

**ELECTRONIC DOCUMENT FOR THE RECEIPT OF THE PRE-CONTRACT INFORMATION BULLETIN FOR CLIENTS, THE POLICY FOR BEST EXECUTION OF ORDERS AND THE NOTIFICATION REGARDING CLIENT CLASSIFICATION**

This electronic document comprising 52 pages, includes the following sections:

- (a) Pre-Contract Client Information Bulletin on the Provision of Investment and Ancillary Services
- (b) Policy for Best Execution of Orders in Financial Instruments, and
- (c) Client classification letter.

By signing the Declarations attached hereto, it is certified that National Bank of Greece S.A. notified the Client, and the Client is aware of and unreservedly accepts such content.

**SECTION A – PRE-CONTRACTUAL CLIENT INFORMATION BULLETIN ON THE PROVISION OF INVESTMENT AND ANCILLARY SERVICES****Introduction - Definitions**

On 15 May 2014 the European Parliament and the Council issued Directive 2014/65/EU (MiFID II) and Markets in Financial Instruments Regulation (EU) No 600/2014 (MiFIR). The above legal documents combined with the acts issued under their authorization are jointly referred to as the “MiFID II/MiFIR Framework”. The Directive has been transposed in the Greek legislation with Law 4514/2018 (hereinafter the “Law”), as applicable from time to time.

The MiFID II/MiFIR Framework aims at enhancing the effectiveness, resilience and integrity of the financial markets and introduces new rules to strengthen investors' protection and create a level playing field within a unified European framework for providing investment services.

National Bank of Greece (hereinafter “the Bank”) adopts and complies with the rules and principles of the said legislative framework, by implementing the appropriate policies and procedures. Wherever this Bulletin refers to investment services, this should be understood to include ancillary services as well.

**Purpose of the Bulletin****Pre-contractual Information Bulletin for clients**

The Bank publishes this Pre-contractual Information Bulletin (hereinafter the “Bulletin”) so as to provide information to existing and potential investors regarding the policies and procedures that have been put in place to ensure compliance with the rules established by the applicable legislation on Markets in Financial Instruments.

When deemed necessary, the interested parties may request further information besides that provided in this

Bulletin, so long as it is in possession of such information and so long as the provision of such information by the Bank is allowed by the relevant legislation.

The Bank shall inform its clients only of important changes in the content of this Bulletin, which should under no circumstances be considered a contract. Any review of the Pre-Contractual Information Bulletin for Clients shall be available at the Bank's webpage: [www.nbg.gr](http://www.nbg.gr).

## General Information

### 3.1. Information on the Bank

The Bank is a banking corporation ("Société Anonyme") established and operating in accordance with Greek law, under General Electronic Commercial Registry (GE.MI.) No. 237901000 and Companies Register No. 6062/06/B/86/01 and headquartered in Athens, Eolou 86 (tel. +30 2103341000). The Bank's TIN is 094014201.

The Bank was established in 1841 and listed on the Athens Exchange in 1880. On 31 July 2021, its share capital amounted to approximately €914.7 million.

NBG has completed 175 years of uninterrupted business operations and is one of the largest credit institutions in Greece. Furthermore, through its branch network and Group subsidiaries in Greece and overseas, the Bank offers a wide range of financial services, including retail banking, trade and investment banking services and asset management.

For further information on the Bank's organization and structure, you may visit any of the Bank's branches or its website at [www.nbg.gr](http://www.nbg.gr).

Supervisory Authorities in the context of provision of Investment and Ancillary Services: Bank of Greece, Eleftheriou Venizelou 21, GR 102 50 Athens Tel.: +30 210 320 1111, [www.bankofgreece.gr](http://www.bankofgreece.gr) & Greek Capital Market Commission, Kolokotroni 1 & Stadiou, GR 105 62 Athens Tel. +30 210 337 7100, [www.hcmc.gr](http://www.hcmc.gr). The allocation of responsibilities among the said authorities is defined by relevant legislation.

### 3.2 Mode and means of communication

The official language used for communication between the Bank and its clients is Greek. However, communication with the Bank's clients before or after the signing of a contract can be carried out in English as well, following relevant agreement. As a rule, the present as well as all contracts and supplementary documents are prepared in the Greek language.

The Bank considers written communication to be its principal mode of communication with its clients. In cases provided for in the contract signed by them, including the sending and receiving of orders, communication may also be carried out by telephone voice recorders, fax, email or other durable medium acceptable to both parties or in person.

The Bank can provide its existing and potential clients with the required information subject to law 4514/2018 in electronic form, i.e. in a durable medium other than paper, unless the existing or the potential client is a Retail Client or potential Retail Client who has required to receive such information in paper form, and accordingly such information is provided in paper form and free of charge upon the provision of the relevant information on behalf of the Bank.

Also, the Bank informs the Retail Clients that they will receive such information in electronic form at least eight (8) weeks before such information is sent in electronic form. The Bank informs its Retail Clients that they can choose to continue to receive information in paper form or receive such information in electronic form. In addition, the Bank informs its Retail Clients that the transition to the electronic form will be automatic, unless they require to continue to receive such information in paper form within the defined 8-week period. The Retail Clients who already receive such information in electronic form, shall not be notified.

Before the provision, to new or existing Clients, of any investment services or activities as regards the receipt, forwarding and execution of orders, the Bank informs the client that: (a) telephone conversations and electronic communications are recorded and (b) a copy of the recorded conversations and communications with the Client is available, upon request, for a period of five years unless otherwise provided for by the applicable legislative and regulatory framework.

## Transaction and Contract Terms

All rights and obligations between the Bank and its clients regarding the provision of investment services are governed by the terms set out in detail under the relevant agreements entered into for the purpose of the provision of such services. This bulletin provides additional information for NBG clients who use or intend to use its investment services.

## Client Classification

The Bank is fully aware of its obligation to provide investment services to its clients in a professional, honest and unprejudiced manner.

The Bank provides investment services to the following categories of clients:

- Professional clients
- Eligible counterparties
- Retail clients

The Bank is required, before the investment services are provided, to rank its clients in one of the above categories on the basis of specific criteria provided for by Law and in accordance with the internal policy and procedures established for this purpose.

The Bank informs its clients in writing of their category before the investment services are provided. This separation into categories aims at ensuring that investment services are provided on the basis of the knowledge and experience of the clients in carrying out such transactions.

The Bank categorizes its clients on the basis of the information it is given. Accordingly, the Bank's clients are required and advised to provide full particulars so as to ensure that they are placed in the right category, and they should always notify the Bank of any changes that may alter this categorization. The Bank shall not be responsible for any erroneous categorization of the client arising from insufficient and/or misleading data provided by the client.

### 5.1 Professional Clients

A professional client is a client who possesses the experience, knowledge and expertise to make his own investment decisions and properly assess the risks he undertakes. This category includes, inter alia, specific institutional investors and large entities that meet at least two of the following criteria:

- aggregate balance-sheet: €20,000,000

- net turnover: €40,000,000

- own funds: €2,000,000

In line with legislation, professional clients are subject to a lower level of protection than retail clients.

## 5.2 Eligible Counterparties

Eligible counterparties are professional clients who are offered specific investment services, such as execution, reception or transmission of orders, as well as any ancillary service directly related to such transactions or when the said clients deal for their own account. In such cases, eligible counterparties do not enjoy legal protection, apart from specific exceptions.

## 5.3 Retail Clients

Retail clients are natural or legal persons who are deemed to be neither professional client nor eligible counterparties. This category provides the highest level of protection.

Within the context of compliance with the applicable legal and regulatory framework on markets in financial instruments the Bank asks its "Retail Clients" to complete a special Investment Profile Questionnaire.

This questionnaire has been designed to determine the investment profile of the client, in order to ensure that the financial instruments provided to him are the instruments corresponding to the client's identified target-market, (see Section 6 "Target Market"), i.e. that he is included among those clients whose needs, characteristics and goals are compatible with a specific financial instrument.

The profiles that may arise are the following:

### **Preservation**

This profile means you should choose a conservative portfolio. Such a portfolio aims at protecting the client's capital, while its key characteristic is that it can be easily liquidated and it presents extremely low investment risk. This portfolio comprises mainly short-term placements and fixed-income securities.

### **Income**

This profile means you should choose an income portfolio. Such a portfolio aims at generating a fixed income

arising from bond coupons, dividends and short-term placements, while preserving the underlying capital base, and presents very low investment risk.

## **Balanced**

This profile means you should choose an income & growth portfolio. Such a portfolio aims at generating fixed income from coupons and dividends, as well as medium-term capital gains, and accepts possible fluctuation in the capital invested. This portfolio comprises mainly bonds and stocks.

## **Growth**

This profile means you should choose a growth portfolio. Such a portfolio aims at significant long-term capital gains and presents high investment risk. The stock values represent a substantial portion of the portfolio's mix.

The outcome is a direct result of the information and data provided by the client to the Bank via the aforesaid questionnaire and under no circumstances shall be deemed to contain an investment proposal, offer, recommendation or advice on behalf of the Bank in order to draw up any agreement whatsoever with the Bank or third parties. The client can discuss the outcome of the questionnaire with independent professional advisors of his choice, who he can consult before making any decisions or taking any investment actions.

## **5.4 Category Change**

According to law, each client is entitled to request in writing, at any time, that the category in which he has been ranked be changed, i.e.:

- Category change from professional to retail client, involving transition to a regime of increased protection.
- Category change from eligible counterparty to professional or retail client, involving transition to a regime of increased protection.
- Category change from retail to professional client, involving transition to a regime of reduced protection.

In the event that a client wishes to change category, he must submit a written request to the Bank, which the Bank shall consider, but is not obligated, to accept. The category change may concern one or more investment and/or ancillary services and/or one or more financial instruments.

The Bank shall evaluate the request to change category and, wherever necessary, shall warn clearly and in writing of the consequences that the change in category may have vis-à-vis the level of investment protection. The client shall sign a document, other than the agreement, stating that he is aware of the consequences that the change in category may have. The Bank notifies the client, within a reasonable timeframe, of the acceptance or rejection of his request and asks him to sign the new (as the case may be) contractual documents. In the event that the Bank is provided with information indicating that the client no longer meets the criteria of the category in which he has been placed, the Bank reserves the right to change such category. In such an event, the client concerned shall be immediately informed accordingly, before the provision of any investment service or performance of any transaction whatsoever.

## Target – Market

The Bank collects all the required information regarding the client's knowledge and experience in investments, his financial standing (including his ability to bear losses), his risk bearing capacity, as well as the client's investment objectives, including any viability objectives and needs, in order to assess the identified target market that the client falls under, and in order to propose to him the financial instruments that are compatible with the needs, features and targets of the said target market of end clients.

“Sustainability factors” mean factors as defined in article 2.24 of Regulation (EU) 2019/2088 (SFDR) i.e. environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

The Bank reserves the right to review, at any time, its assessment regarding the compatibility of any financial instrument whatsoever with an identified target market, especially if it believes that the financial instrument no longer meets the conditions of the identified target market, as such is the case when said financial instrument cannot be liquidated or is very unstable, due to market changes.

For fulfilment of its hereinabove obligation, regarding both the Client's inclusion in a specific target – market and the assessment of the compatibility of any financial instrument whatsoever with the needs, features and objectives of each identified target – market, the Bank acts at its absolute discretion, within the framework of mutually acceptable solutions and methodology and shall not be liable in any case for the choice and/or the way the criteria for the Client's inclusion in an identified target – market were implemented, or for its estimation of the compatibility or incompatibility of any financial instrument whatsoever with a specific identified target – market.

The Client in the context of the above procedure may have only limited access to the desired financial instruments.

By exception, in the event that the Bank for any reason whatsoever is not able to collect the necessary information for the evaluation of the client's investment profile and include him in an identified target market, in line with the above, and on this basis estimate his compatibility with a specific financial instrument, the transaction shall be performed on the Client's exclusive responsibility. In this case, the Bank recommends to the Client that they examine the features of the financial instruments and their corresponding, compatible identified target-markets.

The hereinabove procedure can under no circumstances guarantee the financial outcome of the transactions carried out by the client, nor can it provide any guarantee on the part of the Bank regarding their return.

## Information on Financial Instruments & Investment Services

### 7.1 Financial Instruments

The Bank offers its clients a broad range of investment products and services in financial instruments.

Transactions in financial instruments involve investment risks of various types and ratings, depending on their nature (see paragraph 7.3 below "Financial Instrument Risks").

The Bank uses effective monitoring processes for its products to ensure that the services and products designed and/or offered are compatible with the needs, features and goals, including any viability objectives, of an identified target market of end clients within the corresponding client category and that the planned allocation strategy is compatible with the identified target market.

## 7.2 Description of Financial Instruments in summary

### Bonds

These are securities incorporating the issuer's obligation to pay the bearer/beneficiary an agreed amount within a given time. Issuers may be governments, companies, banks, local authorities, etc.

Bonds may be at a fixed or variable interest rate. When the rate is variable, the yield of the bonds depends on simple interest rate indices (e.g. EURIBOR) and/or complex factors (complex or structured bonds).

The chief risks associated with bonds are credit risk, liquidity risk and market risk. Furthermore, depending on the features of the bond, the risk of early repayment by the issuer may also arise.

### **Bond Yield Scenarios: Change in conditions following the purchase of the financial instrument**

- **Positive Scenario:** Reduction in market interest rates, profitability growth of the bond issuer, credit rating upgrade of the bond issuer.

The positive scenario is expected to raise bond prices and investors' profits should they sell their held-to-maturity bonds.

- **Negative Scenario:** Increase in market interest rates, decline in profitability or losses of the bond issuer, credit rating downgrade of the bond issuer, possible bankruptcy of the bond issuer.

The negative scenario is expected to cause a decrease in bond prices and **losses** for the investors should they sell their held-to-maturity bonds; said losses **can amount up to 100% of the invested capital**.

<b>Hypothetical Scenarios</b>	Initial market price (invested capital in €)	Fluctuation in price*	Final Price (investment value in €)	Profit/Loss from sale (in €)
Positive Scenario	100	+2%	125	+25
Negative Scenario	100	-30%	70	-30

*\*The fluctuations in price are a **hypothetical example** and are **indicative**. Positive fluctuations in price may not have an upper limit, while negative fluctuations can amount up to -100% of the initial invested capital.*

### **Treasury Bills**

These are dematerialized debt instruments usually issued by a government, sold at a discount on their par value and repaid at their par value (100%) on maturity, without any redeemable coupons. The principal risk associated with debt instruments is credit risk.

#### **Return Scenarios for Treasury Bills: Change in conditions following the purchase of the financial instrument.**

- **Positive Scenario:** Reduction in market interest rates, profitability growth of the T-bill issuer, credit rating upgrade of the T-bill issuer.

The positive scenario likely brings about a rise in T-bill prices, and investor profits should they sell their held-to-maturity T-bills.

- **Negative Scenario:** Increase in market interest rates, decline in profitability or losses of the T-bill issuer, credit rating downgrade of the T-bill issuer, possible bankruptcy of the T-bill issuer.

The negative scenario likely brings about a decrease in the prices of the T-bills and **losses** for investors should they sell their T-bills held-to-maturity; **said losses can amount up to 100% of the invested capital.**

<b>Hypothetical Scenarios</b>	Initial market price (invested capital in €)	Fluctuation in price*	Final Price (investment value in €)	Profit/Loss from sale (in €)
Positive Scenario	100	+2%	120	+20
Negative Scenario	100	-15%	85	-15

*\*The fluctuations in price are a **hypothetical example** and are **indicative**. Positive fluctuations in price may not have an upper limit, while negative fluctuations can amount up to -100% of the initial invested capital.*

### **Shares**

Shares represent a percentage of a stock company's share capital. They provide investors/shareholders with a share in the Company's profits in the form of dividends as well as, in certain cases, the right to vote at the Company's AGM. Shares are exposed to risks described below in detail, especially to credit risk, liquidity risk and market risk.

#### **Share Performance Scenarios: Change in conditions following the purchase of the financial instrument**

- **Positive Scenario:** Positive conditions prevailing in the market and the economy, profitability growth for the share issuer, optimistic expectations on behalf of the investors regarding the future, increase in demand for



shares.

The positive scenario likely brings about a rise in share prices and investor profits should they sell their held-to-maturity shares.

- **Negative Scenario:** Adverse conditions prevailing in the market and the economy, decline in profitability or losses of the share issuer, negative investor expectations and uncertainty regarding the future, decline in demand for shares.

The negative scenario likely brings about a decrease in share prices and losses for the investors should they sell their held-to-maturity shares; said losses **can amount up to 100% of the invested capital**.

<b>Hypothetical Scenarios</b>	Initial market price (invested capital in €)	Fluctuation in price*	Final Price (investment value in €)	Profit/Loss from sale (in €)
Positive Scenario	100	+20%	120	+20
Negative Scenario	100	-50%	50	-50

\*The fluctuations in price are a **hypothetical example** and are **indicative**. Positive fluctuations in price may not have an upper limit, while negative fluctuations can amount up to -100% of the initial invested capital.

### **Warrants**

The Warrants are securities, freely transferable that give to the holder the right but not the obligation to buy a predetermined number of shares at a fixed price (exercise price) and on specific dates through to a predetermined future date. They can be traded in or outside regulated markets. The Warrants do not pay any dividend or provide other income, and if such rights are not exercised through to their expiration, they may lose their value.

Because these are products, the price of which depend on the price of the existing product (the shares of the issuer), the Clients are offered the ability to gain profit and at the same time they are exposed to risks connected to the price fluctuation of the underlying security. The following risks are listed indicatively: market risk, credit risk, liquidity risk, F/X risk, political risk, country risk, leverage risk, tax risk.

Such risks may cause a drop in the investment value, losses compared to the initial capital or even a total loss of the Client's initial capital.

Further, the warrants are complicated financial instruments subject to the applicable legislative and regulatory framework.

### **Warrant Performance Scenarios: Change in conditions following the purchase of the financial instrument**

- **Positive Scenario:** Increased fluctuation in the prices and/or increased price of the underlying asset (i.e. the

issuer's share), uncertainty in the economy, negative investor expectations regarding the future.

The positive scenario likely brings about a rise in Warrant prices and investor profits should they sell their held-to-maturity Warrants.

- **Negative Scenario:** Reduction in fluctuations and/or decrease of the underlying assets' prices (i.e. the issuer's share), stable economic environment.

The negative scenario likely brings about a decrease in the prices of Warrants and **losses** for investors should they sell their Warrants; **said losses can amount up to 100% of the invested capital.**

<b>Hypothetical Scenarios</b>	Initial market price (invested capital in €)	Fluctuation in price*	Final Price (investment value in €)	Profit/Loss from sale (in €)
Positive Scenario	100	+10%	110	+10
Negative Scenario	100	-80%	20	-80

\*The fluctuations in price are a **hypothetical example** and are **indicative**. Positive fluctuations in price may not have a certain ceiling, while negative fluctuations can amount up to 100% of the initial invested capital.

### Derivative Financial Instruments

Derivative products are financial instruments whose price depends on the underlying securities. The underlying security may be a commodity, financial instrument, financial index or credit risk. Derivatives are created to enable management of the asset on which they are based.

Usual derivative products are divided into four primary categories:

- swaps,
- options,
- futures, and
- forwards.

The main risks to which derivatives are exposed are increased market risk, leverage risk and legal risk.

### Return Scenarios for Derivative Financial Instruments: Change in conditions following the purchase of the financial instrument

Note that depending on the investor's holdings in a derivative financial instrument the following scenarios can be reversed. For instance, if the investor holds a put option, the following positive scenario described in detail

hereinbelow will be negative and vice versa.

- **Positive Scenario:** Increased fluctuation in the prices of underlying assets, uncertainty in the economy, negative investor expectations regarding the future.

The positive scenario likely brings about a rise in the prices of the derivative financial instruments and investor profits should they sell their held-to-maturity derivative financial instruments.

- **Negative Scenario:** Reduction in fluctuations of the underlying assets' prices, stable economic environment.

The negative scenario likely brings about a decrease in the prices of derivative financial instruments and **losses** for investors should they sell their held-to-maturity derivative financial instruments; said losses can, depending on the type of the derivative instrument, **amount up to or exceed 100% of the invested capital**.

<b>Hypothetical Scenarios</b>	Initial market price (invested capital in €)	Fluctuation in price*	Final Price (investment value in €)	Profit/Loss from sale (in €)
Positive Scenario	100	+10%	110	+10
Negative Scenario	100	-80%	20	-80

*\*The fluctuations in price are a hypothetical example and are indicative. Positive fluctuations in price may not have a specific upper limit, while negative fluctuations can, depending on the type of the derivative instrument, amount up to or exceed -100% of the initial invested capital.*

### **Investment Products with Guaranteed Initial Capital (Capital Plus)**

Products protecting the initial capital invested constitute a placement in the form of a special term deposit, providing protection of the initial capital and the possibility of a higher return compared to usual deposit products. Their return depends on the performance of various financial indices (such as exchange rates, financial indices, stock prices etc.).

The main risks associated with guaranteed initial capital products are market, reinvestment and credit risk. Depending on the features of the product the risk of early repayment by the issuer may occur.

### **Return Scenarios for Investment Products with Guaranteed Initial Capital –EPEAK (Capital Plus): Change in conditions following the purchase of the financial instrument**

- **Positive Scenario:** Positive conditions prevail in the market and the economy, optimistic investor expectations regarding the future, increase in demand for EPEAK products, increase in interest rates and stock indices.

The positive scenario likely brings about a rise in EPEAK prices and investor profits based on the linked stock index (interest rate, stock index etc.) should they sell their held-to-maturity EPEAK.

- **Negative Scenario:** Adverse conditions prevail in the market and the economy, negative investor

expectations and uncertainty regarding the future, decline in demand for EPEAK, decline in interest rates and stock indices.

The negative scenario is not expected to bring additional returns for investors.

<b>Hypothetical Scenarios</b>	Initial market price (invested capital in €)	Fluctuation in price*	Final Price (investment value in €)	Profit/Loss from sale (in €)
Positive Scenario	100	+10%	110	+10
Negative Scenario	100	0%	100	0

*\*The fluctuations in price are a hypothetical example and are indicative.*

### **Structured Investment Products (New Generation Investment Product)**

Capital partially guaranteed investment products are structured investment products of special type, providing protection for part or in full of the initial capital at their maturity. Their return depends on the performance of various financial indices (such as exchange rates, financial indices, stock prices, mutual fund prices, etc.).

The main risks associated with partially or fully guaranteed initial capital products are market, reinvestment and credit risk. Depending on the features of the product the risk of early repayment by the issuer may occur.

### **Return Scenarios for Structured Investment Products (New Generation Investment Product): Change in conditions following the purchase of the financial instrument**

Note that the aim of these products is to achieve a return associated with the performance of the underlying asset, providing the investor with a partial or full guarantee of the initial capital at product maturity, according to the terms and conditions set out in the Key Information Document of each product.

- **Positive Scenario:** Positive conditions prevail in the market and the economy, optimistic investor expectations regarding the future, increase in demand for EPEAK products, increase in interest rates and stock indices.

The positive scenario likely brings about a rise in the product's prices and investor profits based on the linked stock index (interest rate, stock index, mutual fund, etc.) should they sell the product.

- **Negative Scenario:** The negative scenario likely brings about a decrease in the prices of these products and losses for the investors should they sell their held-to-maturity products; said losses can amount up to 100% of the non-guaranteed invested capital, at a maximum.

Hypothetical Scenarios	Initial market price (invested capital in €)	Fluctuation in price*	Final Price (investment value in €)	Profit/Loss from sale (in €)
Positive Scenario	100	+10%	110	+10
Negative Scenario	100	-40%	70	-30

*\*The fluctuations in price are a hypothetical example and are indicative. \*\* In the negative scenario we take into consideration a 70% partial capital guarantee*

### UCITS Units

Undertakings for Collective Investment in Transferable Securities (UCITS) constitute an indivisible pool of assets held by several beneficiaries under the management of a third party. According to law, UCITS assets consist of transferable securities and cash. Such assets are indivisibly owned by UCITS participants (called unit-holders), depending on the number of units they hold. Unit-holders may be natural or legal persons.

The main risks associated with UCITS units are credit risk and market risk.

### Return Scenarios for UCITS units: Change in conditions following the purchase of the financial instrument

- **Positive Scenario:** Positive conditions prevail in the market and the economy, optimistic investor expectations regarding the future, efficient management of mutual funds. The positive scenario likely brings about a rise in mutual funds' prices and investor profits should they sell their held-to-maturity UCITS units.
- **Negative Scenario:** Adverse conditions prevail in the market and the economy, negative investor expectations and uncertainty regarding the future, inefficient/loss-making management of mutual funds.

The negative scenario likely brings about a decrease in mutual fund prices and **losses** for investors should they sell their held-to-maturity units; said losses **can amount up to 100% of the invested capital**.

Hypothetical Scenarios	Initial market price (invested capital in €)	Fluctuation in price*	Final Price (investment value in €)	Profit/Loss from sale (in €)
Positive Scenario	100	+30%	130	+30
Negative Scenario	100	-40%	60	-40

*\*The fluctuations in price are a hypothetical example and are indicative. Positive fluctuations in price may not have an upper limit, while negative fluctuations can amount up to 100% of the initial invested capital.*

UCITS DO NOT HAVE A GUARANTEED PERFORMANCE AND PAST RETURNS DO NOT ENSURE FUTURE RETURNS.

### Hedge Funds

Hedge funds are designed to yield a positive return on investment regardless of market developments or with a low sensitivity to them, via particularly complex high risk investment strategies intended to capitalize on the return-to-risk ratio. These investments include the use of arbitrage and/or derivative products to make a profit and not to offset risk, the use of short selling and the leverage of managed funds through loans. Hedge funds provide limited scope for liquidation of the investment on a monthly, quarterly or even yearly basis, and the period of an investor's "holding requirement" is determined accordingly. Moreover, hedge funds may include investments that are hard to liquidate or hard to value.

Hedge funds are exposed mainly to market risk, underregulation risk, concentration risk, as well as leverage risk resulting from the derivatives included in the fund.

### Return Scenarios for Alternative Investment Funds – Hedge Funds: Change in conditions following the purchase of the financial instrument

- **Positive Scenario:** Positive conditions prevail in the market and the economy, optimistic investor expectations regarding the future, efficient management of alternative investment funds.

The positive scenario likely brings about a rise in the prices of alternative investment funds and investor profits should they sell their held-to-maturity shares.

- **Negative Scenario:** Adverse conditions prevail in the market and the economy, negative investor expectations and uncertainty regarding the future, inefficient/loss-making management of alternative investment funds.

The negative scenario likely brings about a decrease in the prices of alternative investment funds and **losses** for investors should they sell their held-to-maturity shares; said losses **can amount up to 100% of the invested capital**.

<b>Hypothetical Scenarios</b>	Initial market price (invested capital in €)	Fluctuation in price*	Final Price (investment value in €)	Profit/Loss from sale (in €)
Positive Scenario	100	+10%	110	+10
Negative Scenario	100	-30%	70	-30

\*The fluctuations in price are a **hypothetical example** and are **indicative**. Positive fluctuations in price may not have an upper limit, while negative fluctuations can amount up to -100% of the initial invested capital.

### Other Structured Products

These products constitute a combination of the above mentioned products, usually incorporating derivatives or other underlying goods and securities, and their return depends on the course of stock indices or a pool of shares, the parity between two currencies, or developments in interest rates.

The chief risks inherent in these products are market and liquidity risk.

### **Return Scenarios for other Structured Products: Change in conditions following the purchase of the financial instrument**

- **Positive Scenario:** Positive conditions prevail in the market and the economy, optimistic investor expectations regarding the future, increase in demand for structured products. The positive scenario likely brings about a rise in the prices of structured products and investor profits should they sell their held-to-maturity products.
- **Negative Scenario:** Adverse conditions prevail in the market and the economy, negative investor expectations and uncertainty regarding the future, decline in demand for structured products.

The negative scenario likely brings about a decrease in the prices of structured products and **losses** for the investors should they sell their held-to-maturity products; said losses **can amount up to 100% of the invested capital**.

<b>Hypothetical Scenarios</b>	Initial market price (invested capital in €)	Fluctuation in price*	Final Price (investment value in €)	Profit/Loss from sale (in €)
Positive Scenario	100	+20%	120	+20
Negative Scenario	100	-50%	50	-50

*\*The fluctuations in price are a hypothetical example and are indicative. Positive fluctuations in price may not have an upper limit, while negative fluctuations can amount up to -100% of the initial invested capital.*

## **7.3 Financial Instruments Risks**

Holding financial instruments carries risks. Despite the fact that the range of said risks varies -- depending on a variety of factors -- holding financial instruments always involves certain risks which can, under certain circumstances, be moderated, but not eliminated completely. On a general level, said risks may involve a decrease in the investment's value or even a total loss of the invested capital. It should also be noted that under certain circumstances, the client may even have an obligation to pay additional amounts to the amounts he had invested, to cover a loss that may have occurred. Note that the key principle is that the expected return is related to the investment risk undertaken.

The enumeration of the main risk categories that follows is indicative and it aims at helping to understand the way that the capital market and the general factors affecting the value of an investment operate. It should be noted that the Bank provides additional information to the client, in which detailed explanations are given on the nature of the financial instrument each time under consideration, its function and its returns under different market scenarios, but also the specific risks involved, with adequate details, so the client can make informed investment decisions.

### **Credit risk**

This concerns the likelihood of default in a security issuer's contractual obligations. More specifically, credit risk results from the likelihood of a security issuer's failure to fulfil, for any reason whatsoever, the obligations he has undertaken. The potential return of a financial instrument is usually related to the level of credit risk.

Credit risk is calculated on the basis of a credit rating, which reflects the issuer's ability and position to meet his obligation vis-a-vis his counterparty.

### **Liquidity Risk**

Liquidity risk arises when there is not sufficient demand or supply in the market at the time the client wishes to close an open position in an investment. It reflects the client's room for manoeuvre in terms of investment liquidation. The lack of supply or demand may have a serious impact on the price. This risk is higher when the investment is made in a low liquidity or non regulated market. In the case of investments in OTC derivative financial instruments, it is uncertain that there will be a secondary market at any time.

### **Market Risk**

This is the risk that there will be a drop in the financial value or the earnings of an investment because of fluctuations in the market.

Market risk is considered to be a very important risk factor in an investment, because it impacts adversely on the outcome that may result from a possible, unexpected course in the investment's market value. Market risk is higher for investments with significant fluctuations in price (volatility).

Market risk includes the following categories:

- Financial instrument Risk: stemming from adverse changes in security prices.

- Interest Rate Risk: associated with a change in the yield of an investment because of fluctuating interest rates.

- Reinvestment Risk: is a risk undertaken by the investor when the income from his initial investment is reinvested under different conditions and terms than those of the initial investment. It mainly concerns cases of recall of a product by the issuer or early repayment by the investor.



- Inflation Risk: is associated with inflation's unforeseen changes with negative effects on the economy.
- F/X Risk: stemming from changes in foreign exchange parities and may lead to lower returns than expected.
- Commodity Risk: stemming from changes in the price of commodities (including precious metals other than gold) and may lead to lower returns than expected.
- Volatility Risk: is associated with the range in fluctuation (high – low volatility) in the value of a financial instrument in a specific period.
- Systemic/Undiversifiable Risk: arises when different factors (such as economic recession, geopolitical tensions) affect the total value of the financial instruments of a specific market or an entire financial system to such extent that it cannot be contained.
- Non-systemic Risk: is associated with the special features of a specific business sector and the factors affecting it. It concerns specific securities or security categories depending on the financial results, the structure or the economic developments of the business sector of the issuer companies.

#### **Prepayment Risk:**

Is associated with the return by the issuer of the principal invested on a product before its scheduled maturity. In this case, the client shall not collect the total of the expected profit. The issuer's right to early repayment is usually provided for in the terms of issuance of the product.

#### **Counterparty Risk**

This is the risk that settlement will not be made as expected in the context of a transfer system because a counterparty fails to pay or deliver an item in time. This risk is higher in the case of countries located in different time zones or using clearing systems not linked to each other.

#### **Settlement Risk**

Arises when the settlement of a transaction has not been completed at the scheduled time.

#### **Leverage Risk**

This risk exists chiefly in transactions on derivative financial instruments, where the amount of the security margin required to open a position is low in relation to the total value of the contract, and therefore a small change in the contract value may have a proportionally much higher impact on the capital invested and/or required to be invested to retain a position. When leverage works against the client, it may even lead to a total loss of the capital paid for opening and maintaining said position.

#### **Concentration Risk**

When there are no limits on investment categories, markets and methods, it is likely that specialized strategies that concentrate investments in specific categories, sectors, or geographic areas will be pursued.

#### **Custody risk**

This is the risk of loss of assets held in custody as a result of acts or omissions of the custodian or even of fraud or in the event that the custodian or any third party to whom custody of assets has been assigned becomes unreliable.

### **Country Risk**

This risk is directly associated with the particular geographical location of a country and parameters such as the country's economic situation, its legal and taxation framework etc.

### **Political risk**

This is the risk of a drop in the value of financial instruments because of uncertainty or instability in the political environment.

### **Underregulation Risk**

This is associated with products whose issuer is usually domiciled in a country where market regulation systems may not provide adequate protection to the investor.

### **Risk for transactions outside a regulated market**

This arises in cases of investments in products that are not traded on a regulated market. Over-the-counter products, owing to their particular nature, may present reduced demand and low liquidity, as well as weakness in accurately determining a reasonable price or calculating their associated risks; factors that may bring about an increase in the risk undertaken.

### **Risk associated with online transactions**

This concerns the risks to which the client is exposed when performing transactions online, and which stem from a potential malfunction of the system, computers or software, thus resulting in the order not being executed or being inaccurately executed.

### **Operational Risk**

This risk, which includes legal risk, is defined as the risk of loss resulting from inadequacy or failure of internal procedures, persons and systems or external events.

### **Legal Risk**

This risk may result from legal changes or activities that may adversely affect the expected returns. For instance, certain investments that were once legal may become illegal. This category includes possible changes in the tax system. In general, legal risk is based on numerous political, economic and other factors.

### **Clearing & settlement Risk:**

Clearing & Settlement risk arises when the transaction settlement on financial instruments is not successfully completed, especially if the counterparty does not pay or deliver securities in a timely manner in fulfilment of its obligation to clear transactions. If the investment concerns products traded on a regulated market, then the risk is limited due to the strict supervision on regulated markets and the existence of Central Counterparties that guarantee the smooth clearing procedure. This risk increases when the investment is carried out on OTC derivatives.

#### **Subordinated product Risk:**

An investment portfolio comprising such products faces the risk of loss of income and/or principal, as the issuer shall firstly repay his obligations for products ranked as senior collateral and thereafter the other creditors and the obligations arising from subordinated or unsecured products.

#### **Margin and pledge risk**

This is the risk arising from an adverse change in the required margins and/or the pledge value due to changes in market or collateral system parameters (e.g. a change in the haircuts of acceptable pledges). The investor may sustain additional costs or losses from the provision of additional pledges or the forced reduction/liquidation of positions.

### **7.4 Investment services and activities**

Investment services and activities are defined, pursuant to the applicable legal and regulatory framework, inter alia, as follows:

- Reception and transmission of orders on behalf of clients, regarding transactions in financial instruments.
- Execution of orders on behalf of clients, i.e. the drafting of purchase or sale agreements regarding one or more financial instruments, whether complex or not.
- Carrying out transactions for own account, i.e. dealing and making transactions in one or more financial instruments using the Bank's own funds ("proprietary trading").
- Portfolio management.
- Provision of investment advice.
- Underwriting financial instruments and/or placement of financial instruments on a firm commitment basis.
- Placement of financial instruments without any commitment basis.

### **7.5 Ancillary services**

Ancillary services are defined as:

- Safekeeping and management of financial instruments for the account of clients including custodianship and

related services such as cash/collateral management and with the exception of holding accounts with securities at the highest level;

- Granting credit or loans to an investor to allow him to carry out a transaction in one or more financial instruments, where the Bank granting the credit or loan is involved in the transaction;
- Advice to undertakings on capital structure, industrial strategy and related matters and advice and services relating to the mergers and the purchase of undertakings;
- Investment services and activities as well as ancillary services related to the underlying instruments of the derivatives where these are associated with the provision of investment or ancillary services as provided for by the applicable legal and regulatory framework;
- Foreign exchange services where these are associated with the provision of investment services;
- Investment research and financial analysis and other forms of general recommendation relating to transactions in financial instruments
- Services related to underwriting.

## **7.6 Services for receiving/ forwarding and/or executing orders**

When the Bank's services consist solely of execution or reception and transmission of client orders vis-à-vis complex and non-complex financial instruments, the following distinction is made:

- In the case of said transactions in non-complex financial instruments, regardless of the category within which the client falls, and should all the conditions of the applicable legal and regulatory framework be met, the Bank is not under obligation to assess the client's knowledge and experience and form an opinion on whether the financial instrument is appropriate for the client. In this case, the Bank warns the client that, during the provision of these services, he will not be covered by the respective professional rules of conduct.

In deviation from the above, suitability control is carried out when providing the ancillary investment service of granting credit or loans to an investor, when those are not included to the existing credit limits of loans, current accounts and client credit facilities, to allow him to carry out a transaction in one or more financial instruments, where the Bank granting the credit or loan is involved in the transaction.

- In the event of complex financial instruments, the Bank shall examine compatibility in order to assess whether such transaction is appropriate for the specific client on the basis of his knowledge and experience. If the Bank considers that this transaction is not appropriate for the client or the client fails to provide the information required to examine compatibility, the client can only carry out this transaction on his own initiative, fully undertaking the risk(s) involved in this transaction, provided that the Bank has warned him accordingly.

## **7.7 Margin account service (ancillary service for the provision of credit for the purchase of securities)**

The Bank may provide credit to its customers for the purchase of one or more financial instruments, within the context of legal and regulatory provisions applicable from time to time. Between the Bank and the customer an agreement is drafted for the provision of the said service and the Bank then opens by order of

and on the customer's behalf a margin account for monitoring the credit.

To ensure the customer's obligations deriving from the provision of the said credit, a contractual pledge is established over the securities that are included in the customer's portfolio, in favor of the Bank, including the securities purchased with credit and other transferable securities accepted by the Bank as collateral portfolio assets, and are subject to specific criteria. The Bank ensures an adequate degree of diversification of the collateral portfolio with a focus on the risk dispersion between the collateral portfolio assets and the security portfolio, having regard to any criteria as per the applicable legislative and regulatory framework.

A crucial point for the operation of the service is the margin, which refers to the current value of the transferable securities included in the collateral portfolio and the debit balance, i.e. the amount of equity the customer/ investor owes to the Bank for the provision of the credit. Specifically:

- the initial margin is the minimum margin as a percentage over the collateral portfolio that must be covered for the specific purchase of transferable securities with credit, including the value of the said purchase.
- the maintenance margin is the minimum margin as a percentage over the collateral portfolio that the investor must maintain throughout the life of the credit agreement.
- the margin deficit is the amount by which the margin falls short of the amount, as the case may be, corresponding to the Initial or Maintenance Margin.

The percentages of the respective margins, initial and maintenance, are defined unilaterally by the Bank, as per the requirements of the supervisory authorities, and are specified in the credit agreement.

The initial margin is covered before the purchase order is carried out either through cash payment or with inclusion in the collateral securities portfolio, which are not included there until then.

If the margin falls below the maintenance margin, the Bank informs the investor, before the commencement of the next ATHEX session, of his obligation to cover the difference at the latest by the next business day after he has been so informed.

Until the fulfilment of the obligation to cover the maintenance margin, the Bank does not execute any purchase of securities with credit on behalf of the customer.

If the investor fails to cover the margin deficit of the maintenance margin on time, the Bank, in order to restore the said maintenance margin, proceeds to the foreclosure of transferable securities which are blocked in the collateral portfolio, at the latest by the next business day after the coverage deadline.

Noted that the Bank is entitled to sell assets included in the collateral portfolio in order to satisfy its claims arising from the agreement, including, but not limited to collecting the credit fees, as well as restoring the initial or the maintenance margin.

The valuation of the security portfolio is executed at the end of each business day based on the most recent closing price of the regulated market or the Multilateral Trading Facilities in which the security portfolio assets are traded. UCITS units are calculated on the net price of the previous business day. The relevant credit agreement may provide specific arrangements regarding the valuation of securities as collateral portfolio

assets.

The Bank reserves the right to provide credit under stricter terms than the terms defined in the applicable institutional framework, following a relevant provision in the agreement.

## 7.8 Other Investment Services

During provision of the following investment services:

- dealing for own account,
- underwriting and placement of financial instruments,

the Bank is only required to assess the experience and knowledge of retail clients. Professional clients and eligible counterparties are deemed to possess the necessary experience and knowledge, and thus suitability control is not required.

## Best Execution of Orders Policy

When the Bank receives and forwards orders to third parties, or executes orders in financial instruments on behalf of its clients, it takes every measure to attain the best possible result, i.e. ensure the timely, fair and fast execution of their orders relative to other client orders or the Bank's trading positions.

To this end, the Bank has developed a best execution policy which sets out the principles governing both reception and transmission of orders and execution of orders on behalf of clients.

This policy applies to all transactions with retail and professional clients, but not with eligible counterparties.

The Bank monitors systematically the implementation of said Policy and evaluates its effectiveness. The Policy for the Best Execution of Orders ensures that all effective and necessary measures as per the relevant legislation regarding the best execution of orders. The Bank is availed of such procedures and mechanisms so as to be in a position to prove, if requested by the Client or a Supervisory authority, that it attains the best possible outcome for the client.

The policy is applicable in all those countries of the European Economic Area where the Bank provides investment services.

## 8.1 Quality of Execution

Best execution of orders is the method used by the Bank to ensure the best possible result, both when executing orders on behalf of clients and when receiving and transmitting orders to be executed by third parties (companies providing investment services, credit institutions, etc.).

To achieve the best possible result for a client, the Bank takes into consideration the following factors:

- the type and the price of the financial instrument,

- the costs related to the execution of the order (e.g. fees, cost of settlement and clearing, charges collected by the execution venue, all other fees paid to third parties that participate in the execution of the order) and borne by the client,
- the speed of execution the Bank can achieve,
- the likelihood of execution and settlement of the order, and
- the size and nature and any other consideration relevant to the execution of the order.

## 8.2 Determining the Importance of Best Execution Factors

To determine the importance of the above factors, the Bank takes into consideration the following criteria:

- The characteristics of the client, including his categorization as retail or professional.
- The characteristics of the customer order.
- The characteristics of financial instruments that are the subject of the order.
- The characteristics of the execution venues.

For retail clients, the Bank determines the best possible result on the basis of the aggregate price associated with the execution of the order, i.e. the price of the financial instrument and the charges associated with the execution, including all costs directly associated with the execution of the order, all fees of the execution venues, clearing and settlement, the Bank's fee pursuant to its pricing policy, as well as other fees paid to third parties. When a financial instrument is traded on more than one market, which ensure the same result, on the basis of the aggregate cost, the Bank, in order to ensure the best outcome for the client, takes into account -- besides the price -- other factors as well affecting the quality of order execution.

For professional clients, the Bank may attach greater importance, besides price and related charges, to the speed and completeness of the execution, determining the importance of these factors as the case may be.

## 8.3 Execution of orders

The Bank executes orders in one of the following ways:

- Directly via Regulated Markets or Multilateral Trading Facilities (MTF) or Organized Trading Facility (OTF), where the Bank is a member.
- Directly through its mechanisms, acting as an execution venue, for its own portfolio.
- Via third parties (on the basis of relevant agreements) for markets to which the Bank has no direct access.
- Outside a Regulated Market or an MTF or OTF, acting as a counterparty.

Where the Bank transmits orders to be executed by third parties, including intermediaries within the Bank's Group, all the measures required to ensure best execution of the orders on an ongoing basis will be taken.

#### **8.4 Monitoring and Updating the Best Execution of orders Policy**

The Bank ensures continuous compliance with the Best Execution Policy and execution of client orders in accordance with it. Moreover, the Bank has established best execution regulations which are implemented on an ongoing basis, while it monitors whether the third parties to whom client orders are transmitted comply with the provisions of the written agreements entered into between them and the provisions of the applicable law. The Bank shall take every measure to rectify any weaknesses arising during the assessment of the quality factors of execution and if necessary, shall examine the possibility of changing the execution venue or entities, in order to comply with the best execution requirements.

#### **8.5 Specific Instructions**

In the event that a client requires the Bank to execute an order in accordance with specific instructions, including instructions regarding the execution venue, the Bank considers that by following client instructions it has taken all the measures required to execute the order in the most favourable ways for the client and it is therefore evident that the Bank has complied with its obligations regarding best execution of orders.

The Bank warns the client that any specific instructions on his part may prevent the Bank from taking the measures designed and included in its Policy for Best Execution aiming at achieving the best possible result during the execution of orders, as regards the data covered by said instructions.

The Bank is in a position to prove to its clients, if they so request, that their orders have been executed in line with this Policy and to prove to the competent authority, if necessary, the Bank's compliance with obligations regarding best execution.

#### **8.6 Execution of orders outside a Regulated Market, MTF or OTF**

In certain cases the Bank can execute a client order outside a Regulated Market, MTF or OTF only when the client has expressly consented to this. The client is informed of any consequences that may arise from the execution of an order outside a trading venue and of the fact that the Bank is in a position to provide additional information associated with the consequences of the specific means of execution, upon request by the client.

#### **8.7 Costs – Fees – Charges**

The costs, fees, relevant taxes and other charges related to the financial instruments and investment services offered by the Bank are in accordance with the pricing policy applicable from time to time and the applicable legal and tax provisions, available to its clients either through the Bank's branch network or its website: [www.nbg.gr](http://www.nbg.gr) In addition, the following information documents are available at [www.nbg.gr](http://www.nbg.gr): "Pre-transaction Information on Cost/ Charges" per financial instrument/ investment product category where the costs and



charges listed are based on examples, following specific assumptions which of course may differ from the real investment.

Moreover, clients are given, if they so request, a detailed price list regarding the services offered.

The Bank does not structure or charge its commissions in a way that could lead to unfair discrimination between execution venues.

The Bank shall inform its clients when an inducement has been received by an execution venue or when more than one participant in one transaction has been charged, that the relevant payments are handled pursuant to the Management Inducements Policy.

Note that the services provided to Professional Clients and eligible counterparties are excluded from the cost and charges disclosure requirements, except for the cases relating to investment advice and portfolio management services.

When the Bank provides its Clients with financial instruments or any investment services relating to financial instruments, for which it is required to provide clients with key information documents pursuant to the applicable EU legislation, it provides information on the cost and relevant charges related to the investment and ancillary services and the financial instruments.

In particular, where the Bank markets units in undertakings for collective investments in transferable securities or packaged retail and insurance-based investment products (PRIIPs), it also informs clients about any other cost and charges related to the product, which may not have been included in the Key Information Documents, but also about the costs and charges associated with the provision of investment services in relation to the said financial instrument.

If the Bank does not provide financial instruments to clients or is under no obligation to provide to clients a Key Investor Information Document (KIID) relating to undertakings for collective investment in transferable securities (UCITS) as set out in Commission Regulation (EU) 583/2010 or KIDs as set out in Regulation 1286/2014 (PRIIPs), the information provided on the cost and relevant charges shall include information only on investment or ancillary services.

Besides detailing costs and charges, the said information also includes third-party payments collected by the Bank, associated with the investment service provided to the client; said payments are listed separately.

All costs and charges are provided in aggregate and expressed as an amount and a percentage, while a breakdown of the cost is available to the client, if he so requests.

If the precise amount of the cost is not available at the time relevant information is disclosed to the client, the latter shall receive sufficient information regarding the cost calculation method prior to the provision of the specific investment service so as to be able to verify the final charges when available.

Information regarding the cost and relevant charges is supplied to the client on a regular basis, at least once a year, during the term of the investment. Note that the Bank may supply said information regarding the costs and charges of investment services and financial instruments in combination with the existing periodical reports provided to clients.

## 8.8 Disclosure of Execution Venues

The Bank summarizes and publishes on an annual basis, for each category of financial instruments, the first five Execution Venues in terms of trading volumes where the Bank executed client orders during the previous year, as well as data regarding the execution quality achieved.

### Compensation Scheme

Depositors' and investors' claims are covered by the Hellenic Deposit and Investment Guarantee Fund (TEKE), which is a legal person governed by private law. TEKE is established for the purpose, inter alia, of: a) paying compensation via TEKE's Deposit Cover Scheme to the depositors of credit institutions that fail to fulfil the obligations thereof towards said depositors, b) paying compensation via TEKE's Investment Cover Scheme to the investors-clients of credit institutions that fail to fulfil the obligations thereof towards said investors-clients, for claims arising from the provision of covered investment services. TEKE's Deposit Cover Scheme (DCS) and Investment Cover Scheme (ICS) are clearly two distinct bodies and independent funds, each one of which is used exclusively for the fulfilment of its purposes, as set out in the provisions of the applicable legislation.

Compensation will be paid pursuant to the applicable legislative and regulatory framework and particularly as per the provisions of Law 4370/2016 on "Deposit guarantee schemes (transposition of Directive 2014/49/EU), Hellenic Deposit and Investment Guarantee Fund (TEKE) and other provisions", as amended.

The maximum guarantee undertaken by TEKE for the aggregate deposits of each depositor in a specific credit institution is Euro one hundred thousand (€100,000). This limit applies to the total deposits held with the same credit institution, regardless of the number of deposits, the currency and the deposit venue. By way of exception, deposits deriving from specific activities and provided that the conditions of Article 9 of Law 4370/2016 are met, are protected by an additional €300,000 limit. Deposits exempted from TEKE's guarantees are specified in Article 8 of Law 4370/2016.

Furthermore, TEKE's coverage limit for the total claims of each investor-client arising from covered investment services, against an ICS member credit institution is €30,000. The said limit applies to the total claims of every investor-client vis-à-vis a specific credit institution that is an ICS member, regardless of the investment services covered, number of accounts, currency or the venue where the investment service was provided. Claims arising from investment services specified in Article 12 of Law 4370/2016 are exempted from the guarantee and consequently from TEKE's compensation system.

Find more information at TEKE's webpage: [www.teke.gr](http://www.teke.gr).

### Safekeeping and Custody of Financial Instruments

The Bank applies a policy governing the safekeeping of client assets and the provision of custody services, which describes all the measures required and the organizational arrangements to ensure secure, transparent

and efficient safekeeping of client assets. More specifically, this policy provides for:

- The Bank's compliance with the relevant legal and regulatory arrangements.
  
- The provision of information to the client, regarding the potential risks involved, as the case may be.
  
- The procedure for selecting a Custodian.
  
- Appropriate mechanisms for keeping the respective records and accounts.
  
- Mechanisms, procedures and controls that enable the Bank at any time to distinguish the assets held on behalf of clients by the Bank or by a third party (agent or custodian).
  - The adoption of the appropriate measures to protect the client's ownership rights, particularly in the event of insolvency and prevention of the use of the client's financial instruments for the Bank's account, unless the client has explicitly granted his consent thereto.
  
- Mechanisms and procedures that minimize the risk of loss or diminution of client assets or rights.
  - The elimination of any conflicts of security or physical liens or setting off rights on the client's financial instruments that allow third parties access to the client's financial instruments or funds in order to collect dues not associated with the client or the provision of services to the client (unless so required by law of the country holding the client's funds or financial instruments).
  - The Bank's observance of its obligation to refrain from entering into any arrangements for the provision of financial collateral by title transfer with retail clients with a view to meeting present or future, existing, dependent on unforeseeable events, or anticipated client obligations.
  
- Mechanisms that enable reconciliation of the accounts and records held by the Bank.
  
- The updating and continuous improvement of the various features of the services offered by the Custodian and the other operational procedures for safekeeping of client assets.
  
- The Bank's compliance with its obligation to refrain from entering into arrangements for securities financing transactions in respect of financial instruments held on behalf of a client in a collective account held by a third party and otherwise using financial instruments for its own account or the account of another client, without the client's express consent.

## Conflict of Interest Policy

In the context of proper, secure, transparent and efficient provision and management of investment services on behalf of its clients, and in order to protect their assets and their rights associated with those assets, the Bank has established and applies a policy that enables the Bank to effectively identify, avoid and manage

conflicts of interest between its subsidiaries, business units, managers, employees, tied agents and generally all parties involved, defined by the applicable law as “covered persons”, between clients and potential clients, as well as between clients and the covered persons, including conflicts arising from inducements received by third parties or the Bank's remuneration systems or incentive provision.

In this context, the Bank has set up procedures and measures that enable effective management of such conflicts, designed, more specifically, to:

- Prevent the covered person from exercising inappropriate influence over the client during provision of investment and ancillary services.
- Prevent or monitor exchange of information between covered persons engaged in various activities involving risk of conflict of interest, where the exchange of that information may harm the interests of one or more customers.
- Ensure separate supervision of covered persons whose principal functions involve carrying out activities on behalf of, or providing services to, clients whose interests may conflict, or who represent different interests which may conflict, including those of the Company;
- Remove any direct link between the remuneration of covered persons principally engaged in one activity and the remuneration of, or revenues generated by, different covered persons principally engaged in another activity, where a conflict of interest may arise in relation to those activities.
- Prevent or control the simultaneous or sequential involvement of a covered person in separate investment or ancillary services or activities where such involvement may impair the proper management of conflicts of interest.
- Prevent any case of non-compliance of the covered persons with the Group's Policy for Prevention of Market Abuse and for the Personal Transactions, as regards abuse of inside information and market manipulation.

More specifically, to prevent and manage potential conflicts of interests during the provision of underwriting and placement services:

- the Bank and Group companies establish, implement and maintain a Financial Instruments Allocation Policy that sets out the procedure for formulating allocation recommendations, which is provided to the client-issuer before the Bank or Group entity agrees to undertake placement services;
- the client-issuer shall participate in the discussions regarding the sale procedure, in order for the Bank or Group entity to be able to understand and take into account his interests and goals;
- the client-issuer shall agree with the proposed allocation of the offering per client category and in line with the provisions of the Financial Instruments Allocation Policy;
- effective procedures are implemented ensuring the independence, separate supervision and division of operations and duties of the Bank or Group Divisions involved in the allocation of an offering and of the Divisions responsible for the management of the Bank's or the Group's own portfolio - Proprietary Trading as well as the receipt, forwarding and execution of clients' orders;
- effective procedures are implemented ensuring the existence of information barriers between the Bank or Group Divisions involved in the allocation of an offering and of the Divisions responsible for the management of the Bank's or the Group's own portfolio - Proprietary Trading as well as the receipt, forwarding and execution of clients' orders; and

- third party payments or debts shall not be accepted, unless said payments or debts comply with the requirements for inducements provided for by the current regulatory framework. More specifically, the following practices are deemed not to comply with the said requirements and as a result shall not be accepted:

- o an allocation of shares in the context of a share issue as an incentive for disproportionately high fees for the Bank's or Group's non-linked services (laddering), such as disproportionately high fees or commissions to be paid by the client-investor or disproportionately large transaction volumes with regular fees offered by the client-investor as compensation for getting a certain percentage of the issue,

- o an allocation of shares in the context of a share issue to top executives or a company executive of an existing or potential client-issuer, in exchange for future or past assignment of corporate financing business (spinning), and

- o an allocation of shares in the context of a share issue depending expressly or implicitly on the receipt of orders in the future or the purchase of any other service of the Bank or the Group from a client-investor, or any other entity whose investor is a company executive.

Within the context of preventing potential cases of conflict of interests when producing and disseminating research in the area of investments, the Bank takes the following measures:

- Financial analysts and other covered persons shall not carry out personal transactions or personal market making, with the exception of those who act as special market makers who act in good faith during the normal exercise of special market making operations or during the exercise of a client's self-convened order, on behalf of any other person including the Bank or Group entities, in financial instruments included in the investment research or similar financial instruments, in the event they are aware of the probable timetable or content of said investment research when said timetable is not disclosed to the public or to clients and cannot be easily deduced on the basis of available information, before the recipients of the investment research have a fair chance to use it.

- For any cases not covered by the above point, financial analysts and any other covered persons whatsoever participating in the production of investment research shall not perform personal transactions in financial instruments included in the investment research, or in relevant financial instruments, contrary to current recommendations, except only under exceptional circumstances and with the Bank's consent.

- There is a natural separation between the financial analysts participating in the production of investment research and other relevant persons whose responsibilities or business interests may conflict with the interests of the persons to whom the investment research is disseminated.

- The Bank itself, the financial analysts and other covered persons participating in the production of investment research shall not accept inducements from persons with material interests in the subject of the investment research.

- The Bank itself, the financial analysts and other covered persons participating in the production of investment research shall not promise to issuers any kind of privileged coverage based on the research, and

- Prior to disseminating the investment research, issuers and covered persons except for the financial analysts and any other persons whatsoever shall not be allowed to examine the draft version of the investment research to confirm the accuracy of factual elements included in the research for any purpose whatsoever except for ensuring compliance with legal obligations of the Bank or the Group entities, when said draft includes a recommendation or a target price.

Ensure that the Bank and its employees provide investment or ancillary services in an honest, fair and professional manner and protect client assets and client rights in connection to those assets, and try to prevent

any conflicts of interest

In cases where it is ascertained that the measures already applied do not effectively ensure the prevention of conflict of interests, the Bank shall examine taking additional measures of effective conflict management so as to limit or eliminate the risk of damaging the interests of clients.

If the adoption of such additional measures does not effectively prevent cases of conflict of client interests the Bank shall duly disclose said cases, so that this factor is taken into account when an investment decision is taken.

### **Example of cases which could lead to conflict of interest**

Between the Bank and the Group and an existing or potential client:

- the Bank and/or the Group has information regarding financial difficulties of a company and proceeds to perform transactions involving said company's financial assets;
- the Bank and/or the Group advise a company to proceed to debt issuance, while advertising to other clients the advantages and disadvantages of an investment in said debt;
- a Bank or Group employee performs numerous transactions (pointless/unauthorized) on behalf of the client in order to increase commission income;
- the Bank and/or the Group represents the buyer and the seller in an agreement at the same time;
- the intermediaries steer towards pre-selected/specific companies which proceed to make special payments (above average) for a large volume of transactions (dependent commissions);
- a client places an order to buy a large volume of shares in Company Y: the Bank and/or the Group buys Company Y shares prior to the client's order so as to benefit from the share price increase;
- the Bank and/or the Group carries out transactions while taking advantage of a positive report that has not yet been published by the Analysis Department and financial analysts;
- a Bank or Group employee accepts a client's gift that could influence him or give the impression that it could influence his objectivity;
- Bank or Group directors who participate in BoDs and/or Committees in one or more client companies;
- transactions inside the company that enhance book value or create the impression of increased demand;
- a Bank or Group officer that buys or sells shares for own account using insider information;
- financial analyst that performs personal transactions that are the opposite of the recommendation of the research done or the investment advice given to clients; and
- incentives have been given to employees for the sale of complex products that may not be suitable for the clients.

Between existing or potential clients:

- the Bank and/or Group advises two rival companies on the acquisition of the same company;

- the Bank and/or Group carries out research into an entity or a group to whom it also provides financial advice;
- key clients with major interests that are in conflict with each other; and
- orders of certain clients are given priority relative to other clients' orders.

During the provision of underwriting and placement services the Bank shall take into consideration the following potential conflict of interests;

- between the client-issuer and the Bank's or the Group's clients who are possible purchasers of the financial instruments to be issued;
  - between the client-issuer and the Bank or the Group (including when the Bank or the Group is engaged in proprietary trading activity);
  - between the Bank or Group and the client-issuer in cases where the client has a previous loan or credit facility with the Bank or a Group company that can be repaid with the funds raised by the issue;
  - between the Bank or a Group entity and its clients; • between the client-issuer and a different client-issuer;
- and
- between different Bank or Group clients.

## Inducements

As regards the provision of investment or ancillary services, the Bank may pay or collect fees, commissions or non-monetary benefits from either group companies as per Law 4308/2014 as amended, or third parties, only if their payment or collection is intended to improve the quality of said service towards the client and does not obstruct the Bank's compliance with its obligation to act in an honest, fair and professional way, in line with its clients' interests.

In such a case, the Bank shall notify its client of the existence, nature and amount or the calculation method of the fee or commission paid or collected as per the provisions of the relevant legislative and regulatory framework. Fees or commissions paid or collected or profits that allow or are necessary for the provision of investment or ancillary services, such as custodian, transaction, clearing and settlement expenses, established or legal fees and which by nature cannot lead to conflict of interest regarding the Bank's obligation to act in an honest, impartial and professional way in its clients' best interest, are not subject to the above requirements of this paragraph.

In this context, the Bank has established an Inducement Management Policy and has evidence that any inducement paid or collected by the Bank has been designed for the improvement of the quality of said service towards the customer.

## Outsourcing

Should the Bank outsource the investment services and/or transactions agreed with the client, it shall fully comply with the provisions of the applicable legal and regulatory framework.

## Keeping records

To ensure compliance with the applicable legal and regulatory framework, and without prejudice to the law regarding protection of personal data, the Bank shall keep the following records:

- a. Client evaluation (such as client agreements, assessment of compatibility);
- b. Handling of orders (such as records on best execution of client orders);
- c. Client orders and transactions (such as keeping records of client orders or trading decisions);
- d. Client Information (such as notifications to clients);
- e. Safekeeping of client assets (such as records on the use of clients' financial instruments);
- f. Communication with clients (such as advertisements);
- g. Organizational requirements (such as records of conflicts of interests and records of inducements); and
- h. A record of client/investor grievances and complaints and the Bank's respective actions.

## Complaints Handling

The Bank has set up and implements procedures regarding the filing, as well as the appropriate and efficient investigation of complaints by existing or potential clients, in order to settle disputes that may arise from the provision of investment and ancillary services. To this effect, the Group Business Regulatory Compliance and Client Conduct Division has set up a specialized complaints handling function. In particular, the specialized Client Conduct Sector operates under this Division.

For any complaints, the Clients/ potential Clients may address to:

- the relevant staff of their local NBG branch
- or NBG's Client Conduct Sector:

by calling 800 11 88988 (from a landline in Greece) or +30 210 48 06 100 (from a mobile phone or if calling from outside Greece), on the days and hours stated on the Bank's official website [www.nbg.gr](http://www.nbg.gr),

- By filling out the relevant electronic form for comments, suggestions and complaints, available on the Bank's



website: [www.nbg.gr](http://www.nbg.gr);

- By sending an e-mail to [customer.service@nbg.gr](mailto:customer.service@nbg.gr),

- By sending a letter or the relevant form available at all NBG Branches:

o by post to: National Bank of Greece, Client Conduct Sector, Omirou 30, GR 10672 Athens, or

by fax : +30 210 3347740

Detailed and up-to-date information regarding the complaint procedure and the contact details of the customer complaints department are available on the Bank's website [www.nbg.gr](http://www.nbg.gr). The filing of complaints is not subject to a charge.

The Bank shall investigate the existing/potential client's complaint and shall reply as swiftly as possible, in plain and intelligible language, within the timeframe set up by the regulatory framework each time applicable. If further examination of the issue is required, the client shall be informed accordingly.

Existing/potential clients who are not satisfied with the Bank's reply, have the option to refer to bodies of alternative dispute resolution, such as the Greek Financial Ombudsman, Massalias 1, GR 106 80 Athens, tel. 10440 (local call rates)/+302103376700 (international calls), website: [www.hobis.gr](http://www.hobis.gr), Hellenic Consumer's Ombudsman, Leoforos Alexandras 144, 114 71 Athens, Tel.: +30 210 6460862, website: [www.synigoroskatanaloti.gr](http://www.synigoroskatanaloti.gr), or on the Online Dispute Resolution platform (<https://webgate.ec.europa.eu/odr>) for cases of online agreements. More details on referring a complaint to alternative dispute resolution bodies are available on the Bank's website, at [www.nbg.gr](http://www.nbg.gr); please also note that the client is able to opt for legal resolution of his dispute (civil action).

## Reports to Clients

With each transaction, the Bank shall provide to its clients the respective evidence that the transaction was actually carried out, including all necessary and material information, unless otherwise specified by the relevant legal and regulatory framework. In this context, the Bank shall take the following actions regarding this order:

(a) The Bank shall immediately provide to the Client and via a durable medium all key information regarding the execution of the order,

(b) it addresses a notice for the purposes of confirming the execution of the Client's order, as soon as possible, and, at the latest, the first business day following the execution of the order, or following receipt of confirmation dispatched by a third party in the event that the Bank receives confirmation by a third party.

This information includes, where appropriate, the cost of transactions carried out on behalf of, and the services provided to, the client.

If the order is transmitted by the Bank to a third party to be executed, the confirmation of the execution of the order can be provided to the clients by said third party.

A statement of the client's financial instruments is sent to him by the Bank on a quarterly basis, with the legally required content, unless said statement has already been provided to the client via another periodic statement or if the Bank gives the client access (via an appropriate application – internet/mobile banking) through an online system, which is considered a durable medium, where the client can obtain updated statements on his financial instruments, as per the provisions of the applicable legislation.

At the client's request, the Bank shall provide information on the status of his order.

*The investment service information provided herein is provided to the Bank's clients under Law 4514/2018.*

*The potential investor, after examining the information contained herein and having requested any clarification from the relevant officer of any branch of the Bank, will be asked to sign a document confirming that he has received and agreed with the content of this document. Depending on the products to be chosen by the Client, the Bank may provide to, or request from, the Client additional information.*

### **3.2 Mode and means of communication**

The official language used for communication between the Bank and its clients is Greek. However, communication with the Bank's clients before or after the signing of a contract can be carried out in English as well, following relevant agreement. As a rule, the present as well as all contracts and supplementary documents are prepared in the Greek language.

The Bank considers written communication to be its principal mode of communication with its clients. In cases provided for in the contract signed by them, including the sending and receiving of orders, communication may also be carried out by telephone voice recorders, fax, email or other durable medium acceptable to both parties or in person.

Before the provision, to new or existing Clients, of any investment services or activities as regards the receipt, forwarding and execution of orders, the Bank informs the client that: (a) telephone conversations and electronic communications are recorded and (b) a copy of the recorded conversations and communications with the Client is available, upon request, for a period of five years unless otherwise provided for by the applicable legislative and regulatory framework.

**SECTION B – RECEIPT OF THE POLICY FOR BEST EXECUTION OF ORDERS IN FINANCIAL INSTRUMENTS****POLICY FOR BEST EXECUTION OF ORDERS IN FINANCIAL INSTRUMENTS****I. GENERAL**

National Bank of Greece S.A. (hereinafter “the Bank”) takes every measure to get the best possible result either when receiving and transmitting orders to third parties or when executing orders in financial instruments on behalf of its clients.

To this end, the Bank applies a Policy for Best Execution of Orders in Financial Instruments (hereinafter “the Policy”), which sets out the key principles governing both reception and transmission of orders to third parties and execution of orders on behalf of clients. The Bank monitors systematically the implementation of said Policy and evaluates its effectiveness. Based on this policy, the Bank can prove, whenever required, that it takes any sufficient and appropriate measures as per the relevant legislation for the best execution of orders in all financial instruments traded on a trading venue or OTC.

In drafting this Policy, the Bank has taken into account the applicable regulatory and legislative requirements:

**II. SCOPE**

The Policy applies, according to Law, to any reception and transmission order to third parties or execution of orders in financial instruments on the account of the Bank’s Clients categorized as “Retail” and “Professional” clients.

The clients included in “Eligible Counterparties” category do not fall within the scope of this Policy.

The Policy is applicable in all countries of the European Economic Area (EEA) where the Bank provides investment services on financial instruments included in Annex A hereof.

**III. GOVERNANCE**

The Senior Management of the Bank is responsible for maintaining and aligning the Policy for best execution of orders in financial instruments with the applicable legislative and regulatory framework.

The body responsible for approving the Policy for best execution of orders in financial instruments is the Bank’s Board of Directors (BoD).

Responsible for implementing the Policy for best execution of orders in financial instruments are all Bank officers involved in the reception and transmission of orders to third parties regardless, whether they are

executed on behalf of the client or the Bank itself.

#### **IV. BEST EXECUTION OF ORDERS: DEFINITION AND FACTORS**

Best execution of orders comprises the measures that should be taken via the mechanisms and processes the Bank applies to ensure the best possible result when it receives and transmits to third parties orders for execution, as well as when it executes orders on behalf of clients.

To achieve the best possible result for a client, the Bank takes into consideration the following factors:

- the type and the price of the financial instrument,
- the costs related to the execution of the order (e.g. fees, cost of settlement and clearing, charges collected by the execution venue, all other fees paid to third parties that participate in the execution of the order) and borne by the client.
- the speed of execution the Bank can achieve,
- the likelihood of execution and settlement of the order, and
- the size and nature and any other consideration relevant to the execution of the order.

#### **V. CRITERIA FOR THE ASSESSMENT OF BEST EXECUTION FACTORS**

The weight of the above factors in best execution is assessed taking into account the following:

- the characteristics of the client, including their categorization as retail or professional,
- the characteristics of the client order, such as:
  - i. a limit or market order,
  - ii. the size of the order and its potential market impact, or
  - iii. an order related to securities financing transaction (SFT).
- the characteristics of the financial instruments that are the subject of that order:
  - i. domestic/ international equities,
  - ii. bonds,
  - iii. stock-market/ OTC derivatives,
  - iv. structured investment products, and
  - v. ease of liquidation.

· the characteristics of the execution venues to which that order can be directed:

- i. quality of execution, continuously ensuring the best possible result, and
- ii. depth of liquidity in that execution venue.

## VI. ASSESSMENT OF BEST EXECUTION FACTORS

Assessment of best execution varies according to the criteria described above and depends on the characteristics of these criteria, as follows:

### Characteristics of the Client

#### **Retail Clients:**

The Bank considers the total cost of order execution as a particularly important factor for this client category and determines the best result on the basis of this factor, representing the price of the financial instrument and the charges related to execution in the execution venue used from time to time, taking into consideration all the costs directly related to the execution of the order, including execution venue, clearing and settlement duty, the fees subject to the Bank's Rates & Charges, and other fees paid to third parties.

When a financial instrument is traded on more than one market, which ensure the same result on the basis of the aggregate cost, the Bank, in order to ensure the best outcome for the client, takes into account other factors besides total cost.

#### **Professional Clients:**

The Bank considers that important factors for professional clients the price, the relative charges and the speed and completeness of the execution.

### Characteristics of the order

The Bank takes into consideration the characteristics of the orders in order to determine the importance of execution factors.

For orders significantly above standard market size, which may either have a significant impact on the market or exceed the available liquidity, the likelihood of partial or full completion and settlement constitutes the key factor.

### Characteristics of the financial instrument

The Bank takes into consideration the type of the financial instrument involved in the transaction, in order to determine the relative importance of execution factors.

**Securities subject to trading in a regulated market:**

For equity and other securities traded on regulated markets, for which there is adequate market liquidity and quoted prices, the Bank considers the price and the cost of execution as the most important factors.

**OTC derivatives:**

For products not traded on regulated markets (e.g. forward contracts, OTC contracts, swaps, bespoke products etc.) and regarding which, because of their nature and characteristics, prices are not quoted publicly on the market nor is it possible to find the price by means of a request for quote, the Bank ensures the fairness of the price suggested to the client on the basis of market data used in the calculation of the price of such products and, where applicable, comparison with similar or comparable products.

As regards pricing or price control of OTC products, including bespoke products, in the context of fulfilling best execution obligations, the Bank takes into consideration external market data and externally verifiable reference prices, where applicable.

The Bank observes the relevant procedures **and uses** the appropriate valuation systems through the required technology and data source. It monitors the developments on valuation methodologies and the relevant models used in connection with such products, thus ensuring the consistency and fairness of the price. The said controls and procedures carried out before and after trading are based on the methodology described in Annex D hereof. The Bank keeps records with data and pricing models, which are at the disposal of any competent authority for review.

**Bonds:**

For transactions involving domestic and international bonds, the Bank has adopted all appropriate measures, which via an automated process facilitate the identification of the most beneficial price for the client, in order to simultaneously address Requests For Quote to all international market counterparties that wish to deal with the Bank. Thus, the Bank ensures best execution in terms of price and time, as well as confirmation, particularly when in fast market conditions.

**Bank Products:**

The Bank provides the Client with any information required by the applicable Greek and/or EU legislation regarding the products it develops for its Clients which incorporate unique features (structured products) while the Bank itself undertakes the role of the counterparty.

**Distribution of products:**

As regards the products which the Bank purchases on behalf of its Clients and for which it acts as a counterparty, all product-related information available by the issuer/ creator thereof is provided to the Client subject to the applicable Greek and/or EU legislation.

 **Characteristics of the execution venue**

The execution of an order varies according to the execution venue. The selection of the execution venue may have an impact on the method of execution of an order. The Bank, by means of its policy, determines the characteristics of the execution venues where the best possible result can systematically be achieved.

Specifically, if there are more than one competitive venues for the execution of an order in financial Instruments, for the purpose of assessing and comparing the outcome for the client of the execution in each venue, the following are taken into consideration:

- i. the cost borne by the client for execution in each eligible execution venue;
- ii. the fees collected by the Bank itself;
- iii. the price at which the order will be executed;
- iv. the speed of execution;
- v. the likelihood of execution; and
- vi. any other relevant factor.

Under regular market conditions, the Bank deems that the selection of the execution venue does not affect significantly the factors related to the execution of orders.

The Bank examines on a regular basis whether the execution venues included in Annex B hereof provide the best possible result for its clients or if it is necessary to modify the arrangements applying to order execution, taking into consideration, among others, the execution quality data published by the execution venues and by the Bank in the context of implementing the applicable legislative and regulatory framework.

## **VII. RECEPTION, TRANSMISSION AND EXECUTION OF ORDERS**

The Bank executes orders in one of the following ways:

- Directly to:
  - i. the markets in which it participates (multilateral trading facilities, organized trading facilities);
  - ii. outside regulated markets or Multilateral Trading Facilities or Organized Trading Facilities, acting as a counterparty (over the counter), and
  - iii. via its mechanisms operating itself as an execution venue for its own portfolio.
- Via third parties with which the Bank has entered into written agreement.

### **Direct execution:**

If a financial instrument is traded on just one market, the Bank is deemed to ensure the best result for the Client when it transmits the order to that market. In any other case it follows the procedure for the selection of the execution venue.

In the event that a factor other than the total cost has been assessed as the most important for an order, the Bank transmits the order taking that factor into consideration.

### **Transmission of order to third party:**

Where the Bank transmits orders to be executed by third parties, including the financial intermediaries in the

same Group, all measures required to ensure best execution of the orders are taken.

In this context the Company examines the best execution policy applied by such third parties, monitors on a regular basis the order execution policy of the latter, and takes all necessary measures to ensure that the third parties selected to transmit the orders have established and apply an order execution policy similar to that of the Bank.

The selection criteria for the third party intermediary consider:

- to what extent execution policies meeting the conditions set by the Bank apply in practice;
- whether they possess the appropriate infrastructure and partnerships to execute orders in foreign markets;
- whether any of the third parties used by the Intermediaries fall under the provisions of Directive 2014/65/EC or the respective legislative provisions of a third country (non EU), and they themselves use when transmitting further the orders they receive from the Bank.

The Bank reviews its policy and the arrangements related to the transmission of orders to third parties, at least on an annual basis. This review is also carried out whenever a material change occurs that affects the Bank's ability to continue to obtain the best possible result for its clients.

## **VIII. CLIENT'S INSTRUCTIONS TO EXECUTE AN ORDER**

The Bank is considered to have met its obligation to take all necessary measures to achieve the best possible outcome for its Client, when it executes an order or part of an order following specific instructions of the Client regarding the order or the said part of the order.

If the Bank offers to clients direct access to certain market(s) through an online application, the Client is responsible to ensure the best outcome, since the selection of time, price and other execution parameters is not part of the services provided in this case by the Bank.

The Bank hereby warns the Clients that any special instructions of the Client may prevent it from taking the measures it has planned in order to achieve the best possible outcome when executing orders, vis-a-vis the data affected by the said instructions.

## **IX. MONITORING OF THE POLICY FOR BEST EXECUTION OF ORDERS IN FINANCIAL INSTRUMENTS**

The Bank has established best execution arrangements that are implemented on an ongoing basis.

The Bank monitors the implementation of the policy for best execution of orders in financial instruments during reception/ transmission and execution of orders and identifies any deviation from its principles.

The policy for best execution of orders in financial instruments and relevant arrangements are reviewed at least on an annual basis, as well as whenever a material change occurs that may affect the Bank's ability to obtain the best possible result for its clients on an ongoing basis.

The Bank assesses whether a material change has occurred and examines the possibility of changing the



relative importance of best execution factors in complying with the primary requirement for best execution.

Material change means a significant event that could affect the parameters of best execution, such as cost, price, speed, likelihood of execution and settlement, size, nature or any other factor affecting the order execution.

The Bank shall take every measure to rectify any weaknesses arising during the assessment of the quality factors of execution and if necessary shall examine the possibility of changing the execution venue or entities on which it relies, in order to comply with the best execution requirements.

## **X. EXECUTION OUTSIDE A REGULATED MARKET OR MULTILATERAL TRADING FACILITIES OR ORGANIZED TRADING FACILITIES**

In certain cases the Bank may execute a client order outside a regulated market or Multilateral Trading Facilities or Organized Trading Facilities.

All Business Units of the Bank involved in the relaying and execution of orders on behalf of customers should ensure that they have taken the client's express consent before executing an order outside a regulated market or Multilateral Trading Facilities or Organized Trading Facilities. Further, the Client is informed by the Bank of any consequences, such as the counterparty risk arising from the execution outside a trading venue, and that the Bank can provide, upon request, further information on the consequences of the specific execution method.

## **XI. CLIENT REQUESTS**

The Bank responds clearly within a reasonable timeframe to clients' requests for the provision of information on execution policies or arrangements and the method of review thereof. In addition, the Bank ensures that the cost of provision of such information borne by the Bank is not disproportionate to the nature of the request and the importance of such information to the client.

## **XII. DISCLOSURE OF INFORMATION REGARDING BEST EXECUTION**

### **Order execution policy:**

The Bank provide to its clients appropriate information on this policy. Such information, provided to clients upon classification thereof, explains in a clear, sufficiently detailed and easily comprehensible manner how the Bank will execute orders on their behalf. Moreover, it is ensured that client consent regarding the best execution policy is obtained in advance.

A summary of the Policy for Best Execution of Orders in Financial Instruments highlighting the total cost (including execution venue fees, clearing and settlement fees, as well as taxes and other charges) is available

specifically to retail clients. The Bank's official website includes the most recent data, as regards the execution quality, which are published for each execution venue that the Bank has included in its Policy for best execution of orders in Financial Instruments.

Under any circumstances, without prejudice to all its rights, the Bank reserves the right to change the terms of the Policy for Best Execution of Orders in Financial Instruments in contractual documents, complying with the obligation to inform its clients, with whom it has an ongoing customer relationship, of any material change in the Policy for Best Execution of Orders in Financial Instruments and arrangements.

**Fees:**

The Bank does not structure or charge its commissions in a way that could lead to unfair discrimination between execution venues.

If the Bank varies its fee depending on the execution venue, it provides the client with the differences between the execution venues in order to enable the client to understand the advantages and disadvantages of selecting a sole execution venue.

Furthermore, where the clients are requested to choose an execution venue, the Bank provides accurate, clear and non-misleading information to prevent clients from choosing a venue exclusively on the basis of the pricing policy of the Bank.

The Bank shall inform its clients when an inducement has been received by an execution venue or when more than one participant in one transaction has been charged, that the relevant payments are handled pursuant to the Management Inducements Policy.

**Execution venues:**

The Bank summarizes and publishes on an annual basis (on its website), for each category of financial instruments, the top five execution venues in terms of trading volumes where the Company executed client orders during the previous year, as well as data regarding the execution quality obtained, pursuant to the applicable legislative and regulatory framework. The said data are published by the end of the fourth month of each calendar year at the latest.

As regards financial Instruments for which the Bank acts as an execution venue (such as multilateral trading facility, organized trading facility, systematic internaliser, market maker, liquidity provider), the Bank publishes free of charge data related to the quality of execution of transactions carried out on an annual basis, pursuant to the applicable legislative and regulatory framework.

**Receiving brokers:**

Where the order is transmitted by the Bank (transmitting firm) to a third party (receiving firm) to be executed, the former fulfils all its obligations regarding best execution and in particular summarizes and publishes on an annual basis, for each category of financial instruments, the top five investment firms (brokers) in terms of trading volumes to which the Bank transmitted or sent for execution client orders during the previous year, as well as data regarding the execution quality obtained.

The said disclosure is made through a separate report, other than the respective top five execution venues report.

Besides the above annual disclosure, the Bank endeavors to provide information to clients or potential clients,

upon request, regarding the entities to which orders are transmitted or sent to be executed.

### **XIII. PROOF OF BEST EXECUTION**

The Bank is in a position to prove to its clients, if they so request, that their orders have been executed in line with this Policy and to prove to the competent authority, if necessary, the Bank's compliance with obligations regarding best execution.

### **XIV. RECORD KEEPING**

The Bank keeps appropriate files and documentation for each client order executed, so as to ensure the completeness and accuracy of execution data for the purpose of proper fulfilment of disclosure requirements on an annual basis.

In addition, all the Bank's Units keep files on their client transactions, which document the mode of execution of orders, and the Bank is in a position to prove to its clients, if they so request, that their orders have been executed in line with this Policy and to prove to the competent authority, if requested, the Bank's compliance with obligations regarding best execution.

### **XV. CHART OF POLICY UPDATES**

**First Version (1.0) 14/11/2008**

**Compliance with MiFID II (2.0) 19/12/2017**

**ANNEX A****FINANCIAL INSTRUMENTS**

The Policy for Best Execution of Orders in Financial Instruments applies to the following financial instruments:

1. Securities, i.e.:

i. Shares and other instruments equivalent to shares in companies, partnerships and other entities, as well as depositary receipts thereof.

ii. Bonds and other forms of securitized debt, as well as depositary receipts thereof.

iii. Any other securities giving the right to acquire or sell any such transferable securities or giving rise to a cash settlement determined by reference to securities, currencies, interest rates or yields, commodities or other indices or measures.

2. Money market instruments.

3. Units in undertakings for collective investments in transferable securities (UCITS).

4. Structured investment products.

5. Derivatives related to securities, currencies, interest rates or yields or other derivatives, financial indices or other financial measures.

6. Derivatives related to commodities and settled in cash.

7. Derivatives related to commodities and physically settled, provided that they are traded on a regulated market.

8. Derivative instruments for the transfer of credit risk.

9. Financial contracts for differences.

10. Derivatives related to climatic variables, freight rates, emission allowances, or inflation rates or other official economic statistics.

**ANNEX B****VENUES ON WHICH THE BANK MAINLY RELIES FOR THE EXECUTION OF ORDERS**

1. For derivative products traded in a regulated market, the Bank operates mainly in the execution venues listed below:

Markets in which the Bank is a direct member

- ATHEX
- Eurex Frankfurt

Markets to which the Bank has indirect access through third parties (Chartered Financial Intermediaries):

- Chicago Board of Trade, Chicago
- Chicago Mercantile Exchange – GLOBEX, Chicago
- Euronext, Amsterdam

Other

- The Bank's own portfolio

2. For fixed-income securities traded in a regulated market, the Bank operates mainly on the execution venues listed below:

Markets to which the Bank has direct access as a member

- System for Electronic Trading of Dematerialized Securities (HDAT), Athens
- Euro MTS, London

Other

- The Bank's own portfolio
- Bloomberg MTF and other OTC markets

3. For shares traded in a regulated market, the Bank uses NBG Securities S.A. as financial intermediary.

4. For OTC and MTF derivative products, the Bank carries out transactions by acting as a counterparty to the Client.

5. For Units in undertakings for collective investments (UCITS), the venues for execution are their Management Companies. The selection factor used is the completion of the order execution and settlement.

**ANNEX C****VENUES FOR EXECUTION OF ORDERS PER CATEGORY OF FINANCIAL INSTRUMENT****1. Shares**

- ATHEX

**2. Bonds and other forms of securitized debt**

- Online Secondary Securities Market (HDAT)
- Euro MTS, London
- The Bank's own portfolio
- Bloomberg MTF and other OTC markets
- Other

**3. Money market instruments**

- The Bank's own portfolio
- OTC markets

**4. Units in undertakings for collective investments (UCITS).**

- Their Management Companies

**5. Derivatives traded in a regulated market**

- ATHEX
- Eurex Frankfurt
- Chicago Board of Trade, Chicago
- Chicago Merchantile Exchange – GLOBEX, Chicago
- Euronext, Amsterdam
- The Bank's own portfolio
- Other

**6. Derivatives not traded in a regulated market (related to commodities irrespective of the natural intention, related to securities, currencies, interest rates, financial contracts for differences, other derivative instruments, financial indices or other financial measures, etc.)**

- The Bank's own portfolio
- OTC markets

## ANNEX D

### Valuation methodology for OTC products.

The pricing of OTC products requires market data of “good quality” and theoretical pricing models which are widely accepted by the participants in the market. The data quality depends on the vendors and specifically, it is based on their experience and the reliability of the data provided. Accordingly, the quality and reliability of the pricing models is proven by their wide use and their “durability”.

The Bank keeps, on an on-going basis, external market data both historical and current . The main categories of market data are:

- Interest rate Curves (Prices and Variations);
- F/X Rates (Prices and Variations);
- Shares and Equity Indices (Prices and Variations);
- Commodities’ Prices (Prices and Variations); and
- Other factors depending on the product.

The Bank also keeps a record with the pricing models of OTC products approved by the relevant Valuation Committee. The Bank’s Valuation Committee, inter alia, approves the product pricing procedures, approves the respective models and ensures the observance of relevant procedures for obtaining reliable market data.

As already mentioned, the above pricing models are widely used as pricing “tools”, based on the available literature and articles which are used by the vast majority of the participants in the interbank market.

The said models may be recorded in Excel form or a “closed - end” system form, or via vendors (Bloomberg, Reuters).

The Bank has developed pricing models in excel subject to the valuation methodology of the relevant products. Such models are approved by the Pricing Committee.

For the purposes of keeping a transaction record, the Bank has a “closed-end” system which enables the pricing of the majority of products.

The Bank is a subscriber to both Bloomberg and Reuters, which as vendors, not only provide live market data but also “in house” pricing solutions.

When pricing of OTC products in the context of offering a price to a client, the competent Trading Desk uses the relevant aforelisted live data to run the relevant models thus arriving at the “fair” price for the product in demand.

With a view to counteracting the risk arising from the execution of the Client’s transaction, the Trading Desk assesses the transaction cost that may be incurred if it performs the necessary hedging transactions in the market. The final price to the client reflects this transaction cost.

At the time the transaction is executed, the relevant Trading Desk keeps record of the necessary, for the pricing, market data or the respective models in case of use of the vendors’ pricing sources. Accordingly, upon a client’s request, the Bank can provide all information regarding the way in which it has reached the offered price.

## SECTION C – CLIENT CLASSIFICATION LETTER

Trade name

FAO

Street Address - No

Post Code

City

Country

Dear Customer,

As part of providing investment and/or ancillary services to its customers in a professional, honest and fair manner, National Bank of Greece S.A. has adopted and complied with the rules and principles of European Directive 2014/65/EU and Regulation (EU) 600/2014 of the European Parliament and of the Council on Markets in Financial Instruments, as same are incorporated in the national legislative and regulatory framework.

The Bank provides investment and/or ancillary services to the following customer categories:

- Retail clients
- Professional clients
- Eligible counterparties.

According to the data available to the Bank and in compliance with the classification criteria set by the relevant legislation, we hereby inform you that you have been ranked in the **Professional Client** category for the following investment and/or ancillary services and financial instruments:

	Reception & transmission / execution	Dealing for own account	Underwriting/ placement on a firm commitment basis	Underwriting/ placement without any firm commitment basis	Custodian
Government Bonds and Treasury Bills					



Corporate Bonds					
UCITS Units					
Hedge Funds					
Capital-Guaranteed Investment Products (EPEAK)					
Shares					
Derivatives Financial Instruments					
Other Structured Products					

This categorization offers you the maximum level of investment protection in respect of the provision of investment and/or ancillary services by the Bank.

On the basis of this categorization, we assume that you have the experience, knowledge and expertise to take investment decisions and assess the relevant risks.

Please note that, on the basis of the relevant rules, as a Professional Client you are entitled, at any time, to formally request in writing that the category in which you have been ranked be changed to Retail Customer as regards one or more investment and/or ancillary services or transactions and one or more financial instruments. Such change will enable you to have the increased investment protection offered to Retail Customers during the provision of investment and/or ancillary services.

If you have any questions on the content of this letter, you are kindly requested to contact us.

**CUSTOMER REPRESENTATIONS**

I, the undersigned Client declare that National Bank of Greece S.A. provided to me in electronic form and I read carefully and in full the aforelisted documents: (a) Pre-Contract Client Information Bulletin on the Provision of Investment and Ancillary Services; (b) Policy for Best Execution of Orders in Financial Instruments; and (c) Client Classification Letter where all the required data are included, pursuant to Law 4514/2018 which transposed Directive 2014/65/EU (MiFID II), and I declare that I fully understand their contents, and accept them unreservedly.

Any updates of the Pre-Contract Client Information Bulletin on the Provision of Investment and Ancillary Services and the Policy for best execution of orders in Financial Instruments will be available at the Bank's webpage: [www.nbg.gr](http://www.nbg.gr).

Athens,

.../.../...

The Client

## ANNEX E – TEKE

## TEKE Information Bulletin for the investors – clients

## Key information on the protection of investment services

The covered investment services<sup>1</sup> in National Bank of Greece S.A. are covered by:

Coverage limit:

If you have claims from more than one covered investment services in the same credit institution:

In the event you are one of the beneficiaries of a joint investment account/ portfolio:

Compensation Request:

Deadline for the commencement of the compensation payment:

Compensation currency:

Contact details:

For further information:

HELLENIC DEPOSIT AND INVESTMENT GUARANTEE FUND (TEKE)<sup>2</sup>

€30,000 per investor-client per credit institution<sup>3</sup>

The maximum coverage limit for the total of the guaranteed investment services provided by the credit institution stands at €30,000 per investor-client per credit institution. This limit applies to the total investment services held with the same credit institution, regardless of the number of investment services, the currency and the service venue within the EU.<sup>4</sup>

The limit of €30,000 applies to each investor-client separately

TEKE publishes an invitation for the submission of a compensation request by the investors-clients<sup>5</sup>

Within three months of TEKE forwarding the minutes listing the beneficiaries of compensation to the Bank of Greece<sup>6</sup>

Euro (€) or in case of branches operating outside the Eurozone, the currency of the specific country.

Hellenic Deposit and Investment Guarantee Fund (TEKE)

Postal Address: Amerikis 6, 2nd floor

Athens, GR 10671

Tel. No: + 30 210 3639933, + 30 210 3638339

Fax: +30 210 3635582.

E-mail: [info@hdigf.gr](mailto:info@hdigf.gr)

<http://www.teke.gr>

## Additional Information

<sup>1</sup> Covered investment services mean the services included in article 4 of Law 3606/2007 (Government Gazette 195 A' 17/8/2007) para. 1 (a) - (d), (f), (g) and the ancillary service described in para. 2(a) of the same article. The following services are listed indicatively: reception, transmission and execution of orders, custody of financial instruments, safekeeping and administration of financial instruments for the account of customers, market making of one or more financial instruments for own account, clients' portfolio management, etc.

<sup>2</sup> System responsible for the protection of the covered investment service.

<sup>3</sup> General coverage limit

In the event that a claim from a covered investment service is not available because a credit institution is unable [according to the regulatory authority or the court] to meet its obligations against its investors – clients subject to the applicable law, the Hellenic Deposit and Investment Guarantee Fund shall compensate the investors-clients. The maximum compensation amount stands at €30,000. This means that all claims from covered investment services raised by the same investor-client against the same credit institution are added in order to determine the coverage limit. If, for example, an investor-client has raised one claim for €15,000 and another claim for €20,000 arising from covered investment services, the same shall be compensated only for €30,000.

<sup>4</sup> Protection limit for co-beneficiaries of the same claim arising from investment services

As concerns investors-clients who are co-beneficiaries of the same claim arising from covered investment services, the part corresponding to each investor-client is considered as a separate claim against the credit institution and including any other claims from covered investment services, the investor-client is compensated up to the amount of €30,000.

For further information: <http://www.teke.gr>

<sup>5</sup> Compensation Request

Within a reasonable time as of the date the claim arising from a covered investment service became unavailable, TEKE publishes an invitation to the investors-clients to present in writing their claims arising from covered investment services against any credit institution participating in TEKE, specifying the submission procedure of the relevant requests, the deadline for such submission and their content. For further information: <http://www.teke.gr>

<sup>6</sup> Compensation

The compensation amount becomes available from TEKE not later than three months as of the date TEKE forwarded the minutes with the compensation beneficiaries to the Bank of Greece, and such deadline can not be extended more than three (3) months.

The compensation right of the investor-client is statute-barred after the lapse of five (5) years as of the above deadlines. The compensation amount is calculated by setting off the claims of the same nature between the participating credit institution and the investor-client.

For further information: <http://www.teke.gr>

**Other relevant information:**

The exclusions of specific claims arising from investment services are described at <http://www.teke.gr> of the Hellenic Deposit and Investment Guarantee Fund (TEKE). National Bank of Greece may inform you, upon your relevant request, whether specific products are covered or not.