

## **NATIONAL BANK OF GREECE S.A.**

### **Plan of actions in the event that a benchmark materially changes or ceases to be provided**

*In accordance with article 28 par. 2 of the Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014.*

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#### ***Current Regulatory Framework***

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Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds (hereinafter "the Regulation") introduces a common framework to ensure the accuracy and integrity of indices used as benchmarks in financial instruments and financial contracts, or to measure the performance of investment funds in the Union; it thereby contributes to the proper functioning of the internal market while achieving a high level of consumer and investor protection. Specifically, this Regulation applies to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the Union.

Therefore, this Regulation imposes certain obligations on supervised entities that use benchmarks in financial instruments and financial contracts or to measure the performance of investment funds.

Moreover, pursuant to the provisions of article 28 par. 2 of the Regulation, the supervised entities that use a benchmark shall produce and maintain robust written plans setting out the actions that they would take in the event that a benchmark materially changes or ceases to be provided. Where feasible and appropriate, such plans shall nominate one or several alternative benchmarks that could be referenced to substitute the benchmarks no longer provided, indicating why such benchmarks would be suitable alternatives.

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## *NBG's plan of actions*

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This document is the "written plan of actions" of NBG, as per the provisions of article 28 par. 2 of the Regulation, describing the procedure to be followed by NBG in the event that a benchmark materially changes or ceases to be provided.

Specifically, in the event that a benchmark materially changes or ceases to be provided, NBG shall take the following actions:

i. Assessing the benchmark change as material/significant or not

Note that changes in benchmarks can be material/significant or not.

For example and without limitation, non material changes could include:

- Change in the benchmark name, as a result, for instance, of a merger between administrators of benchmarks
- Non-material/minor changes in the policy used to develop a benchmark.

For example and without limitation, material changes could include:

- Material/significant changes in the policy used to develop a benchmark.
- Cessation of the provision of a benchmark
- Cessation of authorization/registration of an administrator etc.

In view of the above, the Group Treasury General Division shall initially assess whether the benchmark change is material/significant, and, if so, shall inform accordingly the Bank's Asset and Liability Committee (ALCO), so that the next steps of the procedure are taken.

ii. Determining the impact of a benchmark's material/significant change and examining alternative benchmarks

In the event of material/significant change of a benchmark, NBG's relevant product Unit shall determine the impact and assess the consequences of such event, reviewing at the same time existing products linked to such benchmark and the respective agreements with customers/consumers.

Moreover, the relevant Product Unit shall seek assistance from other Bank Units, as the case may be, on the basis of their experience and knowledge of the market conditions each time prevailing, shall assess alternative options available at that time regarding the nomination of one or more indices to substitute the benchmark no longer provided, indicating why such indices would be suitable alternatives. Specifically, the relevant Product Unit shall propose to the Bank's Asset and Liability Committee (ALCO), the alternative option deemed appropriate, providing the relevant documentation.

The assessment of alternative options shall take place in obligatory compliance – among others – with the following:

- Any Regulatory Acts (Implementing Regulations, Instructions or Codes of Conduct), clarifications or guidelines issued by the competent supervisory authorities or other bodies (European Central Bank, Bank of Greece, Hellenic Capital Market Commission, EBA, ESMA, ISDA etc.)
- Any instructions or solutions provided by the benchmark administrator, provided that the latter is actively authorized by its Supervisory Authority (i.e. its authorization is not suspended or revoked)
- The provisions of the applicable regulatory framework of the "Regulation", so as to ensure the Bank's compliance with supervisory requirements
- The ability to promptly implement the new benchmark
- The transparency and availability of the new benchmark, as well as the compliance level of the latter with the current regulatory framework that derives or is referred to by the "Regulation"
- If there is no available Benchmark that meets the abovementioned requirements, then the Bank, in order to adopt the suitable alternative, shall take into consideration special provisions concerning supervisory requirements relating to benchmarks, which are included in individual applicable Union legislation (and according to a case by case use of a benchmark), as well as the objective and internationally recognized and accepted guidelines on benchmarks, as they are issued and apply in the context of IOSCO ("Principles for Financial Benchmarks", 2012).

At this stage, the option of non-replacement (of the benchmarks changed or no longer provided) in hedging agreements of the Bank or its customers shall be also assessed.

iii. Taking decisions regarding appropriate substitution of the benchmark

The Bank's Asset and Liability Committee (ALCO), shall examine and assess the proposal of the relevant Product Units on the substitution of the benchmark, and shall decide which alternative shall be adopted by NBG.

iv. Implementing necessary changes

Following the relevant decisions of the Bank's Asset and Liability Committee (ALCO), the Product Units, in cooperation, if necessary, with other NBG Units, shall schedule the required implementation actions. Specifically, appropriate modifications shall be made to the pre-contractual and contractual documents for the Bank's products, necessary adjustments shall be made to the Bank's IT systems, any existing customers shall be informed accordingly, the Rates and Charges available at NBG Branches and on the Bank's site shall be modified accordingly, etc.

This Plan and any updating shall be approved by the Bank's Asset and Liability Committee (ALCO). The Plan shall be published on the Bank's website ([www.nbg.gr](http://www.nbg.gr)) and shall be available at the Bank's Branch Network.

The Plan shall be updated and published any time a significant change in the actions hereinabove takes place and any such updating shall be reflected in the contractual relationship with customers.