

National Bank of Greece issues €600m Green senior preferred bonds with a coupon of 3.125%

The National Bank of Greece (NBG) has successfully completed the issuance of a €600 million green senior preferred bond in the international capital markets, offering a fixed coupon of 3.125% and a yield of 3.23%. The bond, which matures in 2031 and is callable in 2030, marks NBG's fourth Green Bond bringing the share of Green Bonds to 67% of its total senior bonds outstanding.

The proceeds will be used to finance or refinance a portfolio of Green Projects in accordance with NBG's Sustainable Bond Framework, reinforcing the Bank's commitment to environmental sustainability and its leadership in renewable energy financing.

This transaction forms a key part of NBG's strategy to meeting its Minimum Required Eligible Liabilities (MREL), a regulatory requirement for European banks. The offering attracted strong investor interest, with demand peaking at approximately €3.5 billion from over 150 institutional investors, resulting in an oversubscription of more than 5.8 times.

The final pricing reflects a spread of 75 basis points over the corresponding mid-swap rate, the tightest spread achieved to date for Greek senior preferred bonds. More than 85% of the issuance was placed to international institutional investors with UK based accounts being allocated 27%, French 20% and German 8% of the issue. In terms of investor type, approximately 68% was allocated to asset managers, insurance and pension funds and official institutions, 18% to private banks and bank treasuries and 14% to hedge funds and others.

The strong reception from global investors highlights the Bank's robust fundamentals and the improving outlook for the Greek economy.

BofA Securities Europe SA, Deutsche Bank, Goldman Sachs Bank Europe SE, Natixis, Morgan Stanley SE and Santander acted as joint bookrunners for the issuance.

Freshfields LLP and Karatzas & Associates acted as legal advisers to NBG.