legislation in force at the time of the renewal and payment of the relevant fees determined by HTPC. In order to continue providing fixed wireless access ("FWA") services, Cosmote renewed and upgraded the spectrum licence at 26GHz. The new spectrum licence of 2x112MHz bandwidth expires in February 2032. While the Guarantor believes the possibility of material adverse amendment to such licences, non-renewal or revocation as minimal, any such material adverse amendment, non-renewal or revocation of one or more of the Guarantor's licences would restrict its ability to conduct business and would, in turn, have a material adverse effect on its business, results of operations, financial condition and prospects. The Guarantor has submitted an investment plan to the HTPC regarding the introduction of vectoring technology to its networks. Any failure to meet the agreed time schedule may result in the imposition of fines or the revocation of the Guarantor's licences.

Outside Greece, the Guarantor also faces uncertain and changing regulatory restrictions in the countries in which it operates. The telecommunications industry is highly regulated in all countries in which the Guarantor operates. In some of these countries, regulation of the telecommunications sector falls within the competence of bodies that may not be able to act independently from the relevant government and are subject to political and other pressures. The Guarantor requires licences or similar permits to carry on its business in each of these countries. The Guarantor's ability to establish new networks depends on obtaining appropriate licences, which in some cases will require adopting and implementing new regulatory regimes. In some cases these licences are subject to expiry dates.

The Guarantor's ability to continue to provide its services depends on its ability to maintain valid licences. Although the Guarantor has had favourable experience obtaining, maintaining and renewing licences in the past, there can be no assurance that it will be able to obtain, maintain or renew licences for its services on commercially viable terms in all jurisdictions in which it operates. The loss of one or more of the Guarantor's licences, the imposition of substantial limitations upon its licence terms, or any material changes in such licence terms or in the regulatory environments in which it operates, could have a material adverse effect on its business, results of operations, financial condition and prospects.

***Regulatory and competitive pressures affect the Guarantor's ability to set competitive retail and wholesale tariffs.***

Under applicable laws, regulations and related HTPC decisions, the HTPC has the jurisdiction to assess the Guarantor's tariffs for fixed-line services. Tariffs for most of the Guarantor's wholesale services are cost-based. With respect to these tariffs, the HTPC uses the Guarantor's enterprise costing and profitability system ("ECOS"), in order to determine whether they reflect the cost of providing the relevant services. The HTPC conducts an annual audit of the Guarantor's ECOS system through external auditors. Based on the findings of this audit, the HTPC may object to the Guarantor's application of ECOS and related cost methodologies in the calculation of its tariffs and may require the Guarantor to make certain adjustments. These adjustments may also have a retroactive effect. There can be no assurance that future audits of the Guarantor's ECOS system will not result in further recommendations for changes to tariffs and costing methodologies.

In addition, with respect to tariffs that are not regulated on a cost basis (such as the main retail tariffs, for example, bundled telephony-broadband packages), the HTPC determines whether such tariffs allow alternative operators to realise sufficient profit margins and, to that effect, they are assessed using both data from the Guarantor's ECOS system and other methodologies used by the HTPC (such as Price-Squeeze- Model, PSM). However, the precise parameters, model and inputs used by the HTPC are not known and therefore it cannot accurately predict their effect on its tariffs.

Regulatory limitations imposed on the Guarantor's ability to set tariffs often require it to charge tariffs which are higher or, in certain cases, significantly higher than those charged by its competitors for the same services, as its competitors do not have such a significant market share and are, accordingly, not subject to the same pricing constraints. Given that an important factor for the determination of the Guarantor's tariffs is its cost for providing the relevant services, the Guarantor must make efforts to increase the efficiency of its operations, in order to reduce such costs, and, therefore, be able to reduce the cost-based tariffs it charges, in order to make them more competitive. There can be no assurance that if the Guarantor continues to be required to charge tariffs higher than those of the competition, its market share and its

revenues will not be materially adversely affected.

If the Guarantor cannot efficiently reduce the cost of providing its fixed-line services and the level of its tariffs to be more competitive in a timely manner, it could experience a material adverse effect on its business, results of operations, financial condition and prospects.

***The regulatory environment for telecommunications services remains complex and subject to change and interpretation, and the Guarantor's compliance with the regulations to which it is or may become subject may require it to expend substantial resources and may have a significant impact on its business decisions.***

The provision of telecommunications services in Greece, and other jurisdictions in which the Guarantor operates, is subject to regulation based on EU legislation, competition law and sector-specific regulation relating to various issues, including open internet access provisions, numbering, licensing, tariffs, local loop unbundling, interconnection, leased lines and privacy issues.

In December 2018, the Directive establishing the European Electronic Communications Code (the "EECC") and the Body of European Regulators for Electronic Communications (the "BEREC") Regulation was formally adopted, signalling the completion of the EU electronic communications framework review. Member States have two years to incorporate the directive into national law. New provisions on intra-EU calls will apply from 15 May 2019, with calls between any EU countries costing users a maximum of €0.19 per minute, and intra-EU SMS capped at €0.06 per message.

In certain cases, secondary legislation and regulatory remedies do not reflect the current level of competition and can be burdensome, particularly regarding remedies imposed on wholesale markets which require that each retail offering, provided separately or as part of a bundle, must be submitted by the Guarantor to the HTPC for tariff approval. Although the regulation of fixed-line voice services in Greece has developed over recent years, the emergence and introduction of new technologies and new services, together with the lack of clear guidelines in their regulatory treatment, has led and may continue to lead to a lack of clarity, at a national and European level, in the regulatory framework governing the provision of such services.

As a result, the Guarantor cannot accurately predict the exact manner in which new laws and regulations affecting its business will be interpreted or implemented by regulators or courts, the impact such regulations may have on its business or the specific actions it may need to take, or the expenditure it may need to incur in order to comply with such laws and regulations.

In addition to the substantial resources the Guarantor may have to commit to comply with the regulations to which it is or may become subject, fines can be and have been imposed on it, if the relevant regulator rules that it does not comply with the applicable regulatory framework. The imposition of significant regulatory fines could have a material adverse effect on the Guarantor's business, results of operations, financial condition and prospects.

***Regulatory requirements with respect to unbundling the local loop, wholesale bitstream services and providing wholesale leased lines, as well as competitive pressures arising from an increased number of unbundled local loop sites may affect the Guarantor.***

The Guarantor is required to provide other Greek telecommunications operators with full and shared access to local loop services, distant and physical co-location and backhauling services, wholesale bitstream services and wholesale leased line services upon their request. Responding to requests for the provision of such services, especially access to local loop services and distant and physical collocation services, is a logistical process which requires the Guarantor to devote significant managerial, technical and financial resources within an uncertain and evolving regulatory environment, in which it is exposed to increased regulatory and litigation risk. According to HTPC provisions relating to the introduction of vectoring technology to the shared access network, the Guarantor may face additional logistical and regulatory pressures as alternative operators request access to the network. There can be no assurance that the Guarantor will be in a position to respond effectively to such requests for provision of access to local loop or wholesale leased lines (which may continue or increase in the future) in a timely manner. If the Guarantor fails, or is considered to have failed, to effectively respond to such requests (especially if they are based on timely submitted annual forecasts), the Guarantor may be deemed to be in violation of its obligations under the applicable legal and regulatory framework and, as a result, could be exposed to regulatory actions. This may include paying compensation for delays to the provision of the relevant services, as well as the imposition of fines by the HTPC or litigation by other operators.

In addition, devoting increased human, technical and financial resources to responding to requests of this nature has resulted and may, in the future continue to, result in the unavailability of such resources to support other activities of the Group. There can be no assurance that the Guarantor will at all times be in a position to fully and timely satisfy the regulatory and logistical requirements imposed by new reference offers for unbundled access to the local loop and related services issued by the HTPC.

The Guarantor's failure to comply with any regulatory requirements, in particular, with respect to wholesale services such as local loop lines, bitstream services or leased lines, or to contend with competitive pressures arising from an increased number of unbundled local loop sites, could have a material adverse effect on its business, results of operations, financial condition and prospects.

### **Risks relating to the Issuer**

The Issuer is a 100% subsidiary of the Guarantor, and its principal activity is to borrow and raise funds from the market and otherwise for the benefit of the Guarantor, which is incorporated in Greece, as well as other subsidiaries of the Guarantor. The Issuer's profits stem from the difference between interest received from the Guarantor and the Group and interest paid to the bondholders and other lenders. Accordingly, the Issuer is dependent on the creditworthiness standing of the Guarantor and its subsidiaries and, consequently, any risk factors affecting the Guarantor's and its subsidiaries' ability to meet their respective financial obligations also affect the Issuer and should be read accordingly.

#### ***The vote by the United Kingdom to leave the European Union could adversely affect the Issuer and the Group.***

The United Kingdom ("UK") voted in a referendum on 23 June 2016 to exit the EU (commonly referred to as "Brexit" ("Brexit")) and notified the EU of its decision to leave on 29 March 2017. This commenced a formal two-year process of negotiations regarding the terms of the withdrawal and the framework of the future relationship between the UK and the EU (the "**article 50 withdrawal agreement**"). On 15 January 2019, 12 March 2019 and 29 March 2019, the UK parliament voted to reject the article 50 withdrawal agreement. The UK government and the European Council have agreed to an extension until 12 April 2019 for the UK parliament to reach an agreement, propose alternative plans or enter into a "no deal Brexit". On 5 April 2019, the UK government requested a further extension until 30 June 2019. An emergency EU summit will be held on 10 April 2019 to consider the request.

Brexit could adversely affect economic or market conditions in Europe and could contribute to instability in the global financial markets. Due to the on-going 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 Group is difficult to determine. Despite the fact that the Group does not have substantial operations in the UK, the Issuer is incorporated in the UK and, as such, is subject to any legal or regulatory changes that may be introduced in the UK.

The Group is assessing potential implications of Brexit and taking measures to mitigate any disruption. From the analysis performed up to date, Brexit is not expected to have a material adverse effect on the operations of the Group.

### **Additional Risk Factors Relating to Mobile Telephony**

#### ***Cosmote's ability to maintain its market leading position is subject to certain factors that may be outside Cosmote's control.***

A significant portion of the Guarantor's revenues and profits are contributed by Cosmote's Greek activities. Cosmote's financial performance has in the past depended, and will continue in the future to depend, on a number of factors, some of which are outside the Guarantor's or Cosmote's control. Such factors include the impact of general economic and political conditions, the GDP per capita in Greece and other relevant markets, developments in the regulatory environment, including, in particular, the impact of Regulation (EU) 2015/2120 (the "**Telecoms Single Market Regulation**"), and the application by the HTPC of relevant legislation, fees payable for the renewal of spectrum licences, taxation measures adopted by the Hellenic Republic and developments in mobile technology. If any of these factors materialise, it could result in a material adverse effect on Cosmote's business, results of operations, financial condition and prospects, which would, in turn, result in a material adverse effect on the Guarantor's business, results of operations, financial condition and prospects.

#### ***Cosmote faces strong competition from other mobile telephony providers in Greece and in other markets in which it operates and may experience a loss of market share or significant price pressures resulting from intensifying competition.***

Competition in the Greek mobile telecommunications market remains intense. Cosmote's competitors may succeed in attracting some of its customers, which could reduce Cosmote's market share and have a material adverse effect on its business, results of operations, financial condition and prospects.

Furthermore, as a result of strong competition, the Greek mobile market, as well as the other markets in which Cosmote operates, has recently experienced significant price pressures. The Guarantor's mobile subsidiaries in Romania are also facing and are expected to continue to face similar competitive and pricing pressures in their respective markets, which could result in loss of their respective market shares, or otherwise adversely affect their operating and financial performance. In the future, there may also be new entrants to the Greek and Romanian mobile markets, which could result in further price pressures.

Furthermore, other factors, including new market conditions and trends or technologies may also affect the competitive landscape and increase competitive pressures having an impact on the Guarantor's financial and operating performance. For instance, OTTs increasing pressure to electronic communications providers and the use of those networks by mobile users may have a negative impact on traffic over mobile networks and the revenues of mobile operators. Any loss of market share or significant price pressures resulting from intensifying competition could result in a material adverse effect on the Guarantor's business, results of operations, financial condition and prospects.

***Cosmote's commercial operations could be constrained by regulatory interventions by the HTPC or other regulatory authorities.***

While the mobile telephony market remains highly competitive, to the benefit of consumers, it is possible that Cosmote's higher market share will lead to interventions by the HTPC with respect to Cosmote's tariffs and other commercial policies. Any restrictions imposed on Cosmote's tariff setting or other policies could weaken its competitive position in the market, which may, in turn, lead to a loss in market share, lower revenues and a negative financial performance. Regulatory interventions could also impact the Guarantor's operations in Romania.

In addition, the provision of certain mobile telephony services is regulated by the EU. The mobile termination rates charged by the Guarantor's mobile operators in Greece and Romania have been subject to programmes of phased reductions imposed by each of the national telecommunications regulators. In Greece, mobile termination rates have been progressively reduced through a series of caps imposed by the HTPC such that Cosmote's mobile termination rate has been reduced to €0.00946/min with effect from 1 January 2019. Similarly, the mobile termination rate in Romania has been reduced to €0.84 per minute with effect from 1 May 2018.

These significant decreases in termination rates may facilitate the entrance of MVNOs to the market. Additional competition from MVNOs, could have a significant impact on the Guarantor's mobile operations. In 2014, one MVNO, Cyta Hellas, entered the Greek market. The HTPC issued a decision in 2019 addressed at Cosmote and Vodafone at the request of a potential MVNO setting maximum wholesale prices for voice, SMS and data. In January 2018, Vodafone announced the acquisition of Cyta Hellas for a total enterprise value of €118 million, enhancing its scale mainly in the fixed line business and building on the acquisition and integration of Hellas Online. The acquisition completed in June 2018 after obtaining the approval of the EETT. In Romania, as a result of a 2012 spectrum auction, Telekom Romania Mobile is required to offer access to a maximum of four full MVNOs.

In November 2015, the Telecoms Single Market Regulation was published abolishing roaming charges within the EU by requiring all EU mobile operators to charge "roam like at home" roaming tariffs from June 2017. The Telecoms Single Market Regulation also imposes a new obligation of net neutrality on all EU telecoms operators. In December 2016, the European Commission published a recommendation on fair use policy, intended to limit potential abuse of "roam like at home" tariffs through excessive roaming by mobile subscribers (so-called "permanent roaming"). Since June 2017, in line with "roam like at home", Cosmote subscribers travelling to EU and EEA countries are able to accept incoming calls and use their available air time, text messages and data allowances for internet browsing, without incurring any additional charges with the benefit of capped wholesale roaming tariffs having been applied. The adoption of this regulation is an essential part of the European Commission's review of the EU-wide regulatory framework for electronic communications, via the so-called 'connectivity package' launched in September 2016, and which remains under development. Although there can be no certainty as to what the results of any such review will be, there can be no assurance that this review will not result in regulatory changes that could adversely affect the Guarantor's business, results of operations, financial condition and prospects.

***Cosmote continues to experience difficulties in obtaining the licences it requires to establish and operate its base stations.***

At present, Cosmote continues to experience substantial delays in obtaining licences for new base stations, which are needed to develop and expand its network. In addition, litigation initiated by local authorities and others regarding the removal of existing base stations has been increasing and, in some cases, has led to base stations being deactivated. There can be no assurance that legislative bodies, regulators or private litigants will refrain from taking additional actions adverse to Cosmote's business, which actions (especially in view of the future rollout of the 5G network which requires a denser network) may result in significant costs and could materially adversely affect the business, results of operations, financial condition and prospects of the Guarantor's mobile telecommunications services business.

***Cooperation of Cosmote's competitors could affect Cosmote's performance which could, in turn, materially adversely affect the Guarantor's business, results of operations, financial condition and prospects.***

In June 2013, it was announced that Vodafone Greece and Wind Hellas had entered into a network-sharing deal in order to save costs in view of worsening economic conditions and intense competition in the Greek market. In February 2014, a new joint venture company, Victus Networks, was established by Vodafone Greece and Wind Hellas to share the mobile access network infrastructure in line with the network sharing deal. Victus Networks commenced operations in March 2014 and manages joint base stations, primarily in rural areas and small cities. This network sharing arrangement

could result in:

- market share erosion for Cosmote, as Cosmote may lose its competitive advantage if Vodafone Greece and Wind Hellas act increasingly in concert;
- increased financial pressures on Cosmote in the event that it is forced to revise its investment plans in order to compete on equal terms; and
- stronger competition, as Vodafone Greece and Wind Hellas use their cost savings to pursue further corporate activities.

In addition, in early 2014 Vodafone Greece and Orange announced a co-investment project for infrastructure sharing in Romania in the form of a newly-established company, Ovidiu Telecommunications. Any deterioration in Cosmote's performance as a result of these arrangements, other cooperation among Cosmote's competitors or consolidation of Cosmote's competitors could, in turn, have a material adverse effect on the Guarantor's business, results of operations, financial condition and prospects.

***Actual or perceived health risks or other problems relating to mobile handsets or transmission masts could lead to litigation or decreased mobile communications usage.***

The effects of, and any damage caused by, exposure to an electromagnetic field were and are the subject of careful evaluations by the international scientific community. To date there is no scientific evidence of harmful effects to health and research conducted by the World Health Organisation has not identified any correlation between such exposure and ill health. There can be no assurance, however, that exposure to electromagnetic fields or other emissions originating from wireless handsets will not be identified as a health risk in the future.

In addition, these alleged health risks may cause authorities in the EU and Greece to impose more onerous regulations on the construction of base stations or other telecommunications network infrastructure. In particular, public concern over alleged health effects related to electromagnetic radiation may result in increased costs related to the Guarantor's networks, which may hinder the completion or increase the cost of network deployment, reduce the coverage of the Guarantor's network and hinder the commercial availability of new services. If these alleged health risks were to result in decreased mobile usage, increased consumer litigation or stricter regulation, it could have a material adverse effect on the Guarantor's business, results of operations, financial condition and prospects.

**Additional Risk Factors Relating to Operations in Romania**

***Romanian regulatory considerations***

*The Romanian regulator has introduced reductions in fixed and mobile termination tariffs.*

The Romanian regulator has implemented aggressive reductions to fixed and mobile termination tariffs. Following a favourable opinion of the European Commission, the Romanian National Authority for Management and Regulation in Communications ("ANCOM") adopted a decision setting the new maximum call termination tariffs for interconnection services in February 2014, which have been in effect since 1 April 2014. Accordingly, the maximum termination rates in Romania have decreased from €0.67 per minute to €0.14 per minute for fixed calls and from €3.07 per minute to €0.96 per minute for mobile calls. In 2016, ANCOM conducted a review of the tariffs imposed for inter-connection related services in order to assess and review the regulatory measures previously imposed in light of technological development. ANCOM lowered further the mobile termination rate starting from 1 May 2018, from €0.96 per minute to €0.84 per minute, based on European benchmarking. The fixed termination rate remains unchanged at €0.14 per minute for the time being. The reduced termination rates have had and may continue to have a material adverse effect on Telekom Romania's business, results of operations and financial condition.

*The Romanian Ministry of Information Society has adopted a digital television strategy and tender.*

In 2012, the Romanian Ministry of Information Society adopted a strategy for transition from analogue to digital television with a deadline for implementation in June 2015 and for analogue transmissions to end by 31 December 2016. In August 2016, the Romanian Government extended this deadline until 31 December 2019. In accordance with this strategy, five national digital multi-channel concessions (four in UHF, one in VHF) were publically tendered for the retransmission of SD and HD TV channels. The technical standard which will be used for the retransmission of channels (DVB-T2) will allow the retransmission of a maximum of 60 standard definition channels.

The first UHF multiplex (MUX 1) will have an obligation to broadcast free to air public and private television stations that are currently broadcast on the terrestrial analogue system, in accordance with the provisions of the Audiovisual Law. This multiplex is required to ensure a coverage, in fixed reception, of 90% of the population and 80% of the

territory by 31 December 2016. This may allow the entry into the Romanian TV market of a new low cost pay TV operator, which may affect the future profitability of Telekom Romania's TV business.

At the first auction, S.N. RADIOCOM S.A ("**Radiocom**") was allocated three national multiplexes. In 2015 and 2016, Radiocom was allocated another 12 regional multiplexes.

*The Romanian Government has adopted an Emergency Ordinance on the establishment of measures in the field of public investments and fiscal budgetary measures*

On 21 December 2018, the Romanian Government adopted the Emergency Ordinance № 114/2018 on the establishment of measures in the field of public investments and fiscal-budgetary measures, the modification and completion of some normative acts and the extension of certain deadlines (the "**Ordinance**"). In accordance with the Ordinance, the annual monitoring fee received by ANCOM from providers of electronic communications services increased to a fixed amount of 3% of the turnover of providers of communications services from the previous financial year (as compared to a maximum rate of 0.4% applied previously). Due to ANCOM's budget surpluses in the previous years, the monitoring fee has not been collected by ANCOM since 2010. However, the current Ordinance no longer considers any ANCOM's potential budget surplus in the calculation of the monitoring fee and thus the applied percentage will be fixed to 3%.

The Ordinance also provides a fine of up to 10% of annual turnover for providers of communications services that work without an access permit and/or a building permit.

In accordance with this Ordinance, the licensing fees for radio spectrum have increased in relation to the future competitive selection procedures for both: (i) the new 700MHz radio frequency, for the development of 5G networks; and for (ii) the extension of existing radio frequencies licences in the 2100MHz band.

### **Romanian market risks**

*The Romanian broadband market is very competitive.*

The Romanian fixed-line broadband market is very competitive. The continued competitiveness of Telekom Romania in this market is highly dependent on the implementation of significant fibre roll-out projects. Although Telekom Romania now offers triple play services, such as TV and high speed broadband and Telekom Romania started a localised investment in FTTH that reports high growth, considering that (according to ANCOM) as at 30 June 2018 more than 66% of the broadband connections on the market were higher than 100Mbps, the typical Telekom Romania broadband subscriber uses an ADSL technology (typical bandwidth 6-8 Mbps) service that offers significantly lower capacity than that available to other subscribers (20-100 Mbps). Furthermore, Telekom Romania's fibre roll-out and 4G roll-out projects involve significant capital expenditures. If these projects do not succeed in driving an increase in customer base, the Group's investment may yield less of a return than anticipated. Any significant loss of customers as a result could have a material adverse effect on the Guarantor's business, results and operations and financial condition.

In addition, as the Group's operations in Romania are under competitive pressure, the Guarantor may seek to change their corporate structure in order to increase operating efficiencies or to target enhanced market consolidation. There can be no assurance that any steps taken by the Guarantor in respect of the Group's Romanian operations will improve their performance, or that any value that the Romanian business currently has, will not deteriorate.

*The Romanian telecoms market is largely driven by television services.*

Telekom Romania delivers part of its TV signal via satellite, which has significant limitations in dense urban areas due to technological and other issues (e.g., high buildings can block the satellite signal and customers do not want dishes attached to the facades of buildings).

The Romanian telecoms market is largely driven by television services. The Romanian TV market is predominantly a pay TV market, in which consumers pay for content. Price and content are the main drivers behind consumer choice, leading to competition in respect of content such as sports rights, and to geographical strategies for network deployment and choice of technology. The regulator in Romania sets certain obligations related to TV content and the obligatory channels to be included by service providers, which includes packaging of paid channels with free to air channels. These obligations are different for a cable TV operator (which includes the majority of Telekom Romania's competition) than for a satellite TV operator such as Telekom Romania. Telekom Romania also provides cable television services and has further roll out plans, but, in the short to medium term, it is estimated that while the IPTV market continues to grow, satellite technology will remain Telekom Romania's principal product offering. If the regulator imposes obligations that are more favourable for cable TV operators than satellite TV operators, this will have an adverse effect on Telekom Romania's competitive position and results of operations. In addition, intense competition



in the market will require significant expenditure in order for Telekom Romania to upgrade its service offering, although its ability to do so effectively may be limited by capital expenditure allocations throughout the Group.

*The Romanian state has expressed the intention to sell its stake in Telekom Romania.*

In 2010, the Romanian government announced its intention to sell the 46% of shares held by the Romanian state in Telekom Romania. In 2013, the Romanian Ministry for Information Society announced that it had selected a consortium made up of SSIF Swiss Capital S.A. UBS Limited, Must și Asociații SPARL and BT Securities S.A. to act on its behalf in respect of this sale. There has been no further development in respect of the intended sale since then. The composition of the Romanian Government has changed following parliamentary elections in December 2016, but still the intentions of the new Government in relation to Telekom Romania, have not yet been confirmed. Any sale could lead to a valuation of Telekom Romania that is different from the valuation set forth in Telekom Romania's financial statements. In addition, the sale of the Romanian state's shares in Telekom Romania is likely to require significant input from the management of Telekom Romania, which could divert management's attention away from effectively overseeing Telekom Romania's day-to-day operations and could result in a disruption in the relationship between the current shareholders of Telekom Romania. Any significant change in the valuation of Telekom Romania, failure of Telekom Romania to deploy and maintain adequate management resources to support a sale or any breakdown in the relationship between Telekom Romania's current shareholders could have a material adverse effect on Telekom Romania's business, results of operations, financial condition and prospects.

### ***Risk Factors Relating to the Notes***

*There is no active trading market for the Notes.*

Although applications have been made to admit the Notes already issued or may be made to admit Notes to be issued under the Programme to trading on the Luxembourg Stock Exchange, each Series or Tranche of Notes constitutes a new issue of securities with no established trading market. Any one or more of the Dealers may make a market in the Notes but are not obligated to do so and may discontinue any market making, if commenced, at any time without notice. There can be no assurance that a secondary market will develop for the Notes or, if a secondary market therein does develop, that it will continue. Accordingly, the purchase of Notes is suitable only for investors who can bear the risks of no liquidity and the financial and other risks associated with an investment in Notes.

*The Notes are subject to Optional Redemption by the Issuer.*

Unless in the case of any particular Tranche of Notes the relevant Final Terms specifies otherwise, in the event that the Issuer or Guarantor, as a result of any change in law, would be obliged to increase the amounts payable in respect of any Notes due to any withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the United Kingdom (or, in the case of the Guarantor, the Hellenic Republic) or any political subdivision thereof or any authority therein or thereof having power to tax, and such obligation cannot be avoided by reasonable measures, the Issuer may redeem all outstanding Notes in accordance with the Conditions.

In addition, an optional redemption feature of the Notes is likely to limit their market value. During any period when the Issuer may elect to redeem the 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 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.

*If the Notes include a feature to convert the interest basis from fixed rate to floating rate, or vice versa, this may affect the secondary market and the market value of the Notes concerned*

Fixed/Floating Rate Notes are Notes which bear interest at a rate that converts from a fixed rate to a floating rate, or from a floating rate to a fixed rate. Such a feature to convert the interest basis, and any conversion of the interest basis may affect the secondary market and the market value of such Notes as the change of interest basis may result in a lower interest return for Noteholders. Where the Notes convert from a fixed rate to a floating rate, 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. Where the Notes convert from a floating rate to a fixed rate, the fixed rate may be lower than the then prevailing rates on those Notes and could affect the market value of an investment in the relevant Notes.

***The regulation and reform of “benchmarks” may adversely affect the value of Notes linked to such “benchmarks”***

The London Interbank Offered Rate (“**LIBOR**”), the Euro Interbank Offered Rate (“**EURIBOR**”) and other indices which are deemed to be “benchmarks” are the subject of recent national, international and other regulatory guidance and proposals for reform. Some of these reforms are already effective while others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past, or 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 such a “benchmark”.

Regulation (EU) 2016/1011 (the “**Benchmarks Regulation**”) was published in the Official Journal of the EU on 29 June 2016 and mostly applies, subject to certain transitional provisions, from 1 January 2018. The Benchmarks Regulation applies 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, the Benchmarks Regulation (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 (such as the Issuers) 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 Notes linked to a rate or index deemed to be a “benchmark”, 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, national or other proposals for reform, 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 has 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 (“**ESTR**”) as the new risk free rate. ESTR is expected to be published by the ECB by October 2019. 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) discourage market participants from continuing to administer or contribute to such “benchmark”; (ii) trigger changes in the rules or methodologies used in the “benchmarks” or (iii) lead to the disappearance of the “benchmark”. Any of the above changes or any other consequential changes as a result of international, national or other proposals for reform or other initiatives or investigations, could have a material adverse effect on the value of and return on any Notes linked to a “benchmark”.

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the Benchmarks Regulation reforms, investigations and licensing issues in making any investment decision with respect to the Notes linked to a “benchmark”.

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

If a Benchmark Event (as defined in the Conditions) occurs, there is a possibility that the rate of interest could alternatively be set by an Independent Adviser (as defined in the Conditions) or the Issuer (without a requirement for the consent or approval of Noteholders) by reference to a successor rate or an alternative reference rate and that such successor rate or alternative reference rate may be adjusted (if required) in order to reduce or eliminate, to the fullest extent reasonably practicable in the circumstances, any economic prejudice or benefit (as applicable) to investors arising out of the replacement of the relevant benchmark. The consent of the Noteholders shall not be required in connection with effecting a successor rate or an alternative reference rate (as applicable) or such other changes, including for the execution of any documents or other steps by the Fiscal Agent. The Issuer shall promptly, following the determination of any successor rate, give notice thereof to the Fiscal Agent, the Calculation Agent, the Noteholders and Couponholders, which shall specify the effective date(s) for such successor rate or alternative rate and any consequential changes made to the Conditions and any other changes made.

The above-mentioned risks related to benchmarks may also impact a wider range of benchmarks in the future. Investors in floating rate notes which reference benchmarks should be mindful of the applicable interest rate fall-back provisions applicable to such Notes and the adverse effect this may have on the value or liquidity of, and return on, any floating rate notes which reference any such benchmark.

***The Notes may not be suitable for all Investors.***

Each potential investor in the Notes must determine the suitability of the investment in light of its own circumstances. In particular, each potential investor should:

- have 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;
- have 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;
- have 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;
- understand thoroughly the terms of the Notes; and
- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Some Notes are complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments as a way to reduce risk

or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact this investment will have on the potential investor's overall investment portfolio.

*The Notes involve a number of legal investment considerations.*

The investment activities of certain investors are subject to investment laws and regulations and/or review by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (i) Notes are legal investments for it, (ii) Notes can be used as collateral for various types of borrowing and (iii) 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.

*Certain circumstances could result in a suspension or removal of exchange trading privileges.*

When the Issuer specifies in the applicable Final Terms that a Series of Notes is to be traded on the regulated market of Luxembourg Stock Exchange or on any other relevant stock exchange, competent listing authority and/or quotation system within the EU, which qualifies as a regulated market (each, for the purposes of the following, an “**EU Exchange**”), the Issuer expects, but is not obligated to investors, to maintain the eligibility of the Notes for trading on such EU Exchange(s). Changed circumstances, including changes in applicable regulatory requirements, could result in a suspension or removal of trading privileges, or cause the Issuer to conclude that continued trading of the Notes on such EU Exchange(s) is unduly burdensome.

*The Notes contain modification and substitution provisions permitting defined majorities to bind all Noteholders.*

The 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 those who did not attend and vote at the relevant meeting and those who voted in a manner contrary to the majority. The conditions of the Notes also provide that the Issuer may agree, without the consent of Noteholders, to any modification of any Notes, in the circumstances specified in Condition 17.

*The Notes have a minimum denomination.*

Certain issues of Notes which are admitted to trading on a regulated market in the European Economic Area or offered to the public in a Member State of the European Economic Area in circumstances which require the publication of a prospectus under the Prospective Directive will have a minimum denomination of €100,000 (or, where the Specified Currency is not Euros, its equivalent in the Specified Currency). However, it is possible that the Notes may be traded in the clearing systems in amounts in excess of €100,000 (or its equivalent) that are not integral multiples of €100,000 (or its equivalent in other currencies). In relation to any such issue of Notes which have a denomination consisting of the minimum Specified Denomination plus a higher integral multiple of another smaller amount, it is possible that the Notes may be traded in amounts in excess of €100,000 (or its equivalent) that are not integral multiples of €100,000 (or its equivalent). In such a case a Noteholder who, as a result of trading such amounts, holds a principal amount of less than the minimum Specified Denomination 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 such that its holding amounts to a Specified Denomination.

## GENERAL DESCRIPTION OF THE PROGRAMME

Under the Programme, the Issuer may from time to time issue Notes denominated in any currency, subject as set out herein. Under the Luxembourg Law on Prospectuses for Securities, which implements the Prospectus Directive, prospectuses relating to money market instruments having a maturity at issue of less than 12 months and complying with the definition of securities are not subject to the approval provisions of Part II of such law. An overview of the Terms and Conditions of the Programme and the Notes appears below. The applicable terms of any Notes will be agreed between the Issuer, the Guarantor and the relevant Dealer prior to the issue of such Notes and will be set out in the Terms and Conditions of the Notes endorsed on, attached to, or incorporated by reference into, the Notes, as completed by the applicable Final Terms attached to, or endorsed on, such Notes, as more fully described under “*Form of the Notes*”.

This Base Prospectus and any supplement to this Base Prospectus will only be valid for admitting Notes to trading on the Luxembourg Stock Exchange during the period of 12 months from the date of this Base Prospectus in an aggregate principal amount which, when added to the aggregate principal amount then outstanding of all Notes previously or simultaneously issued under the Programme, does not exceed €6,500,000,000 or its equivalent in other currencies. The maximum aggregate principal amount of Notes, which may be outstanding at any time under the Programme, may be increased from time to time, subject to compliance with the relevant provisions of the Dealership Agreement.

## OVERVIEW OF THE PROGRAMME

*The following overview does not purport to be complete and is qualified in its entirety by the remainder of this Base Prospectus. Any decision to invest in Notes should be based on a consideration of this Base Prospectus as a whole. Capitalized terms used herein have the same meanings given to them in “Form of Notes” and “Terms and Conditions of the Notes”.*

**Issuer**..... OTE PLC, incorporated under the laws of England and Wales on 17 December 1999 (with registered number 03896324) for an indefinite period of time. The registered office of the Issuer and of Wilmington Trust SP Services (London) Limited is located at 3<sup>rd</sup> Floor, 1 King’s Arms Yard, London EC2R 7AF.

The Issuer is a 100% subsidiary of the Guarantor and its principal activity is to borrow and raise funds from the market and otherwise for the benefit of its parent company, the Guarantor and other subsidiaries of the Guarantor.

**Risk Factors** ..... An investment in Notes issued under the Programme involves significant risks which investors should ensure they fully understand.

See “*Risk Factors*”.

**Guarantor**..... Hellenic Telecommunications Organization S.A. was incorporated as a *société anonyme* in Athens, Greece, under the laws of the Hellenic Republic in 1949, pursuant to the provisions of Legislative Decree 1049/1949 (registered with the General Commercial Registry of Companies under № 1037501000 (formerly registration number S.A. 347/06/B/86/10)). The Guarantor’s registered office is located at 99 Kifissias Avenue, GR 151 24 Amaroussion, Athens, Greece.

The Guarantor is a full-service telecommunications group and the leading provider of fixed-line voice telephony, internet access services and television services in Greece. The Guarantor also provides mobile telecommunications services in Greece, through Cosmote, its wholly-owned subsidiary. In addition, the Guarantor provides fixed-line voice telephony, internet access services and television services in Romania and mobile telecommunications services in Romania.

**Arranger**..... HSBC Bank plc

**Dealers** ..... Alpha Bank A.E., BNP Paribas, BofA Securities Europe SA, Citigroup Global Markets Limited, Credit Suisse Securities (Europe) Limited, Deutsche Bank AG, London Branch, Eurobank Ergasias S.A., Goldman Sachs International, HSBC Bank plc, Merrill Lynch International, Morgan Stanley & Co. International plc, National Bank of Greece S.A., Piraeus Bank S.A. and any other Dealer appointed from time to time by the Issuer and the Guarantor either generally in respect of the Programme or in relation to a particular Tranche of Notes.

**Fiscal Agent**..... The Bank of New York Mellon (London branch)

**Registrar** ..... The Bank of New York Mellon (New York branch)

**Luxembourg Listing Agent**..... The Bank of New York Mellon SA/NV, Luxembourg Branch

<b>Listing and Admission to Trading</b> .....	Each Series may be listed on the official list of the Luxembourg Stock Exchange, admitted to trading on the regulated market of the Luxembourg Stock Exchange and/or admitted to listing, trading and/or quotation by any other listing authority and/or quotation system as may be agreed between the Issuer, the Guarantor and the relevant Dealer and specified in the relevant Final Terms or may be unlisted.
<b>Clearing Systems</b> .....	Euroclear Bank SA/NV (“ <b>Euroclear</b> ”). Clearstream Banking, S.A., Luxembourg (“ <b>Clearstream, Luxembourg</b> ”) and/or The Depository Trust Company (“ <b>DTC</b> ”) and/or any other clearing system as may be specified in the relevant Final Terms.
<b>Initial Programme Amount</b> .....	Up to €6,500,000,000 (or its equivalent in other currencies) aggregate principal amount of Notes outstanding and guaranteed at any time.
<b>Issuance in Series</b> .....	Notes will be issued on a syndicated or non-syndicated basis. 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 identical terms, except that the issue date and the amount of the first payment of interest may be different in respect of different Tranches. The Notes of each Tranche will all be subject to identical terms in all respects save that a Tranche may comprise Notes of different denominations.
<b>Final Terms</b> .....	Each Tranche will be the subject of a Final Terms (a “ <b>Final Terms</b> ”) which, for the purposes of that Tranche only, complete the Terms and Conditions of the Notes and this Base Prospectus and must be read in conjunction with this Base Prospectus. The terms and conditions applicable to any particular Tranche of Notes are the Terms and Conditions of the Notes as completed by the relevant Final Terms.
<b>Forms of Notes</b> .....	Notes may be issued in bearer form (“ <b>Bearer Notes</b> ”) or registered form (“ <b>Registered Notes</b> ”), as specified in the relevant Final Terms.

*Bearer Notes*

Each Tranche of Notes in bearer form will initially be in the form of either a Temporary Global Note (as defined herein) or a Permanent Global Note (as defined herein), in each case as specified in the relevant Final Terms. Each Global Note in bearer form (a “**Bearer Global Note**”) which is not intended to be issued in new global note (“**NGN**”) 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 depository or a common depository 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 (a “**New Global Note**” or “**NGN**”), as specified in the relevant Final Terms, will be deposited on or around the relevant issue date with a common safekeeper for Euroclear and/or Clearstream, Luxembourg. 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*

Each Tranche of Registered Notes will be represented by either:

- (i) Individual Note Certificates; or
- (ii) one or more Unrestricted Global Note Certificates in the case of Registered Notes sold outside the United States to non-U.S. persons in reliance on Regulation S and/or one or more Restricted Global Note Certificates in the case of Registered Notes sold to qualified institutional buyers in reliance on Rule 144A,

in each case, as specified in the relevant Final Terms.

Each Note represented by an Unrestricted Global Note Certificate will either be: (a) in the case of a Certificate which is not to be held under the new safekeeping structure (“**New Safekeeping Structure**” or “**NSS**”), registered in the name of a common depository (or its nominee) for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and the relevant Unrestricted Global Note Certificate will be deposited on or about the issue date with the common depository; or (b) in the case of a Certificate to be held under the New Safekeeping Structure, be registered in the name of a common safekeeper (or its nominee) for Euroclear and/or Clearstream, Luxembourg and the relevant Unrestricted Global Note Certificate will be deposited on or about the issue date with the common safekeeper for Euroclear and/or Clearstream, Luxembourg.

Each Note represented by a Restricted Global Note Certificate will be deposited with a custodian for and registered in the name of a nominee for DTC on or about the date of issue of the relevant Tranche. Beneficial interests in Notes represented by a Restricted Global Note Certificate may only be held through DTC at any time.

<b>Currencies</b> .....	The Notes may be denominated in any currency or currencies, subject to compliance with all applicable legal, regulatory and 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.
<b>Status of the Notes</b> .....	The Notes will constitute unsubordinated and unsecured obligations of the Issuer as described in Condition 5(a) ( <i>Status and Guarantee—Status of the Notes</i> ).
<b>Status of the Guarantee</b> .....	The Notes will be unconditionally and irrevocably guaranteed by the Guarantor on an unsubordinated and unsecured basis as described in Condition 5(b) ( <i>Status and Guarantee—Guarantee of the Notes</i> ).
<b>Issue Price</b> .....	The Notes may be issued at any price, as may be specified in the relevant Final Terms.
<b>Maturities</b> .....	The Notes may have any maturity subject, in relation to specific currencies, to compliance with all applicable legal and/or regulatory and/or central bank requirements.
<b>Redemption</b> .....	The Notes may be redeemable at par or at such other Redemption Amount as may be specified in the relevant Final Terms.



Any Notes having a maturity of less than one year must (a) have a minimum redemption value of £100,000 (or its equivalent in other currencies) and be issued only to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses; or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses or (b) be issued in other circumstances which do not constitute a contravention of section 19 of the Financial Services and Markets Act 2000 (the “FSMA”) by the Issuer.

- Optional Redemption** ..... The Notes may be redeemed before their stated maturity at the option of the Issuer (either in whole or in part) and/or the Noteholders (including in circumstances where a change of control in relation to the Guarantor has occurred as described in Condition 10(f) (*Redemption at the Option of Noteholders on Change of Control*)) to the extent (if at all) specified in the relevant Final Terms.
- Tax Redemption**..... Except as described in “—*Optional Redemption*” above, early redemption will only be permitted for tax reasons as described in Condition 10(b) (*Redemption and Purchase—Redemption for tax reasons*).
- Interest**..... The Notes may be interest-bearing or non-interest bearing. Interest (if any) may accrue at a fixed rate or a floating rate and the method of calculating interest may vary between the issue date and the maturity date of the relevant Series.
- Denominations** ..... No Notes may be issued under the Programme, which (a) have a minimum denomination of less than €100,000 (or equivalent in another currency) or (b) carry the right to acquire shares (or transferable securities equivalent to shares) issued by the Issuer or by any entity to whose group the Issuer belongs. Subject thereto, Notes will be issued in such denominations as may be specified in the relevant Final Terms, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements.
- Negative Pledge**..... The Notes will have the benefit of a negative pledge as described in Condition 6 (*Negative Pledge*).
- Cross Default**..... The Notes will have the benefit of a cross default as described in Condition 13 (*Events of Default*).
- Taxation**..... All payments in respect of Notes will be made free and clear of withholding taxes of the United Kingdom or the Hellenic Republic, as the case may be, unless the withholding is required by law. In that event, the Issuer or, as the case may be, the Guarantor will (subject as provided in Condition 12 (*Taxation*)) pay such additional amounts 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.
- Governing Law** ..... The Notes and any non-contractual obligations arising out of or in connection with the Notes will be governed by, and shall be construed in accordance with, English law.

In the case of Global Notes, investors’ rights against the Issuer will be supported by a Deed of Covenant executed by the Issuer and dated 18 January 2011 (the “**Deed of Covenant**”), 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, the European Economic Area, the United Kingdom, Singapore and Japan.

See “*Subscription and Sale*”.

## INFORMATION INCORPORATED BY REFERENCE

The following information, which has previously been published and have been filed with the CSSF, shall be deemed to be incorporated by reference in, and to form part of, this Base Prospectus (the parts of the documents that are not incorporated are either not relevant for the investor or covered in another part of this Base Prospectus):

- (1) the audited UK GAAP (comprising FRS 101 “Reduced Disclosure Framework”) financial statements (including the auditors’ report thereon and notes thereto) of the Issuer as at and for the year ended 31 December 2017 and the audited IFRS financial statements (including the auditor’s report thereon and notes thereto) of the Issuer as at and for the year ended 31 December 2018 (set out in the 2017 and 2018 annual reports of the Issuer) including:

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- (2) the audited consolidated IFRS financial statements (including the auditors’ report thereon and notes thereto) of the Guarantor as at and for the year ended 31 December 2017 (set out in the consolidated Audited Financial Statements as at and for the year ended 31 December 2017 of the Guarantor (the “**2017 Financial Statements**”)) including:

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- (3) the audited consolidated IFRS financial statements (including the auditors’ report thereon and notes thereto) of the Guarantor as at and for the year ended 31 December 2018 (set out in the consolidated Audited Financial Statements as at and for the year ended 31 December 2018 of the Guarantor (the “**2018 Financial Statements**”)) including:

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- (4) the terms and conditions set out on pages 42 to 67 of the base prospectus dated 29 March 2018;
- (5) the terms and conditions set out on pages 38 to 58 of the base prospectus dated 10 March 2017;

- (6) the terms and conditions set out on pages 37 to 57 of the base prospectus dated 28 April 2015;
- (7) the terms and conditions set out on pages 36 to 56 of the base prospectus dated 10 April 2014; and
- (8) the terms and conditions set out on pages 35 to 55 of the base prospectus dated 25 January 2013.

The Guarantor takes responsibility for the correct English translation of any document incorporated by reference.

Copies of the documents specified above as containing information incorporated by reference in this Base Prospectus may be inspected, free of charge, at the registered offices of the Issuer and the Guarantor. This Base Prospectus and the documents incorporated by reference herein are available for viewing at the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)). The information incorporated by reference that is not included in the cross-reference list, is considered as additional information and is not required by the relevant schedules of Commission Regulation (EC) № 809/2004.

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

*All relevant information with respect to the Notes in a particular Tranche will be set forth in the relevant Final Terms.*

### **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 “**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 depository or a common depository for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and each 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) (the “**TEFRA C Rules**”) or United States Treasury Regulation §1.1635(c)(2)(i)(D) (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 a 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 of the relevant Tranche of the Notes and (ii) the expiry of the period that ends 40 days after completion of the distribution of the relevant Tranche of Notes as certified by the relevant Dealer(s) to the Issuer and the Fiscal Agent, and, in each case, 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 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:

- (i) presentation and (in the case of final exchange) surrender of the Temporary Global Note to or to the order of the Fiscal Agent; and
- (ii) in either case, receipt by the Fiscal Agent of a certificate or certificates of non-U.S. beneficial ownership,

within 7 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.

The Permanent Global Note will be exchangeable, upon notice, in whole, but not in part, for Notes in definitive form (“**Definitive Notes**”):

- (i) on the terms specified in the relevant Final Terms; or
- (ii) if the relevant Final Terms specifies “*in the limited circumstances described in the Permanent Global Note*”, then if (a) 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 (b) any of the circumstances described in Condition 13 (*Events of Default*) occurs; or (c) if the Issuer has or will become obliged to pay additional amounts as provided for or referred to in Condition 12 (*Taxation*), which would not be required were the Notes represented by the Permanent Global Note in definitive form.

Whenever the Permanent 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 Permanent Global Note to the bearer of the Permanent Global Note against the surrender of the Permanent Global Note to or to the order of the Fiscal Agent within 30 days of the bearer requesting such exchange. In relation to any issue of Notes where it is specified in the Final Terms that the Permanent Global Note is exchangeable for Notes in definitive form other than in the “*limited circumstances described in the Permanent Global Note*”, such Permanent Global Note and any definitive Notes issued upon exchange may only be issued in denominations equal to, or greater than €100,000 (or equivalent) and multiples thereof.

#### **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 nor 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. In relation to any issue of Notes where the Final Terms specifies the form of Notes as being “*Temporary Global Note exchangeable for Definitive Notes*” such Temporary Global Note and any definitive Notes issued upon exchange may only be issued in denominations equal to, or greater than €100,000 (or equivalent) and multiples thereof.

#### **Exchange of Temporary Global Notes**

Whenever any interest in a Temporary Global Note is to be exchanged for an interest in a Permanent Global Note, the Issuer shall procure:

- (i) in the case of first exchange, the prompt delivery (free of charge to the bearer) of such Permanent Global Note, duly authenticated and, in the case of a NGN, effectuated, to the bearer of the Temporary Global Note; or
- (ii) in the case of any subsequent exchange, an increase in the principal amount of such Permanent Global Note in accordance with its terms,

in each case in an aggregate principal amount equal to the aggregate of the principal amounts specified in the certificates issued by Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and received by the Fiscal Agent against presentation and (in the case of final exchange) surrender of the Temporary Global Note to or to the order of the Fiscal Agent within 7 days of the bearer requesting such exchange.

Whenever a 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.

If:

- (i) 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 exchange of an interest in the Temporary Global Note for an interest in a Permanent Global Note; or
- (ii) 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
- (iii) 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 (i) above) or at 5.00 p.m. (London time) on such thirtieth day (in the case of (ii) above) or at 5.00 p.m. (London time) on such due date (in the case of (iii) 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 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 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.

#### **Exchange of Permanent Global Notes**

Whenever a Permanent 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 Permanent Global Note to the bearer of the Permanent Global Note against the surrender of the Permanent Global Note at the specified office of the Fiscal Agent within 30 days of the bearer requesting such exchange.

If:

- (i) 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
- (ii) 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 (i) above) or at 5.00 p.m. (London time) on such due date (in the case of (ii) 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.

## Registered Notes

Each Tranche of Notes in registered form (“**Registered Notes**”) will be represented by either:

- (i) individual Note Certificates in registered form (“**Individual Note Certificates**”); or
- (ii) one or more unrestricted global note certificates (“**Unrestricted Global Note Certificate(s)**”) in the case of Registered Notes sold outside the United States to non-U.S. persons in reliance on Regulation S (“**Unrestricted Registered Notes**”) and/or one or more restricted global note certificates (“**Restricted Global Note Certificate(s)**”) in the case of Registered Notes sold to QIBs in reliance on Rule 144A (“**Restricted Registered Notes**”),

in each case, as specified in the relevant Final Terms, and references in this Base Prospectus to “**Global Note Certificates**” shall be construed as a reference to Unrestricted Global Note Certificates and/or Restricted Global Note Certificates.

In a press release dated 22 October 2008, “*Evolution of the custody arrangement for international debt securities and their eligibility in Eurosystem credit operations*”, the ECB announced that it has assessed the new holding structure and custody arrangements for registered notes which the ICSDs had designed in cooperation with market participants and that Notes to be held under the new structure (the “**New Safekeeping Structure**” or “**NSS**”) would be in compliance with the “*Standards for the use of EU securities settlement systems in ESCB credit operations*” of the central banking system for the euro (the “**Eurosystem**”), subject to the conclusion of the necessary legal and contractual arrangements. The press release also stated that the new arrangements for Notes to be held in NSS form will be offered by Euroclear and Clearstream, Luxembourg as of 30 June 2010 and that registered debt securities in global registered form held issued through Euroclear and Clearstream, Luxembourg after 30 September 2010 will only be eligible as collateral in Eurosystem operations if the New Safekeeping Structure is used.

Each Note represented by an Unrestricted Global Note Certificate will either be: (a) in the case of a Certificate which is not to be held under the NSS, registered in the name of a common depository (or its nominee) for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and the relevant Unrestricted Global Note Certificate will be deposited on or about the issue date with the common depository; or (b) in the case of a Certificate to be held under the New Safekeeping Structure, be registered in the name of a common safekeeper (or its nominee) for Euroclear and/or Clearstream, Luxembourg and the relevant Unrestricted Global Note Certificate will be deposited on or about the issue date with the common safekeeper for Euroclear and/or Clearstream, Luxembourg.

Each Note represented by a Restricted Global Note Certificate will be deposited with a custodian for and registered in the name of a nominee for DTC on or about the date of issue of the relevant Tranche. Beneficial interests in Notes represented by a Restricted Global Note Certificate may only be held through DTC at any time.

If the relevant Final Terms specifies the form of Notes as being “Individual Note Certificates”, then the Notes will at all times be represented by Individual Note Certificates issued to each Noteholder in respect of their respective holdings.

## Transfer Restrictions

On or prior to the fortieth day after the relevant issue date, Notes represented by an interest in an Unrestricted Global Note Certificate may be transferred to a person who wishes to hold such Notes in the form of an interest in a Restricted Global Note Certificate only upon receipt by the Registrar of a written certification from the transferor (in the form set out in Schedule 4 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 fortieth 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 Certificate, as described below under “*Exchange of Interests in Global Note Certificates for Individual Note Certificates*”.

Notes represented by an interest in a Restricted Global Note Certificate may also be transferred to a person who wishes to hold such Notes in the form of an interest through an Unrestricted Global Note Certificate, but only upon receipt by the Registrar of a written certification from the transferor (in the form set out in Schedule 5 or 6, as appropriate, to the Agency Agreement) to the effect that such transfer is being made in accordance with Regulation S or Rule 144 (if available) 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, the Guarantor or any of their respective affiliates have been cancelled in accordance with Condition 10(j) (*Redemption and Purchase - Cancellation*).

Any interest in either a Restricted Global Note Certificate or an Unrestricted Global Note Certificate that is transferred to a person who takes delivery in the form of an interest in the other Global Note Certificate will, upon transfer, cease to be an interest in such Global Note Certificate and become an interest in the other Global Note Certificate and, accordingly, will thereafter be subject to all transfer restrictions and other procedures applicable to an interest in such other Global Note Certificate.

The Notes are being offered and sold in the United States only to qualified institutional buyers within the meaning of and in reliance on Rule 144A.

Each purchaser of Notes offered pursuant to Rule 144A will be deemed to have represented and agreed as follows (terms used in the following paragraphs that are defined in Rule 144A have the respective meanings given to them in Rule 144A):

- (i) the purchaser (i) is a qualified institutional buyer, (ii) is acquiring the Notes for its own account or for the account of such a qualified institutional buyer and (iii) is aware that the sale of the Notes to it is being made in reliance on Rule 144A;
- (ii) the purchaser understands that the Notes are being offered only in a transaction not involving any public offering in the United States within the meaning of the Securities Act and that the Notes have not been and will not be registered under the Securities Act and may not be reoffered, resold, pledged or otherwise transferred except in accordance with the legend set forth below;
- (iii) the purchaser understands that the Restricted Global Note Certificate and any Restricted Individual Note Certificates (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 OF THE UNITED STATES. THE HOLDER HEREOF, BY PURCHASING THE NOTES REPRESENTED HEREBY, AGREES FOR THE BENEFIT OF THE ISSUER AND THE GUARANTOR 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 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 REOFFER, 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, THE GUARANTOR OR THEIR RESPECTIVE AFFILIATES.

- (iv) 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 Certificate or a Restricted Individual Note Certificate bearing the above legend, or upon a specific request for removal of the legend, the Issuer will deliver only Individual Note Certificates that bear such legend (“**Restricted Individual Note Certificates**”) 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 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, the Guarantor or any of their respective affiliates have been cancelled in accordance with Condition 10(j) (*Redemption and Purchase—Cancellation*).

## Exchange of Interests in Global Note Certificates for Individual Note Certificates

If the relevant Final Terms specifies the form of Notes as being “*Global Note Certificate exchangeable for Individual Note Certificates*”, then the Notes will initially be represented by one or more Global Note Certificates each of which will be exchangeable in whole, but not in part, for Individual Note Certificates:

- (i) on the expiry of such period of notice as may be specified in the relevant Final Terms; or
- (ii) at any time, if so specified in the relevant Final Terms; or
- (iii) if the relevant Final Terms specifies “*in the limited circumstances described in the Global Note Certificate*”, then:

in the case of any Global Note Certificate held by or on behalf of DTC or a successor depository,

- (a) such depository notifies the Issuer that it is no longer willing or able to discharge properly its responsibilities as depository with respect to the relevant Global Note Certificate or ceases to be a clearing agency (as defined in the United States Securities Exchange Act of 1934 (the “**Exchange Act**”), or is at any time no longer eligible to act as such, and the Issuer is (in the case of it ceasing to be depository) unable to locate a qualified successor within 90 days of receiving notice of such ineligibility on the part of such depository; or
- (b) any of the circumstances described in Condition 13 (*Events of Default*) occurs and is continuing and the Holder requests an exchange; or
- (c) (in the case of the Unrestricted Global Note Certificate only) Euroclear or Clearstream, Luxembourg or any other relevant clearing system is closed 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 and no alternative clearing system satisfactory to the Issuer is available.

In such circumstances, the Issuer shall procure the delivery of Individual Note Certificates in exchange for the Unrestricted Global Note Certificate and/or the Restricted Global Note Certificate. A person having an interest in a Global Note Certificate must provide the Registrar (through DTC, Euroclear and/or Clearstream, Luxembourg) with (a) such information as the Issuer and the Registrar may require to complete and deliver Individual Note Certificates (including the name and address of each person in which the Individual Note Certificates are to be registered and the principal amount of each such person’s holding) and (b) (in the case of the Restricted Global Note Certificate only) a certificate given by or on behalf of the holder of each beneficial interest in the Restricted Global Note Certificate 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. Individual Note Certificates issued in exchange for interests in the Restricted Global Note Certificate 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, the Guarantor or any of their respective affiliates have been cancelled in accordance with Condition 10(j) (*Redemption and Purchase—Cancellation*).

Whenever a Global Note Certificate is to be exchanged for Individual Note Certificates, such Individual Note Certificates 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 Global Note Certificate 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) Individual Note Certificates have not been delivered by 5.00 p.m. (London time) on the thirtieth day after the due date for their delivery in exchange for interests in a Global Note Certificate or (b) any of the Notes represented by a Global Note Certificate has become due and payable in accordance with the Conditions 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 Global Note Certificate in accordance with its terms on the due date for payment, then such Global Note Certificate (including the obligation to deliver Individual Note Certificates) 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 registered Holder will have no further rights under such Global Note Certificate (but without prejudice to the rights which the Holder of the Notes represented by such

Global Note Certificate or others may have under the Deed of Covenant executed by the Issuer). Under the Deed of Covenant, persons shown in the records of DTC, Euroclear and/or Clearstream, Luxembourg as being entitled to an interest in the Notes represented by a Global Note Certificate will acquire directly against the Issuer all those rights to which they would have been entitled if, immediately before such Global Note Certificate became void, they had been the registered Holders of Notes represented by Individual Note Certificates in an aggregate principal amount equal to the principal amount of Notes they were shown as holding in the records of DTC, Euroclear and/or (as the case may be) Clearstream, Luxembourg.

The Registrar will not register the transfer of or exchange of interests in a Global Note Certificate for Individual Note Certificates for a period of 15 days ending on the due date for any payment of principal or interest in respect of the Notes.

### **Transfers of Interests in Global Note Certificates**

Transfers of interests in Global Note Certificates within DTC, Euroclear and Clearstream, Luxembourg will be in accordance with the usual rules and operating procedures of the relevant clearing system.

The laws of some jurisdictions require that certain persons receive individual certificates in respect of their holdings of Notes. Consequently, the ability to transfer interests in a Global Note Certificate 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 Global Note Certificate 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 Individual Note Certificate 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 depository. 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 depository to take action to effect final settlement on its behalf by delivering or receiving beneficial interests in the relevant Global Note Certificate 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 depositories 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*”.

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 Global Note Certificates for exchange as described above) only at the direction of one or more participants in whose account with DTC interests in Global Note Certificates are credited, and only in respect of such portion of the aggregate principal amount of the Global Note Certificates as to which such participant or participants has or have given such direction. However, in certain circumstances, DTC will exchange the Global Note Certificates for Individual Note Certificates (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 Global Note Certificates 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 Guarantor, the Registrar, the Fiscal Agent, any Transfer Agent or 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*” below and the provisions of the relevant Final Terms, which complete those terms and conditions.

### **Clearing System Accountholders**

Each Global Note will be in bearer form. Consequently, in relation to any Tranche of Notes represented by a 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 a 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.

In relation to any Tranche of Notes represented by one or more Global Note Certificates, references in the Terms and Conditions of the Notes to “Noteholder” are references to the person in whose name the relevant Global Note Certificate is for the time being registered in the Register which (a) in the case of a Restricted Global Note Certificate held by or on behalf of DTC, will be in the name of a nominee for DTC and (b) in the case of any Unrestricted Global Note Certificate which is held by or on behalf of a depositary or a common depositary or a common safekeeper for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system, will be that depositary or common depositary or common safekeeper or a nominee for that depositary or common depositary or common safekeeper.

Each of the persons shown in the records of DTC, Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system as being entitled to an interest in a Global Note or Global Note Certificate (each an “**Accountholder**”) must look solely to DTC, 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 or the Guarantor to the holder of such Global Note or Global Note Certificate and in relation to all other rights arising under such Global Note or Global Note Certificate. The extent to which, and the manner in which, Accountholders may exercise any rights arising under the Global Note or Global Note Certificate will be determined by the respective rules and procedures of DTC, Euroclear and Clearstream, Luxembourg and any other relevant clearing system from time to time. For so long as the relevant Notes are represented by the Global Note or Global Note Certificate, Accountholders shall have no claim directly against the Issuer or the Guarantor in respect of payments due under the Notes and such obligations of the Issuer and the Guarantor will be discharged by payment to the bearer of the Global Note or Global Note Certificate.

### **Conditions applicable to Global Notes and Global Note Certificates**

Each Global Note and Global Note Certificate will contain provisions which modify the Terms and Conditions of the Notes as they apply to the Global Note and the Global Note Certificate. The following is a summary of certain of those provisions:

#### ***Global Notes***

*Payments:* All payments in respect of the 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 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 Global Note, the Issuer shall procure that in respect of a Classic Global Note the payment is noted in a schedule thereto and in respect of a New Global Note the payment is entered *pro rata* in the records of Euroclear and Clearstream, Luxembourg.

*Exercise of put option:* In order to exercise the option contained in Condition 10(e) (*Redemption at the option of Noteholders*) or Condition 10(f) (*Redemption of the Option of Noteholders on Change of Control*) the bearer of the Permanent Global Note must, within the period specified in the Conditions 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 call option:* In connection with an exercise of the option contained in Condition 10(c) (*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 Conditions and the Notes to be redeemed will not be selected as provided in the Conditions 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 depository or a common depository 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, **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 the Luxemburger Wort) or on the Luxembourg Stock Exchange website at “www.bourse.lu”.

*Payment Business Day:* In the case of a Global Note, shall be: if the currency of payment is Euros, any day which is a TARGET Settlement Day (as defined in the Conditions) and a day on which dealings in foreign currencies may be carried on in each (if any) Additional Financial Centre (as defined in the Conditions); or, if the currency of payment is not Euros, any day which is a day on which dealings in foreign currencies may be carried on in the Principal Financial Centre (as defined in the Conditions) of the currency of payment and in each (if any) Additional Financial Centre.

### **Global Note Certificates**

*Exercise of put option:* In order to exercise the option described in Condition 10(e) (*Redemption at the option of Noteholders*), the bearer of a Global Note Certificate must, within the period specified in the Conditions 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.

*Notice:* Notwithstanding Condition 19 (*Notices*), so long as a Global Note Certificate is held on behalf of Euroclear, Clearstream, Luxembourg, DTC or any other clearing system (an “**Alternative Clearing System**”), notices to bearers of notes represented by such Global Note Certificate may be given by delivery of the relevant notice to Euroclear, Clearstream, Luxembourg, DTC 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 and regulations so require, notices will also be published in a leading newspaper having general circulation in Luxembourg (which is expected to be the Luxemburger Wort) or on the Luxembourg Stock Exchange website at “www.bourse.lu”.

*Payment Business Day:* In the case of a Global Note Certificate, shall be: if the currency of payment is Euros, any day which is a TARGET Settlement Day and a day on which dealings in foreign currencies may be carried on in each (if any) Additional Financial Centre; or, if the currency of payment is not Euros, any day which is a day on which dealings in foreign currencies may be carried on in the Principal Financial Centre of the currency of payment and in each (if any) Additional Financial Centre.

*Payment Record Date:* Each payment in respect of a Global Note Certificate will be made to the person shown as the Holder in the Register at the close of business (in the relevant clearing system) on the Clearing System Business Day before the due date for such payment (the “**Record Date**”) where “**Clearing System Business Day**” means a day on which each clearing system for which the Global Note Certificate is open for business.

### **Legend concerning United States persons**

In the case of any Tranche of Bearer Notes having a maturity of more than 365 days, the Notes in global form (other than Temporary Global Notes), the Notes in definitive form and any Coupons and Talons appertaining thereto where TEFRA D is 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 of 1986.”*

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 characterized as capital gain) recognized on such sale, exchange or redemption will be treated as ordinary income.

## 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 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” above.

### 1. Introduction

- (a) **Programme:** OTE PLC (the “**Issuer**”) has established a Global Medium Term Note Programme (the “**Programme**”) for the issuance of up to €6,500,000,000 in aggregate principal amount of notes (the “**Notes**”) guaranteed by Hellenic Telecommunications Organization S.A. (the “**Guarantor**”).
- (b) **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. In the event of any inconsistency between these Conditions and the relevant Final Terms, the relevant Final Terms shall prevail.
- (c) **Agency Agreement:** The Notes are the subject of an amended and restated fiscal agency agreement dated 10 April 2019 (as amended or supplemented from time to time, the “**Agency Agreement**”) between the Issuer, the Guarantor, The Bank of New York Mellon as fiscal agent (the “**Fiscal Agent**”, which expression includes any successor fiscal agent appointed from time to time in connection with the Notes), The Bank of New York Mellon 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).
- (d) **Deed of Guarantee:** The Notes are the subject of a deed of guarantee dated 18 January 2011 (as amended or supplemented from time to time, the “**Deed of Guarantee**”) entered into by the Guarantor.
- (e) **The Notes:** All subsequent references in these Conditions to “**Notes**” are to the Notes which are the subject of the relevant Final Terms. Copies of the relevant Final Terms are available for inspection by Noteholders 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 Specified Office of the Registrar.
- (f) **Summaries:** Certain provisions of these Conditions are summaries of the Agency Agreement and the Deed of Guarantee 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 Guarantee applicable to them. Copies of the Agency Agreement and the Deed of Guarantee are available for inspection by Noteholders during normal business hours at the Specified Offices of each of the Paying Agents.

### 2. Interpretation

- (a) **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;  
  
“**Bearer Note**” means a Note in bearer form;  
  
“**Broken Amount**” means the amount specified in the Final Terms;  
  
“**Business Day**” means:

- (a) in relation to any sum payable in Euro, a TARGET Settlement Day and a day on which commercial banks and foreign exchange markets settle payments and are open for general business in each (if any) Additional Business Centre; and
- (b) in relation to any sum payable in a currency other than Euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in London, in the Principal Financial Centre of the relevant currency and in each (if any) Additional Business Centre;

“**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;

“**Coupon**” means an interest coupon pertaining to a Bearer Note;

“**Couponholder**” means the holder of a Coupon;

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

“**Day Count Fraction**” means, in respect of the calculation of an amount for any period of time (the “**Calculation Period**”), such day count fraction as may be specified in these Conditions or the relevant Final Terms and:

- (a) if “**Actual/Actual (ICMA)**” is so specified, means:

- (i) where the Calculation Period is equal to or shorter than the Regular Period during which it falls, the actual number of days in the Calculation Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods normally ending in any year; and
- (ii) where the Calculation Period is longer than one Regular Period, the sum of:
  - (A) the actual number of days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and
  - (B) the actual number of days in such Calculation Period falling in the next Regular Period divided by the product of (a) the actual number of days in such Regular Period and (2) the number of Regular Periods normally ending in any year;
- (b) if “**Actual/365**” or “**Actual/Actual (ISDA)**” is so specified, means the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (c) if “**Actual/365 (Fixed)**” is so specified, means the actual number of days in the Calculation Period divided by 365;
- (d) if “**Actual/360**” is so specified, means the actual number of days in the Calculation Period divided by 360;
- (e) if “**30/360**” is so specified, means the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months (unless (i) the last day of the Calculation Period is the 31st day of a month but the first day of the Calculation Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (ii) the last day of the Calculation Period is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month)); and
- (f) if “**30E/360**” or “**Eurobond Basis**” is so specified means, the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months, without regard to the date of the first day or last day of the Calculation Period unless, in the case of the final Calculation Period, the date of final maturity is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month);

“**Early Redemption Amount (Tax)**” 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;

“**Early Termination Amount**” means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, these Conditions or the relevant 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, or determined in accordance with, the relevant Final Terms;

“**Fixed Coupon Amount**” has the meaning given in the relevant Final Terms; “**Guarantee**” means, in relation to any Indebtedness of any Person:

- (a) any obligation of another Person to pay such Indebtedness;
- (b) any obligation to purchase such Indebtedness;



- (c) any obligation to lend money, to purchase or subscribe shares or other securities or to purchase assets or services in order to provide funds for the payment of such Indebtedness;
- (d) any indemnity against the consequences of a default in the payment of such Indebtedness; and
- (e) any other agreement to be responsible for such Indebtedness;

“**Guarantee of the Notes**” means the guarantee of the Notes given by the Guarantor in the Deed of Guarantee;

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

“**Indebtedness**” means in relation to any indebtedness of any Person indebtedness for or in respect of:

- (a) moneys borrowed;
- (b) amounts raised by acceptance under any acceptance credit facility;
- (c) amounts raised under any note purchase facility;
- (d) the amount of any liability in respect of leases or hire purchase contracts which would, in accordance with applicable law and generally accepted accounting principles, be treated as finance or capital leases;
- (e) the amount of any liability in respect of any purchase price for assets or services the payment of which is deferred for a period in excess of 60 days; and
- (f) amounts raised under any other transaction (including, without limitation, any forward sale or purchase agreement) having the commercial effect of a borrowing;

“**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 or the relevant payment date if Notes become payable on a date other than an Interest Payment Date;

“**ISDA definitions**” means the 2000 ISDA Definitions and as further 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.; or, if so specified in the relevant Final Terms, 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;

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

“**Margin**” has the meaning given in the relevant Final Terms;

“**Maturity Date**” has the meaning given in the relevant Final Terms;

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

“**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;

“**Payment Business Day**” means:

- (a) if the currency of payment is Euro, any day which is:
  - (i) a day on which banks in the relevant place of presentation are open for presentation and payment of bearer debt securities and for dealings in foreign currencies; and
  - (ii) in the case of payment by transfer to an account, a TARGET Settlement Day and a day on which dealings in foreign currencies may be carried on in each (if any) Additional Financial Centre; or
- (b) if the currency of payment is not Euro, any day which is:
  - (i) a day on which banks in the relevant place of presentation are open for presentation and payment of bearer debt securities and for dealings in foreign currencies; and
  - (ii) in the case of payment by transfer to an account, a day on which dealings in foreign currencies may be carried on in the Principal Financial Centre of the currency of payment and in each (if any) Additional Financial Centre;

“**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;

“**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 either Wellington or Auckland as is selected (in the case of a payment) by the payee or (in the case of a calculation) by the Calculation Agent;

“**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;

**“Redemption Amount”** means, as appropriate, the Final Redemption Amount, the Early Redemption Amount (Tax), the Optional Redemption Amount (Call), the Optional Redemption Amount (Put), the Early Termination Amount 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 four (or if the Principal Financial Centre is Helsinki, five) major banks selected by the Calculation Agent in the market that is most closely connected with the Reference Rate;

**“Reference Price”** has the meaning given in the relevant Final Terms;

**“Reference Rate”** has the meaning given 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;

**“Regular Period”** means:

- (a) in the case of Notes where interest is scheduled to be paid only by means of regular payments, each period from and including the Interest Commencement Date to but excluding the first Interest Payment Date and each successive period from and including one Interest Payment Date to but excluding the next Interest Payment Date;
- (b) in the case of Notes where, apart from the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where “Regular Date” means the day and month (but not the year) on which any Interest Payment Date falls; and
- (c) in the case of Notes where, apart from one Interest Period other than the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where “Regular Date” means the day and month (but not the year) on which any Interest Payment Date falls other than the Interest Payment Date falling at the end of the irregular Interest Period.

**“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 Financial Centre”** has the meaning given in the relevant Final Terms;

**“Relevant Indebtedness”** means any Indebtedness which is in the form of or represented by any bond, note, debenture, debenture stock, loan stock, certificate or other instrument which is, or is capable of being, listed, quoted or traded on any stock exchange or in any securities market (including, without limitation, any over-the-counter market);

**“Relevant Screen Page”** means the 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 Time**” has the meaning given in the relevant Final Terms;

“**Relevant Total Assets**” means, in relation to a Subsidiary of any Person, its total assets, less the aggregate of all receivables due from such Person or other subsidiaries of such Person and all intangible assets (including, without limitation, goodwill) as of the end of the most recent fiscal year as shown in such Person’s latest annual audited consolidated financial statements from time to time;

“**Reserved Matter**” means any proposal to change any date fixed for payment of principal or interest in respect of the Notes, to 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;

“**Security interest**” means any mortgage, mortgage prenotation, charge, pledge, lien or other security interest including, without limitation, anything analogous to any of the foregoing under the laws of any 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**” of any Agent means the office specified against its name in Clause 25 of the Agency Agreement or any other address as the Agent has, by prior written notice to the sender, specified for the relevant purpose;

“**Specified Period**” has the meaning given in the relevant Final Terms;

“**Subsidiary**” means, in relation to any Person (the “first Person”) at any particular time, any other Person (the “second Person”):

- (a) whose affairs and policies the first Person 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 the second Person or otherwise; or
- (b) whose financial statements are, in accordance with applicable law and generally accepted accounting principles, consolidated with those of the first Person;

“**Talon**” means a talon for further Coupons;

“**TARGET2**” means the Trans-European Automated Real-Time Gross Settlement Express Transfer payment system which utilises a single shared platform and was launched on 19 November 2007;

“**TARGET Settlement Day**” means any day on which TARGET2 is open for the settlement of payments in euro;

“**Treaty**” means the Treaty establishing the European Communities, as amended; and

“**Zero Coupon Note**” means a Note specified as such in the relevant Final Terms.

(b) **Interpretation:** In these Conditions:

- (i) if the Notes are Zero Coupon Notes, references to Coupons and Couponholders are not applicable;
- (ii) 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;

- (iii) 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;
- (iv) 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;
- (v) 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;
- (vi) references to Notes being “outstanding” shall be construed in accordance with the Agency Agreement; and
- (vii) if an expression is stated in Condition 2(a) (*Definitions*) 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.

#### (a) *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.

#### (b) *Notes in Registered Form*

Registered Notes are issued in the Specified Denominations and may be held in holdings equal to the Specified Denomination (specified in the relevant Final Terms). The Holder of each Registered Note 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

(a) **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.

(b) **Transfers:** Subject to paragraphs (e) and (f) below, 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.

- (c) **Registration and delivery of Note Certificates:** Within five business days of the surrender of a Note Certificate in accordance with paragraph (a) above, 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 paragraph, “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.
- (d) **No charge:** The transfer of a Registered Note will be effected without charge by or on behalf of the Issuer, the Guarantor, 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.
- (e) **Closed periods:** Registered Holders may not require transfers to be registered during the period of 15 days ending on the due date for any payment of principal or interest in respect of the Registered Notes.
- (f) **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 Issuer and the Guarantor 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 and Guarantee

- (a) **Status of the Notes:** The Notes are direct, unconditional, unsubordinated and unsecured obligations of the Issuer and rank *pari passu* among themselves and (except for certain debts required to be preferred by law) equally with all other unsecured, unsubordinated obligations of the Issuer, from time to time outstanding.
- (b) **Guarantee of the Notes:** The Guarantee of the Notes ranks *pari passu* (except for certain debts required to be preferred by law) with all other unsecured and unsubordinated indebtedness and guarantee obligations of the Guarantor, from time to time outstanding.

## 6. Negative Pledge

So long as any Note shall remain outstanding, neither the Issuer nor the Guarantor shall create or suffer to exist any Security Interest on or with respect to any of its undertakings, assets, properties or revenues, whether now owned or hereafter acquired to secure any Relevant Indebtedness or Guarantee of Relevant Indebtedness without at the same time or prior thereto (i) securing the Notes equally and rateably therewith or (ii) providing such other security for the Notes as may be approved by an Extraordinary Resolution (as defined above) of Noteholders.

## 7. Fixed Rate Note Provisions

- (a) **Application:** This Condition 7 (*Fixed Rate Note Provisions*) is applicable to the Notes only if the Fixed Rate Note Provisions are specified in the relevant Final Terms as being applicable.
- (b) **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 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 7 (*Fixed Rate Note Provisions*) (as well after as before judgment) until whichever is the earlier of (i) 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 (ii) 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).
- (c) **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.

- (d) **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.

## 8. Floating Rate Note Provisions

- (a) **Application:** This Condition 8 (*Floating Rate Note Provisions*) is applicable to the Notes only if the Floating Rate Note Provisions are specified in the relevant Final Terms as being applicable.
- (b) **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 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 whichever is the earlier of (i) 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 (ii) 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).
- (c) **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 be determined by the Calculation Agent on the following basis:
- (i) 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;
  - (ii) 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;
  - (iii) if, in the case of (i) above, such rate does not appear on that page or, in the case of (ii) 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:
    - (A) request the principal Relevant Financial Centre office of each of the Reference Banks to provide a quotation of the Reference Rate at approximately the Relevant Time on the Interest Determination Date to prime banks in the Relevant Financial Centre interbank market in an amount that is representative for a single transaction in that market at that time; and
    - (B) determine the arithmetic mean of such quotations; and
  - (iv) 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, and provided further that such inability is not due to the occurrence of a Benchmark Event (as defined in Condition 8(j) below), 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.

If the Rate of Interest cannot be determined because of the occurrence of a Benchmark Event (as defined in Condition 8(j) below), the Rate of Interest shall be calculated in accordance with the terms of Condition 8(j)

- (d) **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:
- (i) the Floating Rate Option (as defined in the ISDA Definitions) is as specified in the relevant Final Terms;
  - (ii) the Designated Maturity (as defined in the ISDA Definitions) is a period specified in the relevant Final Terms; and
  - (iii) the relevant Reset Date (as defined in the ISDA Definitions) is either (A) if the relevant Floating Rate Option is based on the London inter-bank offered rate (LIBOR) for a currency, the first day of that Interest Period or (B) in any other case, as specified in the relevant Final Terms.
- (e) **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. Unless otherwise stated in the relevant Final Terms the minimum Rate of Interest shall be zero.
- (f) **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.
- (g) **Calculation of other amounts:** If the relevant Final Terms specifies that any other amount is to be calculated by the Calculation Agent, the Calculation Agent will, as soon as practicable after the time or times at which any such amount is to be determined, calculate the relevant amount. The relevant amount will be calculated by the Calculation Agent in the manner specified in the relevant Final Terms.
- (h) **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 Guarantor, 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.

- (i) **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 binding on the Issuer, the Guarantor, the Paying Agents, the Noteholders and the Couponholders and (subject as aforesaid) 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.

(j) **Benchmark Replacement**

Notwithstanding the provisions above in this Condition 8 (*Floating Rate Provisions*), if the Issuer determines that a Benchmark Event (as defined below) has occurred or considers that there may be a Successor Rate (as defined below), in either case, when any Rate of Interest (or the relevant component part thereof) remains to be determined by reference to a Reference Rate, then the following provisions shall apply:

- (i) the Issuer shall use reasonable endeavours to appoint, as soon as reasonably practicable, an Independent Adviser (as defined below) to determine (acting in a commercially reasonable manner), no later than five Business Days prior to the relevant Interest Determination Date relating to the next succeeding Interest Period (the “**IA Determination Cut-off Date**”), a Successor Rate or, alternatively, if there is no Successor Rate, an Alternative Reference Rate (as defined below), and, in either case, an Adjustment Spread (as defined below) if any for the purposes of determining the Rate of Interest (or the relevant component part thereof) applicable to the Notes;
- (ii) if the Issuer is unable to appoint an Independent Adviser, or the Independent Adviser appointed by it fails to determine a Successor Rate or an Alternative Reference Rate prior to the IA Determination Cut-off Date, the Issuer (acting in good faith and in a commercially reasonable manner) may determine a Successor Rate or, if there is no Successor Rate, an Alternative Reference Rate;
- (iii) if a Successor Rate or, failing which, an Alternative Reference Rate (as applicable) is determined in accordance with the preceding provisions, such Successor Rate or, failing which, an Alternative Reference Rate (as applicable) shall be the Reference Rate for each of the future Interest Periods (subject to the subsequent operation of, and to adjustment as provided in, this Condition 8(j) (*Benchmark Replacement*)); provided, however, that if sub-paragraph (ii) applies and the Issuer is unable to or does not determine a Successor Rate or an Alternative Reference Rate prior to the relevant Interest Determination Date, 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 preceding Interest Period (subject, where applicable, to substituting the Margin that applied to such preceding Interest Period for the Margin that is to be applied to the relevant Interest Period); for the avoidance of doubt, the proviso in this sub-paragraph (iii) shall apply to the relevant Interest Period only and any subsequent Interest Periods are subject to the subsequent operation of, and to adjustment as provided in, this Condition 8(j) (*Benchmark Replacement*));
- (iv) if the Independent Adviser or the Issuer determines a Successor Rate or, failing which, an Alternative Reference Rate (as applicable) in accordance with the above provisions, the Independent Adviser or the Issuer (as applicable), may also (acting in good faith and in a commercially reasonable manner) specify changes to these Conditions, including, but not limited to, the Day Count Fraction, Relevant Screen Page, Business Day Convention, Business Days, Interest Determination Date, and/or the definition of Reference Rate applicable to the Notes, and the method for determining the fallback rate in relation to the Notes, in order to follow market practice in relation to the Successor Rate or the Alternative Reference Rate (as applicable). If the Independent Adviser (in consultation with the Issuer) or the Issuer (as applicable), determines that an Adjustment Spread (as

defined below) is required to be applied to the Successor Rate or the Alternative Reference Rate (as applicable) and determines the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Adjustment Spread shall be applied to the Successor Rate or the Alternative Reference Rate (as applicable). If the Independent Adviser or the Issuer (as applicable) is unable to determine the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Successor Rate or Alternative Reference Rate (as applicable) will apply without an Adjustment Spread. For the avoidance of doubt, the Fiscal Agent shall, at the direction and expense of the Issuer, effect such consequential amendments to the Agency Agreement and these Conditions as may be required in order to give effect to this Condition 8(j) (*Benchmark Replacement*). Noteholder consent shall not be required in connection with effecting the Successor Rate or Alternative Reference Rate (as applicable) or such other changes, including for the execution of any documents or other steps by the Fiscal Agent (if required);

- (v) the Issuer shall promptly, following the determination of any Successor Rate or Alternative Reference Rate (as applicable), give notice thereof to the Fiscal Agent, the Calculation Agent, the Noteholders and Couponholders, which shall specify the effective date(s) for such Successor Rate or Alternative Reference Rate (as applicable) and any consequential changes made to these Conditions or any other changes made;
- (vi) without prejudice to the obligations of the Issuer under this Condition 8(j) (*Benchmark Replacement*), the relevant Reference Rate and the fallback provisions contained in Condition 8(c) (*Screen Rate Determination*) will continue to apply unless and until a Benchmark Event has occurred.

For the purposes of this Condition 8(j) (*Benchmark Replacement*):

**“Adjustment Spread”** means either a spread (which may be positive or negative), or formula or methodology for calculating a spread, which the Independent Adviser (in consultation with the Issuer) or the Issuer (as applicable), determines (acting in good faith and in a commercially reasonable manner) is required to be applied to the Successor Rate or the Alternative Reference Rate (as applicable) in order to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to Noteholders and Couponholders as a result of the replacement of the Reference Rate with the Successor Rate or the Alternative Reference Rate (as applicable) and is the spread, formula or methodology which:

- (i) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Reference Rate with the Successor Rate by any Relevant Nominating Body (as defined below); or
- (ii) in the case of a Successor Rate for which no such recommendation has been made or in the case of an Alternative Reference Rate, the Independent Adviser (in consultation with the Issuer) or the Issuer (as the case may be) determines is recognised or acknowledged as being in customary market usage in international debt capital markets transactions which reference the Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Reference Rate (as applicable); or
- (iii) if no such customary market usage is recognised or acknowledged, the Independent Adviser (in consultation with the Issuer) or the Issuer in its discretion (as applicable), determines (acting in good faith and in a commercially reasonable manner) to be appropriate;

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

“**Benchmark Event**” means:

- (i) the relevant Reference Rate has ceased to be published for a period of at least 5 Business Days or has ceased to exist; or
- (ii) a public statement by the administrator of the relevant Reference Rate that it will, by a specified date within the following six months, cease publishing such Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of such Reference Rate); or
- (iii) a public statement by the supervisor of the administrator of the relevant Reference Rate (as applicable) that such Reference Rate has been or will, by a specified date within the following six months, be permanently or indefinitely discontinued; or
- (iv) a public statement by the supervisor of the administrator of the relevant Reference Rate that means that the Reference Rate will be prohibited from being used or that its use will be subject to restrictions or adverse consequences, in each case within the following six months; or
- (v) it has or will become unlawful for the Fiscal Agent, the Calculation Agent or the Issuer or other party to calculate any payments due to be made to any Noteholder or Couponholder using the relevant Reference Rate (including, without limitation, under the Benchmark Regulation (EU) 2016/1011, if applicable);

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

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

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

“**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 relevant Reference Rate which is formally recommended by any Relevant Nominating Body.

## 9. Zero Coupon Note Provisions

- (a) **Application:** This Condition 9 (*Zero Coupon Note Provisions*) is applicable to the Notes only if the Zero Coupon Note Provisions are specified in the relevant Final Terms as being applicable.
- (b) **Late payment on Zero Coupon Notes:** If the Redemption Amount payable in respect of any Zero Coupon Note is improperly withheld or refused, the Redemption Amount shall thereafter be an amount equal to the sum of:
  - (i) the Reference Price; and
  - (ii) the product of the Accrual Yield (compounded annually) being applied to the Reference Price from (and including) the Issue Date to (but excluding) whichever is the earlier of (i) 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 (ii) 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).

## 10. Redemption and Purchase

(a) **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 11 (*Payments*).

(b) **Redemption for tax reasons:** The Notes may be redeemed at the option of the Issuer in whole, but not in part:

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

(ii) 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 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable), at their Early Redemption Amount (Tax), together with interest accrued (if any) to the date fixed for redemption, if:

(A) the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 12 (*Taxation*) as a result of any change in, or amendment to, the laws (or any regulations, rulings or other administrative pronouncements promulgated thereunder) of the United Kingdom 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, regulations, rulings or other administrative pronouncements, which change or amendment becomes effective on or after the date of issue of the first Tranche of the Notes or any other date specified in the Final Terms; and (2) such obligation cannot be avoided by the Issuer taking reasonable measures available to it; or

(B) (1) the Guarantor has or (if a demand was made under the Guarantee of the Notes) would become obliged to pay additional amounts as provided or referred to in Condition 12 (*Taxation*) as a result of any change in, or amendment to, the laws or any regulations, rulings or administrative pronouncements promulgated thereunder 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, regulations, rulings or other administrative pronouncements (including a holding by a court of competent jurisdiction), which change or amendment becomes effective on or after the date of issue of the first Tranche of the Notes or any other date specified in the Final Terms and (2) such obligation cannot be avoided by the Guarantor taking reasonable measures available to it,

**provided, however, that** no such notice of redemption shall be given earlier than:

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

(2) 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 or the Guarantor would be obliged to pay such additional amounts if a payment in respect of the Notes were then due or (as the case may be) a demand under the Guarantee of the Notes were then made,

and **provided further that** reasonable measures as contemplated in paragraphs (A)(2) and (B)(2) above shall include a requirement that the Guarantor use its best efforts to provide the Issuer with sufficient capital to enable the Issuer to

make payments under the Notes in the event that payments under the Guarantee of the Notes would obligate the Guarantor to pay such additional amounts.

Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver or procure that there is delivered to the Fiscal Agent a certificate signed by a duly authorised officer of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred and an opinion of independent legal advisers of recognized standing to the effect that the Issuer or (as the case may be) the Guarantor has or will become obliged to pay such additional amounts as a result of such change or amendment. Upon the expiry of any such notice as is referred to in this Condition 10(b) (*Redemption for tax reasons*), the Issuer shall be bound to redeem the Notes in accordance with this Condition 10(b) (*Redemption for tax reasons*).

- (c) **Redemption at the option of the Issuer:** If the Call Option is specified in the relevant Final Terms as being applicable, the Notes may be redeemed at the option of the Issuer 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) on the Issuer's giving not less than 30 nor more than 60 days' notice to the *Noteholders* (which notice shall 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 such date).

If "**Make-Whole Amount**" is specified as the Optional Redemption Amount (Call) in the relevant Final Terms, the Optional Redemption Amount (Call) will be an amount calculated by the Calculation Agent equal to the higher of:

- (i) 100% of the outstanding principal amount of the Notes to be redeemed; and
- (ii) the sum of the present values of the outstanding principal amount of the Notes to be redeemed and the Remaining Term Interest on such Notes (exclusive of interest accrued to the Optional Redemption Date (Call)) discounted to the relevant Optional Redemption Date (Call) on an annual basis (based on the actual number of days elapsed divided by 365 (in the case of a leap year, 366)) at a rate equal to the sum of: (x) the Reference Bond Rate and (y) the specified Redemption Margin,

**provided however that**, if the Optional Redemption Date (Call) occurs on or after the Par Redemption Date (if specified as applicable in the relevant Final Terms), the Make-Whole Amount will be the outstanding principal amount of the Notes.

For the avoidance of doubt, the Issuer will pay any interest accrued on the Notes to, but excluding, the relevant Optional Redemption Date (Call).

All notifications, opinions, determinations, certifications, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 10(c) (*Redemption at the option of the Issuer*) by the Calculation Agent, shall (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Guarantor, the Paying Agents and all Holders and (in the absence as aforesaid) no liability to the Holders shall attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

**"FA Selected Bond"** means a government security or securities selected by the Financial Adviser as having an actual or interpolated maturity comparable with the remaining term of the Notes that 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 same currency as the Notes and of a comparable maturity to the remaining term of the Notes;

**"Financial Adviser"** means an independent and internationally recognised financial adviser selected by the Issuer at its own expense;

**"Par Redemption Date"** means the date specified in the relevant Final Terms; "Redemption Margin" shall be as set out in the relevant Final Terms;

**"Reference Bond"** shall be as set out in the relevant Final Terms or, if no such bond is set out or if such bond is no longer outstanding, shall be the FA Selected Bond;

“**Reference Bond Price**” means, with respect to the relevant Optional Redemption Date (Call), (a) the arithmetic average of the Reference Government Bond Dealer Quotations for such date of redemption, after excluding the highest and lowest such Reference Government Bond Dealer Quotations, or (b) if the Calculation Agent obtains fewer than four such Reference Government Bond Dealer Quotations, the arithmetic average of all such quotations;

“**Reference Bond Rate**” means, with respect to the relevant Optional Redemption Date (Call), the rate per annum equal to the annual or semi-annual yield (as the case may be) to maturity or interpolated yield to maturity (on the relevant day count basis) of the Reference Bond, assuming a price for the Reference Bond (expressed as a percentage of its nominal amount) equal to the Reference Bond Price for such Optional Redemption Date;

“**Reference Date**” will be set out in the relevant notice of redemption;

“**Reference Government Bond Dealer**” means each of five banks selected by the Issuer, or their affiliates, which are (a) primary government securities dealers, and their respective successors, or (b) market makers in pricing corporate bond issues;

“**Reference Government Bond Dealer Quotations**” means, with respect to each Reference Government Bond Dealer and the relevant Optional Redemption Date (Call), the arithmetic average, as determined by the Calculation Agent, of the bid and offered prices for the Reference Bond (expressed in each case as a percentage of its nominal amount) at the Quotation Time specified in the applicable Final Terms on the Reference Date quoted in writing to the Calculation Agent by such Reference Government Bond Dealer; and

“**Remaining Term Interest**” means, with respect to any Note, the aggregate amount of scheduled payment(s) of interest on such Note for the remaining term of such Note determined on the basis of the rate of interest applicable to such Note from and including the relevant Optional Redemption Date (Call).

(d) ***Partial redemption:***

(i) ***Partial redemption of Bearer Notes:***

If Bearer Notes are to be redeemed in part only on any date in accordance with Condition 10(c) (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 the requirements of Euroclear and Clearstream, Luxembourg (to be reflected as 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(c) (*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;

(ii) ***Partial Redemption of Registered Notes:***

If Registered Notes are to be redeemed in part only on any date in accordance with Condition 10(c) (*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.

(e) ***Redemption at the option of Noteholders:*** If the Put Option is specified in the relevant Final Terms as being applicable, 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 such date. In order to exercise the option contained in this Condition 10(e) (*Redemption at the option of the Noteholders*), 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 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(e) (*Redemption at the option of the Noteholders*), 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(e) (*Redemption at the option of the Noteholders*), the depositor of such Note and not such Agent shall be deemed to be the holder of Note for all purposes.

- (f) **Redemption at the option of Noteholders on change of control:** If a Change of Control Put Option is specified in the relevant Final Terms as being applicable, and if at any time while any Note remains outstanding, a Change of Control occurs (such occurrence, a “**Put Event**”) the Holder of each Note will have the option (the “**Put Option**”) (unless, prior to the giving of the Put Event Notice (as defined below), the Issuer gives notice of its intention to redeem the Notes under Condition 10(b) (*Redemption for tax reasons*) or 10(c) (*Redemption at the option of the Issuer*) to require the Issuer to redeem or, at the Issuer’s option, to purchase or procure the purchase of that Note on the Optional Redemption Date (as defined below), at its principal amount together with (or, where purchased, together with an amount equal to) accrued interest to but excluding the Optional Redemption Date.

A “**Change of Control**” shall be deemed to have occurred at each time (whether or not approved by the Board of Directors of the Guarantor) that any person or persons acting in concert or any person or persons acting on behalf of any such person(s) (the “**Relevant Person(s)**”) (other than (i) Deutsche Telekom, (ii) Deutsche Telekom together with the Hellenic Republic, any of its agencies or instrumentalities or any entity directly or indirectly controlled by the Hellenic Republic or any of its agencies or instrumentalities or (iii) any telecommunications operator (other than Deutsche Telekom) with at least one credit rating issued by either (i) Standard and Poor’s Financial Services LLC or one of its affiliates or (ii) Moody’s Investors Service Inc. or one of its affiliates (each, together with any successor thereto, a “**Rating Agency**”) equivalent or better than the credit rating of Deutsche Telekom issued by that Rating Agency at that point in time), gains the power to direct the management and policies of the Guarantor, whether through the ownership of voting capital, by contract or otherwise.

Promptly upon the Issuer becoming aware that a Put Event has occurred, the Issuer shall give notice (a “**Put Event Notice**”) to the Holders in accordance with Condition 19 (*Notices*) specifying the nature of the Put Event and the circumstances giving rise to it and the procedure for exercising the Put Option contained in this Condition.

To exercise the Put Option, a Holder must transfer such Note, together with all unmatured Coupons relating thereto (if any), to an Agent for the account of the Issuer within a period (the “**Put Period**”) of 45 calendar days after the Put Event Notice is given, together with a duly signed and completed Put Option Notice in the form (for the time being current) obtainable from the specified office of any Agent and in which the Holder shall specify a bank account to which payment is to be made under this Condition. The Agent to whom a Note has been so transferred shall deliver a duly completed Put Option Receipt to the transferring Holder.

Subject to the valid exercise of the Put Option in accordance with this Condition, the Issuer shall redeem or, at the option of the Issuer, purchase or procure the purchase of the Notes in respect of which the Put Option has been validly exercised on the date which is the fifth Business Day following the end of the Put Period (the “**Optional Redemption Date**”). Payment in respect of any Note in respect of which the Put Option has been validly exercised will be made in accordance with the Conditions on the Optional Redemption Date. No Note in respect of which the Put Option has been validly exercised may be withdrawn; provided, however, that if, prior to the relevant Optional Redemption Date, any such Note becomes immediately due and payable or, upon due presentation of any such Note on the relevant Optional Redemption Date, payment of the redemption moneys is improperly withheld or refused, the relevant Agent shall notify the transferring Holder in writing and shall hold such Note at its Specified Office for collection by the relevant Holder 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, the transferor of such Note and not such Agent shall be deemed to be the holder of Note for all purposes.

For the avoidance of doubt, neither the Issuer nor the Guarantor shall have any responsibility for any costs or loss of whatever kind (including breakage costs) which the Holder may incur as a result of, or in connection with, its exercise, or purported exercise, of, or otherwise in connection with, any Put Option, whether upon the occasion of any purchase or redemption arising therefrom or otherwise.

Condition 10(f) (*Redemption at the option of the Noteholders on change of control*) shall be construed so as also to entitle the Issuer to redeem the Notes in accordance with this Condition in addition to any other redemption right it may have under the Conditions.

- (g) **No other redemption:** The Issuer shall not be entitled to redeem the Notes otherwise than as provided in paragraphs (a) to (f) above.
- (h) **Early redemption of Zero Coupon Notes:** Unless otherwise specified in the relevant Final Terms, the Redemption Amount payable on redemption of a Zero Coupon Note at any time before the Maturity Date shall be an amount equal to the sum of:
  - (i) the Reference Price; and
  - (ii) the product of the Accrual Yield (compounded annually) being applied to the Reference Price from (and including) the Issue Date to (but excluding) the date fixed for redemption or (as the case may be) the date upon which the Note becomes due and payable.

Where such calculation is to be made for a period which is not a whole number of years, the calculation in respect of the period of less than a full year shall be made on the basis of such Day Count Fraction as may be specified in the Final Terms for the purposes of this Condition 10(h) (*Early redemption of Zero Coupon Notes*) or, if none is so specified, a Day Count Fraction of 30E/360.

- (i) **Purchase:** The Issuer, the Guarantor or any of their respective Subsidiaries may at any time purchase Notes in the open market or otherwise and at any price, provided that all unmatured Coupons are purchased therewith.
- (j) **Cancellation:** All Notes so redeemed or purchased by the Issuer, the Guarantor or any of their respective Subsidiaries and any unmatured Coupons attached to or surrendered with them may be surrendered for cancellation or may be held, reissued or resold.

## 11. Payments

### *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 and the Hellenic Republic 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 paragraph (h) 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 and the Hellenic Republic in the manner described in paragraph (a) above.
- (c) **Payments in New York City:** 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, in the opinion of the Issuer, any 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 any applicable fiscal or other laws, regulations and directives in the place of payment, but without



prejudice to the provisions of Condition 12 (*Taxation*). 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 sub-paragraph 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 to payment bears to the amount of principal due for payment.
- Each sum of principal so deducted shall be paid in the manner provided in paragraph (a) above 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 this Condition 11(f) (*Unmatured Coupons void*) is applicable or that the Floating Rate Note Provisions are applicable, on the due date for final redemption of any Note or early redemption of such Note pursuant to Condition 10(b) (*Redemption for tax reasons*), Condition 10(e) (*Redemption at the option of Noteholders*), Condition 10(c) (*Redemption at the option of the Issuer*) 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 paragraph (c) above) and the Hellenic Republic.
- (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.

### ***Payments under Registered Notes***

- (k) *Principal*: Payments of principal shall be made by cheque drawn in the currency in which the payment is due on or, upon application by a Registered Holder to the Specified Office of the Fiscal Agent or any Paying Agent not later than the fifteenth day before the due date for any such payment, by transfer to an account denominated in such currency (or, if that currency is Euro, any other account to which Euro may be credited or transferred) maintained by the payee with a bank in the Principal Financial Centre of such currency (in the case of a sterling cheque, a town clearing branch of a bank in the City of London).
- (l) *Interest*: Payments of interest shall be made by cheque drawn in the currency in which the payment is due on or, upon application by a Registered Holder to the Specified Office of the Fiscal Agent or any Paying Agent not later than the fifteenth day before the due date for any such payment, by transfer to an account denominated in such currency (or, if that currency is Euro, any other account to which Euro may be credited or transferred) maintained by the payee with a bank in the Principal Financial Centre of such currency and, in the case of interest payable on redemption) upon surrender (or, in the case of part payment only, endorsement) of the relevant Note Certificate at the Specified Office of any Agent.
- (m) *Payments subject to fiscal laws*: All payments in respect of the Registered Notes are subject in all cases to any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 12 (*Taxation*). No commissions or expenses shall be charged to the Registered Holders in respect of such payments.
- (n) *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 business day, for value the next succeeding 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 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. In this paragraph, “business day” means:
  - (i) if the currency of payment is Euro, any day which is in the case of payment by transfer to an account, a TARGET Settlement Day and a day on which dealings in foreign currencies may be carried on in each (if any) Additional Financial Centre; or
  - (ii) if the currency of payment is not Euro, any day which is in the case of payment by transfer to an account, a day on which dealings in foreign currencies may be carried on in the Principal Financial Centre of the currency of payment and in each (if any) Additional Financial Centre;

and, in the case of surrender (or, in the case of part payment only, endorsement) of a Note Certificate, in the place in which the Note Certificate is surrendered (or, as the case may be, endorsed).

## **12. Taxation**

- (a) *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 or the Guarantor shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatsoever nature imposed, levied, collected, withheld or assessed by or on behalf of the United Kingdom or the Hellenic Republic or any political subdivision or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law. In that event, the Issuer or (as the case may be) the Guarantor shall pay such additional amounts as will result in the

receipt by the Noteholders and the Couponholders (if relevant) after such withholding or deduction 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 (if any):

- (i) where the relevant Noteholder or Couponholder (if relevant) is liable for such taxes, duties, assessments or governmental charges in respect of such Note or Coupon by reason of its having some connection with the jurisdiction by which such taxes, duties, assessments or governmental charges are imposed, levied, collected, withheld or assessed other than the mere holding of such Note or Coupon or the receipt of interest or principal in respect thereof;
  - (ii) presented for payment more than 30 days after the Relevant Date except to the extent that the holder thereof would have been entitled to such additional amounts on presenting the same for payment on the last day of such period of 30 days; or
  - (iii) 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 any law implementing an intergovernmental approach thereto.
- (b) *Taxing jurisdiction:* If the Issuer or the Guarantor becomes subject at any time to any taxing jurisdiction other than the United Kingdom or the Hellenic Republic respectively, references in these Conditions to the United Kingdom or the Hellenic Republic shall be construed as references to the United Kingdom or (as the case may be) the Hellenic Republic and/or such other jurisdiction.

### 13. Events of Default

If any one or more of the following events (each an “**Event of Default**”) shall have occurred and be continuing:

- (a) the Issuer fails to pay any principal due on the Notes when due or fails to pay for more than seven days any interest due in respect of the Notes including, in either such case, any additional amounts as provided or referred to in Condition 12 (*Taxation*) in respect thereof;
- (b) the Issuer or the Guarantor is in default in the performance of any of its obligations (other than to make payments in respect of the Notes) contained in the Notes or the Guarantee, and such default shall continue for more than 45 days after written notice requiring such default to be remedied shall have been given to the Issuer or the Guarantor, as the case may be;
- (c) any Indebtedness of the Issuer or the Guarantor becomes due and repayable prior to its stated maturity as a result of an event of default (howsoever described in the contract or agreement constituting or documenting the specific Indebtedness) or the Issuer or the Guarantor fails to make any payment in respect of any Indebtedness within 30 days of the due date for payment (or within the applicable grace period, if such period is longer than 30 days) or any security given by the Issuer or the Guarantor for any Indebtedness becomes enforceable or if default is made by the Issuer or the Guarantor in making any payment due under any guarantee and/or indemnity given by it in relation to any obligation of any other person for 30 days (or within the applicable grace period if such period is longer than 30 days), **provided that** no such event shall constitute an Event of Default unless such Indebtedness, guarantee and/or indemnity either alone or when aggregated with other such Indebtedness, guarantees and/or indemnities shall amount to at least €25,000,000 (or its equivalent in any other currency);
- (d) any provision of the Guarantee of the Notes becomes invalid or unenforceable in any material respect or any such provision is repudiated by, or the validity or enforceability of such provision is challenged by, the Guarantor;
- (e) the Issuer or the Guarantor goes into liquidation (except in connection with a merger or reorganisation in such a way that all assets and liabilities of the Issuer or the Guarantor, as the case may be, pass to another legal person in universal succession by operation of law);
- (f) the Issuer or the Guarantor suspends payment or announces its inability to meet its financial obligations when they fail due; or

- (g) public administration, insolvency, bankruptcy or moratorium proceedings are instituted against the Issuer or the Guarantor which shall not have been dismissed or stayed within 60 days after institution, or if the Issuer or the Guarantor applies for institution of such proceedings in respect of itself or offers to make an arrangement for the benefit of the creditors;

then any Noteholder may, by written notice to the Issuer at the Specified Office of the Agent, effective upon the date of receipt thereof by the Agent, declare the Note held by such Noteholder to be forthwith due and payable whereupon the same shall become forthwith due and payable at its Early Termination Amount together with accrued interest, if any, to the date of repayment, and any additional amounts as provided or referred to in Condition 12 (*Taxation*) due thereon without presentment, demand, protest or other notice of any kind.

#### **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 (which may provide, inter alia, that if the allegedly lost, stolen or destroyed Note or Coupon is subsequently presented for payment or, or as the case may be, for exchange for further Coupons, there will be paid to the Issuer on demand the amount payable by the Issuer in respect of such Notes, Coupons or Further Coupons) and otherwise as the Issuer may 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 the Guarantor and do not assume any obligations towards or relationship of agency or trust for or with any of the Noteholders or Couponholders.

The initial Agents and their initial Specified Offices are set out in the Agency Agreement. The initial Calculation Agent (if any) is specified in the relevant Final Terms. The Issuer and the Guarantor reserve 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; provided, however, that:

- (a) the Issuer and the Guarantor shall at all times maintain a Fiscal Agent and a Registrar;
- (b) the Issuer and the Guarantor shall at all times maintain an Agent outside the European Union;
- (c) if a Calculation Agent is specified in the relevant Final Terms, the Issuer and the Guarantor shall at all times maintain a Calculation Agent;
- (d) if and for so long as the Notes are listed on any stock exchange which requires the appointment of a Paying Agent in any particular place, the Issuer and the Guarantor shall maintain a Paying Agent having its Specified Office in the place required by the rules of such stock exchange;
- (e) if and for so long as the Notes are listed on the Luxembourg Stock Exchange and if and for so long as the rules of the Luxembourg Stock Exchange so require, the Issuer shall maintain a Transfer Agent in Luxembourg; and

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**

- (a) **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 Issuer and the Guarantor (acting together) and shall be convened by them upon the request in writing of 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 not less than one 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 Reserved Matters may only be sanctioned by an Extraordinary Resolution passed at a meeting of Noteholders at which one or more Persons holding or representing not less than two-thirds or, at any adjourned meeting, one quarter of the aggregate principal amount of the outstanding Notes form a quorum. Any Extraordinary Resolution duly passed at any such meeting shall be binding on all the Noteholders and Coupon holders, whether present or not.

In addition, a resolution in writing signed by or on behalf of all Noteholders who for the time being are entitled to receive notice of a meeting of Noteholders 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.

- (b) **Modification:** The Notes, these Conditions and the Deed of Guarantee 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 and the Guarantor 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 it is, in the opinion of such parties, not materially prejudicial to the interests of the Noteholders.

## 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 and references in these Conditions to “Notes” shall be construed accordingly.

## 19. Notices

### *To Holders of Bearer Notes*

Notices to the Holders of Bearer Notes shall be valid if published in a leading English language daily newspaper published in London (which is expected to be the Financial Times) and, if the Notes which are listed on the Luxembourg Stock Exchange and the rules and regulations of that exchange so require, a leading newspaper having 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](http://www.bourse.lu)) or in either case, if such publication is not practicable, in a leading English language daily newspaper having general circulation in Europe. 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 to the Registered Holders will be sent to them by first class registered 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 day after the date of mailing. In addition, so long as the Notes are listed on the Luxembourg Stock Exchange and the rules and regulations of that exchange so require, notices to Registered Holders will be published on the date of such mailing in a daily newspaper of general circulation in Luxembourg (which is expected to be the d’Wort) or published on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) or, if such publication is not practicable, in a leading English language daily newspaper having general circulation in Europe.

## 20. Currency Indemnity

If any sum due from the Issuer in respect of the Notes or the Coupons or any order or judgment given or made in relation thereto has to be converted from the currency (the “first currency”) in which the same is payable under

these Conditions or such order or judgment into another currency (the “second currency”) for the purpose of (a) making or filing a claim or proof against the Issuer, (b) obtaining an order or judgment in any court or other tribunal or (c) enforcing any order or judgment given or made in relation to the Notes, the Issuer shall indemnify each Noteholder, on the written demand of such Noteholder addressed to the Issuer and delivered to the Issuer or to the Specified Office of the Fiscal Agent or, in the case of Registered Notes, the Registrar, against any loss suffered as a result of any discrepancy between (i) the rate of exchange used for such purpose to convert the sum in question from the first currency into the second currency and (ii) the rate or rates of exchange at which such Noteholder may in the ordinary course of business purchase the first currency with the second currency upon receipt of a sum paid to it in satisfaction, in whole or in part, of any such order, judgment, claim or proof.

This indemnity constitutes a separate and independent obligation of the Issuer and shall give rise to a separate and independent cause of action.

## 21. Substitution

- (a) The Issuer and the Guarantor may at any time, without the consent of the Noteholders or the Couponholders, substitute for such Issuer any company (the “**Substitute**”) upon notice by such Issuer, the Guarantor and the Substitute to be given in accordance with Condition 19 (*Notices*), provided that:
- (i) no payment in respect of the Notes or the Coupons or the Deed of Guarantee (as the case may be) is at the relevant time overdue;
  - (ii) the Substitute shall, by means of a deed poll in the form scheduled to the Agency Agreement (the “**Deed Poll**”), agree to indemnify each Noteholder and Couponholder against any tax, duty, assessment or governmental charge which is imposed on it by (or by any authority in or of) the jurisdiction of the country of the Substitute’s residence for tax purposes and, if different, of its incorporation with respect to any Note, Coupon or the Deed of Covenant and which would not have been so imposed had the substitution not been made, as well as against any tax, duty, assessment or governmental charge, and any cost or expense, relating to the substitution;
  - (iii) where the Substitute is not the Guarantor, the obligations of the Substitute under the Deed Poll, the Notes, Coupons and Deed of Covenant shall be unconditionally guaranteed by the Guarantor by means of the Deed Poll;
  - (iv) all action, conditions and things required to be taken, fulfilled and done (including the obtaining of any necessary consents) to ensure that the Deed Poll, the Notes, Coupons and Deed of Covenant represent valid, legally binding and enforceable obligations of the Substitute and in the case of the Deed Poll of the Guarantor have been taken, fulfilled and done are in full force and effect;
  - (v) the Substitute shall have become party to the Agency Agreement, with any appropriate consequential amendments, as if it had been an original party to it;
  - (vi) legal opinions shall have been delivered to the Fiscal Agent from lawyers of recognized standing in each jurisdiction referred to in (ii) above and in England as to the fulfilment of the requirements of this Condition 21 and the other matters specified in the Deed Poll and that the Notes and Coupons are legal, valid and binding obligations of the Substitute;
  - (vii) each stock exchange on which the Notes are listed shall have confirmed that, following the proposed substitution of the Substitute, the Notes will continue to be listed on such stock exchange;
  - (viii) Standard and Poor’s Financial Services LLC or one of its affiliates and/or Moody’s Investors Service Inc. or one of its affiliates and/or Fitch Ratings Ltd or one of its affiliates (“**Fitch**”), as the case may be, shall have confirmed that following the proposed substitution of the Substitute, the credit rating of the Notes will not be adversely affected; and
  - (ix) if applicable, the Substitute has appointed a process agent as its agent in England to receive service of process on its behalf in relation to any legal proceedings arising out of, or in connection with, the Notes.

- (b) Upon the execution of the Deed Poll and the delivery of the legal opinions, the Substitute shall succeed to, and be substituted for, and may exercise every right and power, of the Issuer under the Notes and the Agency Agreement with the same effect as if the Substitute had been named as the Issuer herein, and the Issuer shall be released from its obligations under the Notes and under the Agency Agreement;
- (c) After a substitution pursuant to Condition 21(a), the Substitute may, without the consent of any Noteholder, effect a further substitution. All the provisions specified in Condition 22(a) and 22(b) shall apply mutatis mutandis, and references in these Conditions to the Issuer shall, where the context so requires, be deemed to be or include references to any such further Substitute.
- (d) After a substitution pursuant to Condition 21(a) or 21(c) any Substitute may, without the consent of any Noteholder, reverse the substitution, mutatis mutandis.
- (e) The Deed Poll and all documents relating to the substitution shall be delivered to, and kept by, the Fiscal Agent. Copies of such documents will be available free of charge at the Specified Office of each of the Paying Agents.

## **22. 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 (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.

## **23. 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.

## **24. Governing Law**

The Notes and all non-contractual obligations arising out of, or in connection with, the Notes are governed by and shall be construed in accordance with English law.

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

## FORM OF FINAL TERMS

Set out below is the form of Final Terms, which will be completed for each Tranche of Notes to be admitted to trading on the Luxembourg Stock Exchange's regulated market.

Final Terms dated [•]

**[IMPORTANT - 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**”); (ii) a customer within the meaning of Directive 2002/92/EC (as amended or superseded, the “**Insurance Mediation Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II or (iii) not a qualified investor as defined in Directive 2003/71/EC (as amended or superseded, the “**Prospectus Directive**”). 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 / 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.)<sup>1</sup>

### OTE PLC

**Legal Entity Identifier [LEI]: 213800YSQ5M2ELXX5A25**

Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]

Guaranteed by

**Hellenic Telecommunications Organization S.A.**

under the €6,500,000,000

**Global Medium Term Note Programme**

### PART A

[Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 10 April 2019 (the “**Base Prospectus**”) [and the supplements] to the Base Prospectus dated *[insert date of the supplement(s)]* which [together] constitute] a base prospectus for the purposes of the Prospectus Directive. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must

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<sup>1</sup> 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.



be read in conjunction with the Base Prospectus [as so supplemented]. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus [and the supplements] to the Base Prospectus] [is] [are] available for viewing at the Issuer’s registered office at c/o Wilmington Trust SP Services (London) Limited, 3<sup>rd</sup> Floor, 1 King’s Arms Yard, London EC2R 7AF and copies in hard or electronic form may be obtained from the Specified Offices of the Paying Agents. These Final Terms, the Base Prospectus and any supplement will also be available for viewing in electronic form on the website of the Luxembourg Stock Exchange at [www.bourse.lu](http://www.bourse.lu).]

(The following alternative language applies if the first tranche of an issue which is being increased was issued under a Base Prospectus with an earlier date.)

[Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the “**Conditions**”) set forth in the [Base Prospectus dated [25 January 2013]/[10 April 2014]/[28 April 2015]/[10 March 2017]/[29 March 2018]. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Base Prospectus dated 10 April 2019 [and the supplements] to the Base Prospectus dated *[insert date of the supplement(s)]*, which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive, save in respect of the Conditions which are extracted from the [Base Prospectus dated [25 January 2013]/[10 April 2014]/[28 April 2015]/[10 March 2017]/[29 March 2018], which are incorporated by reference in the Base Prospectus. Full information on the Issuer, Guarantor and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus dated [25 January 2013]/[10 April 2014]/[28 April 2015]/[10 March 2017]/[29 March 2018], which are incorporated by reference in the Base Prospectus [and the supplements] to the Base Prospectus dated *[insert date of the supplement(s)]*] which are available for viewing at Issuer’s registered office at c/o Wilmington Trust SP Services (London) Limited, 3<sup>rd</sup> Floor, 1 King’s Arms Yard, London, EC2R 7AF and copies may be obtained in hard or electronic form from the Specified Offices of the Paying Agents. These Final Terms, the Base Prospectus and any supplement will also be available for viewing in electronic form on the website of the Luxembourg Stock Exchange at [www.bourse.lu](http://www.bourse.lu).]

*(Include whichever of the following apply or specify as “Not Applicable” (N/A). Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or sub-paragraphs. Italics denote directions for completing the Final Terms. )*

- |    |                                            |                                                                                                                                                                                                                                                                                                                                                                                                     |
|----|--------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. | (i) Series Number:                         | [•]                                                                                                                                                                                                                                                                                                                                                                                                 |
|    | (ii) Tranche Number:                       | [•]                                                                                                                                                                                                                                                                                                                                                                                                 |
|    | [(iii) Date on which Notes become fungible | [Not Applicable/The Notes shall be consolidated, form a single series and be interchangeable for trading purposes with the <i>[insert description of the Series]</i> on <i>[insert date/the Issue Date]</i> exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph 20 below [which is expected to occur on or about <i>[insert date]</i> ]]] |
| 2. | Specified Currency or Currencies           | [•]                                                                                                                                                                                                                                                                                                                                                                                                 |
| 3. | Aggregate Principal Amount:                |                                                                                                                                                                                                                                                                                                                                                                                                     |
|    | [(i)] Series:                              | [•]                                                                                                                                                                                                                                                                                                                                                                                                 |
|    | [(ii) Tranche:                             | [•]                                                                                                                                                                                                                                                                                                                                                                                                 |
| 4. | Issue Price:                               | [•]% of the Aggregate Principal Amount [plus accrued interest from <i>[insert date]</i> ]                                                                                                                                                                                                                                                                                                           |
| 5. | (i) Specified Denominations:               | [•]                                                                                                                                                                                                                                                                                                                                                                                                 |
|    | (ii) Calculation Amount:                   | [•]                                                                                                                                                                                                                                                                                                                                                                                                 |
| 6. | (i) Issue Date:                            | [•]                                                                                                                                                                                                                                                                                                                                                                                                 |

- (ii) Interest Commencement Date: [•]/[Issue Date]
7. Maturity Date: [•]
8. Interest Basis: (As referred to under Conditions 7, 8 or 9) [[•]% Fixed Rate]  
[LIBOR/EURIBOR] +/- [•]% Floating Rate]  
[Zero Coupon]
9. Redemption/Payment Basis: (As referred to under Condition 10) [Redemption at par][Zero Coupon]
10. Put/Call Options: (As referred to under Conditions 10(e) and 10(f)) [Investor Put] [Issuer Call]
11. [(i)] [Date [Board] approval for issuance of Notes obtained: [•]

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

12. **Fixed Rate Note Provisions** [Applicable/Not Applicable]  
(As referred to under Condition 7) *(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) Rate(s) of Interest: [•]% per annum [payable [annually/semi-annually/quarterly] in arrear]  
(As referred to under Condition 7(d))
- (ii) Interest Payment Date(s): [•] in each year up to and including the Maturity Date  
(As referred to under Condition 2(a))
- (iii) Fixed Coupon Amount(s): [•] per Calculation Amount  
(As referred to under Condition 7(c))
- (iv) Broken Amount(s): [[•] per Calculation Amount payable on the Interest Payment Date falling [in/on] [•]]/[Not Applicable]  
(As referred to under Condition 2(a))
- (v) Day Count Fraction (As referred to under Condition 7(d)): [Actual/365 Actual/365 (Fixed)]  
Actual/365 (Sterling)  
Actual/360  
30/360  
30E/360]
13. **Floating Rate Note Provisions** [Applicable/Not Applicable]  
(As referred to under Condition 8) *(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) Interest period(s) [•]  
(As referred to under Condition 7(c))
- (ii) Specified Period(s) [•]/[Subject to adjustment in accordance with the Business Day Convention set out in (iv) below]/[Not subject to any adjustment, as the Business Day Convention in (iv) below is specified to be not applicable]/[Not Applicable]  
(As referred to under Condition 2(a))
- (iii) Specified Interest Payment Dates: [•]/[Subject to adjustment in accordance with the Business Day Convention set out in (iv) below]/[Not subject to any adjustment, as the

	Business Day Convention in (iv) below is specified to be not applicable]/[Not Applicable]
(iv) Business Day Convention (As referred to under Condition 2(a)):	[Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]/[Not Applicable]
(v) Additional Business Centre(s): (As referred to under Condition 2(a))	[•]/[Not Applicable]
(vi) Manner in which the Rate of Interest and Interest Amount is to be determined: (As referred to under Conditions 8(c) and 8(a))	[Screen Rate Determination/ISDA Determination/Not applicable]
(vii) Party responsible for calculating the Rates of Interest and Interest Amount(s) (if not the Agent):	[•]
(viii) Screen Rate Determination (As referred to under Condition 8(c)):	
Reference Rate:	[•]
Interest Determination Date(s):	[•]
Relevant Screen Page:	[•]
Relevant Time:	[•]
Relevant Financial Centre:	[•]
(ix) ISDA Determination (As referred to under Condition 8(d)):	
Floating Rate Option:	[•]
Designated Maturity:	[•]
Reset Date:	[•]
(x) Margin (As referred to under Condition 2(a))	[+/-] [•]% <i>per annum</i>
(xi) Minimum Rate of Interest (As referred to under Condition 8(e))	[•]% <i>per annum</i>
(xii) Maximum Rate of Interest (As referred to under Condition 8(e))	[•]% <i>per annum</i>
(xiii) Day Count Fraction (As referred to under Condition 2(a))	[Actual/365 Actual/365 (Fixed) Actual/365 (Sterling) Actual/360 30/360 30E/360]
14. <b>Zero Coupon Note Provisions</b> (As referred to under Condition 9)	[Applicable/Not Applicable] (If not applicable, delete the remaining

subparagraphs of this paragraph)

- (i) Accrual Yield:  
(As referred to under Condition 9(b)) [•]% per annum
- (ii) Reference Price:  
(As referred to under Condition 9(b)) [•]

#### PROVISIONS RELATING TO REDEMPTION

- 15. **Call option** [Applicable/Not Applicable]  
(As referred to under Condition 10(c)) *(If not applicable, delete the remaining subparagraphs of this paragraph)*  
*(this paragraph and sub-paragraphs may be repeated for issues with more than one call option)*
  - (i) Optional Redemption Date(s) (Call): (As referred to under Condition 10(c)) [•] / [Any date from and including [date] to but excluding [date]]
  - (ii) Optional Redemption Amount:  
(As referred to under Condition 10(c)) [•] per Calculation Amount/Make Whole Amount
  - (iii) If redeemable in part: [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*
    - (a) Minimum Redemption Amount: [•] per Calculation Amount
    - (b) Maximum Redemption Amount [•] per Calculation Amount
  - (iv) Calculation Agent [•]
  - (v) Reference Bond: [[•]/FA Selected Bond/Not Applicable]
  - (vi) Quotation Time: [[•] [London/New York/specify] time][Not Applicable]
  - (vii) Redemption Margin: [[•] per cent.][Not Applicable]
  - (viii) Par Redemption Date: [[•]/Not Applicable]
- 16. **Put Option:** [Applicable/Not Applicable]  
(As referred to under Condition 10(e)) *(If not applicable, delete the remaining subparagraphs of this paragraph)*
  - (i) Optional Redemption Date(s): [•]
  - (ii) Optional Redemption Amount of each Note and method, if any, of calculation of such amount(s): [•] per Calculation Amount
- 17. **Change of Control Put Option:** [Applicable/Not Applicable]  
(As referred to under Condition 10(f))
- 18. **Final Redemption Amount of each Note:** [Par] / [•] per Calculation Amount  
(As referred to under Condition 10(a)) *(The Final Redemption Amount must be at least*

100% of the nominal value of the Notes)

19. **Early Redemption Amount:** [•] per Calculation Amount

Early Redemption Amount per Calculation Amount payable on redemption for taxation reasons or on event of default: (As referred to under Condition 10(b) and Condition 13)

#### GENERAL PROVISIONS APPLICABLE TO THE NOTES

20. Form of Notes [Registered Notes]/[Bearer Notes]
- [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes [on [•] days' notice/at any time/in the limited circumstances specified in the Permanent Global Note]]
- [Temporary Global Note exchangeable for Definitive Notes as specified in the Temporary Global Note]
- [Permanent Global Note exchangeable for Definitive Notes on [•] days' notice/at any time/in the limited circumstances specified in the Permanent Global Note]
- [Unrestricted Global Note Certificate exchangeable for unrestricted Individual Note Certificates on [•] days' notice/at any time/in the limited circumstances described in the Unrestricted Global Note Certificate]
- [Restricted Global Note Certificate exchangeable for Restricted Individual Note Certificates on [•] days' notice/at any time/in the limited circumstances described in the Restricted Global Note Certificate]
- [Restricted Global Note Certificate [(U.S.\$[•]/€ [•] nominal amount)] registered in the name of a nominee for [DTC].]
- [Unrestricted Global Note Certificate [(U.S.\$/€[•] nominal amount)] registered in the name of a nominee for [DTC/a common depository for Euroclear and Clearstream, Luxembourg/a common safekeeper for Euroclear and Clearstream, Luxembourg (that is, held under the New Safekeeping Structure (NSS))]
21. New Global Note Form: [Applicable/Not Applicable]
22. Additional Financial Centre(s) or other special provisions relating to Payment Dates: [•]/[Not Applicable]
- (As referred to under Condition 2(a))
23. Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): [Yes/No]
- (As referred to under Condition 2(a))

**DISTRIBUTION**

24. Whether TEFRA D or TEFRA C rules applicable: [TEFRA D/TEFRA C/TEFRA not applicable]
25. (i) Method of distribution: [Syndicated/Non-syndicated]
- (ii) If syndicated, names of Managers: [Not Applicable/give names]
- (iii) Stabilisation Manager(s) (if any): [Not Applicable/give name]
- (iv) If non-syndicated, name of relevant Dealer: [Not Applicable/give name]
26. 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 (KID) will be prepared, "Not Applicable" should be specified. If the Notes may constitute "packaged" products and no KID will be prepared, "Applicable" should be specified.)*

**SIGNED** on behalf of the Issuer

By: \_\_\_\_\_  
*Duly authorised*

**SIGNED** on behalf of the Guarantor

By: \_\_\_\_\_  
*Duly authorised*

## PART B - OTHER INFORMATION

### 1. LISTING AND ADMISSION TO TRADING

- (i) Listing: [Official List of the Luxembourg Stock Exchange/other (specify)/None]
- (ii) Admission to trading: [Application has been made for the Notes to be admitted to trading on [Regulated Market of the Luxembourg Stock Exchange] / [•] with effect from [•].] [Not Applicable.]
- (iii) Estimate of total expenses related to the admission to trading: [•]

### 2. RATINGS

Ratings: The Notes to be issued have been rated:

[Standard & Poor's: [•]]

[Moody's: [•]]

[Fitch: [•]]

[Other: [•]]

#### ***Option 1 - CRA established in the EEA and registered under the CRA Regulation***

[•] is established in the EEA and registered under Regulation (EU) No 1060/2009, as amended (the “**CRA Regulation**”). [•] appears on the latest update of the list of registered credit rating agencies (as of [insert date of most recent list]) on the ESMA website <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>.

#### ***Option 2 - CRA not established in the EEA but relevant rating is endorsed by a CRA which is established and registered under the CRA Regulation***

[•] is not established in the EEA but the rating it has given to the Notes is endorsed by [•], which is established in the EEA and registered under Regulation (EU) No 1060/2009, as amended (the “**CRA Regulation**”). [Insert legal name of particular credit rating agency entity providing rating] appears on the latest update of the list of registered credit rating agencies (as of [insert date of most recent list]) on the ESMA website <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>.

#### ***Option 3 - CRA is not established in the EEA and relevant rating is not endorsed under the CRA Regulation but CRA is certified under the CRA Regulation***

[•] is not established in the EEA but is certified under Regulation (EU) No 1060/2009, as amended (the “**CRA Regulation**”).

#### ***Option 4 - CRA neither established in the EEA nor certified under the CRA Regulation and relevant rating is not endorsed under the CRA Regulation***

[•] is not established in the EEA and is not certified under Regulation (EU) No 1060/2009, as amended (the “**CRA**”).

**Regulation**<sup>4</sup>) and the rating it has given to the Notes is not endorsed by a credit rating agency established in the EEA and registered under the CRA Regulation.

In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the EEA and registered under the CRA Regulation unless (1) the rating is provided by a credit rating agency not established in the EEA but is endorsed by a credit rating agency established in the EEA and registered under the CRA Regulation or (2) the rating is provided by a credit rating agency not established in the EEA which is certified under the CRA Regulation.

### 3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

[Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:]

Save for any fees payable to the [Managers/Dealers], so far as the Issuer is aware, no person involved in the issue 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 the Guarantor] and [its/their] affiliates in the ordinary course of business.

### 4. FIXED RATE NOTES ONLY – YIELD

Indication of yield: [•] [Not Applicable]

### 5. OPERATIONAL INFORMATION

CUSIP: [•] [Not Applicable]

ISIN Code: [•]

Common Code: [•]

FISN: [See/[*include code*]<sup>2</sup>, as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable/Not Available]

CFI Code: [See/[*include code*]<sup>3</sup>, as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable/Not Available]

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 Euroclear or Clearstream, Luxembourg (the “**ICSDs**”) as common safekeeper [, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper,] [*include this text for registered notes*]] 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

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<sup>2</sup> The actual code should only be included where the Issuer is comfortable that it is correct.

<sup>3</sup> The actual code should only be included where the Issuer is comfortable that it is correct.



during their life. Such recognition will depend upon the ECB being satisfied that the 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,] *[include this text for registered notes]*]. Note that this does not mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intraday 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.]

Any clearing system(s) other than DTC, Euroclear Bank SA/NV and Clearstream Banking, S.A. and the relevant identification numbers): [Not Applicable/give name(s) and number(s)]

Delivery: Delivery [against/free of] payment

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

Name and address of Calculation Agent (if any), if different from Fiscal Agent: [•]

## DESCRIPTION OF THE ISSUER

### Incorporation and Duration

The Issuer was incorporated under the laws of England and Wales on 17 December 1999 (with registered number 03896324) for an indefinite period of time. The Issuer has produced annual financial statements since the year ended 31 December 2000.

The Issuer is a 100% subsidiary of the Guarantor and its principal activity is to borrow and raise funds from the market and otherwise for the benefit of the Guarantor, as well as other subsidiaries of the Guarantor. There are standard corporate and reporting measures in place to ensure that the Guarantor does not abuse its control of the Issuer.

### Capital

As at 31 December 2018, the authorised capital of the Issuer was £50,000 (all of which was paid up), divided into 50,000 shares of £1 nominal value each, all of which were beneficially owned by the Guarantor. Each share carries one vote at general meetings of shareholders.

### Board of Directors

The affairs of the Issuer are managed by the Board of Directors. The members of the Board of Directors of the Issuer are:

<u>Name</u>	<u>Business Address</u>	<u>Business Occupation</u>
Charalampos Mazarakis	Hellenic Telecommunications Organization S.A. 99 Kifissias Avenue GR 151 24 Amaroussion Athens, Greece	Group Chief Financial Officer Hellenic Telecommunications Organization S.A.
Panos Kaliabetsos	Hellenic Telecommunications Organization S.A. 99 Kifissias Avenue GR 151 24 Amaroussion Athens, Greece	Executive Director Corporate Real Estate Management OTE Group Hellenic Telecommunications Organization S.A.
Anastasios Tzoulas	3-5 Piata Presei Libere, City Gate (North Tower), 9th floor, 1st District, 013702, Bucharest, Romania	Finance Executive
Eileen Marie Hughes	Wilmington Trust SP Services (London) Limited, 3 <sup>rd</sup> Floor, 1 King's Arms Yard, London EC2R 7AF	Management of special purpose companies
Daniel Jonathan Wynne	Wilmington Trust SP Services (London) Limited, 3 <sup>rd</sup> Floor, 1 King's Arms Yard, London EC2R 7AF	Management of special purpose companies
Wilmington Trust SP Services (London) Limited (Director & Company Secretary)	Wilmington Trust SP Services (London) Limited, 3 <sup>rd</sup> Floor, 1 King's Arms Yard, London EC2R 7AF	Management of special purpose companies

The Directors of Wilmington Trust SP Services (London) Limited and their respective occupations are:

<b>Name</b>	<b>Business Occupation</b>	<b>Principal Activities</b>
John Merrill Beeson	Non-Executive Director	Banker
William James Farrell	Non-Executive Director	Banker
Nicolas Patch	Executive Director	Company Director
Daniel Jonathan Wynne	Executive Director	Company Director
Alan Geraghty	Executive Director	Company Director
Eileen Marie Hughes	Executive Director	Company Director
Angela Icolaro	Executive Director	Company Director

The business address of the directors of Wilmington Trust SP Services (London) Limited is 3<sup>rd</sup> Floor, 1 King's Arms Yard, London EC2R 7AF.

There are no conflicts of interest between the duties of any of the persons listed above to the Issuer and their private interests and or other duties and no activities performed by them outside the Issuer where these are significant with respect to the Issuer.

The Company Secretary for Wilmington Trust SP Services (London) Limited is Wilmington Trust (UK) Limited, which was appointed on 7 January 2000.

#### **Auditors**

The auditors of the Issuer are PricewaterhouseCoopers LLP, members of The Institute of Chartered Accountants of England and Wales. The registered office of PricewaterhouseCoopers LLP is 1 Embankment Place, London WC2N 6RH, United Kingdom. PricewaterhouseCoopers LLP have audited the Issuer's financial statements, without qualification, in accordance with International Financial Reporting Standards ("IFRS") for the financial year ended 31 December 2018 and UK Accounting Standards (UK GAAP) comprising Financial Reporting Standard 101 "Reduced Disclosure Framework" (FRS 101) for the financial year ended 31 December 2017.

#### **Financial Year**

The financial year of the Issuer is the calendar year.

#### **Registered Office**

The registered office of the Issuer and of Wilmington Trust SP Services (London) Limited is located at 3<sup>rd</sup> Floor, 1 King's Arms Yard, London EC2R 7AF. The telephone number of the registered office of the Issuer is +44 207 397 3600.

The Issuer has one employee.

#### **Financial Statements**

The Issuer prepares audited financial statements as at 31 December in each year and interim unaudited financial statements on a half yearly basis.

## DESCRIPTION OF THE GUARANTOR

### Introduction

Hellenic Telecommunications Organization S.A., known as OTE or OTE S.A., was incorporated as a *société anonyme* in Athens, Greece, under the laws of the Hellenic Republic in 1949, pursuant to the provisions of Legislative Decree 1049/1949 (registered with the General Commercial Registry of Companies under № 1037501000 (formerly registration number S.A. 347/06/B/86/10, prior to the switch to the new electronic registration system in Greece)). The Guarantor operates as a *société anonyme* subject to the provisions, as of 1 January 2019, of Greek Law № 4548/2018 (the “New Greek Companies Law”), and prior to such date of the Greek Codified Law 2190/1920, as such was amended and in force from time to time (the “Greek Companies Law”) and the laws, rules and regulations applicable to (i) companies with shares listed and traded on the Athens Exchange (see —*Control of the Guarantor—Corporate Governance*) and (ii) its statutory business operations, in line with the object and purposes of the Guarantor prescribed in its Articles of Incorporation. The principal object and purposes of the Guarantor are contained in Article 2 of its Articles of Incorporation and include the installation, operation, exploitation, management and development of every kind of fixed, mobile and communications network, as well as the provision of communications infrastructure and related services, on a local, national, interstate and international level.

The Guarantor’s registered office is located at 99 Kifissias Avenue, GR 151 24 Amaroussion, Athens, Greece. The Guarantor’s telephone number is +30 1210 611 1469. The Guarantor’s Shares are listed and traded on the Athens Stock Exchange. The Guarantor’s ADRs (American Depositary Receipts) trade on the U.S. OTC (Over the Counter) market. The Guarantor’s GDRs (Global Depositary Receipts) are listed on the London Stock Exchange.

As of the date of this Base Prospectus, the Guarantor’s share capital amounted to €1,358.2 million divided into 479,939,319 registered shares with a nominal value of €2.83 per share. All of the Guarantor’s shares are common shares, registered with voting rights, and there are no special shareholder categories. Each share is entitled to one vote.

The shareholding structure of the Guarantor as at the date of this Base Prospectus is as follows:

Deutsche Telekom .....	46.0%
Hellenic Republic.....	1.02%
Unified Social Insurance Fund (EFKA)	4.64%

The remaining shares are held by Greek and international institutional investors and private investors, other than the 0.33% of the shares held as treasury shares.

On 12 February 2018, the HRADF launched an international open tender process for the acquisition of 24,507,520 common registered shares of the Guarantor (representing 5.0% of the Guarantor’s share capital and voting rights). After the completion of the international tender process on 16 March 2018, in which no offers were submitted by the deadline of 15 March 2018, in accordance with the terms of the tender, HRADF announced on 21 March 2018 that Deutsche Telekom had exercised its right of first refusal for the acquisition of the relevant shares, pursuant to the terms of the Amended and Restated Shareholders’ Agreement. On 31 May 2018, Deutsche Telekom AG and the Hellenic Republic, notified the Guarantor that on 30 May 2018 Deutsche Telekom AG acquired an additional 5.0% stake in the Guarantor from HRADF, equivalent to 24,507,520 common registered shares with voting rights. The transaction took place through the Athens Exchange for a consideration of €284,051,959.81. As of 30 May 2018, HRADF no longer holds any shares of the Guarantor.

Pursuant to an agreement dated 4 March 2009 between the Hellenic Republic and IKA-ETAM, the Hellenic Republic transferred 19,606,015 shares of the Guarantor, representing 4% of the Guarantor’s share capital and voting rights, to IKA-ETAM. Pursuant to the agreement, IKA-ETAM was obliged to exercise the voting rights attaching to its shares in coordination with the Hellenic Republic, by authorising the same persons as those authorised by the Hellenic Republic, to exercise voting rights in respect of its shares at the Guarantor’s general meetings of the shareholders. Following the consolidation of IKA-ETAM into EFKA (by virtue of Greek Law 4387/2017, articles 51 and 53) and pursuant to article 70 of Greek Law 4387/2016, on 1 January 2017, the shares were transferred to EFKA, the successor of IKA-ETAM, and EFKA is the successor to the rights and obligations of IKA-ETAM, therefore to the rights and obligations arising from the above agreement between the Hellenic Republic and IKA-ETAM.

EFKA proceeded with the consolidation of a series of smaller pension funds (which owned shares with corresponding voting rights of the Guarantor) and currently holds 4.64% of the Guarantor’s issued share capital and the corresponding voting rights.

On 19 December 2018, the Guarantor's general meeting of the shareholders approved the cancellation of the total of 10,211,070 shares (representing 2.083% of the share capital and with a nominal value €2.83 each, representing a decrease of the Guarantor's share capital by €28,897,328.10). Article 5 of the Guarantor's Articles of Incorporation was subsequently amended in order to reflect this decrease. On 5 February 2019, following the completion of publicity formalities and notification to the Corporate Actions Committee of the Athens Exchange, the shares were cancelled and delisted from the Athens Exchange on 19 February 2019. See "*Description of the Guarantor—Shareholder Remuneration Policy*".

Following the cancellation of the Guarantor's registered common shares, Deutsche Telekom holds 46.0% of the Guarantor's issued share capital and the Hellenic Republic directly holds 1.02% of the Guarantor's issued share capital. The Hellenic Republic also controls voting rights in respect of an additional 4.64%, which is owned by EFKA (the management of which is appointed by the Hellenic Republic).

### **Recent Macroeconomic Events affecting Greece**

The Group derives the majority of its revenues from Greece (75.5% in 2018 and 74.4% in 2017 (excluding Telekom Albania)) and the majority of its operations are located in Greece. Since late 2008 and, in particular, since early 2010, the Greek economy has encountered and continues to encounter significant fiscal challenges and structural weaknesses. See "*Risk Factors—Risks Relating to the Guarantor—Macroeconomic conditions in Greece and the Greek fiscal position have deteriorated markedly*".

### **Business Overview**

The Guarantor is a full-service telecommunications group, the leading provider of fixed-line voice telephony and internet access services and a growing provider of television services in Greece. The Guarantor is also the leading mobile telecommunications services provider in Greece, through Cosmote, its wholly-owned subsidiary. In addition, the Guarantor provides fixed-line voice telephony, internet access services and television services in Romania and mobile telecommunications services in Romania. The Guarantor's total consolidated revenues were €3,798.7 million in 2018 as compared to €3,796.9 million in 2017.

#### ***Fixed-line services***

The Guarantor provides local, long-distance and international fixed-line telecommunications services in Greece and Romania. It also offers internet access services and fully integrated internet protocol ("**IP**")-based telecommunications solutions. In addition, it offers a range of other telecommunications services, including value-added services, Intelligent Network ("**IN**") services, IT application development and IP-based hosting services, leased lines, public telephone services, operator assistance services, sales of equipment and directory services.

As at 31 December 2018, the Guarantor had 530,317 Public Switched Telephone Network ("**PSTN**") lines, 145,929 Integrated Service Digital Network ("**ISDN**") BRA and PRA lines, 1,452,481 IP VoBB lines and 443,761 Multi-Service Access Node ("**MSAN**") POTS (Plain old telephone service) lines in service, as compared to 1,250,317 PSTN lines and 234,613 ISDN BRA and PRA, 878,872 IP VoBB lines and 288,476 MSAN POTS lines as at 31 December 2017. As at 31 December 2018, the Guarantor had 2,650,995 retail fixed-line customers and 1,896,336 retail broadband customers in Greece and 2,141,526 voice customers and 1,143,303 broadband customers in Romania (including fixed mobile convergence ("**FMC**") customers).

#### ***Mobile services***

The Guarantor offers mobile telephony and data services through Cosmote in Greece and Telekom Romania in Romania:

- in Greece, using GSM/general packet radio service ("**GPRS**"), 3G/UMTS, 4G/LTE, 4G+/LTE-A and local multipoint distribution service technology, through Cosmote, the Guarantor's wholly-owned subsidiary, which had 7,905,021 mobile customers in Greece as at 31 December 2018;
- in Romania, using GSM 900, GSM 1800, 3G and 4G technology, through Cosmote's 70.0% owned subsidiary, Telekom Romania Mobile (in which the Guarantor effectively owns an 86.2% interest), which had 4.6 million mobile customers as at 31 December 2018, as well as using 3G 2100 MHz through Cosmote's wholly-owned subsidiary, Telemobil S.A. (Zapp) ("**Zapp**"). Following the absorption of Telemobil SA by Telekom Romania Mobile, in December 2017, a formal request for changing 3G 2100 MHz licence ownership to Telekom Romania Mobile was submitted to the Romanian National Regulatory Agency ("**NRA**").

In March 2017, the Guarantor launched a new service under the name of "WIFI Calling". This service makes calling and SMS

sending possible from any interior, exterior or underground spot via WiFi, whenever the mobile telephony signal is limited.

In May 2017, the Guarantor launched a new service under the name of “Mobile Security”. This traffic protection service protects the mobile devices whenever they are connected to the internet via the COSMOTE 3G/4G mobile network or via Wi-Fi.

### **Television Services**

The Guarantor provides television services over both xDSL (IPTV) and satellite in Greece and Romania. As at 31 December 2018, the Guarantor had 541,907 TV (DTH and IPTV) subscribers in Greece and Telekom Romania had approximately 1.4 million TV subscribers in Romania.

### **Wholesale Services**

The Guarantor provides telecommunications services on a wholesale basis to other telecommunications providers and internet service providers (“ISPs”) in Greece, including wholesale xDSL access services, interconnection services, leased lines, Ethernet services, wholesale line rental and local loop unbundling.

### **Strategy**

The Guarantor’s aim is to retain its position as the leading provider of fixed-line, mobile telephony services and convergent services in Greece, by safeguarding its leading position in broadband (both fixed and mobile), ICT and Pay-TV services in the Greek market. In addition to its core markets, the Guarantor aims to create new revenue streams by entering emerging digital markets (through COSMOTE Insurance, COSMOTE Payments, *etc.*). The Guarantor aims to deliver superior services to its customers by leveraging on the technological superiority of its next generation networks (“NextGN”), such as Vectoring/FTTH and 4G/4G+, utilising modern digital channels and advancing the digital transformation of its own operating model, capitalising on the potential of emerging digital technologies.

In parallel, the Guarantor strives to be the best place to work in the Greek market, develop its personnel and attract talent, increase the shareholder value and maximise synergies with the wider Deutsche Telekom group

In 2016, the Guarantor incorporated a framework of digitalisation into its strategic plan (the “**Strategic Plan**”), in connection with its aim of becoming a leading digital service provider in Greece. The Guarantor has continued to implement the Strategic Plan during 2017 and 2018. The main achievements of the Strategic Plan in 2018 included:

- reinforcing the Group’s leadership position in the Greek telecom market by maintaining a market share of more than 60% of total market revenues;
- widening the “Cosmote One” and “Cosmote Business One” customer base to more than 500,000 households and 40,000 businesses;
- revenue growth from VDSL customers, broadband and mobile data services and ICT projects and solutions;
- improving the customer experience through increased digitalisation and differentiated offerings;
- developing the Group’s network and services, including implementation of the largest optical fibre network in Greece; expansion of mobile network coverage; pilot testing of 5G network; achieving positive financial results from the first year of operation of the rural networks in Greece and other infrastructure improvements;
- additional operational efficiencies from digital transformation programme and cost optimisation initiatives; and
- digitalisation and simplification of HR processes and systems, implementation of programmes aimed at enhancing corporate innovation and a digital learning platform for acquiring new digital skills.

For 2019, the Guarantor intends to continue to meet its annual business targets, further develop its converged product portfolio and advance with the digitalisation and simplification of its operating model, in order to guide the long-term evolution of the Group, as well as to achieve operational synergies within the Deutsche Telekom Group.

The main pillars of the Strategic Plan for 2019 are:

- *Technological Superiority*: to continue the Group’s roll out of fibre to the cabinet (“**FTTC**”) with vectoring/super vectoring technology and 4G/4G+ in mobile networks and FTTH; and IP Transformation and infrastructure modernisation in fixed and mobile services. The Guarantor also intends to improve its ICT systems.

- *Improved Customer Experience:* to continue to develop the Group’s digital transformation programme, promote online sales, extend the functionalities of its applications, and unify the customer handling procedures across fixed and mobile operations.
- *New Revenue Streams:* to continue to monetise its fixed and mobile data services and focus on growing markets including, ICT, M2M and Cloud business solutions as well as smart cities and smart home. To grow in adjacent digital markets, including COSMOTE Insurance and 11888 GIA OLA, and evaluate opportunities in other non-core businesses to support growth.
- *Leading in Core Business:* to maintain the Guarantor’s leading position regarding its brand in the fixed and mobile telephony markets; to increase the total value of the Group’s core market services by improving its FMC and FMCC propositions and to grow the Cosmote TV business; to defend its wholesale revenues.
- *Digitalization, Simplification and Cost Optimization:* to continue the Group’s operational optimization focusing on simplification and digital transformation of its processes and its commercial portfolio; to simplify its operating model to be leaner and more agile; to pursue cost saving programmes and to capture synergies with Deutsche Telekom Group.
- *Growth Mindset and Culture:* to adopt a culture of growth and innovation; to acquire new digital skills; and to continue developing the leadership skills of the Guarantor’s management team.

### Fixed-Line Services

The Guarantor provides fixed-line retail and wholesale telecommunications services in Greece and, through Telekom Romania, in which it holds a 54.01% interest, in Romania.

The Guarantor’s retail and business customers access its fixed-line telephony network (TDM and IP) to place local, long-distance, fixed to mobile and international calls (in addition to other value added services), as well as its IP network in order to access the internet via ADSL and VDSL/Vectoring. The Guarantor offers a variety of tariff packages that generally consist of a monthly (or bi monthly) fixed payment for access to its telephone (and broadband) network and a variable usage-based component mainly for its voice services in other networks (foreign or mobile).

Historically, fixed-line telephony was the Guarantor’s primary business in terms of total revenues. The Guarantor’s revenues from its fixed-line business were €2,133.6 million in 2018, as compared to €2,149.4 million in 2017, reflecting 56.1% of the Guarantor’s total consolidated revenues in 2018, as compared to 56.6% in 2017.

The Guarantor has also announced its commitment to expand NextGNs across Greece and, as at 31 December 2018, the Guarantor’s VDSL services had been subscribed to by more than 531,334 subscribers in Greece.

### Greece - OTE

The Guarantor is the leading provider of fixed-line voice telephony and internet access services to residential and business customers and of wholesale services in Greece. The Guarantor provides local, long-distance and international fixed-line telephony services, ISDN services, internet access, high-speed data telecommunications, ADSL and VDSL based broadband services, value-added services, IN services, IP based services, IP-VPN services, IPTV and satellite television (“SAT TV”) services, public telephone services, operator assistance and directory services, equipment sales and satellite telecommunications services, connectivity services and ICT solutions which combine telecommunications services, IT/Cloud services and systems integration. The following table sets forth the Guarantor’s standalone revenues, operating profit/(loss) and profit/(loss) for 2017 and 2018:

	<b>Year Ended 31 December</b>	
	<b>2017</b>	<b>2018</b>
	<i>(€ millions)</i>	
Revenues .....	1,583.8	1,582.6
Operating profit/(loss) .....	320.8	338.8
Profit/(loss).....	226.6	196.3

### Retail Services

Residential Customers Division. The main categories of retail fixed-line telecommunications services the Guarantor provides to its residential customers are:

- PSTN / ISDN access and value-added services;
- Voice over Internet Protocol services (“**VoIP**”);
- ADSL and VDSL/Vectoring/Super Vectoring internet access and data services;
- FTTH services (from 6 July 2018 onwards), with speeds up to 200Mbps and, which by the end of 2018 were available to 21,996 eligible customers;
- Cosmote Home Speed Booster, which provides up to 100Mbps high broadband (via a combination of fixed and mobile broadband connections) speeds through hybrid access technology;
- Satellite internet access;
- IPTV, SAT TV (DTH), hybrid and OTT services;
- IN services and premium rate services, including infotainment services;
- public telephone services; and
- cloud services.

Business and Corporate Services Division. The main categories of fixed-line telecommunications services the Guarantor provides to its enterprise and business customers are:

- fixed telephony services, including PSTN, ISDN, value added and IN services, as well as VoIP and Cloud private automated branch exchange (“**PABX**”) services);
- ADSL and VDSL/Vectoring/Super Vectoring internet access;
- Connectivity services including, IP virtual private networks (“**VPNs**”), Ethernet services, leased lines, dedicated internet access, ATM, streaming and radio transmission services, as well as value added services, such as service level agreement services (“**SLA**”), quality guarantees with Class of Service (“**CoS**”), as well as managed network services (“**MNS**”); and
- IT solutions including, cloud services such as Infrastructure as a Service (“**IaaS**”), cloud servers, cloud storage, Platform as a Service (“**PaaS**”), web hosting, cloud database, Communication as a Service (“**CaaS**”), email, video conference, IT security which combine telecommunications services and specialised solutions for vertical markets (such as e-health, e-energy, e-tourism and e-security).

#### *Wholesale Services*

The main categories of wholesale fixed-line telecommunications services the Guarantor provides to its customers are:

- interconnection services;
- leased lines;
- ADSL;
- VDSL;
- local loop unbundling;
- Ethernet services;
- wholesale line rental (“**WLR**”);
- Virtual Partially Unbundling (“**VPU**”), which allows alternative operators to provide end users with VDSL services using an unbundled local loop;



- Virtual Partially Unbundling Light (“**VPU light**”), a standalone wholesale VDSL service that does not require concurrent PSTN or unbundled local loop services, which allows alternative operators to provide VOIP; and
- Virtual Partially Unbundling Fibre to the Home (“**VPU FTTH**”), a broadband wholesale service offering extremely high speeds to end customers.

#### *Fixed-line Network*

As the incumbent telecommunications services provider in Greece, the Guarantor owns and operates the most extensive fixed-line network in the country.

The Greek fixed-line telecommunications market is highly competitive. Since the liberalisation of the market in 2001, and especially in recent years, the Guarantor has, over time, lost a significant portion of its share of the Greek fixed-line telecommunications market to competitors, although the Guarantor still remains the principal provider of fixed-line telephony services in Greece. As at 31 December 2018, the Guarantor had a total of approximately 2.7 million fixed lines in service out of a total of approximately 4.8 million lines in service in Greece. The Guarantor aims to continue to defend its market share in fixed-line telephony, focusing on extracting value from its customer base. The Guarantor aims to further benefit from its investments in NGA networks, as well as from its customer-centric strategy to enhance its revenues from fixed-line telecommunications services.

The Guarantor’s main competitors include a number of fixed-line and mobile operators, such as Forthnet, Vodafone Greece, Wind Hellas, and others, some of which are cooperating in order to provide integrated fixed and mobile solutions to the Greek market. System integrators are also seeking to work with telecommunications providers to develop ICT solutions. Alternative operators are becoming increasingly competitive in offering voice, broadband and data transmission, as well as value-added and bundled services. Most of the Guarantor’s competitors offer a range of voice, broadband and double-play (voice and internet) products, either over unbundled local loops, or using the Guarantor’s own network. In addition, certain of these operators have started offering IPTV services, as part of fixed-line bundles, combined with broadband internet and voice services (triple-play) at competitive prices.

The competitive landscape in the market has continued to evolve following a number of mergers and acquisitions and strategic alliances between fixed-line and mobile operators. Such evolution has led to the creation of a number of strong market players to compete with the Guarantor on equal or better terms. Vodafone Greece and Wind Hellas are the Guarantor’s major competitors for the provision of combined fixed-line and mobile services in the Greek market.

In January 2018, Vodafone announced the acquisition of Cyta Hellas for a total enterprise value of €118 million, enhancing its scale mainly in the fixed line business and building on the acquisition and integration of Hellas Online. The acquisition completed in June 2018 after obtaining the approval of the EETT.

In September 2017, Vodafone enriched its PAY-TV offering by entering into an agreement with Forthnet, to resell on wholesale basis NOVA sports premium content over the IP platform. Wind Hellas also entered into a similar arrangement with Forthnet, and began reselling on wholesale basis NOVA sports premium content over IP based platform in April 2018. In September 2018, Wind entered into an agreement with Netflix for the provision of its subscription-based streaming OTT package.

Forthnet is currently a provider of PAY TV and fixed telecommunication services and, following the EETT decision on January 2019 in respect of MVNOs, it has requested to become an MVNO. In November 2017, a sale process was launched by Piraeus Bank, National Bank, Alpha Bank and Attica Bank in respect of a 32.7% stake in Forthnet. In October 2018 a consortium comprising Wind Hellas and Vodafone submitted a formal offer, with a rival offer submitted by Antenna Group. In January 2019, Piraeus Bank, National Bank, Alpha Bank and Attica Bank increased their stake in Forthnet to approximately 36.0% following the exercise of conversion rights in respect of convertible bonds. The Forthnet sale process is currently ongoing and the sellers have entered into exclusive talks with the Vodafone-Wind consortium.

See “*Risk Factors—Risks Factors relating to the Guarantor—If the Guarantor does not respond promptly and efficiently to increased competitive pressures, its market share in Greek fixed-line services may decline further.*”

Recent adverse economic conditions have fostered further consolidation in the market, which have affected corporate and individual expenditure on fixed-line services, as well as recent trends in the electronic communications sector of bundling services to make them more attractive in line with the decreasing average income in Greece. In particular, Vodafone acquired Cyta Hellas in 2018 and Forthnet is undergoing a process of sale through its bank creditors.

The development of broadband services and offerings of television subscription services have also become, and the Guarantor expects to them to continue to be, an increasingly important part of telecommunications operators’ offerings

in the mid-term future. In addition, competition access lines have also increased in recent years (reaching 2.1 million as at 31 December 2018, a 0.5% increase as compared to 31 December 2017), demonstrating the effect of such offerings on the market.

In February 2009, the Guarantor began offering IPTV services to customers, initially in major urban centres and, in June 2011, the Guarantor reached an agreement with the Hellenic Republic for the provision of DTH for a fifteen year term. The Guarantor launched DTH commercially in October 2011 and since then has offered both DTH and IPTV services under the commercial name Cosmote TV. The Guarantor expanded the range of services offered through the introduction of OTT DTH Pay Per View, Catch TV and DRV PVR Multiroom, Cosmote TV Plus and has expanded the number of channels available to both IPTV and DTV subscribers. The Guarantor has signed exclusive deals with major European football leagues, secured premium movie rights and had concluded carriage agreements with most major Greek and international channels, including movie channels.

As at 31 December 2018, the Guarantor had 541,907 satellite and IPTV subscribers, as compared to approximately 525,000 subscribers as at 31 December 2017. Competitive pricing for TV services, as compared to the Guarantor's competitors, as well as increased, exclusive and diversified programming content, including sports and movies programming helped to increase the number of subscribers for the Guarantor's television services in 2018.

In 2017, Cosmote TV renewed its licence in respect of UEFA Champions League and UEFA Europa League matches for 2018/19 to 2020/2021 seasons, on an exclusive basis. The Guarantor has also entered into broadcasting rights contracts for Premier League seasons 2018/2019 to 2020/2021 and World Rally Championship rights offering 140 hours of live action. In respect of film rights, Cosmote TV contracted with 21<sup>st</sup> Century Fox in respect of 40 titles, including Academy Award films, and its subscription video on demand service was enhanced to offer over 2,700 titles. A Cartoon Network on-demand service, with 140 hours of content per year, launched in 2018. In addition, Cosmote TV has launched TCM and CNN channels and now offers National Geographic+ on its on demand service. A regional channels offering, which includes Greek television content, has also launched on the Cosmote TV platform.

See *“Risk Factors—Risks Relating to the Guarantor—Any failure to continue to operate Pay-TV services in a reliable, competitive and profitable fashion, could have an adverse effect on the Guarantor's business plan and operating results”*.

In February 2014, the Guarantor began offering a WiFi community service named “COSMOTE MY WIFI” in collaboration with the global WiFi Fon network. At 31 December 2018, the Guarantor had more than 500,000 “COSMOTE MY WIFI” customers.

In November 2014, the Guarantor launched a new service under the name of “COSMOTE Satellite Internet”, offering internet via satellite all over Greece. The service is provided in collaboration with Euro Broadband SA and offers download speeds of up to 22 Mbps, and upload speeds of up to 6Mbps. Customers can choose between three different packages according to their needs, since the packages have difference monthly volume allowance.

#### *Pricing Methodology and Regulatory Position*

The Guarantor's tariffs for fixed-line services in Greece are subject to approval by the HTPC. See *“Risk Factors—Risks Relating to the Guarantor—Regulatory and competitive pressures affect the Guarantor's ability to set competitive retail and wholesale tariffs”* and *“Risk Factors—Risks Relating to the Guarantor—The regulatory environment for telecommunications services remains complex and subject to change and interpretation, and the Guarantor's compliance with the regulations to which it is or may become subject may require it to expend substantial resources and may have a significant impact on its business decisions”*.

In particular, with respect to wholesale services, such as unbundled local loop services and wholesale leased lines, the Guarantor's proposed tariffs are based on a long-run average incremental costing methodology, as applied to current cost data. The Guarantor operates the ECOS costing system internally but its principles, methodology and wholesale tariffs are audited and approved annually by the HTPC and external auditors.

The Guarantor is required to submit its proposed retail tariffs to the HTPC before they are adopted, in order for the HTPC to examine whether they constitute anti-competitive practices. This process can cause significant delays in the time it takes for the Guarantor to adopt a tariff, however, any such delays have decreased significantly in recent years.

Universal Service Obligation (“USO”) Audits for 2012, 2013, 2014, 2015, 2016 and 2017 have not started yet, while the USO cost claim for 2018 is expected to be submitted by September 2019. On 1 January 2017, following a tender process the HTPC designated a new USO provider for the more costly USOs, including telephone services, while the Guarantor was designated USO provider for the less-costly services, including the provision of public payphones and the telephone enquiry service.

HTPC issued the ECOS 2016 - 2018 audit result in December 2018. The audit of the following costing period (ECOS 2017-19) is expected to start in April 2019 and is expected to be concluded by the first half of 2019.

Pursuant to EU Directives, HTPC is required to calculate the price of all wholesale access products, *i.e.* unbundled local loop and different NGA access products (“VPU”) using a “Bottom Up” Model. This model is expected to be made available during the second half of 2019 and the Guarantor is obliged to submit 2019 costing data to HTPC. As at the date of this Base Prospectus, it is not clear what model will be used by HTPC for defining 2019 wholesale access prices.

### **Revenues**

Consolidated revenues from the Guarantor’s fixed-line business accounted for 56.1% of the Guarantor’s total consolidated operating revenues in 2018, as compared to 56.6% in 2017.

In 2018, 54.4% of the Guarantor’s consolidated revenues from its fixed-line business were derived from retail services, as compared to 55.4% in 2017. In 2018, 31.1% of the Guarantor’s consolidated revenues from its fixed-line business were derived from wholesale services, as compared to 30.8% in 2017.

The remaining share of the Guarantor’s consolidated revenues from its fixed-line business in these periods related to data communication charges, system solutions and other value added services.

### **Domestic Fixed-line Telephony**

Domestic fixed-line telephony services include local and long-distance telephony services within a country (excluding calls to international destinations), provided by the Guarantor in Greece and by Telekom Romania in Romania.

### **Volume and Traffic**

The following table sets forth information regarding the Guarantor’s total domestic fixed-line traffic volumes in Greece for 2017 and 2018:

	<b>Year Ended 31 December</b>			
	<b>2017</b>	<b>%</b>	<b>2018</b>	<b>%</b>
	<i>(Minutes in billions, except for percentages)</i>			
<i>Outgoing calls</i>				
Local calls .....	2.80	23.2	2.75	24.2
National Long-distance calls .....	0.89	7.3	0.87	7.7
Calls to internet service providers .....	0.01	0.1	0.01	0.1
Fixed-to-Mobile .....	0.86	7.1	0.84	7.4
Calls from OTE to other fixed networks .....	2.40	19.8	2.02	17.8
Special Calls.....	0.14	1.2	0.13	1.1
<i>Incoming calls</i>				
Calls to OTE from Fixed & Mobile operators.....	4.89	40.3	4.75	41.8
<b>Total</b> .....	<b>12.10</b>	<b>100</b>	<b>11.37</b>	<b>100</b>

### **International Fixed-line Telephony**

The Guarantor offers its customers international calling services on its fixed-line telephony network provided by the Guarantor in Greece and by Telekom Romania in Romania.

### **Volume and Traffic**

International telecommunications traffic in Greece experiences seasonal fluctuations in demand, with peak outgoing traffic occurring in the summer and incoming traffic peaking during September and October.

The following table sets forth international traffic volume data, including outgoing calls originated by the Guarantor’s retail, mobile networks and alternative fixed-line telephony operators in Greece, for 2017 and 2018:

	<b>Year Ended 31 December</b>	
	<b>2017</b>	<b>2018</b>
	<i>(Minutes in millions, except for percentages)</i>	
<i>Outgoing calls</i>		
OTE.....	167.0	133.0
Other.....	605.8	591.5
<b>Total outgoing traffic</b> .....	<b>772.8</b>	<b>724.5</b>
Growth (% per year).....	24.8	(6.3)
<i>Incoming calls</i>		
OTE.....	244.1	235.5
Other.....	577.1	562.9
<b>Total incoming traffic</b> .....	<b>821.2</b>	<b>798.4</b>
Growth (% per year).....	(3.0)	(2.8)

#### *Internet Protocol (IP) and Internet Access Services*

The Guarantor offers broadband, both ADSL and VDSL and IP-related services to residential customers, mainly under its OTE Double Play products range, as well as ADSL and IP-based connectivity and hosting services (for example IP-VPN) to corporate and business customers.

The Guarantor owns and operates an extensive broadband/ADSL network across Greece. As at 31 December 2018, the Guarantor had expanded its ADSL infrastructure to approximately 17,745 points of presence, as compared to approximately 15,078 points of presence as at 31 December 2017. The Guarantor started to install VDSL equipment in 2011 and launched its VDSL services on 26 November 2012. As at 31 December 2018, the Guarantor had expanded its VDSL infrastructure to 734 central office points of presence (317,785 ports) and 13,683 commercially available FTTC points (out of which 2,097 were non-vectoring cabinets and 11,586 were vectoring/super vectoring cabinets) with 146,958 non-vectoring VDSL ports and 1,118,186 vectoring/super vectoring VDSL ports, as compared to 699 central office points of presence (178,100 VDSL ports) and 11,510 commercially-available FTTC points (out of which 5,343 were non-vectoring cabinets and 6,167 were vectoring cabinets) with 373,620 non-vectoring VDSL ports and 612,477 vectoring/super vectoring VDSL ports as at 31 December 2017. In 2018, the Guarantor's VDSL customer base increased by 50% and VDSL penetration on broadband rate reached 28%. The Guarantor expects to expand its coverage further in line with demand. The Guarantor has already launched new products, based on ADSL/VDSL access, such as HD IPTV, Hybrid-IP and over the top TV service offerings. The Guarantor plans to further expand the number of its VDSL points of presence, which it expects will lead to increased number of subscribers to its VDSL services. The expansion of its VDSL points of presence will be reflected in the cost accounting systems used by the HTPC and as such affects investment decisions.

The development of the Greek ADSL market overall has been in line with the pricing of retail ADSL offers, the development of the wholesale ADSL market and the market for local loop unbundling. The market has grown significantly over recent years and continues to grow. The broadband penetration rate reached 82.8% as at 31 December 2018, as compared to 79.7% as at 31 December 2017.

Despite increasing competition in the Greek ADSL and VDSL market, the Guarantor remains the leading provider in the Greek ADSL & VDSL market with approximately 3.2 million installed ports as at 31 December 2018 (as compared to 3.0 million installed ports as at 31 December 2017). The Guarantor had approximately 1.9 million retail broadband subscribers in Greece as at 31 December 2018.

#### ***Romania—Telekom Romania***

The Guarantor holds a 54.01% interest in the share capital of Telekom Romania, the incumbent fixed-line telephony services provider in Romania. As at 30 June 2018, 40.1% of households and 19.8% of inhabitants in Romania had fixed-line telephone services according to the Romanian National Authority for Management and Regulation in Communication's 2018 annual report. See "*Risk Factors—Additional risks relating to operations in Romania*". In 2014, following a rebranding process, Romtelecom was renamed Telekom Romania Communications S.A.

#### *Business Overview*

As at 31 December 2018, Telekom Romania had 2,141,526 fixed voice lines in service, as compared to 2,098,052 fixed voice lines in 2017 (including FMC customers). All of Telekom Romania's lines are connected to digital exchanges. In 2018, fixed-line services in Romania contributed approximately 14.5% of the Group's consolidated operating revenues, as compared to 15.2% in 2017.

Telekom Romania had 1,143,303 fixed broadband subscribers as at 31 December 2018, as compared to 1,180,192 as at

31 December 2017 (including FMC customers), reflecting a decrease of 3.1%. As the local market for broadband in Romania grows, a number of newly-introduced applications, such as IPTV, are expected to require higher capacity. Telekom Romania is considering a number of options for serving increasing broadband traffic, including VDSL and FTTH.

Since December 2006, Telekom Romania has offered a DTH (satellite TV) and IPTV service under the commercial name “Dolce”. Telekom Romania decided to discontinue its CDMA on 30 June 2015. Telekom Romania had 1,443,032 TV subscribers as at 31 December 2018, as compared to 1,470,341 subscribers as at 31 December 2017.

Telekom Romania invests in new technologies in order to remain competitive, especially in light of intensifying competition as local competitors expand, and the increasing demand for bandwidth. Accordingly, Telekom Romania offers FTTH solutions commercially. A major driver for its broadband roll-out is to establish a large platform for TV delivery. There is continuous competition to acquire content that could be the most appealing to subscribers.

In September 2014, Telekom Romania announced that it had partnered with Viaccess-Orca and Zenterio for the rollout of its new IPTV and OTT multi-screen service, Telekom TV. Telekom TV is available to Telekom Romania’s subscribers through monthly subscriptions and is a unified platform designed to support more devices, reduce costs, increase operational efficiencies and expand Telekom Romania’s service offering. Telekom TV became operational in the fourth quarter of 2014. Telekom Romania implemented new features for Telekom TV in the second half of 2016, including pause/play and catch-up TV and plans to continue to position IPTV along with OTT as the most advanced TV service for use in urban areas. Telekom Romania also uses DVBC/Analogue cable for customers who do not wish to have the interactivity features. In rural areas, Telekom Romania plans to maintain a stable satellite TV base and will promote OTT for mobile in areas with good mobile broadband coverage.

The following table sets forth Telekom Romania’s revenues, operating profit/(loss) and profit/(loss) for 2017 and 2018:

	<b>Year Ended 31 December</b>	
	<b>2017</b>	<b>2018</b>
	<i>(€ millions)</i>	
Revenues .....	607.7	579.5
Operating profit/(loss) .....	(89.5)	(16.4)
Profit/(loss).....	(96.0)	(19.6)

The economic downturn has resulted in a significant decline in voice revenue for all segments and a decrease in volumes mainly generated by business customers. The declining revenues from fixed lines have been partially offset by the increased revenue resulting from an increase in the number of data and broadband customers, as well as in revenues from wholesale & ICT services and increased television services. In addition to the continued development of its product offering, Telekom Romania intends to continue to pursue efficiency gains and cost-saving initiatives.

In 2010, the Romanian government announced its intention to sell the 46% of shares held by the Romanian state in Telekom Romania. The composition of the Romanian Government has changed following parliamentary elections in December 2016, and the intentions of the new Government in relation to Telekom Romania, has not yet been confirmed. See “*Risk Factors—Romanian market risks—The Romanian state has initiated the process of selling its stake in Telekom Romania.*”

### **Mobile Telephony Services**

Through its subsidiaries, the Guarantor provides mobile telephony services to customers in Greece (through Cosmote), as well as in Romania (through Telekom Romania Mobile). As is the case for the Guarantor’s fixed-line telecommunications services, Greece represents the most important market for the Guarantor’s mobile operations.

Revenues from the Guarantor’s mobile business were €1,539.0 million in 2018, as compared to €1,519.9 million in 2017, representing 40.5% of the Guarantor’s consolidated revenues in 2018, as compared to 40.0% in 2017. See “*Risk Factors—Additional risk factors relating to Mobile Telephony*”.

Although the products available to the Guarantor’s mobile customers vary from country to country, the following are the principal services and products provided:

- *Wireless voice telephony:* The Guarantor offers a full range of wireless services with a variety of payment plans and packages, including payment on a contract and prepaid basis.
- *Enhanced calling features:* The Guarantor offers a number of services with enhanced calling features, such as voicemail, call divert, call barring by the customer, call waiting, conference call and caller line

identification, as well as detailed monthly bills. Subscribers may receive a number of these services bundled with basic voice services or as optional supplements to their basic voice service.

- *Wireless data transmission:* The Guarantor offers its customers the ability to use handsets for data transmission, including for SMS and MMS.
- *Corporate services:* The Guarantor provides business solutions, including wireless infrastructure in offices, private networking and VPNs. VPNs enable companies to define a private numbering plan (closed user group) for users within a single organisation and to use value-added applications, including short dialling, call barring and favourable pricing within the VPN group.
- *International roaming:* Wireless customers travelling abroad are able to use mobile telecommunications services (voice, messaging and data) while in the coverage area of a foreign operator’s mobile network and to be billed for this service by their home network operator.
- *Other value-added wireless services:* The Guarantor also offers internet of things (IoT), machine-to-machine (M2M) services and solutions and mobile device management. In addition, the Guarantor offers several other value-added services, including ring back tones, ring tones, music streaming, mobile applications and mobile portals.

### **Greece—Cosmote**

Cosmote was established in 1996 and began commercial operations in April 1998. It is one of the three holders of 2G, 3G and 4G/4G+ mobile telephony licences and operators of mobile networks in Greece (the other two being Vodafone Greece and Wind Hellas). Cosmote provides 2G mobile telecommunications services on the 900 MHz and 1800 MHz frequency bands, 3G/UMTS services on the 900 MHz and 2100 MHz frequency bands and 4G/4G+ services on the 800 MHz, 1800 MHz and 2600 MHz frequency bands.

In 2012, Cosmote became the first operator to launch 4G mobile telecommunications services in Greece, based on “Long Term Evolution” technology. The 4G network significantly improves customer experience, by allowing for higher speeds of internet navigation, the use of advanced multimedia applications (such as HD Streaming and HD Video-conferencing), as well as the ability to send and receive large files. Moreover, Cosmote was, at the beginning of 2015, the first operator to commercially launch 4G+ services with the use of LTE-Advanced Carrier Aggregation functionality. At the beginning of 2019, Cosmote networks had the largest population coverage in Greece, with the 4G network covering 98.8% and 4G+, 95.2% of the country’s population.

The Guarantor owns 100% of the shares of Cosmote. The Guarantor cooperates with Cosmote in certain areas, and services are provided by one company to the other on an arm’s length basis. In addition, each of the Guarantor and Cosmote provides the other with a number of its personnel, and the Guarantor provides distribution and maintenance services for Cosmote’s products and network, also on an arm’s length basis, and Cosmote leases certain transmission capacity from the Guarantor. The Guarantor also owns and leases to Cosmote a large number of the base station sites that Cosmote requires for its network. The following table sets forth Cosmote’s revenues, operating profit income and profit for 2017 and 2018:

	<b>Year Ended 31 December</b>	
	<b>2017</b>	<b>2018</b>
	<i>(€ millions)</i>	
Revenues .....	1,116.9	1,117.6
Operating profit .....	191.4	226.1
Profit/(loss) <sup>(1)</sup> .....	(22.1)	236.4

**Note:**

(1) Excluding impairment of loans to Subsidiaries.

### *Licences*

Cosmote provides mobile telecommunications services in Greece on the 800 MHz, 900 MHz, 1800 MHz, 2100 MHz and 2600 MHz frequency bands. Cosmote now holds licences at 800MHz spectrum expiring February 2030 (2x10MHz), at 900 MHz spectrum, expiring in September 2027 (2x10 MHz bandwidth), at 1800 MHz spectrum, expiring in June 2027 (2x10 MHz) and December 2035 (2x25 MHz), at 2100MHz expiring in August 2021 (2x15MHz FDD and 5MHz TDD) and at 2600MHz expiring in February 2030 (2x30MHz FDD and 20MHz TDD). All spectrum licences except those at 2100MHz frequency band are technologically neutral and, accordingly, available for 2G, 3G or

4G technologies. Cosmote, through its mobile network its spectrum portfolio, offers commercially data throughput rates reaching download/upload speeds of 500 Mbps/50 Mbps

Cosmote holds a FWA spectrum licence 2x112 MHz at the 26GHz frequency band, which expires in December 2032. Cosmote mainly uses this spectrum to provide site access connectivity and offer to corporate &B2B customers guaranteed capacity services. Connectivity is implemented with microwave links in point to point (“PTP”) or point to multi point (“PTMP”) configurations, in all Greek districts following techno-economical case analysis. See “*Risk Factors—Additional risk factors relating to Mobile Telephony—Cosmote’s commercial operations could be constrained by regulatory interventions by the HTPC or other regulatory authorities*” and “*Risk Factors—Additional risk factors relating to Mobile Telephony—Cosmote continues to experience difficulties in obtaining the licences it requires to establish and operate its base stations*”.

In March 2018, EETT announced the results of its public consultation on the award of spectrum in the 3400 MHz-3800 MHz band for 4G/5G use, noting that it would authorise the trial of 5G NR technology during 2018-2019 and award the 3400 MHz-3800 MHz band spectrum at the end of 2019. EETT anticipates 5G to be gradually implemented in urban areas in the second half of 2019 and for its expansion throughout the country by 2020.

In December 2018, Cosmote, in cooperation with Ericsson and Nokia, implemented a 5G pilot network, achieving live speeds above 12 Gbps (approximately 60 times faster than 4G/LTE speeds) in an open space of the Municipality of Zografou. The pilot network operated in the 3400-3800 MHz and 24.25-27.5 GHz frequency bands, using temporary spectrum rights granted by EETT for 5G network testing. In December 2018, Cosmote performed the first holographic concert via 5G in Greece at Infocom, in collaboration with Ericsson. The concert was an application of immersive gaming and demo of internet speeds over 7 Gbps and used 5G new radio (“NR”) technology, which enables low response time at 3.4 Ms (ten times lower latency compared to the existing 4G technology).

#### *Products and Services*

Cosmote offers its contract and prepaid customers in Greece a range of 2G, 3G and 4G/4G+ mobile telephony services including:

- standard voice services and voice call services;
- high definition (HD) voice service, over 4G/4G+;
- messaging services, such as SMS and multimedia messaging services (“MMS”);
- mobile internet through 4G+ LTE Advanced, 4G, 3G, HSPA, EDGE and GPRS technologies;
- mobile product offerings (depending on the particular product), regarding data for mobile internet, minutes and SMS for national voice calls and cost control monitor tools including real-time notification of data usage.;
- add-on services for voice, SMS, and mobile broadband services;
- fixed mobile convergence products;
- mobile internet data-sharing rate-plans providing multiple use access (e.g., mobile, tablet and laptop etc.);
- international roaming services, including roaming voice products, roaming data products, roaming voice and data add-ons;
- at home services, value-added services, such as voicemail, call diversion and caller identification (“CLIP”), ring back tones, ring tones, mobile portal and video calling; and
- additional services using Wireless Access Point, subscriber identity mobile microbrowser, voice recognition and GPRS technologies;

Cosmote offers its business customers products and services including:

- business mobile postpaid products offerings (depending on the particular product), offering unlimited intra-company communication, free data for mobile internet, free minutes for national voice calls and calls to EU, international and roaming destinations, free data for roaming in the EU and tools to monitor cost control;

- add-on services for voice, SMS, and mobile broadband services;
- cost control and split bill services;
- fixed mobile convergence products;
- mobile internet products, including mobile internet access through a tablet or personal computer, mobile internet rate-plans providing multiple use access (e.g., mobile, tablet and laptop etc.) and monthly internet passes;
- international roaming services, including roaming voice products, roaming data products, roaming voice and data add-ons for use abroad within the EU and customised roaming products for business customers;
- at home services for communications from home and at office services for both companies and professionals, where a fixed-line number is also required;
- in-house 3G coverage through existing ADSL internet connections; and
- Web2SMS, Internet of Things, machine-to-machine solutions and mobile device management services.

#### *Market Position and Competition*

As at 31 December 2018, Cosmote had 7.9 million customers in Greece, as compared to 8.0 million customers as at 31 December 2017. As of the end of 2018, mobile penetration in Greece was estimated at around 160%.

Based on its internal estimates, as at each of 31 December 2018, Cosmote was the leading provider of mobile telecommunications services to contract customers in Greece, with 2.3 million contract/postpaid customers. Contract customers in general have greater loyalty and give rise to higher average monthly revenues per user than prepaid customers. Based on internal estimates, Cosmote was also the leading provider of prepaid services in Greece with a total of 5.6 million prepaid customers as at 31 December 2018, as compared to 5.8 million prepaid customers as at 31 December 2017.

Cosmote's main competitors in Greece are Vodafone Greece and Wind Hellas, which both operate in the GSM 900 and GSM 1800 frequency bands and also provide 3G services. Following Cosmote's launch of 4G services in November 2012, Vodafone Greece also launched 4G services during December 2012, while Wind Hellas launched 4G services at the beginning of 2015. In 2016, Vodafone Greece announced the consolidation of HOL with the Vodafone Group. In September 2014, Cyta launched an MVNO operation in Greece, offering attractive post-paid and prepaid tariffs, especially to customer staling up both its fixed and mobile services. On 22 February 2018, the HTPC was notified about the concentration agreement according to which Vodafone Greece acquires all of the issued shares of Cyta Hellas Telecommunications S.A. owned by Cyta Cyprus and Digimed Communications Ltd. See "*Risk Factors—Additional risk factors relating to Mobile Telephony—Cooperation of Cosmote's competitors could affect Cosmote's performance which could, in turn, materially adversely affect the Guarantor's business, results of operations, financial condition and prospects*".

Competition in mobile telecommunications is generally intense and relates to price, distribution, subscription options offered, offers of subsidised handsets, coverage, range of services offered, innovation and quality of service. See "*Risk Factors—Additional risk factors relating to Mobile Telephony—Cosmote faces strong competition from other mobile telephony providers in Greece and in other markets in which it operates and may experience a loss of market share or significant price pressures resulting from intensifying competition*". In recent years, competition has intensified, while a number of new factors may impact the mobile market, including combined offers of mobile and fixed-line services by mobile and fixed- line operators. Cosmote expects competition to remain strong, mainly as a result of difficult economic conditions and pricing pressures. In addition, the "glide path" imposed by the HTPC also resulted in a sharp reduction in mobile termination rates from €0.036 per minute to €0.00946 per minute between August 2012 and January 2019.

#### *Germanos*

Cosmote's wholly-owned subsidiary Germanos S.A. ("**Germanos**"), acquired in 2006, is a telecommunications retail sales chain in south-eastern Europe with almost 292 points of presence. Germanos acts as a sales point for Cosmote and the Guarantor's mobile, fixed telephony, internet services and television services, as well as mobile devices and accessories, digital and gaming products and consumables.



## ***International Mobile Operations***

Cosmote owns and operates the Guarantor's mobile operations in Romania through its international subsidiary Telekom Romania Mobile.

The Guarantor owns an 86.2% interest in the share capital of Telekom Romania Mobile (70.0% through Cosmote and 16.2% through its 54.01% interest in Telekom Romania, which, in turn, owns a 30.0% interest in Telekom Romania Mobile). Telekom Romania Mobile was incorporated by Telekom Romania in Romania on 15 January 1999 and was initially named Cosmorom S.A. Telekom Romania Mobile started operations in May 2000, it subsequently suspended operations, and re-launched operations in December 2005 as Cosmote Romania. See "*Risk Factors—Additional risks relating to operations in Romania.*"

In July 2005, Cosmote acquired a 70.0% interest in the share capital of Telekom Romania Mobile after contributing €120.0 million as cash consideration, with Telekom Romania retaining the remaining 30.0% interest in Telekom Romania Mobile. In March 2008, the general meeting of shareholders of Telekom Romania Mobile approved the increase of the company's share capital by €125.0 million, 70.0% of which (or €87.5 million) was subscribed for by Cosmote and 30.0% (the equivalent in RON of €37.5 million) by Telekom Romania. The Ministry of Communications and Information Technology of Romania ("MCIT") is entitled to appoint one of the two board members that Telekom Romania may appoint to Telekom Romania Mobile's board of directors.

Telekom Romania Mobile's network operates on the GSM 900 and GSM 1800 frequencies in Romania. On 28 July 2010, ANCOM, issued Telekom Romania Mobile with a modified GSM licence, including the right to use UMTS technology in bands 900MHz and 1800MHz. Following the spectrum auction held on 24 September 2012, Telekom Romania Mobile has been awarded one block in the 800 MHz band, two blocks in the 900 MHz band, five blocks in the 1800 MHz band and two blocks in the 2600 MHz band, valid from 2014 until 2029, which it will acquire for a total consideration of €180 million. In 2009, Cosmote completed the acquisition of the Romanian mobile operator, Zapp.

In April 2013, Telekom Romania Mobile launched its 4G telecommunications services in Bucharest and seven other areas. In July 2013, Telekom Romania Mobile entered into a loan arranged by the EBRD in order to finance the strategic growth of its broadband infrastructure. Telekom Romania Mobile used the proceeds from this loan to expand its 4G network and renew its spectrum licences.

As at 31 December 2018, Telekom Romania Mobile Communications is offering mobile broadband download speeds of up to 43 Mbps in HSPA+ technology in 314 cities across Romania. Overall, 3G services cover almost 86.3% of the Romanian population. As at 31 December 2018, Telekom Romania Mobile's 4G telecommunications service covers 100% of the population in Bucharest, 99.1% of the urban population nationwide and 92.6% of the total population of Romania. Telekom Romania Mobile Communications is offering its 4G service in 321 cities.

According to ANCOM, as at 30 June 2018, the total number of active mobile customers was 22.2 million, reflecting a 0.9 % decrease on the number of customers, as compared to as at 31 December 2017 and the mobile penetration rate in Romania was 113.7] % active SIM cards per 100 inhabitants as at 30 June 2018. As at 31 December 2018, Telekom Romania Mobile had 4.6 million customers, reflecting a 2.5% decrease as compared to 31 December 2017. Telekom Romania Mobile's estimated market share as at 31 December 2018 was approximately 21%.

On 1 December 2017 Germanos Telecom Romania S.A., Sunlight Romania S.R.L Filiala and Zapp were absorbed by Telekom Romania Mobile and subsequently, on 7 December 2017, these three absorbed entities were deregistered from the trade registry.

The following table sets forth Telekom Romania Mobile's revenues, operating income and profit/(loss) for 2017 and 2018:

	<b>Year Ended 31 December</b>	
	<b>2017</b>	<b>2018</b>
	<i>(€ millions)</i>	
Revenues .....	464.9	473.0
Operating profit / loss .....	(36.6)	(68.5)
Profit / (loss) for the year .....	(72.9)	(109.8)

## **Other Services**

### ***International Wholesale Telephony and Data Services—OTE Globe***

The Guarantor's wholly-owned subsidiary, OTE Globe, provides international wholesale telephony services and international wholesale data capacity/IP services to telecommunication providers and to multinational companies with a particular focus on the region of south-eastern Europe.

In 2018, OTE Globe's revenues amounted to €347.0 million, as compared to €333.3 million in 2017. EBITDA (earnings before tax, depreciation and amortisation) was €17.5 million in 2018, as compared to €19.9 million in 2017. OTE Globe focuses on:

- important collaborations with customers that took place during the year to serve the increased needs for data traffic; and
- maintenance of high profitability margin of voice services by serving international traffic through an IP network that ensures quality at competitive prices.

In response to current competitive and economic conditions, OTE Globe intends to enter new markets in the Middle East and North Africa region through investments and partnerships with major carriers. In this regard, OTE Globe is participating in the construction of AsiaAfricaEurope -1 (AAE-1), a 25,000km next generation international submarine cable with a capacity of 40 tbps, which will connect Greece with the Asian, African and Middle Eastern markets. The construction phase for the cable was completed in December 2017 and its financial benefits have begun to be reflected in OTE Globe's results of operations.

### ***Interconnection Services***

The Guarantor provides interconnection services to other fixed-line and mobile operators. Under the Greek regulatory regime for interconnection, with respect to calls placed from domestic fixed or mobile telephony networks to the Guarantor's network, it receives a call termination charge from the relevant domestic operator on the basis of a Reference Interconnection Offer made by the Guarantor and approved by the HTPC, which it records as revenues from interconnection charges, as well as transit fees in respect of calls delivered to third party networks via the Guarantor's own network. It also charges call collection fees to other fixed telephony operators with which it has interconnection agreements.

### ***Leased Lines***

Leased lines are service contracts provided by the Guarantor to a customer for permanent, always active, dedicated to the customer, symmetric telecommunications lines connecting two or more locations of the customer allowing telephone, data or internet services in exchange for a monthly rent. Leased lines provide connections within a customer's network and within the Guarantor's own network.

The Guarantor provides analog, digital and Ethernet (ranging from 64 Kbps to 2.5 Gbps) leased lines services on a retail basis to corporate customers and public sector entities and on a wholesale basis to other telecommunications companies, including Greek fixed-line and mobile operators, based on regulatory obligations imposed by HTPC.

The Guarantor provides wholesale leased lines services, as well as retail leased lines services on a point-to-point basis. Since March 2008, the Guarantor also provides wholesale leased lines on a terminating and trunk segments basis. The Guarantor's legacy digital leased lines services will be phased out as part of a simplification project.

### ***Local Loop Unbundling***

The Guarantor provides local loop access services and distant and physical collocation services to other telecommunications service providers in Greece. As at 31 December 2018, the Guarantor provided approximately 2.1 million active unbundled local loops and sub-loops, which are utilised by alternative operators. See "*Risk Factors—Risks Relating to the Guarantor—Regulatory requirements with respect to unbundling the local loop, wholesale bitstream services and providing wholesale leased lines and competitive pressures arising from an increased number of unbundled local loop sites may affect the Guarantor*".

### ***Wholesale DSL***

The Guarantor provides wholesale ADSL access to other operators over its extensive ADSL network across Greece, enabling them to provide ADSL access and high-speed internet access directly to the end customers. The Guarantor also provides an ADSL link and the backhaul service in the ADSL wholesale market, in order to hand over the ADSL

traffic to ISPs and other operators. As at 31 December 2018, the Guarantor had 7,374 wholesale ADSL customers.

Since the end of 2012, the Guarantor also provides broadband services based on VDSL technology, which offers very high data transmission. In addition, the Guarantor offers Virtually Partially Unbundling (“VPU”) services, which allow alternative operators to provide VDSL services through OTE’s network and voice services over the unbundled local loop. Furthermore, the Guarantor offers an enhanced VPU service that covers both VDSL and ADSL networks and since 30 March 2015, the Guarantor has offered “VPU light”, a standalone wholesale VDSL service that does not require concurrent PSTN or unbundled local loop services, which allows alternative operators to provide VoIP. As at 31 December 2018, the Guarantor had 151,516 wholesale VDSL customers.

Since June 2018, the Guarantor has provided a wholesale VPU FTTH service offering high broadband speeds to end customers, which had limited coverage at the end of 2018.

### ***Wholesale Line Rental***

Wholesale line rental allows alternative operators to rent the Guarantor's access lines, on a wholesale basis, to be accessed by their end customers. This service is used mainly in conjunction with carrier pre-selection services, serving customers of alternative operators which are located in areas not serviced by such operators' unbundled local loops. These customers are not required to pay a monthly line service charge to the Guarantor; the Guarantor receives line rental fees from the operators. As at 31 December 2018, the Guarantor provided 5,229 WLR PSTN and ISDN-BRA lines.

### ***Other Telecommunications Services***

In addition to the domestic and international communications services described above, the Guarantor provides a number of other services including:

- Fixed Wireline Value-added Services, including call barring, call waiting, call forwarding, three- party conference and four different levels of voicemail services;
- FWA Services;
- Satellite teleport Services;
- Telephone Directory and Information Services;
- Maritime Radio Communications and Shipping satellite Communications;
- Telecards; and
- Equipment Sales.

The Guarantor also offers a variety of other services to its customers, including maintenance and transfers of existing lines.

### ***Other Group Activities***

Other activities of the Group include:

- Turnkey telecommunications projects;
- Training services through OTE Academy;
- Consultancy services and technical projects through OTE plus Technical and Business Solutions S.A. Security Services (“OTE plus”);
- Real estate activity through OTE Estate;
- Provision of energy to Group companies or third party customers in Greece through OTE Estate;
- Insurance agency services through OTE Insurance Agency;
- Call centre activities through Cosmote E-value; and

- Insurance Intermediation activities through Cosmote Insurance, a digital insurance aggregator sales channel.

### **Capital Expenditure**

In recent years, the Guarantor has been investing in enhancing the capability of its telecommunications networks. Its capital expenditure programme currently focuses on mobile services, Internet Protocol services and broadband, expanding backbone network capacity using DWDM and network dimensioning to maintain quality. The Group's capital expenditure for 2018 was €719.9 million, as compared to €904.2 million for 2017 (excluding Albanian operations). Excluding payments for spectrum acquisitions and special items, the Group's capital expenditure for the year 2018 amounted to €706.4 million from €781.8 million in 2017 (excluding Albanian operations), reflecting the Group's accelerated investment plan.

The Guarantor expects its Group aggregate planned capital expenditure for 2019 to be further reduced to approximately €650 million, as it gradually returns to pre-2017 levels. The Guarantor regularly reviews its planned capital expenditures in order to be able to take advantage of the introduction of new technologies and to respond to changes in market conditions and customer demands.

### **Subsidiaries and Participations**

The Guarantor is the parent company of a group of subsidiaries operating in various fields of telecommunications and related businesses, both in Greece and abroad, principally in Romania. Whereas in most cases the Guarantor hold its interests in subsidiaries directly, in limited cases it does so through intermediary holding companies.

#### ***Significant Subsidiaries***

As at 31 December 2018, the Guarantor held the entire share capital of Cosmote, a leading mobile telephony services provider in Greece incorporated in, and operating under the laws of Greece. See "*—Mobile Telephony Services—Greece—Cosmote*". The Guarantor also held, as at 31 December 2018, a 54.01% interest in the share capital of Telekom Romania, a fixed telecommunications company incorporated under the laws of, and operating in, Romania. See "*—Fixed-Line Services—Romania—Telekom Romania*".

On 16 January 2019, the Guarantor announced that it had signed an agreement to sell its entire stake in Telekom Albania to Albania Telecom Invest AD for a total consideration of €50.0 million. The transaction is expected to be completed in the first half of 2019.

### Subsidiaries and Other Participations

The following table sets forth information relating to the Guarantor's subsidiaries and participations as of 31 December 2018 and includes its direct participations, as well as its indirect participations through ownership interests held by its subsidiaries and other participations:

Name	Country of Incorporation	Group Ownership Interest (31 December 2018) (%)
Cosmote Mobile Telecommunications S.A. (Cosmote) .....	Greece	100.00
OTE International Investments Ltd .....	Cyprus	100.00
Cosmo-One Hellas Market Site S.A. (Cosmo-One) .....	Greece	61.74 <sup>(1)</sup>
OTE PLC .....	U.K.	100.00
OTE Sat-Maritel S.A. (OTE Sat – Maritel) .....	Greece	94.08
OTE Plus Technical And Business Solutions S.A. – Security Services (OTE Plus) .....	Greece	100.00
OTE Estate S.A. (OTE Estate) .....	Greece	100.00
OTE International Solutions S.A. (OTE-Globe).....	Greece	100.00
OTE Insurance Agency S.A. (OTE Insurance).....	Greece	100.00
OTE Academy S.A. (OTE Academy) .....	Greece	100.00
Telekom Romania Communications S.A. (Telekom Romania) .....	Romania	54.01
Nextgen Communications Srl (Nextgen) .....	Romania	54.01
Telekom Romania Mobile Communications S.A. (Telekom Romania Mobile ) .....	Romania	86.20 <sup>(2)</sup>
Telekom Albania	Albania	99.76 <sup>(3)</sup>
Germanos S.A. (Germanos).....	Greece	100.00 <sup>(4)</sup>
Cosmote E-value S.A. ....	Greece	100.00 <sup>(5)</sup>
Mobilbeep Ltd .....	Greece	100.00 <sup>(6)</sup>
Cosmote TV Productions. ....	Greece	100.00 <sup>(7)</sup>
Cosmoholding Romania Ltd.....	Cyprus	— <sup>(8)</sup>
E-Value Debtors Awareness One Person Ltd (E-Value Ltd).....	Greece	100.00 <sup>(9)</sup>
Cosmoholding International B.V.....	Netherlands	100.00 <sup>(10)</sup>
E-Value International S.A. ....	Romania	100.00 <sup>(11)</sup>
OTE Rural North.....	Greece	100.00
OTE Rural South.....	Greece	100.00
Cosmote Payments – Electronic Money Services S.A.	Greece	100.00
Cosmote Global Solutions S.A.	Belgium	100.00 <sup>(12)</sup>

#### Notes:

- (1) The Guarantor and Cosmote each hold a 30.87% equity interest.
- (2) The Guarantor's effective interest is 86.2% (70.0% indirectly through Cosmote and 30% indirectly through Telekom Romania).
- (3) On 16 January 2019, the Guarantor announced that it had signed an agreement to sell its entire stake in Telekom Albania to Albania Telecom Invest AD for a total consideration of €50.0 million.
- (4) The Guarantor's effective interest is 100% held through Cosmote.
- (5) The Guarantor's effective interest is 100% held through Germanos.
- (6) The Guarantor's effective interest is 100% held through Cosmote.
- (7) On 7 November 2016, the Extraordinary General Assembly of OTE Investment Services S.A. approved the renaming of OTE Investment Services S.A. to Cosmote TV Productions.
- (8) In October 2018, the dissolution and liquidation of Cosmoholding Romania Ltd was completed.
- (9) The Guarantor's effective interest is 100% held through Cosmote E-value S.A.
- (10) The Guarantor's effective interest is 100% held through Cosmote (99.0%) and Germanos (1.0%).
- (11) The Guarantor's effective interest is 100% held through Cosmoholding International B.V. (99.99%) and Cosmote E-value S.A. (0.01%).
- (12) The Guarantor's effective interest is 100% held through Cosmote (99.0%) and Cosmote E-value S.A. (1.0%).

## Control of the Guarantor

### *Major Shareholders*

As of the date of this Base Prospectus, Deutsche Telekom holds shares and voting rights representing 46.0% of the Guarantor's issued share capital. The Hellenic Republic holds directly 1.02% of the Guarantor's issued share capital and the corresponding voting rights.

The Hellenic Republic also controls voting rights in respect of an additional 4.64%, which is owned by EFKA (the management of which is appointed by the Hellenic Republic).

See "*Risk Factors—Risks Relating to the Guarantor—Deutsche Telekom and the Hellenic Republic, the Guarantor's two major shareholders, may have diverging opinions regarding the Guarantor's strategy and management*" and "*Risk Factors—Risks Relating to the Guarantor—The change of control provisions in the Guarantor's existing indebtedness could be triggered*"

### *The Shareholders' Agreements and Purchase Agreements*

On 14 May 2008, the Hellenic Republic and Deutsche Telekom signed the Shareholders' Agreement relating to the governance of the Group. In addition, pursuant to the purchase agreement dated 14 May 2008 between the Hellenic Republic and Deutsche Telekom (the "**Purchase Agreement**"), the Hellenic Republic held a put option to sell to Deutsche Telekom an additional number of shares representing 10.0% of the share capital of the Guarantor in addition to the 30% acquired in 2008 and 2009. This put option was exercised on 11 July 2011 at a price of €7.99 per share.

On 18 November 2016, the Hellenic Republic transferred 24,507,520 common registered shares of the Guarantor, (representing 5% of the Guarantor's share capital and voting rights) to HRADF.

The Shareholders' Agreement was amended and restated on 2 November 2016. The parties to the Amended and Restated Shareholders' Agreement were the Hellenic Republic, Deutsche Telekom and HRADF. The Amended and Restated Shareholders' Agreement contains provisions relating to the composition of the Board of Directors (including rights to nominate the Chairman and Managing Director), requirements for supermajority votes of the board of directors for certain matters, changes in voting rights and reserved matters (including a veto right for the Hellenic Republic on certain and specific matters).

Under the Amended and Restated Shareholders Agreement, HRADF irrevocably authorized and empowered the Hellenic Republic to exercise the voting rights attaching to the Guarantor's shares owned by HRADF on its behalf and in accordance with the terms of the Amended and Restated Shareholders Agreement. Such empowerment ceases to be effective in the event HRADF sells or otherwise transfers its shares in the Guarantor. On 12 February 2018, the HRADF launched an international open tender process for the acquisition of 24,507,520 common registered shares of the Guarantor (representing 5.0% of the Guarantor's share capital and voting rights). After the completion of the international tender process on 16 March 2018, in which no offers were submitted by the deadline of 15 March 2018, in accordance with the terms of the tender, HRADF announced on 21 March 2018 that Deutsche Telekom had exercised its right of first refusal for the acquisition of the relevant shares, pursuant to the terms of the Amended and Restated Shareholders' Agreement. On 31 May 2018, Deutsche Telekom AG and the Hellenic Republic, notified the Guarantor that on 30 May 2018 Deutsche Telekom AG acquired an additional 5.0% stake in the Guarantor from HRADF, equivalent to 24,507,520 common registered shares with voting rights. The transaction took place through the Athens Exchange for a consideration of €284,051,959.81. As of 30 May 2018, HRADF no longer holds any shares of the Guarantor.

The Hellenic Republic and Deutsche Telekom has granted the other party a general right of first refusal in connection with any proposed transfer of shares or pre-emption rights in the Guarantor at a price equal to the price offered by a *bona fide* third-party acquirer, or in a publicly marketed equity or rights offering, subject, in each case, to certain exemptions and price adjustments. Moreover, under the Shareholders' Agreement, both parties are prohibited from disposing or encumbering its respective voting rights in the Guarantor during the term of the Shareholders' Agreement without the written consent of the other party, excluding disposals of voting rights where a transfer of the Guarantor's shares is permitted in accordance with the above.

Pursuant to an agreement dated 4 March 2009 between the Hellenic Republic and IKA-ETAM, the Hellenic Republic transferred 19,606,015 common registered shares of the Guarantor, representing 4% of the Guarantor's share capital and voting rights, to IKA-ETAM. Pursuant to the agreement, IKA-ETAM was obliged to exercise the voting rights attaching to its shares in coordination with the Hellenic Republic, by authorising the same persons as those authorised by the Hellenic Republic, to exercise voting rights in respect of its shares at the Guarantor's general meetings of the shareholders. Following the consolidation of IKA-ETAM into EFKA (by virtue of Greek Law 4387/2017, articles 51

and 53) and pursuant to article 70 of Greek Law 4387/2016, on 1 January 2017, the shares were transferred to EFKA, the successor of IKA-ETAM, and EFKA is the successor to the rights and obligations of IKA-ETAM, therefore to the rights and obligations arising from the above agreement between the Hellenic Republic and IKA-ETAM.

EFKA proceeded with the consolidation of a series of smaller pension funds (which owned shares with corresponding voting rights of the Guarantor) and currently holds 4.64% of the Guarantor's issued share capital and the corresponding voting rights.

The Guarantor has been informed that in early 2010, the European Commission wrote to the Hellenic Republic requesting further information regarding the arrangements between Deutsche Telekom and the Hellenic Republic regarding the management of the Guarantor. On 26 April 2012, the European Commission issued a "reasoned opinion" to the Hellenic Republic on these arrangements. The opinion concluded that the arrangements between Deutsche Telekom and the Hellenic Republic regarding the Guarantor were incompatible with the provisions on capital movement and establishment contained within Articles 49 and 63 of The Treaty on the Functioning of the European Union (TFEU). The Guarantor continues to monitor the actions of the European Commission but, as it is not directly a part of the process, the Guarantor is currently not in a position to know what further action (if any) may be taken. It is unclear whether the European Commission's concerns and the related proceedings continue to exist following the execution of the Amended and Restated Shareholders Agreement.

#### *Capitalising on synergies between Deutsche Telekom and the Guarantor*

As part of the Guarantor's Strategic Plan, the Guarantor has capitalised on synergies between the Deutsche Telekom Group and the Guarantor's Group, in terms of commercial activity, operational efficiency and knowhow. The Strategic Plan for 2019 provides for the continuation of capturing synergies between the two groups. Transactions entered into between the Guarantor and the Deutsche Telekom Group are concluded on arm's length terms.

#### ***The Hellenic Republic***

The Hellenic Republic is the Guarantor's largest customer for telecommunications services. The commercial relationship between it, as supplier, and the Hellenic Republic and other state-owned enterprises, as customers, is conducted on a normal, arm's length customer and supplier basis. The Guarantor does not give the Hellenic Republic preferential customer treatment on the grounds that it is a major shareholder or a sovereign state. None of its obligations is guaranteed by the Hellenic Republic. See "*Risk Factors—Risks Relating to the Guarantor—The Hellenic Republic is a major customer of the Guarantor*".

## Directors and Senior Management

The Guarantor is managed by its Board of Directors and Managing Director.

### Board of Directors

The Guarantor's Board of Directors is currently comprised as follows:

<u>Name</u>	<u>Position</u>	<u>Capacity</u>	<u>Appointed</u>	<u>Expiry</u>	<u>Age</u>
Michael Tsamaz	Chairman and Chief Executive Officer	Executive	3 November 2010 Re-appointed 12 June 2015 Re-appointed 12 June 2018	2021	60
Panagiotis Tabourlos	Director – Vice Chairman	Independent Non-executive	17 June 2004 Re-appointed 12 June 2015 Re-appointed 12 June 2018	2021	67
Srinivasan Gopalan	Director	Non-executive	17 January 2017 Re-appointed 12 June 2018	2021	49
Charalampos Mazarakis	Director	Executive	19 July 2012 Re-appointed 12 June 2015 Re-appointed 12 June 2018	2021	55
Andreas Psathas	Director	Independent Non-executive	16 February 2016 Re-appointed 12 June 2018	2021	43
Panagiotis Skevofylax	Director	Non-executive	12 June 2015 Re-appointed 12 June 2018	2021	35
Robert Hauber	Director	Non-executive	12 April 2017 Re-appointed 12 June 2018	2021	48
Kyra Orth	Director	Non-executive	12 June 2018	2021	52
Michael Wilkens	Director	Non-executive	12 June 2018	2021	54
Vasiliki Kouforizou	Director	Non-executive	19 November 2018	2021	31

Pursuant to the provisions of the Guarantor's Articles of Incorporation, the Guarantor's Board of Directors consists of ten members which are elected by the general meeting of the shareholders and serve for a three-year-term. However in the event of resignation, death or any other reason due to which one or more Directors lose their capacity prior to the expiration of their term, the Board, provided that at least five (5) of the remaining Directors are present or represented, may either elect substitute(s) for the remaining term of service of the member(s) being replaced and under the same capacity of executive, non-executive or independent members, or continue the management of the business affairs and the representation of the Guarantor without electing such substitute(s), provided that the number of the remaining Directors exceeds half of the members that existed before such events happened.

#### **Michael Tsamaz** *Chairman and Managing Director*

Mr. Tsamaz was appointed as Chairman and CEO of OTE on 3 November 2010. Mr. Tsamaz joined the OTE Group in 2001 and has been CEO of Cosmote since September 2007. Prior to his role as CEO of Cosmote, he assumed a number of senior roles within OTE, contributing to the turnaround of its international activities. He has also served on the Board of Directors of many OTE and Cosmote subsidiaries. Prior to joining OTE, Mr. Tsamaz assumed marketing, sales and general management functions of increasing responsibility in multinational companies, including Vodafone Greece and Philip Morris Europe, building solid expertise in the telecommunications and consumer goods industries. Mr. Tsamaz holds a degree in Business Administration from the University of New Brunswick, Canada.

#### **Panagiotis Tabourlos** *Vice-Chairman, Independent Non-executive member*

Mr. Panagiotis Tabourlos is a graduate of the Piraeus University of Economics and holds a Master's degree in Business Administration (MBA) from McGill University (Montreal, Canada). Since 1980 he has worked as Finance Manager in various corporations, including Milchem International, Hilti SA, American Express and ICI. From 1990 to 2003 he worked for Pfizer/Warner Lambert SA, where immediately prior to his departure he held the position of Regional CFO for Europe, Middle East and Africa. From June 2003 until April 2004 he held the position of Chief Financial Officer at OTE. He then resumed the position of Group CFO at Frigoglass SA, which he held until October 2013. From November 2013 he assumed the responsibilities of Corporate Development & Strategy Director until his departure in May 2014. Mr. Tabourlos serves as Chairman of OTE Audit Committee and of OTE Compensation & Human Resources Committee, as well as member of the Board of Directors of COSMOTE Mobile Telecommunications S.A. and of COSMOTE PAYMENTS S.A.

#### **Srinivasan Gopalan** *Non-executive member*



Mr. Srinivasan Gopalan has been a member of the Board of Management of Deutsche Telekom AG since January 2017. He is responsible for the Board Area Europe. Prior to his current position Mr. Gopalan was Consumer Director India at Bharti Airtel Ltd. where he was responsible for the consumer business in 23 different regions of India, which covered broadband connections and satellite TV in addition to mobile communications. His work focused on generating USPs through innovative offerings, which helped differentiate Airtel in a highly price sensitive market. Before joining Bharti Airtel, Mr. Gopalan worked in a number of functions for Capital One, an American financial services provider, which he left as Managing Director UK in 2009. He then worked as Chief Marketing Officer at T-Mobile UK, where he was responsible for marketing and sales. He was part of the management team that led T-Mobile UK to the joint venture with Orange, Everything-Everywhere. After this, he served as Director of the Vodafone UK Consumer Business Unit for three years. Mr. Gopalan studied Business Administration at the St. Stephen's College in New Delhi and later earned his MBA at IIM Ahmedabad.

**Charalampos Mazarakis** *Executive Member*

Mr. Charalampos Mazarakis, has over 20 years of professional experience, chiefly in senior management positions in Greece and abroad. Before joining OTE Group, in July 2012, as OTE Group General Financial Director, he was Group Chief Financial Officer of the National Bank of Greece, and from 2008 until 2010 Group Chief Financial Officer and Member of the Group Executive Committee of TITAN Cement Company. Mr. Mazarakis served in various executive positions in Vodafone Group (Group Finance Director and board member in Greece between 1999 and 2006; CEO in Hungary between 2006 and 2007; and Chief Operating Officer and Vice-Chairman between 2007 and 2008. He held the position of Finance Director and Member of the board of Georgia Pacific-Delica in Greece from 1997 until 1999. Prior to that, he worked as Financial Analysis Manager at Procter & Gamble, first in Athens and then as Financial Analysis Group Manager at the European Centre in Brussels. Mr Mazarakis holds a Bachelor's degree in Business Administration from the University of Piraeus (with distinction) and an MBA from the Fisher College of Business at The Ohio State University (Wielder Scholar), where he held the post of Teaching Assistant in Finance.

**Andreas Psathas** *Independent Non-executive member*

Mr. Andreas Psathas is a PhD Candidate at the School of Architecture of the National Technical University of Athens. He holds a Diploma in Rural and Surveying Engineering (N.T.U.A.) and is a member of the Registry of Certified Valuers of the Ministry of Economics. Since 2004, he has participated in several scientific unions and committees, including the Assembly Presidium of Technical Chamber of Greece in 2013 and the Scientific Committee of Expert Witnesses and Real Estate Valuers in 2015. Between 2014 and 2015, he worked at the Trans Adriatic Pipeline, as Land Easement and Acquisition Manager, for EON Technologies. From August 2007 until August 2013, he was a member of the Sworn-in Valuers of Greece, and he participated as an expert, in major road concession projects, in other co-financed projects and in the estimation of the property of several Real Estate Investment Companies. He has also worked as a self-employed engineer and as an associate in many technical offices, contributing to several studies.

**Panagiotis Skevofylax** *Non-executive member*

Mr. Panagiotis Skevofylax is Director of the Deputy Prime Minister's Office. He holds an MA in Media & Communications from City University London and two MScs from the National and Kapodistrian University of Athens, in Political Science and Sociology and in European and International Studies, respectively. Mr. Skevofylax has worked as an analyst and consultant in the fields of Strategy and Communications (political and policy analysis, political consulting and coaching, political campaigning, integrated communications planning etc)

**Robert Hauber** *Non-executive member*

Dr. Robert Hauber studied at the University of Stuttgart, University of Mainz and at the University of Massachusetts. He holds a Master degree (Dipl. Kfm.) and a doctoral degree (Dr.) - both in business administration. He has been serving Deutsche Telekom for fifteen years as a senior finance executive in several management positions. Before his career with Deutsche Telekom he worked for Hewlett Packard, Procter and Gamble and DaimlerChrysler, where he was involved in the merger between Daimler-Benz and Chrysler.

During 2011-2016 he was Chief Financial Officer, Vice Chairman of the Executive Management Board and Member of the Board of Directors of Slovak Telekom. Since July 2016 Dr. Robert Hauber took over within Deutsche Telekom the position of CFO/Senior Vice President and Head of Performance Management of the Segment Europe. In addition to this role he is the Chairman of the Board of Directors of Magyar Telekom, Member of the Board of Directors of Hellenic Telecommunications Organization, Member of the Board of Directors of T-Mobile Czech Republic, Member of the Board of Directors of Telekom Romania and Managing Director of Deutsche Telekom Europe Holding.

**Kyra Orth** *Non-executive member*

Kyra Orth studied law at the University of Augsburg and at the University of Bonn. She holds a Masters degree in Law (Second State Law Examination). She served Deutsche Telekom for 21 years as a senior human resources executive in several management positions. Before her career with Deutsche Telekom she worked for Bosch-Siemens Household Appliances (BSH) in the legal department. In January 2014 she assumed the position of Senior Vice President Top Executive Management of Deutsche Telekom AG and reports directly to the Chief Executive Officer of Deutsche Telekom. From April

2003 to December 2013 she served as Senior Vice President Group Executive Management at Deutsche Telekom AG and was a Member of the Compensation Committee of T-Mobile US, USA. In addition to her role, she is a Member of the Supervisory Board of T-Systems International GmbH and Member of the Supervisory Board of Telekom MobilitySolutions (DeTeFleetServices GmbH).

**Michael Wilkens** *Non-executive member*

Mr. Michael Wilkens holds a BA in Finance and Accounting from Hochschule Bremen and Leeds Metropolitan University. He joined Deutsche Telekom in 2001 and has since held various senior management positions in Finance, International Sales and Marketing; he worked in Germany, Austria, UK and Poland. He was appointed Senior Vice President Group Controlling (FP&A) in October 2013. Prior to his career at Deutsche Telekom, he held senior positions in finance of e-plus GmbH and debitel AG in Germany. He is a member of the Board of Directors of the French/German Joint Venture BUYIN and chairman of its finance committee, a member in PE-like governed Advisory Boards of T-Mobile Netherlands and Deutsche Telekom's Tower-Co business and a member of the Supervisory Board of Telekom Deutschland GmbH.

**Vasiliki Kouforizou** *Non-executive member*

Mrs Vasiliki Kouforizou studied Accounting and Finance at the University of Macedonia. She holds a Master degree in Business Economics with track in Finance from the University of Amsterdam.

She worked as a financial analyst in a multinational company. Since 2013 she is a public servant in the Ministry of Finance. She served as an auditor in the General Secretariat for Public Revenues. She is engaged in the analysis and processing of data concerning the design and implementation of fiscal and tax policy and the monitoring and evaluation of international developments in this field.

**Managing Director**

The Guarantor's Managing Director is Mr. Michael Tsamaz.

The Managing Director is the Guarantor's highest ranking executive. The Managing Director is one of the members of the Guarantor's Board of Directors elected by the general meeting of shareholders, serving as an executive member, being also its Chairman, and is granted such capacities by the Guarantor's Board of Directors following election by the general meeting of shareholders. The Managing Director has certain powers under the Guarantor's Articles of Incorporation and other powers delegated by the Guarantor's Board of Directors, including the authority to make proposals to the Board of Directors; to conclude contracts on behalf of the Guarantor of up to a certain value as determined by the Guarantor's Board of Directors; to represent it before courts, public authorities and third parties; and to decide certain matters pertaining to personnel and the internal organisation of the Guarantor.

**Senior Management**

The following is a list of the Guarantor's senior managers and their current areas of responsibility.

<b>Name</b>	<b>Position</b>
Michael Tsamaz	Chairman and CEO
Charalampos Mazarakis	OTE Group Chief Financial Officer
Georgios Athanasopoulos	OTE Group Chief Information Technology Officer
Irini Nikolaidi	General Counsel - OTE Group Chief Legal and Regulatory Affairs Officer
Stefanos Theocharopoulos	OTE Group Chief Technology and Operations Officer
Elena Papadopoulou	OTE Group Chief Human Resources Officer
Ioannis Konstantinidis	OTE Group Chief Strategy, Transformation and Wholesale Officer
Grigoris Christopoulos	OTE Group Chief Commercial Officer Business Segment
Athanasios Stratos	OTE Group Chief Customer Operations Officer
Panagiotis Gabrielides	OTE Group Chief Marketing Officer Consumer Segment
Deppie Tzimea	Executive Director Corporate Communications OTE Group
Konstantinos Vasilopoulos	Executive Director Internal Audit OTE Group
Aristodimos Dimitriadis	Executive Director Compliance, ERM and Insurance OTE Group
Dimitris Michalakakis	Executive Director B.U. COSMOTE TV

There are no conflicts of interest between the duties of the Directors and Senior Managers listed above to the Guarantor and their private interests or other duties and no activities performed by them outside the Issuer where these are significant with respect to the Issuer.

The business address of each of the Directors and Senior Managers listed above is 99 Kifissias Avenue, GR 151 24 Amaroussion, Athens, Greece.

### Corporate Governance

As of 1 January 2019, the Guarantor adheres to the principles of the New Greek Companies Law № 4548/2018, as well as the corporate governance rules for companies listed on a regulated market operating in Greece, as set forth in Law № 3016/2002, as in effect; Law № 3556/2007 and the relevant decisions of the Hellenic Capital Markets Commission (“HCMC”), Regulation 596/2014 of the European Parliament and of the European Council and the relevant Implementing and Delegated Regulations (as well as Law № 4443/2016 in respect of administrative measures and penal sanctions for infringements of Regulation 596/2014) and all other laws, regulations and decisions governing the Guarantor’s operation as a *société anonyme* and as a listed company. Within this framework, the Guarantor has implemented key principles of corporate governance relating to:

- the composition of its Board of Directors;
- transparency and disclosure of information; and
- the protection of shareholders’ rights.

According to Law № 3016/2002, at least one third of the Guarantor’s Directors must be non-executive and, of these, at least two must be independent. Of the ten members of the Guarantor’s current Board, two are independent, as per article 4 of Law No 3016/2002. The independence of directors of companies listed on a regulated market operating in Greece is supervised by the HCMC, which may impose sanctions for violations of applicable law.

The current compensation of the Guarantor’s Directors has been approved by the general meeting of the shareholders. A new remuneration policy will be submitted for approval to the general meeting of the shareholders in accordance with the New Greek Companies Law. The Guarantor has established a Compensation and Human Resources Committee, which is currently comprised of three Directors (Mr. Panagiotis Tabourlos, Chairman of the Committee, Mrs Kyra Orth and Mr. Srinivasan Gopalan) and is responsible for determining its human resource policies, including its remuneration and incentives policy. As required by HCMC decision № 5/204/14.11.2000 and Law № 3016/2002, as in effect, the Guarantor’s internal audit department reviews the legality of the remuneration and benefits of its directors and senior managers, within their capacity as officials of the Guarantor on an annual basis.

According to Law № 3016/2002 and HCMC decision № 5/204/14.11.2000 as in effect, companies listed on the Athens Exchange are also required to establish and operate:

- an internal audit department responsible for auditing the company’s processes and controls, including, among other things, monitoring of the continuous implementation of internal regulations and articles of incorporation, as well as laws and regulations pertaining to the Guarantor;
- an investor relations department responsible for providing information to shareholders relating to the distribution and payment of dividends, corporate actions and information concerning the general meeting of shareholders; and
- a corporate announcements department responsible for the announcement of all notices and statements pertaining to the company.

In addition, the Guarantor, as a listed company, complies with the Hellenic Corporate Governance Code (“HCGC”) (formerly the Corporate Governance Code of the Hellenic Federation of Enterprises). According to the “comply or explain” principle set forth in the HCGC, the Guarantor is required to set out any deviations from the HCGC in its Board of Directors’ annual corporate governance statement (which is part of the annual report of the Board of Directors and included in the Guarantor’s annual financial report).

The Group also applies an internal control system (“ICS”) in order to ensure proper financial reporting, the effectiveness and efficiency of operational requirements and adherence to legal requirements aimed at preventing or detecting material errors in the financial statements. The efficiency of ICS is tested and evaluated on an annual basis.

In addition, the Guarantor has developed early warning, compliance and enterprise risk management systems and has adopted Group-level standards to ensure the methodical and consistent implementation of such systems. The Guarantor’s Enterprise Risk Management (“ERM”) System is based on the COSO standard developed by the Committee of Sponsoring Organisations of the Treadway Commission, which is recognised by the U.S. Securities and

Exchange Commission and the ELOT ISO 31000 on “Risk Management—” while its main objective is to safeguard the smooth operation and the future corporate success of OTE Group. The OTE Group ERM System is certified according to the Risk Management Standard, both in Greece for OTE and Cosmote, (31000:2018), and in Romania for Telekom Romania and Telekom Romania Mobile. (31000:2009). The OTE Group ERM System comprises processes for the early identification, assessment, management, communication and control of risks on a continuous basis. The Guarantor conducts risk assessments of all critical infrastructures and has taken measures to protect against the redundancy of infrastructure and to ensure business continuity. The Guarantor also monitors potential instances of fraud and ensures the implementation of fraud prevention measures.

The Guarantor's Compliance Management System (“CMS”) is aimed at ensuring the compliance of personnel with applicable legislation and internal policies. According to the Guarantor’s CMS, any incidents regarding serious infringement of the Guarantor’s policies and procedures and of applicable laws (e.g. corruption, fraud, abuse, money laundering, falsification of financial statements, non-compliance with OTE Group Code of Conduct and/or Policies, human rights issues and any misconduct which could harm the company's reputation, or any attempts to conceal the above), may be reported via the communication channels of “Tell me!” Process. All cases are handled according to a confidential procedure by a team of competent employees who have received special trainings.

The Guarantor’s CMS was reviewed by independent external auditors in 2013, which confirmed the effectiveness of the Guarantor's compliance procedures and control mechanisms regarding the avoidance of corruption in its different business units. In 2014 external auditors completed the effectiveness audit on the Guarantor's compliance management system concerning the antitrust risk area. The results of this audit confirmed that the Guarantor's CMS in cooperation with the Guarantor's legal team has implemented effective processes in order to ensure that the compliance with antitrust law is reviewed in the relevant project.

In 2017, a Compliance Management System (CMS) Certification on Anti-Corruption was obtained by the Guarantor (OTE S.A.), Cosmote S.A. and Telekom Romania Communications. The audit was conducted by an external auditor who examined whether the CMS was effectively implemented, under the guidelines outlined in the IDW Assurance Standard 980. The auditor confirmed that the CMS of the above entities were effectively implemented.

Moreover, in 2017 the Guarantor (OTE S.A.), Cosmote S.A, Telekom Romania Communications, Telekom Romania Mobile Communications obtained ISO 37001:2016 and ISO 19600:2014 certifications. The audits were performed by an external certification body, according to the requirements of the abovementioned Standards. The audits confirmed the adequacy and effective implementation of the entities’ Systems and related processes.

The Guarantor has established the OTE Group Compliance, Enterprise Risks and Corporate Governance Committee (“**GRC Committee**”), the main purpose of which is to support, control, review and monitor the implementation of the Compliance and Risk Management Systems (CMS and RMS) and issues of Corporate Governance at OTE Group level.

Members of the GRC Committee are the Executive Director Compliance, Enterprise Risk Management and Insurance OTE Group (Committee’s Chairman), the Executive Director Internal Audit OTE Group, the General Counsel - OTE Group Chief Legal and Regulatory Affairs Officer, the OTE Group Chief Human Resources Officer, the OTE Group Chief Financial Officer, the Executive Director Business Security and Continuity OTE Group, the Executive Director Corporate Communications OTE Group and the OTE Group Data Privacy Officer (DPO). The Committee’s meetings may also be attended by other members of the executive management, extraordinarily, if their presence is considered to be necessary for the discussion of the agenda items. The Committee operates in accordance with the CEO’s decision for its formation and operation.

A Compliance Committee has been established at Telekom Romania and Telekom Romania Mobile, which is aimed at ensuring the implementation of Telekom Romania Group’s compliance and risk management systems. At the end of February 2018, the Compliance Committee was renamed and a GRC (Compliance, Enterprise Risks and Corporate Governance Committee) was established in Telekom Romania and Telekom Romania Mobile and its role has been subsequently broadened. The members of the GRC Committee are the Telekom Romania Compliance Manager, the Internal Audit and Risk Management Director Romania, the Legal and Corporate Affairs Director Romania, the Chief Financial Officer Romania, the Chief Human Resources Officer Romania, the Security Manager Romania and the Corporate Communication Director Romania. The Chairman of the GRC Committee will be either the Internal Audit and Risk Management Director or the Compliance Manager, depending on the topics discussed and in relation to his/her area of competence.

Compliance cases are directly reported to the Executive Director Compliance, Enterprise Risk Management and Insurance OTE Group and to the Audit Committee.

## ***Audit Committee***

The Guarantor's Board of Directors established an Audit Committee in April 1999. The framework for the operation of the Audit Committee is provided for in Law N° 4449/2017 (article 44), in EU- Regulation No 537/2014 dated 16 April 2014, and described in the Audit Committee Regulations, as approved by the Board of Directors at its meeting held on 24 May 2004 and as subsequently amended on 16 June 2005, 20 October 2005, 5 August 2015 and 7 November 2018.

The primary purpose of the Audit Committee is to support the Guarantor's Board of Directors in the exercise of its supervisory authority and the fulfilment of its obligations towards shareholders, the investment community and third parties, particularly with respect to the financial reporting process, and specifically in connection with the following:

- the integrity of the Guarantor's financial statements;
- the adequacy of the Guarantor's internal control procedures and systems;
- the observance and adequacy of the accounting and financial reporting process;
- the function of the internal audit department;
- the evaluation of the Guarantor's statutory auditors, with particular regard to their independence, integrity, proficiency and performance; and
- the observance of the applicable legal and regulatory framework;

The Audit Committee also monitors the operation of the Guarantor's compliance function and pursuant to Law № 4449/2017 (article 44), the Audit Committee should be either an independent committee or a committee of the Board of Directors and consist of non-executive directors and members who are elected by the general meeting of the shareholders, the majority of whom should be independent, as per article 4 of Law № 3016/2002. On 19 December 2018, the Guarantor's shareholders resolved at a general meeting that the Audit Committee must consist exclusively of members of the Board of Directors of the Guarantor, whose term is the same as their term as members of the Board of Directors. The Audit Committee consists of three members, of whom two members (including the Chairman) are independent members of the Board of Directors, in accordance with Law 3016/2002, and one member is a non-executive member of the Board of Directors. To safeguard the independence of statutory auditors, a "Policy on Commissioning the Services of Auditors" is in place since 2006 following a resolution of the Board of Directors, as currently valid following its amendment in 2017.

The Guarantor's Audit Committee consists of the following members of the Board of Directors: Panagiotis Tabourlos (Chairman, Independent Non-executive board member), Panagiotis Skevofylax (Non-executive board member), and Andreas Psathas (Independent Non-executive board member).

## **Auditors**

The auditors of the Guarantor are PricewaterhouseCoopers S.A., a member of The Institute of Chartered Accountants of Greece. The registered office of PricewaterhouseCoopers S.A. is at 268, Kifisias Avenue, 15232 Halandri, Athens, Greece. PricewaterhouseCoopers S.A. have audited the Guarantor's financial statements, without qualification, in accordance with IFRS for as at and for the financial years ended 31 December 2018 and 2017.

## **Rating Agencies**

As of the date of this Base Prospectus, the long-term ratings assigned to the Guarantor are BB+ (positive) by S&P and Ba2 (stable) by Moody's. Each of S&P and Moody's is established in the European Union and is registered under the CRA Regulation. S&P and Moody's each appear on the most recently updated list of registered credit rating agencies on the ESMA website <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>.

Any rating issued by Moody's on the GMTN Programme or on any Notes issued under the GMTN Programme will be on an unsolicited basis.

## **Financial Year**

The financial year of the Guarantor is the calendar year.

## **Registered Office**

The registered office of the Guarantor is located at 99 Kifissias Avenue, 151 24, Amaroussion, Athens, Greece.

## **Employees**

### ***Group Employees***

As at 31 December 2018, the Group, including all of the Guarantor's consolidated subsidiaries in Greece and other countries, employed a total of 19,343 employees, as compared to a total of 20,386 employees as at 31 December 2017. As at 31 December 2018, the total number of employees includes 351 employees of Telekom Albania (classified as held for sale). As at 31 December 2017, Telekom Albania had 385 employees.

The total number of Group employees was revised as of 31 December 2017 in order to include fixed-term employees.

### ***Employee Insurance Funds***

The TAP-OTE fund was the principal personnel insurance fund for employees of the Guarantor and was divided into a pension segment and a health segment. Pursuant to Law N° 3655/2008, the pension fund part of TAP-OTE and certain other pension funds were merged with IKA-ETAM, the main social security fund in Greece, on 1 August 2008, with a gradual reduction of contributions from TAP-OTE to IKA from 2013 and expected to conclude in 2022. In October 2008, the health segment of TAP-OTE was incorporated into TAYTEKO.

Pursuant to Law No 4387/2016, on 1 January 2017, IKA-ETAM and the health segment of TAYTEKO were incorporated into EFKA, with a gradual reduction of pension segments contributions from 1 January 2017 until 1 January 2020. In addition, the lump-sum payment segment and the pension segment of TAYTEKO were incorporated into ETEA, which was renamed ETEAEP pursuant to Law N° 4387/2016.

### ***Early Retirement Plans***

Over the last ten years, a number of the Guarantor's employees have retired under its various early retirement plans. The effects of the Guarantor's early retirement plans and natural attrition, combined with its policies to recruit only specialised personnel, to retrain employees whose skills have become obsolete and to outsource certain activities currently undertaken by its personnel, has resulted in the number of its employees steadily decreasing over the past eight years and the associated costs being reflected in the Guarantor's financial statements for the relevant periods.

### ***Voluntary Exit Schemes***

In 2018, the Guarantor implemented voluntary exit schemes mainly aimed at employees close to their retirement age. The respective cost amounted to €37.2 million in 2018 compared to €24.2 million in 2017. Furthermore, the Guarantor's cost related to prior voluntary leave schemes amounted to €1.9 million in 2018 compared to €3.5 million in 2017. Cosmote (and its Subsidiaries), Telekom Romania and other Group Companies implemented voluntary exit schemes in 2018, at a total cost of €5.8 million, €5.8 million and €0.3 million, respectively. Amounts paid during 2018, in relation to voluntary leave schemes were €60.9 million for the Group and €50.5 million for the Guarantor compared to €65.2 million and €38.6 million, respectively in 2017.

On 14 March 2019, the Guarantor announced a new voluntary exit scheme for 2019 with an exit date of 30 April 2019. The 2019 voluntary exit scheme is comprised of two programmes: one aimed at employees close to retirement age (those eligible for retirement in 2025), and one targeting employees who wish to leave voluntarily (participants must have been hired before 2010 and be over 40 years old).

## **Unions**

A high percentage of the Guarantor's full-time employees are members of the OTE Union. The OTE Union is strong and influential, and has consistently opposed disposals of ownership interests in the Guarantor by the Hellenic Republic. In recent years, the Guarantor has experienced a number of strikes, both on a nationwide basis and in specific geographic regions.

In December 2014, the Guarantor entered into a new three-year collective labour agreement with the OTE Union, which, in general, extended the terms and conditions of the previous (for years 2011-2013 and 2014) collective labour agreements. The new collective labour agreement provided for a no dismissal policy in respect of dismissals for financial or technical reasons until 31 December 2017. In addition, the collective labour agreement maintained the reduction in the weekly working hours of full time employees from 40 hours in 2011 to 35 hours per week, as well as the average reduction in salaries by 11%, as compared to salaries in 2011. Finally pursuant to the new collective labour agreement employees of the Guarantor's subsidiaries who may resign from a subsidiary in order to be employed directly by the Guarantor, according to the strategy and the operational needs of the Guarantor will be set to new salary scales taking into account the duration of their services to the subsidiary until the date which came into force the Cabinet Act 6/2012 as valid. In this framework several employees of the Guarantor's subsidiaries "OTE plus" and OTE International Investments were hired directly from the Guarantor.

In March 2015, Cosmote entered into a new collective labour agreement with Cosmote's employees union with substantively similar terms to the collective labour agreement entered into by the OTE Union and the Guarantor.

At the end of 2017, the Guarantor signed an agreement with the OTE Union for a three month extension of the collective labour agreement for the three terms provided by the current collective labour agreement, that are 11% salary reduction, 35 hours working time per week and insurance against redundancy for financial reasons, in order to continue the negotiations.

On 22 March 2018, the Guarantor signed an agreement with the OTE Union on a new two-year collective labour agreement, valid from 1 January 2018 until 31 December 2019 regarding: (i) salary increases (compared to salaries in 2017) of 1% in 2018 and an additional 0.5% in 2019 for OTE employees hired prior to 31 December 2014 (inclusive); (ii) salary increases (compared to salaries in 2017) of 2% in 2018 and an additional 3% in 2019 for OTE employees hired from 1 January 2015 (inclusive) onwards; (iii) the provision of additional meal vouchers for employees with monthly remuneration of up to €1,300; (iv) protection from dismissals due to financial or technical reasons for OTE employees hired prior to 31 December 2014 (inclusive) for both 2018 and 2019; and (v) 35 weekly working hours for full time OTE employees hired prior to 31 December 2014 (inclusive).

In addition, on 23 March 2018, Cosmote signed an agreement with Cosmote Union for a new two-year collective labour agreement, valid from 1 January 2018 until 31 December 2019, with substantively similar terms to the agreement between the Guarantor and the OTE Union, regarding salary increases (compared to salaries in 2017), additional meal vouchers and protection from dismissals due to financial or technical reasons.

## **Legal Proceedings**

The Guarantor is party to various litigation proceedings and claims arising in the ordinary course of business. The Guarantor makes appropriate provisions in relation to litigations and claims, when it is probable that an outflow of resources will be required to settle the obligations that can be reasonably estimated. The Guarantor does not currently expect that these proceedings, individually or in the aggregate, are likely to have a material adverse effect on its results of operations and cash flows. See also Note 29 to the Guarantor's 2017 consolidated financial statements and Note 28 to the Guarantor's 2018 financial statements.

### **Siemens AG case**

Within the framework of the ongoing criminal proceedings for the Siemens case in Greece (allegations of criminal offenses in respect of the conclusion of the Framework Agreement 8002/1997 between Siemens S.A and Siemens Teleindustries S.A. (now UNIFY S.A.) for the digitalisation of the network of the Guarantor), the Five Member Athens Court of Criminal Appeals, issued its decision, according to which a former Minister of Transportation and Communication, was convicted to 5 years imprisonment for the crime of money laundering from criminal activity committed repeatedly and as a profession, *i.e.* the laundering of money obtained from passive bribery committed. The Court determined that the penalty will be bailed out and required the former minister to pay a total amount of €140,000 in 32 instalments. A former Siemens employee (a defendant in the below second case) has been convicted and sentenced to 11 years of imprisonment for bribery and money laundering. The penalty was suspended following his appeal to the Supreme Court.

Although the Guarantor was not a civil party in the appeal, the Court determined that an amount of €230,000 in the former minister's frozen bank account should be paid to the Guarantor (after the issuance of the decision of the Supreme Court).

A trial of 64 defendants, including 14 former executives or employees of the Guarantor, among others, for the crime of passive bribery and the crime of money laundering that began on 27 November 2015 before the Athens Court of Criminal Appeals is still ongoing. The Guarantor is a civil party to the proceedings.

The Guarantor has filed a claim before the Greek Courts against eleven of the former executives for damages incurred as a result of their illegal conduct.

With regard to the same matter, the Guarantor has also filed a claim before the German Courts for: (i) disclosure of information related to all alleged bribery acts committed by Siemens A.G. executives in respect of the Guarantor's executives; and (ii) for damages. The trial is ongoing.

### ***HTPC Notification***

On 24 May 2012, the HTPC notified Cosmote of a complaint by Vodafone-Panafon S.A. against Cosmote in relation to an alleged competition law violation. Vodafone claimed that there was a separate market for prepaid mobile telephony in Greece, and that Cosmote held a dominant position in this market during 2007 to 2011, which it had abused through a "margin squeeze". The HTPC invited Cosmote to submit its views on Vodafone's complaints and Cosmote filed its response on 24 August 2012. HTPC has subsequently invited Cosmote and Vodafone and Wind Hellas to attend a hearing into Vodafone's allegations, which took place on 29 January 2013. On 1 April 2014, HTPC invited Cosmote, Vodafone and Wind Hellas to a new hearing, which, after a postponement, took place on 4 June 2014. Due to a change in the composition of HTPC, HTPC invited the parties to a new repeat hearing on 17 September 2018, when it was held. The decision is pending.

In July 2016, the HTPC notified Cosmote about a complaint filed by Wind Hellas, against Cosmote and Vodafone, for alleged violations of competition law between 2012 and 2016, relating to retail prices for calls terminating to their subsidiaries in Albania, and the alleged violation of Article 26 of Law 3728/2008 in respect of intragroup transactions. Cosmote has submitted a memorandum to HTPC detailing its views and providing certain requested data in respect of the complaint. HTPC invited Cosmote, Vodafone and Wind to a hearing, which took place on 28 September 2017. After the hearing, the parties were requested to submit a written memorandum and additional information. COSMOTE submitted the requested information. Due to a change in the composition of HTPC, HTPC invited the parties to a new repeat hearing on 4 June 2018, when it was held. The decision is pending.

### ***COSMOTE ONE***

In April 2014, the HTPC summoned the Guarantor and Cosmote to a hearing following the submission of complaints by Vodafone, Wind Hellas, HOL, Forthnet and Cyta alleging violations of telecommunications law and competition law in respect of the Guarantor and Cosmote's "Cosmote monthly fee discount", which offered a discount of up to 20% off a mobile postpaid subscriber's bill to those subscribers who also subscribe to certain of the Guarantor's fixed services. In January 2015, the HTPC issued its decision on telecommunications law issues, in which it accepted the Guarantor's arguments in part and ruled that the Guarantor had violated the provisions of the telecommunications regulation and the HTPC decision on access to PSTN for residential and non-residential users, with respect to its failure to provide prior notification about the offer to the HTPC. HTPC imposed a "recommendation" on the Guarantor to abstain from such behaviour in the future. The HTPC reserved the right to re-examine any possible infringement of the law on free competition, after having collected all necessary information.

Wind Hellas, HOL, Forthnet and Vodafone appealed the HTPC decision before the Administrative Court of Appeal of Athens. The Guarantor has intervened in favour of the HTPC decision. The hearings of the appeals of Wind Hellas and Vodafone took place in November 2016 and of Forthnet in September 2017. The Court, by its decisions 1105, 1106 and 773/2017, respectively, annulled the HTPC decision and ruled that all bundles containing the Guarantor's regulated rate plans and Cosmote rate plans require prior approval by the HTPC, because the two companies, the Guarantor and Cosmote, constitute a single economic entity. All of these Court decisions have been appealed by the Guarantor before the Supreme Administrative Court of Greece ("**Council of State**") - the hearings of the first two appeals are scheduled for May and June 2019, whereas the hearing of the last one has not yet been scheduled. On 14 January 2019, HTPC held a new hearing following the decisions of the Administrative Court of Appeals, in order to impose a penalty on the Guarantor for violation of the prior notification obligation with regard to the bundled rate plans. The decision is pending.

In December 2015, the Guarantor and Cosmote were summoned to a hearing before the HTPC following complaints of the same competitors against the above offer (which was rebranded as "COSMOTE ONE"), for alleged violations of law on electronic communications and on free competition. The hearing took place on 11 January 2016 and the decision



is pending.

In October 2016 the Guarantor and Cosmote received a request for information by HTPC addressed to the “OTE Group” within the framework of an investigation for abuse of dominance by the Guarantor and Cosmote through the offering of bundled mobile and fixed products. HTPC requested information regarding the evolution of subscribers from January 2014 until June 2016 for all products bundling retail fixed access with mobile and/or TV services. The Guarantor and Cosmote provided the requested data on 19 December 2016.

#### *Altec Telecoms Telecommunications Systems S.A.*

On 31 December 2013, Altec Telecoms Telecommunication Systems S.A. (“**Altec**”) filed a claim against the Guarantor for €42.8 million, plus interest, in respect of the alleged illegal termination of provision of telecommunication services by the Guarantor, which resulted in Altec’s bankruptcy. The hearing took place on 8 November 2018 and the decision is pending.

#### *Germanos Franchisees*

The Hellenic Competition Commission (“**HCC**”), following complaints filed by four former franchisees of the Germanos Commercial Network, initiated an investigation in April 2010 (three complaints were withdrawn before the hearing, and one during the investigation). In the meantime, Germanos received a similar request for information by the HTPC based on the same complaints prior to their withdrawal. HTPC was involved in the case with the HCC by being concurrently competent with the HCC for the application of competition law in the telecommunications sector. Germanos cooperated with HCC at all stages of the investigation and submitted all requested data to HTPC. On 12 July 2013, Germanos was served with a statement of objections (the “**Statement of Objections**”) by the HCC, alleging that Germanos had violated the provisions of Competition Law (3959/2011), during the years 1990-2013. The Statement of Objections also recommended that the HCC impose a fine in accordance with the provisions of Law 3959/2011. The hearing before the HCC took place on 23 and 24 of September 2013. On 30 December 2014, the HCC decision was communicated to Germanos. The decision imposed a penalty of €10.3 million on Germanos for breaching Article 1 of Greek law 3959/2011 and Article 101 of the Treaty on the Functioning of the European Union (“**TFEU**”), in relation to the franchise system and the relating agreements of Germanos with its franchisees, for setting resale price maintenance, restricting mutual restriction of cross-supplies between the franchisees and enforcing non-competition clause excessive post-termination non-competition obligations in the period 1990 to 2012. Germanos filed an appeal before the Administrative Court of Appeal of Athens for the annulment of the HCC decision and the hearing took place on 8 October 2015. The Athens Administrative Court of Appeal partly annulled the decision of the HCC only in respect of the fine on the grounds that the fine was imposed cumulatively for all infringements and not calculated individually for each infringement. The Court directed the case to the HCC in order for the fine to be recalculated. Germanos appealed against this decision before the Council of State and the case is pending. In October 2016, Germanos was informed of a decision of the HCC imposing a fine of €10.3 million in respect of resale prices and prohibited cross-supplies between distributors and franchisees and in respect of the noncompetition clause after contract termination. Germanos has appealed against this decision.

Germanos is a party to certain lawsuits filed by former commercial partners (franchisees of the Germanos chain of stores and its agents) regarding the issues of these partnerships as well as other cases with a total claim amount of €16.6 million. The hearings of these cases have been postponed until December 2019.

In 2017, a former franchisee of the chain Germanos stores and a person related closely to him, filed lawsuits against Germanos and Cosmote for a total amount of €32.5 million. Of this total, €5 million relates to material and consequential damage for alleged breach of competition law, unconventional behaviour under commercial cooperation and tort and €27.5 million relates to non-material damage, due to alleged claims for health issues. The hearing took place on 8 February 2018 and the decision is pending.

#### *IKA-ETAM case*

In March 2010, a formal ministerial decision (the “**Ministerial Decision**”) was issued pursuant to Greek Law 3762/2009 (Voluntary Retirement Scheme) according to which the Guarantor was legally obliged to make a lump-sum payment by the last working day of September 2010. This lump-sum payment was in order to cover the alleged additional financial burden resulting from articles 2 and 4 of the Collective Labor Agreement signed on 20 July 2005 for the Guarantor’s Voluntary Retirement Scheme, and incurred by the pension segment of IKA-ETAM (formerly the principal pension and health insurance fund for the Guarantor’s employees), the auxiliary insurance segment for the Guarantor’s personnel of TAYTEKO (a healthcare fund for the employees of utility companies) and the medical segment of TAYTEKO. The Ministerial Decision specified that the amount of this alleged additional financial burden would be determined by an actuarial study to be performed by the Directorate of Actuarial Studies of the General Secretariat for Social Security, in conjunction with the Directorate of Actuarial Studies and Statistics of IKA-ETAM, and to be completed by 31 August 2010.

The costs incurred by the pension segment of IKA-ETAM, the auxiliary insurance segment for the Guarantor's personnel of TAYTEKO and the medical segment of TAYTEKO in relation to the Voluntary Retirement Scheme are prescribed by article 74 of Greek Law 3371/2005 and article 34 of Greek Law 3762/2009. The Guarantor has fulfilled and continues to fulfil in their entirety, all the financial obligations it has towards all security funds, paying all contributions as they are due, both in the normal course of business as well as any contributions related to the company's voluntary retirement plans, strictly in accordance the applicable laws, rules and regulations. Accordingly, the Guarantor disputes any additional burden beyond the provisions of the relevant articles and its corresponding obligation to cover such costs. The Guarantor filed an appeal before the Athens Administrative Court of First Instance on 11 May 2010 requesting the annulment of article 3 of the Ministerial Decision on the grounds that it is in contravention of article 34 of Greek Law 3762/2009.

On 15 May 2010, the Guarantor filed a petition requesting the suspension of enforcement of article 3 of the Ministerial Decision, the hearing of which was held on 8 June 2010. The Guarantor's request was rejected by Decision № 3860 dated 16 September 2010.

In a letter dated 21 January 2011, the Ministry of Labour and Social Security notified the Guarantor of the completion of the actuarial studies, pursuant to article 3 of the Ministerial Decision, which quantified the additional financial burden relating to the Guarantor's Voluntary Leave Scheme pursuant to the provisions of Greek Law 3371/2005. The additional financial burden determined in accordance with these actuarial studies amounted to €129.8 million. By a further letter dated 21 October 2011, the Ministry of Labour and Social Security also notified the Guarantor of the completion of the additional actuarial studies based on Greek Law 3762/2009, which specified an additional financial burden of €3.7 million.

The Guarantor is still considering whether or not to exercise its right to file a new petition requesting the suspension of the enforcement of article 3 of the Ministerial Decision, which it will be entitled to do once it has received a payment demand from the pension funds. At this stage, no reliable estimate can be made as to whether the suspension (fully or partially) will be granted or not.

Although no payment demand has yet been received by the Guarantor, in light of the fact that the announcement of the results of the actuarial studies has eliminated the uncertainty regarding the amount of the obligation, and because it remains uncertain as to whether or not any subsequent appeal would be successful, a provision of €129.8 million was recorded in the 2010 financial statements, while a provision of €3.7 million was recorded in the 2011 financial statements. The Guarantor is yet to receive a payment demand for the sums.

The Athens Administrative Court of First Instance declared itself incompetent and referred the case to the Council of State. On 13 November 2017, the Council of State decided to return the case to the Athens Administrative Court of First Instance. The hearing took place on 4 October 2018 and the Guarantor's request for the annulment of article 3 of the Ministerial Decision was accepted by Decision № 3552/2019.

#### ***Telenor claim against Cosmote and Germanos***

In July 2013, Cosmote and Germanos, following an international tender, sold and transferred the total shares they owned in their subsidiaries Globul and GTB to a Norwegian company under the name Telenor Mobile Communications A.S. ("Telenor"). Based on agreed indemnities and warranties at the time of the sale, Cosmote paid an amount of €4.8 million to Telenor as part of a settlement agreement on 30 August 2016. Telenor, reserves the right to claim additional amounts, depending on the outcome of pending legal and tax cases.

#### ***Fines of the HTPC against OTE SA***

The Guarantor is subject to a number of regulatory fines by the HTPC from time to time, the outstanding amount of which has been reduced through appeal from €45.9 million to €24.6 million. In light of the fact that appropriate provisions have also been established where necessary, it is not expected that these fines will result in any material liability to the Guarantor.

#### ***Repeat claim by Flt Hellas Metaforikh S.A.***

Flt Hellas Metaforikh S.A. filed a lawsuit against OTE before the Multimember Court of First Instance claiming an amount of €12.4 million plus interest for alleged damages caused by OTE from breach of contract and reputational damage. The Court rejected the claim. Flt Hellas Metaforikh S.A. appealed against that decision. The case was heard on 28 September 2017 and a decision was issued, which dismissed the lawsuit as indeterminate. On 18 October 2018, Flt Hellas Metaforikh S.A. filed a new lawsuit with the same demands. On 23 January 2019, both parties filed their writs at the Court. The hearing is pending.

### ***Mobal Albania sh.p.k.'s Claim against Telekom Albania***

Mobal Albania sh.p.k., a commercial partner of Telekom Albania, has brought a claim for €9.6 million against Telekom Albania alleging unilateral termination by Telekom Albania of the master agency agreement, of which they were each a party to. The case is ongoing before the Tirana District Court.

### **Regulation**

#### ***Telecommunications Services Regulation in Greece***

Pursuant to EU and Greek law, since 1 January 2001, the Greek telecommunications market has been open to competition. The Guarantor is now operating within a competitive environment and is subject to the requirements of the telecommunications regulation and the supervision of the HTPC.

The Greek telecommunications market operates in accordance with EU regulations and under the framework of the World Trade Organisation pursuant to the General Agreement on Trade in Services. The global regulatory environment for telecommunications, including the regulatory framework in Greece, has been evolving rapidly in recent years and is expected to continue to evolve in the future.

On 27 October 2015, the Telecoms Single Market Regulation was adopted by the EU Parliament and the European Council, containing, among others, provisions on open internet access (introducing significant obligations of net neutrality on telecoms operators) and international roaming. The regulation provides for an initial reduction of roaming rates as of 30 April 2016 to the level of national rates plus a strictly limited surcharge. From 15 June 2017, surcharges for roaming services within the EU will then be eliminated entirely (Roam like at Home), unless permitted under a still to be specified fair usage policy. See *“Risk Factors—Risks Relating to the Guarantor—The regulatory environment for telecommunications services remains complex and subject to change and interpretation, and the Guarantor’s compliance with the regulations to which it is or may become subject may require it to expend substantial resources and may have a significant impact on its business decisions”*.

In December 2018, the Directive establishing the EECC and BEREC Regulation was formally adopted, signalling the completion of the EU electronic communications’ framework review. Member States have two years to incorporate it into national law. In addition, new provisions on intra-EU calls will apply from 15 May 2019, with calls between any EU countries costing users a maximum of €0.19 per minute and intra-EU SMS capped at €0.06 per message.

#### ***Competition Authority of Albania***

On 12 December 2005, the Competition Authority of Albania (the “CAA”) imposed a fine of approximately €1.4 million on Telekom Albania (1% of the company’s turnover for 2004) on the grounds of allegedly delaying in responding to a request for information and provision of documents. The Albanian administrative appeal court has accepted Telekom Albania’s claim and has annulled the penalty imposed by the Authority towards Telekom Albania. The CAA has submitted a recourse in front of the Albanian Supreme Court.

On 9 November 2007, the CAA imposed a fine of approximately €1.7 million on Telekom Albania for an alleged breach of competition legislation during the period 2004 to 2005. Telekom Albania appealed this decision to the Albanian administrative court of appeals, which on 12 April 2010 upheld the CAA’s decision. Telekom Albania further appealed to the Albanian Supreme Court and issued a bank guarantee for the suspension of the decision’s execution. On 15 July 2014, the Albanian Supreme Court ruled to return the case to the Albanian administrative appeal court for re-examination, due to procedural irregularities and the release of the bank guarantee. On 5 December 2017, the Albanian Administrative Court of Appeals ordered a factual investigation, in order to define all the statistical arguments. On 22 May 2018, the Albanian administrative court of appeals rejected Telekom Albania’s claim and Telekom Albania proceeded to pay the fine. Telekom Albania has appealed to the High Court of Tirana.

#### ***Competition Council of Romania***

In March 2011, the Competition Council opened another investigation against the four mobile operators in Romania, including Telekom Romania Mobile. The Competition Council is investigating whether the mobile operators abused their dominant positions on the market of mobile call termination services in each individual network of these mobile operators by charging different tariffs for on-net and off-net calls. The Competition Council has indicated that it is seeking to obtain commitments from the mobile operators in order to close the investigation. Accordingly, Telekom Romania Mobile submitted its proposed commitments to the Competition Council in March 2014. The proposed commitments were accepted in principle by the Competition Council in July 2014. However, in October 2014 the Competition Council informed Telekom Romania Mobile that it had rejected the commitment proposal following the consultation with the European Commission and invited Telekom Romania Mobile to express its availability for the

initiation of a new commitments procedure. On 24 October 2014 Telekom Romania Mobile submitted a new commitment proposal to the Competition Council. Since 25 November 2015, pursuant to the commitment proposal submitted to the Competition Council, Telekom Romania Mobile has undertaken not to differentiate between the tariff level provided for call termination services provided on the wholesale market to other operators and the tariff level provided to its own business in order to perform calls within the network (“**on-net**”) on the retail market with a monitoring period of 2 years. Telekom Romania Mobile has appointed KPMG as the independent consultant to perform the market study in relation to the implementation of such commitments and their effects on the market.

Following the presentation of the market study to the Competition Council at the end of the first year of monitoring, the Competition Council decided not to prolong the duration and monitoring procedure of the Commitment for another year and therefore the Commitment ended on 25 November 2017, as the Competition Council was satisfied with the findings related to the first year of monitoring. Should the Competition Council determine that Telekom Romania Mobile has implemented anticompetitive practices during the second year of monitoring period, it may reopen its investigation and apply fines ranging from 0.5% to 10% of Telekom Romania Mobile's turnover for the financial year prior to its sanctioning

## **Material Contracts**

### *EBRD Loan, BSTDB Loan and EIB Loan*

On 12 September 2016, the Guarantor entered into a €339 million syndicated facility with the EBRD and a parallel bilateral loan of €50 million with BSTDB, in order to provide additional liquidity to strategic investments in Greece and to enhance the development of the NextGNs.

On 10 July 2017, Cosmote signed a €150 million bilateral term loan with EIB and a €150 million syndicated facility arranged by EBRD, both guaranteed by the Guarantor. The EBRD syndicated facility (structured as an A/B loan) has a maximum tenor of 3.5 years with semi-annual repayment schedule. The A Loan and B Loan bear floating interest rate with a margin over Euribor of 2.95% per annum and 2.90% per annum, respectively. On 3 October 2017, Cosmote proceeded with the drawdown of the full amount under the €150 million EBRD Loan. On 23 January 2018, Cosmote proceeded with the drawdown of the full amount under the €150 million bilateral term loan with EIB. The EIB loan has a tenor of 7 years, will be repaid via equal semi-annual instalments and the interest rate was set at 2.805% per annum. On 14 January 2019, Cosmote repaid principal of €23.0 million, together with accrued interest under the EBRD Loan. On 23 January 2019, Cosmote repaid principal of €11.5 million, together with accrued interest under the EIB Loan (as at the date of this Base Prospectus, €138.5 million is outstanding). On 15 March 2019, the Guarantor repaid principal of €56.5 million and of €8.3 million, together with accrued interest, under the EBRD Loan and the BSTDB Loan, respectively (as at the date of this Base Prospectus, €56.5 million and €8.3 million, respectively, is outstanding).

All the above bank loans include a change of control clause applicable to the Guarantor which is triggered if an entity other than (i) Deutsche Telekom AG, (ii) Deutsche Telekom AG together with the Hellenic Republic, any of its agencies or instrumentalities or any entity directly or indirectly controlled by the Hellenic Republic or any of its agencies or instrumentalities, or (iii) any telecommunications operator (other than Deutsche Telekom AG) with credit rating equivalent or better than the credit rating of Deutsche Telekom AG, gains the power to direct the management and policies of the Guarantor, whether through the ownership of voting capital, by contract or otherwise. In the event that the clause is triggered, the banks may at their option, by notice to the Guarantor or Cosmote, require the prepayment of the whole or any portion of the loans.

In addition, both Cosmote's bank loans include a change of control applicable to Cosmote which is triggered if the Guarantor ceases to control Cosmote.

All the above bank loans include two financial covenants tested on a semi-annual basis at Group level, namely: (i) the ratio of consolidated operating profit before financial and investing activities, depreciation, amortisation and impairment and costs related to voluntary leave schemes (“**consolidated pro-forma EBITDA**”) to consolidated net interest expense should exceed 4.5:1 at all times, and (ii) the ratio of consolidated net debt to consolidated pro-forma EBITDA should not exceed 2.5:1 at all times.

The above covenants apply also at Cosmote level for its bank loans.

### *Bond Issues and Repayment*

On 7 February 2013, the Issuer issued its €700 million, Fixed Rate Notes due 7 February 2018 under the Programme with an annual coupon of 7.875%, paid semi-annually. In 2015, 2016 and 2017, the Issuer repurchased an aggregate principal amount of €109.7 million of these Notes. As a result of these buybacks as at 31 December 2017, the outstanding aggregate principal amount was €590.3 million.

On 7 February 2018, the Issuer fully repaid its €590.3 million Fixed Rate Notes due February 2018 under the Programme, together with €23.2 million accrued interest.

On 10 July 2014, the Issuer issued its €700 million Fixed Rate Notes due July 2020 under the Programme, which bear interest at a rate of 3.5% *per annum*.

On 2 December 2015, the Issuer issued its €350 million Fixed Rate Notes due December 2019 under the Programme, which bear interest at a rate of 4.375% *per annum*.

On 18 July 2018, the Issuer issued its €400 million Fixed Rate Notes due 2022 under the Programme, which bear interest at a rate of 2.375% *per annum*.

### ***Shareholder Remuneration Policy***

On 18 January 2018, the Board of Directors approved a policy (the “**Remuneration Policy**”), pursuant to which the Guarantor intends to distribute to its shareholders, through a combination of dividends (comprising approximately 65% of the distributions) and share buyback programmes (comprising approximately 35% of the distributions), the free cash flow generated each year, after taking into account spectrum acquisitions and one-off items.

The implementation of the Remuneration Policy in 2018, took into account the free cash flow projections for 2018, as the basis for calculating the aggregate shareholder distribution. The Remuneration Policy will be applied in the same manner in subsequent years, *i.e.* the basis for calculating total shareholders’ remuneration in 2019 will take into account the projections of free cash flow for 2019.

On 15 February 2018, the general meeting of the shareholders approved a share buyback of up to 10% of the Guarantor’s total paid up share capital over a 24 month period, pursuant to the Remuneration Policy. In 2018, 8,890,960 shares were acquired under this authorisation. In addition to the shares acquired during 2018, the Guarantor had repurchased 1,320,110 registered common shares prior to the commencement of the Remuneration Policy and these were held as treasury shares. On 19 December 2018, the Guarantor’s shareholders approved the cancellation of the total 10,211,070 registered common shares. On 5 February 2019, following the completion of publicity formalities and notification to the Corporate Actions Committee of the Athens Exchange, the shares were cancelled and delisted from the Athens Exchange on 19 February 2019.

Based on the current projection of free cash flow for 2019, the estimated aggregate shareholder remuneration (after incorporating payments in respect of the spectrum acquisition and one-off items) is expected to reach €350.0 million. The Board of Directors of the Guarantor is expected to propose at the annual general assembly of the shareholders a distribution of €220.8 million (or €0.46 per share). The Guarantor intends to allocate the balance of the free cash flow it expects to generate in 2019 to ordinary dividends and share buybacks. The estimated amount of the share repurchase programme will range within 5% of the targeted amount of €129.2 million.

## TAXATION

*The following is a general description of certain Greek, Luxembourg, UK and EU tax considerations relating to the Notes. It does not purport to be a complete analysis of all tax considerations relating to the Notes whether in those countries or elsewhere. Prospective purchasers of Notes should consult their tax advisers as to the consequences of a purchase of Notes, including but not limited to the consequences of receipt of interest and of a sale or redemption of the Notes. This summary is based upon the law in effect on the date of this Base Prospectus and is subject to any change in law that may take effect after such date.*

### **The Hellenic Republic**

The following is a summary of certain material Greek tax consequences of the purchase, 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 purchasers, some of which may be subject to special rules. Further, it is not intended as tax advice to any particular purchaser 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 purchaser in view of such purchaser's particular circumstances.

The summary is based on the Greek tax laws in force on the date of this 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. Further, non-Greek tax residents may have to submit a declaration of non-residence or produce documentation evidencing non-residence in order to claim any exemption under applicable tax laws of Greece.

Prospective holders of the Notes are advised to consult their own tax advisers as to the laws of Greece and other tax consequences of the purchase, ownership and disposal of the Notes.

### ***Payment of principal under the Notes and the Guarantee***

No Greek income tax will be imposed on payments of principal to any Noteholders in respect of Notes:

### ***Payments of interest under the Notes***

Payments of interest on the Notes issued by the Issuer and held by:

- (a) Noteholders who neither reside nor maintain a permanent establishment in Greece for Greek tax law purposes (the “**Non-Resident Noteholders**”) will not be subject to Greek income tax, provided that such payments are made outside of Greece by a paying or other similar agent who neither resides nor maintains a permanent establishment in Greece for Greek tax law purposes; and
- (b) Noteholders who either reside or maintain a permanent establishment in Greece for Greek tax law purposes (the “**Resident Noteholders**”) will be subject to Greek withholding income tax currently at a flat rate of 15%, if such payments are made directly to Resident Noteholders by a paying or other similar agent who either resides or maintains a permanent establishment in Greece for Greek tax law purposes. The interest payments will be taxed via the annual income tax return of the Resident Noteholders. The 15% tax will, as a rule, exhaust the tax liability of Resident Noteholders who are natural persons (individuals), while it will not for other types of Resident Noteholders.

### ***Payments of interest under the Guarantee***

Payments of interest by the Guarantor under the Guarantee made to:

- (a) Resident Noteholders shall have the same tax treatment as payment of interest on the Notes described above; and
- (b) Non-Resident Noteholders will be subject to Greek withholding income tax currently at a flat rate of 15%, subject to the provisions of any applicable tax treaty for the avoidance of double taxation of income and the prevention of tax evasion entered into between Greece and the jurisdiction in which a Non-Resident Noteholder is a tax resident.

## ***Disposal of Notes—Capital Gains***

Generally, taxable capital gain equals to the positive difference between the consideration received from the disposal of Notes and the acquisition price of the same Notes. For these purposes, expenses directly linked to the acquisition or sale of the Notes are included in the acquisition or sale price and are not added to or deducted from such price.

Capital gains resulting from the transfer of Notes issued by the Issuer and earned by Resident Noteholders or Non-Resident Noteholders will not be subject to Greek income tax (on grounds of equal treatment with corporate bonds issued by Greek entities).

## **Luxembourg**

*The following is a general description of certain Luxembourg tax considerations relating to the Notes. It specifically contains information on taxes on the income from the Notes withheld at source and provides an indication as to whether the Issuer assumes responsibility for the withholding of taxes at the source. It 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 and does not purport to be a complete analysis of all tax considerations relating to the Notes, whether in Luxembourg or elsewhere. Prospective purchasers of the Notes should consult their own tax advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing of the Notes, payments of interest, principal and/or other amounts under the Notes and the consequences of such actions under the tax laws of Luxembourg. The information contained within this section is limited to withholding taxation issues, and prospective investors should not apply any information set out below to other areas, including (but not limited to) the legality of transactions involving the Notes.*

*Please be aware that the residence concept used under the respective headings below applies for Luxembourg income tax assessment purposes 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**

All payments of interest and principal by the Luxembourg paying agent under the Notes can be made free and clear of any withholding or deduction for or on account of any taxes of whatsoever nature imposed, levied, withheld, or assessed by Luxembourg or any political subdivision or taxing authority thereof or therein, in accordance with the general Luxembourg tax laws currently in force, subject, however, to the Relibi Law (as defined below).

The Luxembourg law of 23 December 2005, as amended, (the “**Relibi Law**”) has introduced a 20% withholding tax on 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.

The withholding tax of 20% as described above is final when Luxembourg resident individuals are acting in the context of the management of their private wealth.

Responsibility for the withholding of tax in application of the Relibi Law is assumed by the Luxembourg paying agent within the meaning of the Relibi Law.

## **The United Kingdom**

The following is a summary of the United Kingdom withholding taxation treatment as at the date hereof in relation to payments of interest in respect of the Notes and payments under the terms of the Guarantee and the Deed of Covenant. It is based on current law and the published practice of Her Majesty's Revenue & Customs (“**HMRC**”), which may be subject to change, sometimes with retrospective effect. The comments do not deal with other United Kingdom tax aspects of acquiring, holding or disposing of Notes. The comments relate only to the position of persons who are absolute beneficial owners of the Notes. Prospective Noteholders should be aware that the particular terms of issue of any series of Notes as specified in the relevant Final Terms may affect the tax treatment of that and other series of Notes. The following is a general guide for information purposes and should be treated with appropriate caution. Noteholders who are in any doubt as to their tax position should consult their professional advisers.

Noteholders who may be liable to taxation in jurisdictions other than the United Kingdom in respect of their acquisition, holding or disposal of the Notes are particularly advised to consult their professional advisers as to whether they are so liable (and if so under the laws of which jurisdictions), since the following comments relate only to certain United Kingdom taxation aspects of payments in respect of the Notes. In particular, Noteholders should be aware that they may be liable to taxation under the laws of other jurisdictions in relation to payments in respect of the Notes even if such payments may be made without withholding or deduction for or on account of taxation under the laws of the United

Kingdom. The comments assume that no security will be provided for the benefit of the Notes as contemplated by Condition 6 (*Negative Pledge*) or otherwise.

### ***UK Withholding Tax on UK Source Interest***

#### *Payments of interest by the Issuer*

Payments of interest on the Notes may be made without deduction of or withholding on account of United Kingdom income tax provided that the Notes continue to be listed on a “recognised stock exchange” within the meaning of section 1005 of the Income Tax Act 2007 and therefore constitute “quoted Eurobonds” for the purposes of section 987 of that Act.

Securities will be “listed on a recognised stock exchange” for this purpose if they are admitted to trading on an exchange designated as a recognised stock exchange by an order made by the Commissioners for HMRC and either they are included in the United Kingdom official list (within the meaning of Part 6 of the Financial Services and Markets Act 2000) or they are officially listed, in accordance with provisions corresponding to those generally applicable in European Economic Area states, in a country outside the United Kingdom in which there is a recognised stock exchange.

The Luxembourg Stock Exchange is a recognised stock exchange. The Issuer’s understanding of current HMRC practice is that securities which are officially listed and admitted to trading on the Main Market of that Exchange may be regarded as “listed on a recognised stock exchange” for these purposes. Whilst the Notes are and continue to be so listed on a recognised stock exchange, payments of interest on the Notes may be made without withholding or deduction for or on account of United Kingdom income tax.

Payments of interest on Notes may be made without deduction or withholding on account of United Kingdom tax where the maturity of the Notes is less than 365 days and those Notes do not form part of the scheme or arrangement of borrowing intended to be capable of remaining outstanding for more than 364 days. Withholding tax will not be applicable to any Zero Coupon Notes, irrespective of their maturity.

In other cases, interest on the Notes which has a UK source may fall to be paid under deduction of United Kingdom income tax at the basic rate (currently 20%) subject to such relief as may be available following a direction from HMRC under the provisions of any applicable double taxation treaty, or to any other exemption which may apply.

#### *Payments by the Guarantor*

The United Kingdom withholding tax treatment of payments by the Guarantor under the terms of the Guarantee which have a United Kingdom source is uncertain. If the Guarantor makes any payments in respect of interest on the Notes (or other amounts due under such Notes other than the repayment of amounts subscribed for the Notes) such payments may be subject to United Kingdom withholding tax at the basic rate (currently 20%), subject to such relief as may be available under the provisions of any applicable double taxation treaty or to any other exemption which may apply. Such payments by the Guarantor may not be eligible for the exemptions described above.

#### *Payments made under Deed of Covenant*

Any payments made by the Issuer under the Deed of Covenant in respect of interest may not qualify for the exemptions from UK withholding tax described above.

### ***Other Rules Relating to United Kingdom Withholding Tax***

Notes may be issued at an issue price of less than 100% of their principal amount. Any discount element on any such Notes should not generally be subject to any United Kingdom withholding tax.

Where Notes are to be, or may fall to be, redeemed at a premium, as opposed to being issued at a discount, then any such element of premium may constitute a payment of interest if it constitutes yearly interest for UK tax purposes. Payments of interest are subject to United Kingdom withholding tax as outlined and subject to the exemptions described above.

Where interest has been paid under deduction of United Kingdom income tax, Noteholders who are not resident in the United Kingdom may be able to recover all or part of the tax deducted if there is an appropriate provision in any applicable double taxation treaty.



The references to “*interest*” above mean “*interest*” as understood in United Kingdom tax law. The statements above do not take any account of any different definitions of “*interest*” or “*principal*” which may prevail under any other law or which may be created by the terms and conditions of the Notes or any related documentation.

The above description of the United Kingdom withholding tax position assumes that there will be no substitution of the Issuer pursuant to Condition 21 (*Substitution*) of the Notes or otherwise and does not consider the tax consequences of any such substitution.

### **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**”). However, Estonia has since said it will not participate.

The Commission’s Proposal has a very broad scope and could, if introduced, apply to certain dealings in Notes (including secondary market transactions) in certain circumstances.

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 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: (i) by transacting with a person established in a participating Member State; or (ii) where the financial instrument which is subject to the dealings is issued in a participating Member State. Primary market transactions referred to in Article 5(c) of Regulation (EC) No 1287/2006 are expected to be exempt.

However, the FTT proposal remains subject to negotiation between participating Member States. It may therefore be altered prior to implementation. The timing of implementation remains unclear and it may be that the FTT will not ultimately be implemented. 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.

### **FATCA**

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a “foreign financial institution” 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. A number of jurisdictions (including the United Kingdom) 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 the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the 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 the Notes, under proposed U.S. Treasury regulations, which state that taxpayers may rely on until final regulations are issued, such withholding has been deferred and will not apply to payments made before the date that is two years after the date on which applicable final regulations defining foreign passthru payments are published and Notes 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. To date, no such regulations have been issued. However, if additional notes 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 advisors regarding how these rules may apply to their investment in the Notes. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes, no person will be required to pay additional amounts as a result of the withholding.

## SUBSCRIPTION AND SALE

Notes may be issued from time to time by the Issuer to any one or more of Alpha Bank A.E., BNP Paribas, BofA Securities Europe SA, Citigroup Global Markets Limited, Credit Suisse Securities (Europe) Limited, Deutsche Bank AG, London Branch, Eurobank Ergasias S.A., Goldman Sachs International, HSBC Bank plc, Merrill Lynch International, Morgan Stanley & Co. International plc, National Bank of Greece S.A. and Piraeus Bank S.A. (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 an amended and restated Dealership Agreement dated 10 April 2019 (the “Dealership Agreement”) among the Issuer, the Guarantor 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 such subscription. The Dealership 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 of America:** Regulation S Category 2; TEFRA D or TEFRA C as specified in the relevant Final Terms or neither if TEFRA is specified as not applicable in the relevant Final Terms.

The Notes have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States 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 the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S.

The Notes 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 a United States person, 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 Treasury regulations promulgated thereunder.

Each Dealer has agreed that, except as permitted by the Dealership Agreement, it will not offer, sell or deliver Notes of any Tranche (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 and the completion of the distribution of the Notes comprising the such Tranche, as certified to the Fiscal Agent or the Issuer by such Dealer (or, in the case of a sale of a Tranche of Notes to or through more than one Dealer, by each of such Dealers as to the 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), within the United States or to, or for the account or benefit of, U.S. persons (other than Notes sold pursuant to Rule 144A), and such Dealer will have sent to each dealer to which it sells Notes during the distribution compliance period relating thereto a confirmation or other notice setting forth the restrictions on offers and sales of the 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 Notes comprising any Tranche, any offer or sale of Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer is made otherwise than in accordance with Rule 144A.

The Dealership Agreement provides that each relevant Dealer may directly or through its respective affiliates arrange for the placing of Notes in the United States to qualified institutional buyers pursuant to 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 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 the 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 Directive 2002/92/EC (as amended or superseded, the “**Insurance Mediation Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or

(iii) not a qualified investor as defined in Directive 2003/71/EC (as amended or superseded, the “**Prospectus Directive**”); and

(b) the expression an “**offer**” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes.

If the Final Terms in respect of any Notes specifies “Prohibition of Sales to EEA Retail Investors” as “Not Applicable”, in relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a “**Relevant Member State**”), each Dealer has represented and agreed that, with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the “**Relevant Implementation Date**”), it has not made and will not make an offer of Notes which are the subject of the offering contemplated by the Base Prospectus as completed by the Final Terms in relation thereto to the public in that Relevant Member State, except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Notes to the public in that Relevant Member State:

- (a) *Qualified investors*: at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (b) *Fewer than 150 offerees*: at any time to fewer than 150 natural or legal persons (other than qualified investors, as defined in the Prospectus Directive), subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (c) *Other exempt offers*: at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes referred to in (a) to (c) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive, or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an “**offer of Notes to the public**” in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression “**Prospectus Directive**” means Directive 2003/71/EC (as amended or superseded), and includes any relevant implementing measure in the Relevant Member State.

## **United Kingdom**

Each Dealer has represented and agreed that:

- (a) *No deposit-taking*: in relation to any Notes having a maturity of less than one year:
  - (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business; and
  - (ii) it has not offered or sold and will not offer or sell any Notes other than to persons:
    - (A) whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses; or
    - (B) who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses,

where the issue of the Notes would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer;

- (b) *Financial promotion*: it has only communicated or caused to be communicated and will only communicate or cause to be communicated any 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 does not apply to the Issuer or the Guarantor; and
- (c) *General compliance*: 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.

## Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Law No 25 of 1948, as amended) (the “FIEA”) and, accordingly, each Dealer has represented and agreed that it will not offer or sell any Notes directly or indirectly, in Japan or to, or for the benefit of, any Japanese Person (as defined under Article 6, Paragraph 1, Item 5 of the Foreign Exchange and Foreign Trade Control Law (Law 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 any Japanese Person 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.

Each Dealer has agreed to provide any necessary information on the Yen denominated Notes to the Issuer (which shall not include the names of clients) so that the Issuer may (through its designated agent) make any required reports to the Ministry of Finance of Japan.

## 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 and agreed, and each further Dealer appointed under the Programme will be required to represent 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 the 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 persons 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;
- (b) where no consideration is or will be given for the transfer;
- (c) where the transfer is by operation of law;
- (d) as specified in Section 276(7) of the SFA; or
- (e) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

**Notification under Section 309B of the SFA and 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).

## **General**

Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that (to the best of its knowledge and belief) it has complied and will 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 the Base Prospectus and has obtained 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 neither the Issuer nor the Guarantor and any other Dealer shall have any responsibility therefor.

Without prejudice to the obligations of the Dealers set out above, neither the Issuer nor the Guarantor nor any of the Dealers represents or agrees 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.

With regard to each Tranche, the relevant Dealer will be required to comply with such other additional restrictions as the Issuer and the relevant Dealer shall agree and as shall be set out in the applicable Final Terms or the Syndication Agreement or, as the case may be, the Subscription Agreement.

## GENERAL INFORMATION

### Registered Office

The Issuer's registered office is located at % Wilmington Trust SP Services (London) Limited, 3<sup>rd</sup> Floor, 1 King's Arms Yard, London EC2R 7AF. The Issuer's registration number is 03896324.

The Guarantor's registered office is located at 99 Kifissias Avenue, GR 151 24 Amaroussion, Athens, Greece. The Guarantor's registration number is 1037501000.

### Listing and Trading

Application has been made to the Luxembourg Stock Exchange for Notes issued under the Programme to be admitted to listing on the official list and to trading on the Luxembourg Stock Exchange's regulated market. However, Notes may be issued under the Programme which will not be admitted to trading on the Luxembourg Stock Exchange or any other stock exchange, and the Final Terms applicable to the Notes in a Tranche will specify whether or not Notes in such Tranche will be admitted to trading on the Luxembourg Stock Exchange or any other stock exchange.

### Authorisations

The establishment of the Programme was authorised by a resolution of the Board of Directors of the Issuer passed on 7 September 2001 and the update of the Programme was authorised by a resolution of the Board of Directors of the Issuer passed on 18 March 2019. The giving of the guarantee contained in the Deed of Guarantee was authorised by the latest resolution of the Guarantor passed on 21 June 2007. The Guarantor's signatories for the update of the Programme were duly authorised by resolution № 3056 of the Board of Directors of the Guarantor on 21 February 2018 and the powers of attorney dated 10 April 2019 granted by the OTE Group Chief Financial Officer and the Executive Director Treasury OTE Group. The increase in the Programme Amount from €5,000,000,000 to €6,500,000,000 was authorised by the resolutions of the Issuer on 27 June 2007 and the Guarantor on 21 June 2007. Each of the Issuer and the Guarantor 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 and the giving of the guarantee relating to them.

The Issuer and the Guarantor have given all notices and obtained all necessary consents, approvals, registrations, authorisations or other orders of regulatory authorities required under the laws and regulations of the United Kingdom and Greece, respectively, in connection with the establishment and update of the Programme. Any additional notices, consents, approvals and registrations, authorisations or other orders of regulatory authorities required in either the United Kingdom or Greece in connection with the issuance and Sale of Notes in a Series which are required to be obtained prior to the Issue Date of the Notes will be obtained prior to such Issue Date.

### Clearing of the Notes

The Notes have been accepted for clearance through DTC, Euroclear and Clearstream, Luxembourg. The appropriate common code and the International Securities Identification Number and/or Committee on Uniform Security Identification Procedures Number, Financial Instrument Short Name ("FISN") and Classification of Financial Instruments ("CFI") code (as applicable) in relation to the Notes of each Tranche will be specified in the Final Terms relating thereto. The relevant Final Terms shall specify any other clearing system as shall have accepted the relevant Notes for clearance together with any further appropriate information.

The address of Euroclear is 1 Boulevard Du Roi Albert II, 1210 Brussels, Belgium; and the address of Clearstream, Luxembourg is 42 Avenue J. F. Kennedy, 1855 Luxembourg. The address of DTC is 55 Water Street, New York, New York 10041, United States of America.

### Legal Entity Identifier

The Legal Entity Identifier ("LEI") of the Issuer is 213800YSQ5M2ELXX5A25.

### Use of proceeds

The net proceeds of the issue of each Tranche of Notes will be applied by the Issuer to meet part of its general financing requirements and/or the financing requirements of the members of the Guarantor's group.

## **Litigation**

Save as disclosed on pages 106 to 110 in the section entitled “*Description of the Guarantor—Legal Proceedings*” and on pages 110 to 111 in the sections entitled “*Description of the Guarantor—Regulation—Competition Authority of Albania*” and “*Description of the Guarantor—Regulation—Competition Council of Romania*”, neither the Issuer, the Guarantor, nor any of their subsidiaries is or has been involved in any governmental, legal or arbitration proceedings (including any proceedings which are pending or threatened of which the Guarantor or Issuer is aware) which may have or have had in the 12 months preceding the date of this document a significant effect on the financial position or profitability of the Issuer, the Guarantor and its subsidiaries.

## **Significant or Material Change**

There has been no significant change in (i) the financial or trading position of the Issuer or (ii) the financial or trading position of the Guarantor and its subsidiaries, as the case may be, since 31 December 2018.

There has been no material adverse change in the prospects of the Guarantor or the Issuer since 31 December 2018.

## **Conflicts of Interest**

It cannot generally be ruled out that the persons involved in an offer or issue of Notes under the Programme, irrespective of whether they are natural or legal persons, have interests in the offer or issue. Whether this is the case will depend upon the facts at the time of the offer or issue. A description of any potential conflicting interests that are of importance to an offer or issue of Notes will be included in the relevant Final Terms, specifying the persons involved and the types of interests.

Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions and may perform services for the Issuer, the Guarantor and its 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 Issuer, the Guarantor or the Guarantor’s affiliates. Certain of the Dealers or their affiliates that have a lending relationship with the Issuer or the Guarantor routinely hedge their credit exposure to the Issuer and/or the Guarantor 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.

## **Yield**

The yield of each Tranche of Notes will be calculated at the relevant issue date on the basis of the relevant issue price. It is not an indication of future yield.

## **ISDA Definitions**

Investors should consult the Issuer should they wish to see a copy of the 2006 ISDA Definitions.

## **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 may be inspected during normal business hours at the specified office of the Fiscal Agent and the Paying Agent in Luxembourg, namely:

- (a) Memorandum and Articles of Association (with an English translation thereof) of the Issuer and Articles of Association (with English translation thereof) of the Guarantor;
- (b) the Amended and Restated Agency Agreement dated 10 April 2019 (which contains the forms of the Notes in global and definitive form);
- (c) the Deed of Guarantee;

- (d) the Deed of Covenant;
- (e) the Operating and Administrative Procedures Memorandum;
- (f) the audited standalone financial statements of the Issuer as at and for the years ended 31 December 2017 and 31 December 2018;
- (g) the audited consolidated financial statements of the Guarantor as at and for the years ended 31 December 2017 and 31 December 2018;
- (h) a copy of this Base Prospectus; and
- (i) any future prospectuses, base prospectuses and supplements to this Base Prospectus, including Final Terms (save that any Final Terms relating to an unlisted Note will only be available for inspection by a Holder of such Note and such Holder must produce evidence satisfactory to the Issuer, Guarantor and the Fiscal Agent and Paying Agent as to its holding of Notes and its identity) and any other documents incorporated herein or therein by reference.

In addition, the Base Prospectus and any Final Terms will be published on the website of the Luxembourg Stock Exchange at [www.bourse.lu](http://www.bourse.lu).

### **Third Party Information**

The information in this Prospectus obtained from third party sources has been accurately reproduced and, as far as the Issuer or the Guarantor is aware and is able to ascertain from the information published by such sources, no facts have been omitted which would render the reproduced information inaccurate or misleading. Where third-party information has been used in this Prospectus, the source of such information has been identified.

### **Redemption Basis**

Subject to any purchase and cancellation or early redemption, Notes to be issued under the Programme will be redeemed on the relevant maturity date at 100% or more of their nominal amount.

### **Miscellaneous**

HSBC Bank plc is authorised by the Prudential Regulation Authority (the “PRA”) and regulated by the PRA and the Financial Conduct Authority in the United Kingdom. HSBC Bank plc is not acting for any actual or prospective holders of Notes in connection with the issue of any Notes, and is neither advising nor treating as a client any actual or prospective holders of Notes and will not be responsible to anyone other than the Issuer for providing the protections afforded to its clients nor for providing the services in relation to any issue of Notes described in the relevant Final Terms when read together with this Base Prospectus or any transaction or arrangement referred to herein or therein. Each of the Dealers reserves the right to determine whether or not any actual or prospective holders of Notes are to be regarded as its clients in relation to any such issue of Notes at the relevant time of such issue of Notes. None of the Dealers nor any of their respective affiliates has authorised the content of, or any part of, this Base Prospectus and/or the relevant Final Terms.



**REGISTERED OFFICE OF THE ISSUER**

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**REGISTERED OFFICE OF THE GUARANTOR**

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Athens  
Greece

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Greece

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**Merrill Lynch International**  
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**Morgan Stanley & Co. International plc**  
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Greece

**Piraeus Bank S.A.**  
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Greece

**FISCAL AGENT**

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London E14 5AL

#### **PAYING AGENTS**

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**The Bank of New York Mellon**  
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New York, NY 10286

**Dexia Banque Internationale á  
Luxembourg société anonyme**  
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L-2953 Luxembourg

#### **REGISTRAR AND EXCHANGE AGENT**

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Corporate Trust Department  
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New York, NY 10286

#### **TRANSFER AGENTS**

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#### **LEGAL ADVISERS**

*To the Dealers as to English Law:*  
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*To the Issuer and Guarantor  
as to English law:*  
**Dechert LLP**  
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*To the Dealers as to Greek Law:*  
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#### **LISTING AGENT**

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#### **AUDITORS TO THE ISSUER**

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