



**Corporate Governance Policy**

**November 2024**



**Corporate  
Governance Policy**



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# 1 Corporate Governance

The governing bodies of the Bank ensure compliance with the Articles of Association and the provisions of the legal and supervisory framework, as at each time applicable, and comprise:

- The General Assembly of Shareholders,
- The Board of Directors (BoD),
- The BoD Committees,
- Senior Executive Management,
- The Management Committees,
- The Supervisory Entities reporting to BoD and/or Senior Executive Management,
- The External Auditors.

## 1.1 General Assembly of Shareholders

Pursuant to art. 116 of Law 4548/2018 (hereinafter the “Company Law”), the General Assembly of Shareholders constitutes the supreme governing authority of the Bank and, as such, elects the BoD. The Articles of Association of the Bank expressly set out the matters on which the General Meeting of Shareholders is exclusively competent to resolve, to the exclusion of other governing authorities.

## 1.2 Board of Directors


The Board of Directors (hereinafter the “BoD”) is responsible for administering the Bank’s affairs and managing its assets in the ordinary course of business, represent it before and out of courts, and take all (necessary or otherwise advisable) actions to promote the Bank’s interests according to its Articles of Association. BoD can exercise any authority not otherwise vested in the General Assembly of Shareholders. The members of the BoD possess adequate independence and integrity, as well as the necessary qualifications to ensure prudent and diligent management of the Bank.

The BoD constitutes the BoD committees, appoints its members, assigns authority and assesses their performance, in each case according to the current legal and supervisory framework and good international practices / professional standards.

Except where prohibited by current legal and supervisory framework, the BoD may delegate, in whole or in part, its authority to one or more persons (BoD members or not), provided the powers so delegated are clearly identified. Likewise, the BoD can also delegate part of its authority to specially constituted committees, which are vested powers, usually of an advisory nature, in relation to technical or specialized matters (i.e. Audit Committee, Remuneration and Nomination Committee, etc.).

### 1.2.1 Duties and responsibilities of the BoD – Functioning of the BoD

The main duties and responsibilities of the BoD are the following:

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### **Corporate Governance**

- Ensure that the Bank operates in compliance with its Articles of Association, current legal and supervisory framework and good international practices / professional standards.
- Approve the following policies and documents of the Bank, which constitute the corporate governance framework of the Bank, as well as their subsequent amendments:
  - Corporate Governance Policy;
  - Internal Operating Regulation;
  - Organization Chart;
  - Nomination & Suitability Policy for Board Members & Heads of Critical Functions;
  - Performance Evaluation Policy for the Board of Directors; and
  - Policy for the identification of Related Parties and Credit Approval Framework.
- Provide effective oversight of Senior Executive Management, within the meaning of Article 3 par. 1 (9) of Law 4261/2014.
- Monitor and periodically assess the effectiveness of the Bank's governance arrangements and take appropriate steps to address any deficiencies.
- Approve the various continuity and security plans and policies as well as amendments thereof and monitor their implementation:
  - Business Continuity Plan (BCP)
  - Disaster Recovery Plan (DRP)
  - IT Security Policy
- Ensure the existence of documented procedures that ensure the management of emergency situations that jeopardize the smooth operation of the credit institution, as well as disaster recovery and business continuity as per BoG 2577/2006 provisions (IV. ICS MANAGEMENT BODIES, A. Powers of the Board of Directors and Senior Management, point 2.8).
- Approve (by its non-executive members), upon recommendation of the Remuneration and Nomination Committee, the remuneration policy of the Bank, including the remuneration of the executive members of the BoD and of the identified persons/staff members of the Bank.
- Appoint one member of the BoD to be responsible for the implementation of the legal and regulatory framework for the prevention of money laundering and terrorist financing, pursuant to the provisions of par. 2A of article 38 of n. 4557/2018 and announced to Bank of Greece,
- Promote the adoption by all Bank employees of ethical standards (e.g. diligence, efficiency, responsibility, personal conduct, dignity, integrity, non-disclosure of confidential information, etc.), as the same are, inter alia, set out in the Labor Regulation, the Code of Ethical Conduct, the Policy to combat discrimination in the workplace.
- Oversee the process of disclosure and communications.

The BoD is assisted in its operations by the Corporate Governance Section of Legal/ Corporate Governance Department. The Section's duties and responsibilities regarding the BoD are described in the Internal Operating Regulation (refer to section 4.3.6).



**Environmental, Social, and Governance (“ESG”) issues**

- Oversee the overall sustainability and ESG program of the Bank, as well as the ESG risks and opportunities at a strategic level.
- Align the Bank’s ESG objectives and priorities with the overall business strategy of the Bank.
- Ensure that the Bank complies with its ESG reporting requirements.
- Has a continuous communication with the ESG Committee, through the designated BoD member responsible for ESG matters.

**Strategic Planning**

- Guide, approve and monitor the implementation of Bank’s:
  - Strategy,
  - Business Plan,
  - Budget.
- Have effective control and endorse the product oversight and governance arrangements.

**Corporate Banking**

- Approve various policies and documents as well as amendments thereof and monitor their implementation:
  - Corporate Credit Policy (Shipping and Non-Shipping)
  - NPE Policy
  - Cards Policy
- Exercise final authority on the approval of certain loan and credit facilities, such as, for example, credit applications where the existing facilities when aggregated exceed the equal of 15% of the Bank’s net worth.

**Investment Services**

- Approve the following policies pertinent to the provision of investment products and services framework as well as their amendments thereof:
  - Product Governance and Target Market Identification Policy;
  - Product Categorization Policy;
  - Client Categorization Policy;
  - Appropriateness Assessment Policy;
  - Safe Keeping of Customers Assets Policy;
  - Best Execution Policy;
  - Costs – charges and Inducements Policy;
  - Record Keeping Policy; and
  - Recording of telephone conversations and electronic communications policy.



**Accounting / Finance**

- Ensure the integrity of the accounting and financial reporting systems, including financial and operational controls and compliance with the current legal and supervisory framework, as well as the good international practices / professional standards.
- Draw up and approve the annual financial statements before their submission to the General Assembly of Shareholders for the latter's final approval.

**Risk Management**

- Approve the following plans, frameworks and documents regarding Risk Management as well as their amendments thereof:
  - Recovery Plan;
  - Contingency Funding Plan;
  - Risk and Capital Strategy;
  - Risk Models and Validation Framework;
  - ICAAP and ILAAP Framework; and
  - Risk Management Policies (Credit Risk, Market Risk, Operational Risk, Liquidity, Impairment, Anti-fraud as well as Capital Management and Regulatory Reporting etc.)
- Review on a regular basis the main risks and the Internal Control System effectiveness in managing these risks.
- Ensure the effectiveness and independence of the Risk Management Department by reporting functionally directly to the BoD.

**Compliance/AML CFT issues**

- Oversee the implementation of the compliance/AML CFT policies.
- Is informed for any significant violation of the regulatory framework or any significant deficiencies.
- Oversee and monitor the implementation of the internal governance and internal control framework to ensure compliance with applicable requirements in the context of the prevention of money laundering and terrorism financing (ML/TF).
- Is informed of the results of the business-wide ML/TF risk assessment.
- Oversee and monitor the extent to which the AML/CFT policies and procedures are adequate and effective in light of the ML/TF risks to which the credit institution is exposed and take appropriate steps to ensure remedial measures are taken where necessary.
- Approve the following plans, frameworks and documents regarding Compliance/AML Department as well as their amendments thereof:
  - Code of Ethical Conduct;
  - Conflicts of Interest Policy;
  - Whistleblowing Policy;
  - Anti-Bribery – Anti-Corruption Policy;
  - Complaints Management Policy;



- AML/CFT Policy (Policy on the prevention of the use of the Bank for the purpose of money laundering and terrorism financing);
  - Sanctions Policy;
  - Customers' Acceptance Policy; and
  - Outsourcing Policy.
- Ensure the effectiveness and independence of the Compliance/AML Department by reporting functionally directly to the BoD, through the Audit Committee.

### **Internal Audit**

- Approve the Internal Audit Manual, through the Audit Committee, regarding Internal Audit as well as its amendments thereof.
- Maintain a sound Internal Control System to safeguard the Bank's assets and ensure that significant risks are identified and adequately managed.
- Ensure the effectiveness and independence of the Internal Audit Department by reporting functionally directly to the BoD, through the Audit Committee.

### **NPE**

- Assume the primary responsibility for the formalization of the NPE-related policies and procedures, provide guidelines upon its development or update, approve them and their subsequent updates, as well as the operational plan in line with the overall risk strategy and oversee their effective implementation. The responsibility regarding the annual review and evaluation of the NPE-related policies and processes, is delegated by the BoD to a BoD non-executive member.
- Ensure the independence of ANPLM Section from the other Bank functions, in particular the lending and management of performing exposures functions.
- Receive permanent streaming of information, regarding the handling of NPE cases, as well as, for cases meeting NPE criteria for which specific resolution is required, define quantitative and qualitative management objectives and incentives for NPE workout activities and define adequate approval processes for NPE workout decisions.
- Ensure sufficient internal controls on NPE management processes by monitoring the adequacy and effectiveness of the internal control framework.

### **GDPR**

- Ensure the Bank's compliance with the data protection legislation.
- Approve the GDPR Policies (in particular the Policy on the exercise of rights of data subjects).
- Ensure the independence of the Data Protection Officer (DPO), who reports functionally directly to the BoD.

### 1.2.2 Size and composition of the BoD

According to the Articles of Association of the Bank, as currently in force, the Board consists of nine (9) members, shareholders or not of the Bank, who are elected by the General Assembly of Shareholders for a term of five (5) years and, failing the election of a new BoD, their term continues up-to a maximum of six (6) years. Their term commences on the date of their election and ends on the earlier between the date on which their term expires and that on which they are recalled. BoD members can be recalled or replaced by a General Assembly decision, whether or not for cause. When a person ceases to be a Board member for reasons other than an expiration of his term, the remaining Board Directors, so long as they are at least three (3), may elect a replacement for a term equal to the (remaining) term of the substituted member; otherwise they may continue to manage and represent the Bank without his/her replacement.

The members of the Board of Directors are either executive or non-executive, and if they are non-executive, they may be elected as independent (according to the criteria set out in Chapter 9.3. of the joint ESMA and EBA Guidelines dated 02.07.2021 on the assessment of the suitability of members of the management body and key function holders under Directive 2013/36/EU and Directive 2014/65/EU (EBA/GL/2021/06)) or non-independent. According to the currently applicable regulatory framework, at least one non-executive member of the Board of Directors must be an independent member (i.e. not related, whether financially or stock wise, to the Bank).

### 1.2.3 Responsibilities and conduct of BoD members

BoD members must be properly qualified in terms of education, experience and personal attributes, such as high ethical standards. In this regard, it is of the utmost importance that independent, non-executive BoD members have a solid background in the banking industry, as well as a firm grasp of current developments and best practices in accounting, auditing and internal control.

Under article 102 of Company Law, each BoD member is liable to the Bank for any damage caused to the Bank in the course of his duties, unless he/ she proves that he/ she acted as prudent businessman/woman would act under similar circumstances or his/ her actions are based on a lawful resolution of the general meeting of shareholders or a reasonable business decision which was taken in good faith, on the basis of adequate information and in the Bank's best interests.

According to the provisions of the Articles of Association of the Bank, a BoD member who is unjustifiably absent from Board meetings for more than three consecutive months is deemed to have tendered his resignation, effective as of the date the Board resolves thereon and records its decision in the meeting minutes.

Board members are required to maintain total and strict confidentiality in regard to non-public information, of which they have been apprised in the course of their duties. Said obligation continues to apply to retired Board members as well.

Board members are also prohibited, under the penalty of compensation for damages, from pursuing interests that are in conflict or in competition with those of the Bank, as the latter are set out in its Articles of Association.



### **1.2.4 Scheduling BoD Meetings**

According to the Articles of Association, the BoD convenes once, at least, per month at the Bank's premises, or, provided that all Board members are present or represented thereat and none objects to such meeting, in any other place, whether in Greece or abroad.

The BoD convenes, whether physically in any one place or by teleconferencing, at the Chairman's invitation, upon prior notice to its members of no less than two (2) business days, on condition that such invitation sets out the agenda and all necessary documentation has been forwarded to the members no less than two (2) business days ahead of the meeting; otherwise, the BoD cannot validly convene, except where all directors are present or represented thereat and none objects to such meeting. The invitation is in Greek, unless addressed to a non-Greek speaking Board member, whereupon it is in English, too.

The reports and material usually prepared for BoD deliberations are the following:

- Financial information: Bank's financial statements, performance results and comparison of actual vs. budget figures etc.
- Risk information: reports from the Asset and Liability Management Committee (ALCO), risk reports (credit, market, and operational risks), large credit exposures, Credit Committee's reports and credit risk relating information.
- Compliance/AML information: including but not limited to the annual reports on the adequacy/performance of Compliance/AML Department.
- Audit-related information: reports from the Internal Audit Committee, including, but not limited to, the annual review of the Internal Audit Department on the adequacy of internal controls, etc. and the reports of external audits.

Notwithstanding the foregoing, BoD meetings can also be convened at the request of any two (2) Directors, as more specifically described in the Articles of Association of the Bank.

### **1.2.5 BoD resolutions**

Each BoD member has one (1) vote, except when representing an absent director, whereupon he can cast two (2) votes. A would-be absent director may give a proxy by letter or other electronic means, which can remain in force for more than one meeting. Each director can represent, in any given meeting, no more than one (1) other director and, in no case, can proxies be issued to non-directors.

Without prejudice to the special quorum requirement of par. 3 of article 12 of the Articles of Association of the Bank, the Board is deemed to have the requisite quorum to deliberate on the agenda, provided that Board members representing 50% plus one (1) of the entire BoD composition are present or represented thereat, but in no case, can the directors physically present be less than three (3). Where the quorum rules produce a fraction, such fraction is to be omitted.

Without prejudice to the special majority requirement of par. 3 of article 12 of the Articles of Association, BoD resolutions are adopted by an absolute majority of the Board members present and represented thereat.



The Articles of Association of the Bank provide for a special quorum and majority requirement for the adoption of resolutions on specific matters enumerated in par. 3 of article 12 of the Articles of Association of the Bank. In case of adoption of resolution on such matters, the Board is in quorum when at least seven (7) Board members are present or represented thereat and the resolutions are adopted by a majority of 7/9.

The BoD Chairman has no casting vote and in matters of personal interest, decisions are taken by secret ballot.

The proceedings and resolutions of the Board, together with the names of and (where requested) a short summary of the opinions expressed by attending directors are recorded in Greek in a purposely (physically or electronically) kept book, while an English translation thereof is filed in a separate book. The minutes of BoD meetings are signed by all directors present and, if any should object thereto, his refusal is recorded in the minutes.

Copies and excerpts of the minutes of BoD meetings are validated by the Chairman or, another BoD member or a third, especially authorized by the BoD, person.


The BoD Secretary, reporting directly to the Chairman, ensures the effective functioning of the Board, namely the drawing-up of the minutes, the distribution of supporting material to BoD members, the circulation of meeting invitations, etc. In addition, he/ she is responsible for the proper communication and information flow between the Board and the various Bank departments, for keeping track of the Bank's shareholders and liaising with them, organizing the General Assembly of Shareholders and ensuring that shareholders are adequately informed and facilitated in the exercise of their shareholder rights.

### **1.2.6 Role and required responsibilities of the Chairman and Vice Chairman**

The BoD elects, by secret ballot, amongst its members the Chairman and the Vice Chairman of the Board, as well as the CEO and Deputy CEO (Senior Executive Management). This election takes place on the first meeting of the BoD immediately following its election, unless there is an election of new members by the BoD in replacement of a deceased or a resigned BoD member or a BoD member who lost his relevant capacity due to any other reason or an internal BoD reshuffle whereupon the offices of each BoD member need to be confirmed. The BoD's Vice Chairman substitutes the Chairman in case of absence or incapacity and, in similar circumstances. The shareholder holding the largest number of the Bank's shares with voting rights substitutes temporarily the Vice-Chairman.

### **1.2.7 Board evaluation**

The Bank has established a procedure for conducting, on a biennial basis, evaluation and assessment of the Board and its Committees, which is reflected in the ABB Performance Evaluation Policy for the BoD. In particular, the Bank carries out proper evaluation and assessment of each individual Board member, the Board (as a corporate body), the Board Chairman and the Board Committees for their effectiveness and performance. The performance evaluation assessment period covers the twenty-four (24) months preceding the assessment and is carried out in the fourth quarter of the relevant year unless the Board decides otherwise. As a rule, the performance evaluation is carried out by internal means. Nevertheless, the

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Remuneration and Nomination Committee may, at its discretion, decide to assign such performance evaluation to an external consultant.

### **1.2.8 Staffing board with independent candidates**

The Bank ensures that Board composition also includes three (3) independent parties taking into account the criteria set out in Chapter 9.3. of the Act of the Executive Committee of the Bank of Greece no. 224/21.12.2023. These individuals have the professional qualifications and time to be actively involved with their assigned activities and position and they actively participate in Board meetings. In addition, these individuals are motivated to submit in Board meetings their recommendations for the Bank's strategy and finally play a key role in formulating Board members' remunerations policy.

## **1.3 Remuneration**

In accordance with provisions of legal and supervisory framework and the Articles of Association of the Bank, the remuneration of executive and non-executive BoD members (under their capacity as board members) is flat and fixed and depends on the time and effort contributed by each one in successfully fulfilling their assigned tasks and responsibilities, as members of the BoD or the Bank's Committees. It is not linked to goals achievement and is not incentive driven.

BoD members' remuneration comprises of an annual fee, payable monthly, which is on par with the Bank's size and operations.

Remuneration paid to BoD which is not determined by Law or the Bank's Articles of Association must be approved by the Shareholders General Meeting subject to the provisions of the Remuneration Policy.

None of the members (under their capacity as board members) receive, under any circumstances, any kind of variable remuneration, thus eliminating any possible conflict of interest that may arise whilst performing their duties and responsibilities.

The Directors' remuneration or compensation may be court reduced to an appropriate measure if it is deemed exorbitant and holders of Bank shares representing 1/10 of its share capital have opposed the remuneration decision of the General Assembly.

BoD members' remuneration is reviewed annually.

## **1.4 BoD Committees**

The Supervisory Committees reporting to the BoD are the following:

- Audit Committee
- Remuneration and Nomination Committee

A detailed analysis of the above Committees as per their purpose, authority, membership, operation and responsibilities, is developed in the Annex.

## 1.5 Committees reporting to Senior Executive Management

The Management Committees reporting to Senior Executive Management are the following:

- Credit Committee
- ANPL Committee
- Appeals Committee
- Asset & Liability Committee (ALCO)
- IT Steering Committee
- Emergency Team
- Budget & Business Plan Team
- ESG Committee

A detailed analysis of the above Committees as per their purpose, authority, membership, operation and responsibilities, is developed in the Bank's Internal Operating Regulation.

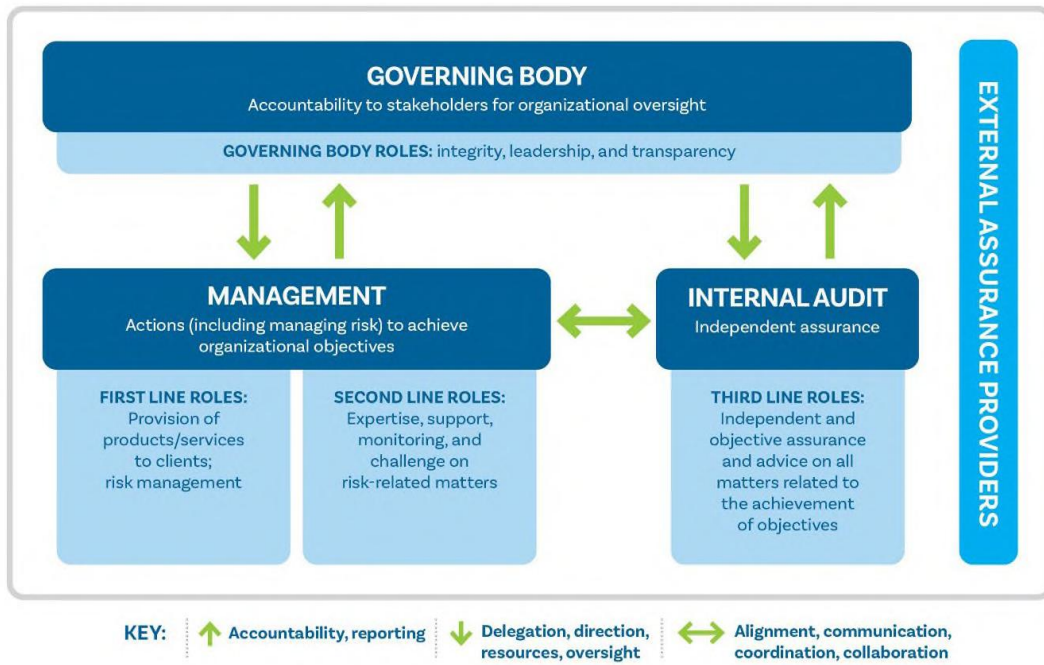
## 1.6 Three Lines Model

The Bank employs a Three Lines Model (hereinafter "3LM"), as depicted below, according to the updated terminology (2020) of the Institute of Internal Auditors (IIA):

1. First Line: Operational Management – directly manages risks, implements internal controls, and ensures compliance with procedures.
2. Second Line: Risk and Compliance Functions – establish policies, conduct monitoring, and provide an evaluative role in risk oversight. An annual compliance risk assessment identifies high-risk areas, focusing resources effectively.
3. Third Line: Internal Audit – provides independent assurance on risk management effectiveness and reports directly to the Board's Audit Committee.

The Risk Management Department (RMD) performs continuous risk assessments, overseen by the Internal Audit Department to ensure accountability and efficiency in managing risks.

### The IIA's Three Lines Model



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## 1.7 Internal Control System (ICS)

The Internal Control System (ICS), which includes Internal Audit, Risk Management and Compliance functions in compliance with the relevant regulatory framework, is a structured framework of policies, procedures and practices, designed to ensure the effective and efficient operation of the Bank.

The Internal Control System of the Bank ensures the:

- Coverage of all the Bank's activities and transactions with adequate documentation and appropriate level of detail with respect to the control areas and procedures.
- Consistent implementation of the business strategy with an effective utilization of the available resources.
- Identification and management of all risks undertaken.



- Completeness and the credibility of the data and information required for the accurate and timely determination of the financial situation of the Bank and the generation of reliable financial statements.
- Support by an integrated Management Information System (MIS) and a communication system with clearly defined hierarchical lines.
- Compliance with the current regulatory framework, the internal regulations and the Code of Ethical Conduct.
- Provision of procedures for assessment of ICS adequacy.
- Prevention and avoidance of erroneous actions that could jeopardize the reputation and interests of the Bank, the Shareholders and those transacting with the Bank.
- Effective operation of the IT systems in order to support the business strategy and the secure circulation, processing and storage of critical business information.

Heads of ICS are established at an adequate hierarchical level that provides the head of the control function with the appropriate authority and stature needed to fulfil his/her responsibilities. Notwithstanding the overall responsibility of the BoD, the Heads of ICS should be independent of the business lines or units they control. To this end, the heads of the risk management, compliance and internal audit functions should report and be directly accountable to the BoD, and their performance should be reviewed by the BoD. Where necessary, the Heads of ICS should be able to have access and report directly to the non-executive BoD members to raise concerns and warn the executive BoD members, where appropriate, when specific developments affect or may affect the Bank. This does not prevent the Heads of ICS from reporting within the regular reporting lines as well.

### 1.7.1 Risk Management

The Risk Management Department (RMD) is generally responsible for identifying, measuring, monitoring, controlling, mitigating risks and reporting on risk exposures.

A detailed analysis of RMD, as per the purpose, authority, membership, operation and responsibilities, is developed in the Bank's Internal Operating Regulation.

The RMD reports directly to BoD.

The Bank maintains documented policy and procedures regarding the undertaking, monitoring and management of risks, as well as the determination of maximum acceptable exposure limits for each type of risk. The risks are reviewed at least on an annual basis.

### 1.7.2 Compliance/AML Department

Compliance/ AML Department mission is to ensure that all the management bodies, the functional structures and all staff are constantly informed about any developments in the regulatory framework, with the aim of avoiding the risk of the Bank incurring legal or regulatory sanctions, financial losses or negative effects in terms of reputation, resulting from non-compliance.

Compliance/ AML Department is independent of the business lines and internal units it controls and have sufficient authority, stature and resources. It advises on measures to be taken to ensure compliance with applicable laws, rules, regulations and standards, and assesses the possible



impact of any changes in the legal or regulatory environment on the Bank's activities and compliance framework.

It further ensures that compliance monitoring is carried out through a structured and well-defined compliance monitoring program and that the compliance/AML policies are observed.

A detailed analysis of Compliance/ AML Department, as per the purpose, authority, membership, operation and responsibilities, is developed in the Bank's Internal Operating Regulation.

### **1.7.3 Internal Audit**

The Internal Audit Department provides independent and objective assessments of the Bank's control environment. It conducts audits on operational and financial processes, reporting, through the Audit Committee as well as administratively (i.e. for day-to-day operations) to the Chief Executive Officer or/ and Deputy Chief Executive Officer. It performs audits regarding the adequacy and the effectiveness of the Internal Control System of the Bank, in accordance with the stipulations of the regulatory framework and investigates thoroughly cases on which there is evidence that the interests of the Bank are harmed. It monitors the implementation and the effectiveness of the corrective actions recorded in the reports of all sorts of audits (by internal auditors, external auditors, Regulatory Authorities, Tax Authorities etc.).

The Internal Audit Department provides independent, objective assurance and consulting activity designed to add value and improve the Bank's operations. It helps the Bank accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

A detailed analysis of Internal Audit Department, as per the purpose, authority, membership, operation and responsibilities, is developed in the Bank's Internal Operating Regulation.

## **1.8 Relations with shareholders**

The Board of Directors shall foster communication between the Bank and its Shareholders. Such communication shall not entail the provision of information that might place specific Shareholders in an advantageous position vis-à-vis other Shareholders.


The Bank shall encourage the participation of Shareholders in the General Assembly of Shareholders and adopt appropriate measures to facilitate the exercise of shareholder powers, as provided for by the law and the Articles of Association.

The Bank ensures the protection of minority rights conferred on the Shareholders by the applicable legislation.

## **1.9 Publicly available information**

Any material information about the Bank, required by the regulatory framework, including indicatively financial information, related parties' transactions, and other information as at each time directed by the regulatory environment, is publicly available.



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## 1.10 IT Systems

The Bank, within the framework of its operational strategy and aiming at the effective use, safe handling, processing and storage of critical business information, has adopted an IT Strategy. The IT strategy should, on the one hand, implement the operational objectives set by the Management and, on the other hand, develop the necessary technological infrastructure for the future needs of the Bank. For that purpose, the Bank has created the IT Steering Committee, a detailed analysis of which is developed in the Bank's Internal Operating Regulation.

The scope of the IT Steering Committee is also to address information and cyber security risks that may jeopardize business operations. As such, it elaborates on information security issues and refers to the BoD for final decisions. A detailed and approved charter of the IT Steering Committee is included in the Bank's Internal Operating Regulation.

## 1.11 Complaints handling

The Bank has developed and maintains a Complaints Management Policy.

The Complaints Management Function, which operates within the Organization & Methods Department, is responsible for the customer complaints management received directly from customers, whereas the Compliance/AML Department is responsible for the management of complaints submitted by the customers to the supervisory or competent authorities and received through them. The said Departments are assisted in drafting the responses by the Legal/Corporate Governance Department.

Duties and responsibilities of all Departments/ Sections involved in the complaints handling process are described in the Complaints Management Policy.

## 1.12 Whistleblowing

The Bank has established and maintains a whistleblowing process developed by the Compliance/AML Department, as described in the relevant Whistleblowing Policy. All employees are encouraged to play their part in improving overall effectiveness and success of the Bank and in strengthening the Bank's system of integrity. The whistleblowing process allows employees to communicate concerns or complaints confidentially and anonymously if they wish and ensures that they are not subject to any threats or penalties in case their legitimate concerns are proved incorrect.



## 2 Annex

### 2.1 Audit Committee

#### 2.1.1 Purpose

The purpose of the Committee is to assist the Board of Directors in fulfilling the oversight responsibilities relating to the following:

- Financial and Non-Financial (Sustainability) Reporting process.
- External Audit process and other providers of assurance.
- Effectiveness of the Governance and Internal Control System.
- Performance of the Internal Audit Department.
- Compliance with legal and regulatory requirements.
- Adherence to the Code of Ethics and Conduct, Bank's Strategy and internal policies.

More specifically, the Committee's purpose is to:

- Review the integrity of the financial statements and annual report sustainability disclosures of the Bank.
- Make recommendations to the Board of Directors, regarding the appointment and remuneration of the external auditors to be approved/appointed by the General Assembly of Shareholders and confirm their independence, objectivity and effectiveness as well as its period of rotation according to the regulatory framework in force.
- Pre-approve of all auditing and non-auditing services provided to the organization by the independent external auditor.
- Ensure that the IA Department possesses the relevant competences and expertise to enable it to assess the effectiveness of the Bank's Internal Control System and risk management framework, placing special focus on risks that may affect the Bank. Review annually the independence, objectivity, adequacy and operational effectiveness of the IA Department.
- Ensure that the Compliance/ AML Department possesses the relevant competences and expertise to enable it to monitor the effectiveness and efficiency of the Bank's compliance system and also review on a regular basis the developments in the legal and regulatory framework that affect Bank's operations.
- Monitor and assess annually the internal controls and the regulatory and compliance environment.



- Have the authority to conduct investigations into any matters within its scope of responsibility, usually by delegating such authority to third parties (e.g. IAD) and obtain advice and assistance from external legal, accounting or other advisors, as necessary, to perform its duties and responsibilities.
- As part of its responsibilities, the Committee will maintain open communication with Management, CAE, MLRO and external auditors in separate executive sessions.

In addition, the Committee will meet with the independent external auditor and Management to discuss the annual audited financial statements (and quarterly financial statements - if applicable) including the Company’s disclosures in Management’s Discussion & Analysis of Financial Condition and Results of Operations.

### 2.1.2 Authority


In fulfilling its purposes, the Committee shall:

- Obtain any information it requires from Management, directors, officers or employees.
- Meet with Bank officers, external auditors, or outside counsel, as necessary.
- Facilitate communication between the external and internal auditors and the Board of Directors.
- Pre-approve all auditing and non-audit services performed by audit firms.
- Resolve any disagreements between Management and the external auditor(s) regarding financial reporting.
- Obtain, at the Bank’s expense, outside legal or other professional advice on any matter within its terms of reference.
- Submit an annual activity report on its work/activity to the Board of Directors and Shareholders at the A.G.M.

### 2.1.3 Membership & Attendance

With regards to Committee membership, and meeting attendance the following shall apply:

Audit Committee Membership & Attendance	
Size	The Audit Committee shall consist of three (3) members.
Nomination and appointment	The Committee will be appointed by the Board of Directors, which will elect its Chair among its members. All the members of the Committee should be financially literate. The Chair of the Committee or at least one of its members should have accounting and auditing background; at the same time, the Committee must collectively possess the skills and experience required to carry out its tasks, being also conversant with the Bank’s broader operating environment.
Chairmanship	The Board shall appoint the Committee’s Chair (the “Chair”). The Chair must be an

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	<p>independent, non-executive BoD member.</p> <p>The Board or the Committee may also appoint a Deputy Chair (“Deputy- Chair”) to substitute the Chair when needed.</p>
<b>Composition</b>	<p>The Audit Committee’s members are non-executive members of the Board of Directors. The majority of the Audit Committee’s members shall be independent, non-executive members of the BoD.</p> <p>The Committee Members should not, during their term of office, hold posts, have capacities, or carry out transactions that could be deemed incompatible with the Committee’s mission.</p>
<b>Term of office</b>	<p>The term of office of the Audit Committee members shall coincide with the term of office of the BoD.</p>
<b>Resignation and re-election of Members</b>	<p>In case a member wishes to resign, he / she shall deliver his/her resignation letter to the Chair of the Audit Committee, unless the Chair of the Audit Committee wishes to resign, in which case the latter shall deliver his resignation letter directly to the Chair of the BoD.</p> <p>The Members of the Committee can be re-elected, provided that the provisions set out previously with regards to “Term of Office” are adhered to.</p>
<b>Attendance</b>	<p>Solely Committee members can attend Committee meetings. However, the Committee may validly invite to attend - part or all of a Committee meeting- other persons at their free choice, including Senior Management members, staff members and/or external advisors, as the Committee members deem necessary. The external auditors will be invited to attend meetings of the Committee on a regular basis.</p>

### 2.1.4 Committee Operations

With regards to the operation of the Committee the following shall apply:


Audit Committee Operations	
<b>Meeting frequency</b>	<p>The Committee shall hold ordinary meetings at least quarterly and as often as deemed necessary and extraordinary meetings when circumstances require it.</p>
<b>Notice of meetings</b>	<p>Meetings of the Committee shall be called by the Chairman of the Committee whenever deemed necessary or at the request of any of its members or at the request of external or internal auditors if they consider it necessary. Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each member of the Committee, any other person required to attend, no later than five (5) working days before the date of the meeting. Supporting papers shall be sent to</p>



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	Committee members and to other attendees as appropriate, at the same time.
Conduct of meetings	<p>Members may participate in a Committee meeting remotely, using any communication facility that permits all meeting participants to communicate adequately with each other (e.g. telephone, video conference, MS Teams, etc.). In such case, the invitation to the Committee members shall include all details and technical instructions necessary for their participation in that meeting.</p> <p>A Member participating in a Committee meeting by any such means is deemed to be present at that meeting.</p>
Meeting minutes	<p>The Committee shall appoint a secretary to keep the minutes of the meeting and maintain a pending items/progress list. The Committee shall discuss all significant issues in special meetings with Senior Executive Management.</p> <p>Minutes of Committee meetings shall be circulated promptly and not later than 2 weeks after the meeting to all members of the Committee. Once agreed they will be submitted to the Bank of Greece within 30 days of the date of the meeting.</p>
Quorum	<p>The Committee is in quorum when half of its members plus one (1) are present or represented in the meeting. In determining the number of members for the quorum, fractions are not counted.</p> <p>Only Committee members can represent other Committee members. Each Committee member can validly represent only one (1) other Committee member.</p>
Decision making	<p>Committee's decisions may be validly taken by an absolute majority of its members who are present or represented. In case of a tie, the Committee's Chair shall have a casting vote.</p> <p>The circulation and execution by all Committee's members (or their representatives) of a written resolution without meeting of the Committee is equal to a Committee decision.</p> <p>The same applies in cases where all Committee Members (or their representatives) agree that a majority decision should be recorded in minutes, without holding an actual meeting.</p> <p>No Committee members can participate in the discussion and voting of a topic in case of conflict of interests or potential conflict of interests.</p>
Reporting to the Board	<p>The Chair shall notify the Board of Directors in writing of the results of the audits and shall also inform the Board of the Committee's work/activity during the Board's meetings at least twice a year.</p> <p>The Committee shall provide an open avenue of communication between internal audit, the external auditors and the BoD.</p> <p>The Committee shall make whatever recommendations to the Board it deems</p>

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	<p>appropriate on any area within its remit where action or improvement is needed.</p> <p>The Committee shall compile a report to shareholders on its activities to be included in the Bank's annual report.</p>
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## 2.1.5 Duties & Responsibilities

The primary duties and responsibilities of the Committee include the following:

Audit Committee Duties & Responsibilities	
Financial Statements / Reporting	<p>The Committee shall assess the drafting process on the annual financial statements of the Bank and any other financial disclosures as well as the related competences of the auditors.</p> <p>The Committee shall review the financial statements before submission to the Board of Directors for approval and express its opinion thereon, paying particular attention to the following:</p> <ul style="list-style-type: none"> <li>- Critical accounting policies and practices and any changes to them.</li> <li>- Compliance with current accounting standards.</li> <li>- The estimate of management regarding the formation of provisions, deferred tax assets and other matters that are highly judgmental and may impact the financial statements.</li> <li>- Review any unusual transactions that affect the financial statements and disclosures.</li> <li>- Any significant adjustments proposed by the external auditor.</li> <li>- Letters of representation requested by the auditor before they are signed by the Management of the Bank.</li> <li>- Compliance with legal and regulatory requirements according to article 44 of L.4449/2017.</li> </ul> <p>The Committee shall monitor the statutory audit of the annual financial statements, taking into account any findings by the competent authority pursuant to Article 26 (6) of Regulation (EU) No. 537/2014 and of the disclosures of the Sustainability reporting as per the EU CSRD and the respective Greek law.</p> <p>The Committee should monitor the results of the statutory audit carried out via the additional report from the external / statutory auditors. The additional report to the Audit Committee should be submitted no later than the date of submission of the audit report, according to the article 11 of Regulation (EU) No. 537/2014.</p> <p>The Committee should approve all auditing and non-auditing services in compliance with related regulations, Law 4449/2017, Regulation (EU) 537/2014 and Law 3148/2003 (article 12) and the Bank's policy ("Policy &amp; Procedure on the provision</p>



	of non-audit services provided by ABBank’s External Auditor”).
External Audit	<p>The Committee shall:</p> <ul style="list-style-type: none"><li>- Consider and make recommendations in accordance with Article 16 of Regulation (EU) 537/2014 and the provision of Greek Law 4449/2017 and in general the legal and regulatory framework in force, to the Board of Directors on the appointment, re-appointment, removal, replacement, terms of engagement and fees of the External Auditor to be submitted for approval by the A.G.M. of Shareholders.</li><li>- Assess annually the External Auditors’ effectiveness, independence and objectivity and provide for the rotation at appropriate intervals of both the External Auditor and key staff at the auditing firm.</li></ul> <p>Specifically, the duration of the engagement audit contracts should not exceed five years and in any case there shall be a rotation of the statutory audit firm after a maximum of five years.</p> <p>The statutory auditor or the key partner shall not engage themselves in providing services again in the statutory audit of the Bank before two consecutive years have elapsed.</p> <ul style="list-style-type: none"><li>- Pre-approve the External Auditors fees in accordance with the legal regulatory framework, in force, with respect to the regular statutory audit of the annual financial statements and submit the relevant proposal to the Board of Directors.</li><li>- Approve the provision of permitted auditing services besides the relevant audit and also of non-audit services by the External Auditors to the Bank pursuant to Laws 3148/2003, Law 4449/2017, Regulation (EU) 537/2014 and the Bank’s policy.</li><li>- Review the independence of the statutory auditors or audit firm in accordance with Articles 21, 22, 23, 26 &amp; 27 or Greek Law 4449/2017 and Regulation (EU) 537/2014 and in particular the appropriateness of the provision of non-audit services to the Bank in accordance with Article 5 of that Regulation.</li><li>- Be updated on the annual plan of the external auditors before the audit commencement.</li><li>- Meet with External Auditors at least once a year without Management being present to discuss any issues or problems related to the audit and settle any disagreements between the Management and the External Auditors.</li><li>- Require the auditor’s report in writing (in a Management letter) regarding any problems or weaknesses identified in the internal control system during the audit of the Bank’s annual financial statements.</li><li>- Submit proposals to the Board of Directors regarding the specific areas where additional controls by the external auditors may be required.</li><li>- Inform the Board of Directors how the statutory audit contributed to the integrity of financial reporting and the Committee’s role in that process.</li></ul>




	<ul style="list-style-type: none"> <li>- Hold timely discussions with the independent auditors regarding the following:             <ul style="list-style-type: none"> <li>- All critical accounting policies and practices.</li> <li>- All alternative treatments of financial information with generally accepted accounting principles, related to material items that have been discussed with Management and the treatment preferred by the auditor.</li> <li>- Other material written communication between the auditors and Management and any unadjusted differences.</li> </ul> </li> <li>- Recommend to the Board of Directors the appointment of appropriate certified auditors with the necessary expertise, who shall not be the regular / statutory auditors, to carry out at least every three years, the assessment of the adequacy of the Bank's Internal Control System as per the requirements of BoG act 2577/2006. The related report of the later auditor shall be submitted to the Bank of Greece within six months from the expiry period of three (3) years period.</li> </ul>
Internal Audit	<p>The Audit Committee shall:</p> <ul style="list-style-type: none"> <li>- Monitor and review the effectiveness of the Bank's Internal Audit function in the context of the Bank's overall risk management system.</li> <li>- Review and approve the Internal Audit Charter submitted to the Board of Directors to ensure that Internal Audit Department is adequately resourced and has appropriate standing and independence within the Bank.</li> <li>- Recommend to the Board of Directors the appointment and dismissal of the CAE.</li> <li>- Evaluate at least once a year CAE's performance and approve his/her compensation following consultation with the Remuneration &amp; Nomination Committee and the Human Resources Department.</li> <li>- Review with CAE the Internal Audit budget resources and organization structure of Internal Audit Department in line with European laws and regulations, as well as the international standards of the Institute of Internal Auditors.</li> <li>- Ensure that the Internal Audit Department has the appropriate skills and capacity to audit and evaluate the effectiveness of the Internal Control framework with special emphasis on the areas of risk and capital management as well as financial and non-financial controls.</li> <li>- Review and approve the Internal Audit Department's annual audit plan (taking into consideration the CEO/Deputy CEO's proposals, if any) and also the purpose and extent of any special audit work or any deviation from the approved annual Internal Audit Plan.</li> <li>- Review promptly all the internal auditors' reports on the Bank.</li> <li>- Review and monitor management's responsiveness to the findings and recommendations of the internal auditors and all changes to the internal audit</li> </ul>



	<p>annual plan.</p> <ul style="list-style-type: none"> <li>- Receive update on all key audit findings, at least on a quarterly basis and inform the Board accordingly in case needed.</li> <li>- Monitor, through Internal Audit Department, the procedures followed within the framework of the Bank’s anti-fraud policy and promptly report any significant cases to the Board of Directors.</li> <li>- Monitor, through Internal Audit Department, the Bank’s compliance with Executive Committee’s Act 175/2/29.07.2020 as in force, regarding staff adequacy, independence and suitability of process of Arrears and NPLs Management (ANPLM) Section, which are submitted to the Bank of Greece. Also, receive key findings regarding the compliance of the Bank’s ANPLM Section with applicable laws and regulations.</li> <li>- Ensure Internal Audit function’s compliance with the updated global internal audit standards and principles via an external quality assessment (EQA) at least every five years and review the results.</li> <li>- Meet with CAE at least once a year without Management being present to discuss issues falling under his/her sphere of responsibility and any issues that may have been identified by the Internal Audit Department.</li> <li>- Review and approve the annual report of the Internal Audit Department on the adequacy of the ICS for financial and sustainability reporting and inform the BoD accordingly.</li> </ul>
<p>Risk management and regulatory compliance</p>	<p>The Committee shall:</p> <ul style="list-style-type: none"> <li>- Review the effectiveness of the Bank’s risk management, regulatory compliance, financial and sustainability reporting and report to the Board of Directors accordingly.</li> <li>- The Committee shall have oversight of the compliance issues of the Bank especially relating to AML, MIFID, conflicts of interest, antitrust, clients/consumer protection, transparency etc.</li> <li>- Review the reports prepared by the Compliance/ AML Department, including the annual AML/CTF report, required by regulatory authorities, MiFID, conflict of interest, antitrust clients/consumer protection/transparency regulations as well as the annual report regarding AML/CFT according to the provisions of Banking Credit Committee of the Bank of Greece Decision 281/5/17.3.2009 and the Bank of Greece Governor’s Act 2577/9.3.2006, as in force, shall be assessed and approved by the Audit Committee and subsequently submitted to the Board of Directors for ratification. The report should be submitted to the Bank of Greece accompanied by the results of the annual assessment of the adequacy and effectiveness of the AML/CTF policy prepared by the Audit Committee.</li> <li>- Assess the Compliance activity plan on an annual basis and review on a regular basis the implementation of the plan.</li> <li>- Monitor the implementation and effectiveness of the Bank’s Code of Ethics and</li> </ul>



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	<p>Conduct.</p> <ul style="list-style-type: none"> <li>- Monitor the implementation of the conflict of interest policy for the top executives of the Bank.</li> <li>- Review any conflict of interest in transactions of the Bank with related parties and report to the BoD accordingly.</li> <li>- Submit recommendations to the BoD on how to address any weaknesses identified by the internal and external assurance providers and follow up on the implementation of measures taken.</li> <li>- Evaluate the Head of Compliance/ AML on an annual basis and inform the BoD accordingly.</li> <li>- Review any significant findings arising from regulatory authorities' audits.</li> </ul>
Whistleblowing	<p>The Committee shall monitor and review the procedures on the basis of which complaints, whether signed or anonymous, may be filed about possible misconduct in the collection, processing and disclosure of financial information including complaints regarding accounting, internal financial controls or auditing matters, as well as significant complaints made in accordance with the Bank's whistleblowing policy.</p> <p>The Committee shall ensure that these arrangements allow proportionate and independent investigation of such matters and appropriate follow up action; and shall review the Bank's procedures for detecting fraud.</p>

## 2.2 Remuneration and Nomination Committee

### 2.2.1 Purpose

The Remuneration and Nomination Committee (the "RemNom") is a Committee of the Board of Directors, the purpose of which is to actively assist the BoD or the non-executive members of the BoD (as the case may be) in achieving the following objectives:

- Providing its support and advice to the non-executive members of the BoD on the design of the Bank's remuneration policy;
- Ensuring that the Bank has in place effective, fair and gender-neutral remuneration practices in line with the applicable legislative and regulatory framework;
- Ensuring that the remuneration system of the Bank does not encourage excessive risk appetite and takes into account all types of risk, liquidity and capital levels;
- Leading the process for appointments of BoD members and Heads of Critical Functions;



- Identifying and recommending candidates for appointment of BoD members and Heads of Critical Functions, as well as considering all matters relating to the BoD’s adequacy, efficiency, effectiveness and performance;
- Coordinating the performance evaluation of the BoD members and the BoD Chairman in accordance with the Performance Evaluation Policy for the Board of Directors;
- Overseeing, on a continuous basis, the Corporate Governance framework of the Bank to ensure it is always in line with the applicable regulatory framework and best international practices.

The RemNom must carry out its responsibilities without hindrance or intervention by any other party that would give rise to conflicts of interest. Additionally, it must have unlimited access to all reports issued by the various Management Committees, the Risk, the Internal Audit and the AML/Compliance Departments.

Its members must not, during their term of office, hold positions or have capacities or carry out transactions that could be deemed incompatible with the RemNom’s mission. Membership in the RemNom does not preclude membership in other BoD Committees.

### 2.2.2 Authority

The RemNom has the authority of the Board to access to and seek any information it requires to fulfill its duties and responsibilities. It has the freedom to cooperate with all BoD Members, Management members and employees of the Bank and to work closely with all other BoD Committees as the Committee deems appropriate. It has also access to the necessary funding in order to duly perform its duties.


The RemNom is authorized by the Board, in consultation with the Management, to obtain such external information and advice as it thinks necessary in carrying out its responsibilities (with due notification to the Board).

### 2.2.3 Membership & Attendance

The RemNom makes recommendations to the Board or the non-executive members of the BoD (as the case may be) on all matters requiring an approval. The RemNom does not have the authority to make a decision in the Board’s name or on its behalf unless it is specifically authorized by the Board to do so.

With regards to Committee membership, and meeting attendance the following shall apply:

Remuneration Committee Membership & Attendance	
Size	The RemNom members shall consist of three (3) to five (5) members.
Nomination and appointment	The RemNom members shall be appointed by the BoD

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Chairmanship	<p>The RemNom's Chairman is appointed by the BoD's decision determining the composition of the Committee. The Chairman must be an independent, non-executive BoD member.</p>
Composition	<p>All RemNom members are Non-Executive Directors of the BoD. The majority of the RemNom members shall be Independent Non-Executive Members of the BoD.</p> <p>The RemNom members, including its Chairman, shall be selected on the basis of their knowledge, competencies and experience on all issues belonging to the RemNom's competencies.</p> <p>The RemNom Members should not, during their term of office, hold posts, have capacities, or carry out transactions that could be deemed incompatible with the Committee's mission.</p>
Term of office	<p>The term of office of the RemNom members shall coincide with the term of office of the Board of Directors.</p>
Resignation and re-election of Members	<p>In case a member wishes to resign, he / she shall deliver his/her resignation letter to the Chairman of the RemNom, unless the Chairman of the RemNom wishes to resign, in which case the latter shall deliver his resignation letter directly to the Chairman of the Board of Directors.</p> <p>The Members of the RemNom can be re-elected, provided that the provisions set out previously with regards to "Term of Office" are adhered to.</p>
Attendance	<p>Solely Committee members can attend Committee meetings. However, the Committee may validly invite to attend - part or all of a Committee meeting- other persons at their free choice, including Senior Management members, staff members and/or external advisors, as the Committee members deem necessary. The CEO and Deputy CEO (Senior Executive Management) may not attend meetings during which their remuneration is under discussion.</p>

## 2.2.4 Committee Operations

With regards to the operation of the RemNom the following shall apply:

Remuneration Committee Operations	
Meeting frequency	<p>The Chairman decides on the frequency of the meetings and the issues on the agenda. RemNom members should meet at least twice per calendar year.</p>
Notice of meetings	<p>The meetings will be scheduled by the Chairman who is also responsible to provide the members with a written agenda of the meeting.</p>



Conduct of meetings	<p>Members may participate in a Committee meeting remotely, using any communication facility that permits all meeting participants to communicate adequately with each other (e.g. telephone, video conference, Skype etc.). In such case, the invitation to the Committee Members shall include all details and technical instructions necessary for their participation in that meeting.</p> <p>A Member participating in a Committee meeting by any such means is deemed to be present at that meeting.</p>
Meeting minutes	<p>The RemNom shall appoint a secretary to keep the minutes of the meeting and also maintain a pending items/progress list. Minutes of RemNom should be kept and signed by all attendees.</p>
Quorum	<p>The RemNom is in quorum when half of its members plus one (1) are present or represented in the meeting. In determining the number of members for the quorum, fractions are not counted.</p> <p>Only RemNom members can represent other Committee members. Each Committee member can validly represent only one (1) other Committee member.</p>
Decision making	<p>RemNom's decisions may be validly taken by an absolute majority of the RemNom members who are present or represented. In case of a tie, the RemNom's Chairman shall have a casting vote.</p> <p>The circulation and execution by all RemNom members (or their representatives) of a written resolution without meeting of the Committee is equal to a Committee decision.</p> <p>The same applies in cases where all RemNom Members (or their representatives) agree that a majority decision should be recorded in minutes, without holding an actual meeting.</p> <p>No Committee members can participate in the discussion and voting of a topic in case of conflict of interests or potential conflict of interests (including the case where his/her succession planning is discussed, own appointment, re-election, or departure from the BoD and/or its Committees).</p>
Reporting to the Board	<p>The RemNom is accountable to the Non-Executive members of the Board. The Chairman of the Committee is required to report to the Non-Executive members of the Board the Committee's recommendations and findings concerning the remuneration of executive BoD members and key risk takers.</p> <p>The RemNom provides, if required, to the General Assembly of Shareholders ample information on its activities.</p>

### 2.2.5 Duties & Responsibilities

The primary duties and responsibilities of the Committee include the following:



**Remuneration Committee Duties & Responsibilities**

Duties & Responsibilities

The Committee's duties & responsibilities are to:

- Inform, advice and assist the non-executive members of the Board in as far as the design, review, and overview of the implementation of the Remuneration Policy.
- Ensure the participation of the competent Departments of the Bank, as well as of external advisors, when deemed necessary, on an advisory level, during the design, review and implementation of the Remuneration Policy.
- Cooperate with other Committees of the Board or of the Management whose activities may affect the design and proper implementation of the Remuneration Policy.
- Ensure that the Remuneration Policy is gender neutral, supports the equal treatment of staff of different genders and does not provide incentives for excessive risk taking.
- Review the appointment of external advisors by the non-executive members of the Board, in relation to the provision of advisory or supportive services relative to the Remuneration Policy.
- Ensure that the Remuneration Policy takes into account and is aligned with all the risks assumed by the Bank, its liquidity position and its capital adequacy.
- Ensure that the Remuneration Policy and procedures as defined by the non-executive members of the Board, and as implemented by the Bank, are subject to an independent audit and review by the Internal Audit Department, at least annually.
- Receive and evaluate the periodically (at least annually) submitted independent reports of the Internal Audit Department on the Remuneration Policy and procedures.
- Propose corrective measures in case of weaknesses or deviations identified in the implementation of the Remuneration Policy.
- Prepare the decisions on remuneration to be taken by the non-executive members of the BoD, in particular regarding the remuneration of the Management and the identified staff;
- Ensure that the remuneration of the Management, i.e. the executive members of the Board of Directors, the officers of the Bank and the identified staff, is in reciprocity with the authorities, duties, specializations and responsibilities assigned to them.
- Directly oversee the remuneration of the Risk, Compliance and Internal Audit senior officers.
- Provide, if required, adequate information to the General Assembly of Shareholders, in relation to its activities and the tasks assigned to it.
- Ensure the adequacy of the information provided to shareholders on



remuneration policies and practices, in particular on a proposed higher maximum level of the ratio between fixed and variable remuneration.

- Assess the achievement of performance targets and the need for ex post risk adjustment, including the application of malus and clawback arrangements.
- Evaluate the effects of changes in the internal or external environment to the remuneration system of the Bank, including changes in the professional activities of employees that materially impact the Bank's risk profile.
- Is actively involved in the identification process, i.e. the determination of the Identified Persons of the Bank (which is the ultimate responsibility of the Board of Directors) in line with its responsibilities for the preparation of decisions regarding remuneration.
- Ensure that the Management team and executive officers of the Bank are appropriately incentivized to achieve excellent results and performance.
- Ensure that the Bank is able to attract and retain high performing employees whose personal attributes, skills, knowledge and experience well match to the Bank's requirements and philosophy.
- Ensure that the environment and framework of the Bank enables the assessment and development of management talent and potential in line with the needs of the Bank, a strong succession plan exists, for key executives of the Bank.
- Review the design and implementation of the Nomination & Suitability Policy for Board Members & Heads of Critical Functions and the Performance Evaluation Policy for the Board of Directors, monitor their effectiveness and make relevant recommendations to the BoD.
- Ensure that the composition, structure and operation of the BoD always meet the applicable legal and regulatory requirements.
- Ensure that an effective and transparent procedure for the nomination of candidates to the BoD and to the Heads of Critical Functions is always in place.
- Ensure that an appropriate mix of knowledge, skills, competencies and experience exist both at the BoD level and the BoD Committees' level, as well as in terms of appointment of Heads of Critical Functions.
- Assess on an on-going basis the suitability of the BoD members (both of individual BoD members and the BoD collectively as a body) and the HCFs.
- Pursue the implementation of corporate governance best international practices within the Bank while taking into consideration the culture of the Bank and the local legal requirements.
- Steer the process for and coordinating the regular evaluation of the BoD members' performance and effectiveness.
- Establish the conditions required for effective succession and continuity in the BoD.