

## **CORPORATE GOVERNANCE STATEMENT 2020**

### **1. Demerger of Eurobank Ergasias S.A.**

On 20 March 2020, the demerger of Eurobank Ergasias S.A. (Eurobank Ergasias or Demerged Entity) through the banking sector's hive down and its transfer to a new credit institution that has been established under the corporate name "Eurobank S.A." (Eurobank or Bank) was completed. Following the above, the corporate name of the Demerged Entity has been amended to "Eurobank Ergasias Services and Holdings S.A." (Company, Eurobank Holdings, Holdings or HoldCo). The Company holds the 100% of the share capital of the Bank and has maintained activities that are mainly related to the strategic planning of the administration of non-performing loans and the provision of services to the group companies and third parties while Eurobank substituted Eurobank Ergasias, by way of universal succession, to all the transferred assets and liabilities of the hived down banking sector.

As a result of the hive down, Eurobank and the subsidiaries contributed by the Demerged Entity, formed the new reporting entity Eurobank S.A. group (hereafter Eurobank group). The Company and its subsidiaries (the Group), consisting mainly of Eurobank group, are active in retail, corporate and private banking, asset management, treasury, capital markets and other services. The Group mainly operates in Greece and in Central and South-eastern Europe.

**Given that the Group consists mainly of Eurobank group, the present Corporate Governance Statement outlines how the principles stipulated by the Code were applied to Eurobank Holdings and Eurobank during 2020.**

### **2. Corporate Governance Code and Practices**

In compliance with the Greek legislation as well as with the contractual obligations to the Hellenic Financial Stability Fund (HFSF) and based on the international best practices on corporate governance, Eurobank Holdings has adopted and implements a Corporate Governance Code (Code), which describes the main corporate governance principles and practices adopted by the Group. The Code and relevant corporate governance practices are available on the HoldCo's website ([www.eurobankholdings.gr](http://www.eurobankholdings.gr)).

### **3. Board of Directors<sup>1</sup>**

#### **3.1 General**

The HoldCo is headed by a Board of Directors which is collectively responsible for the long-term success of the HoldCo. The Board exercises its responsibilities effectively and in accordance with the Greek legislation, international best practices and the Bank's and HoldCo's contractual obligations to the HFSF under the Tripartite Relationship Framework Agreement (TRFA) signed between the HoldCo, the Bank and the HFSF.

The Board's role is to provide entrepreneurial leadership to the Group within a framework of prudent and effective controls which enables risk to be assessed and managed. The Board sets the Group's strategic goals, ensures that the necessary financial and human resources are in place for the Group to meet its objectives and reviews management performance. The Board sets the Group's values and standards and ensures that its obligations to its shareholders and others are understood and met. All Directors must act in what they consider to be the best interests of the Group, consistent with their statutory duties.

#### **3.2 Composition of the Board**

##### Eurobank Holdings

The members of the Board are elected by the HoldCo's General Meeting which also determines the exact number of the directors, within the limits of the Law and of the HoldCo's Articles of Association, their term of office and designates the independent non-executive directors. The current BoD was elected by the Annual General Meeting (AGM) of the Shareholders held on 10 July 2018 for a three years term of office that will expire on 10 July 2021, prolonged until the end of the period the AGM for the year 2021 will take place. Further to that:

- Mr. Theodoros Kalantonis, submitted his resignation, effective as of 3 April 2020.
- The BoD by its decision dated 8 April 2020, appointed Ms. Alice Gregoriadi and Ms. Irene Rouvitha Panou as their new independent non-executive members, in replacement of the resigned independent non-executive members Mr. Richard Boucher and Mr. Nikolaos Bertzos, their resignations being effective as of 8 April 2020, and their term of office will expire concurrently with the term of office of the other members of the BoD.
- Mr. George Myhal, submitted his resignation, effective as of 10 December 2020. The BoD by its decision the same date appointed Ms. Cinzia Basile as new independent Non-Executive Director, in replacement of the resigned independent non-executive member Mr. George Myhal for an equal term to the remaining term of the resigned member.

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<sup>1</sup> Information regarding the Board's composition is included in note 48 and note 47 of the consolidated accounts of HoldCo and Eurobank respectively and short biographical details of its members may be found at the HoldCo/Bank websites ([www.eurobankholdings.gr](http://www.eurobankholdings.gr) & [www.eurobank.gr](http://www.eurobank.gr))

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- The BoD by its decision dated 10 December 2020 appointed Mr. Andreas Athanassopoulos as new executive Director in replacement of the resigned executive Director Mr. Theodoros Kalantonis for an equal term to the remaining term of the resigned member.
- The BoD by its decision dated 28 January 2021, appointed Ms Efthymia Deli as the new representative of the HFSF to Eurobank Holdings BoD in replacement of the resigned Mr. Dimitrios Miskou, according to the provisions of Law 3864/2010 and the TRFA.

**Eurobank**

In the article 18 of the final and transitional provisions of the articles of association of Eurobank S.A. it is provided, among others, the composition and term of office of its first Board of Directors. In particular, the period until the AGM of the shareholders takes place, which shall be convoked until September 10<sup>th</sup>, 2021 the latest, has been defined as the term of office of the first Board of Directors or earlier until the election of new Board of Directors by Extraordinary General Meeting of the Bank's shareholders.

Further to that:

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- The BoD by its decision dated 8 April 2020, appointed Ms. Alice Gregoriadi and Ms. Irene Rouvitha Panou as their new independent non-executive members, in replacement of the resigned independent non-executive members Mr. Richard Boucher and Mr. Nikolaos Bertzos, their resignations being effective as of 8 April 2020, and their term of office will expire concurrently with the term of office of the other members of the BoD.
- Mr. George Myhal, submitted his resignation, effective as of 10 December 2020. The BoD by its decision the same date appointed Ms. Cinzia Basile as new independent Non-Executive Director, in replacement of the resigned independent non-executive member Mr. George Myhal for an equal term to the remaining term of the resigned member.
- The BoD by its decision dated 10 December 2020 appointed Mr. Andreas Athanassopoulos as new executive Director in replacement of the resigned executive Director Mr. Theodoros Kalantonis for an equal term to the remaining term of the resigned member.
- The BoD by its decision dated 28 January 2021, appointed Ms Efthymia Deli as the new representative of the HFSF to Eurobank's BoD in replacement of the resigned Mr. Dimitrios Miskou, according to the provisions of Law 3864/2010 and the TRFA.

It is noted that, for efficiency reasons, Eurobank's BoD has the same composition as HoldCo's BoD.

Following the above, the current Board, as of the date of approval of the here-in Statement, consists of thirteen (13) Directors of whom, four (4) executives, three (3) non-executives, five (5) independent non-executives and one (1) representative of the HFSF, who has been appointed (as non-executive Director) in accordance with relevant legal requirements, as outlined below:

		<b><u>Eurobank Holdings</u></b>		<b><u>Eurobank</u></b>	
		<b><u>First appointment</u></b>	<b><u>End of Term</u></b>	<b><u>First appointment</u></b>	<b><u>End of Term</u></b>
Georgios P. Zanias	Chairperson, Non-Executive Director	Mar. 2019	2021	Mar. 2020	2021
Georgios K. Chryssikos	Vice-Chairperson, Non-Executive Director	Jun. 2014	2021	Mar. 2020	2021
Fokion C. Karavias	Chief Executive Officer	Jun. 2014	2021	Mar. 2020	2021
Stavros E. Ioannou	Deputy Chief Executive Officer	Apr. 2015	2021	Mar. 2020	2021
Konstantinos V. Vassiliou	Deputy Chief Executive Officer	July 2018	2021	Mar. 2020	2021
Andreas D. Athanassopoulos	Deputy Chief Executive Officer	Dec. 2020	2021	Dec. 2020	2021
Bradley Paul L. Martin	Non-Executive Director	Jun. 2014	2021	Mar. 2020	2021
Rajeev K. L. Kakar	Non-Executive Independent Director	July 2018	2021	Mar. 2020	2021
Jawaid A. Mirza	Non-Executive Independent Director	Jun. 2016	2021	Mar. 2020	2021
Alice K. Gregoriadi	Non-Executive Independent Director	Apr. 2020	2021	Apr. 2020	2021
Irene C. Rouvitha-Panou	Non-Executive Independent Director	Apr. 2020	2021	Apr. 2020	2021
Cinzia V. Basile	Non-Executive Independent Director	Dec. 2020	2021	Dec. 2020	2021
Efthymia P. Deli	Non-Executive Director, HFSF Representative	Jan. 2021	2021	Jan. 2021	2021

There are no restrictions in the re-election and cessation of Directors in the HoldCo's and Eurobank's Articles of Association. In all cases of members whose membership has lapsed, the Board is entitled to continue the management and representation of the HoldCo and Eurobank, without being obliged to replace the lapsed members, provided that the number

of the remaining members exceeds half of the number of the members prior to the event that led to the lapse of their membership and, in any case, is not less than three (3).

According to the HoldCo's and Eurobank's Articles of Association, the Board may consist of three (3) to fifteen (15) members, while, under the TRFA, this range has been specifically set to be between seven (7) and fifteen (15) members (including the representative of the HFSF). In addition, according to the TRFA, (a) the number of the Board's members must always be odd, (b) the majority of the directors must be non-executive members with at least half of the non-executive members (rounded to the nearest integer) and in any case not less than three (3) (excluding the representative of the HFSF), being independent non-executive members in accordance with the provisions of Law 3016/2002 on corporate governance and the European Commission Recommendation 2005/162/EC and (c) the Board should include at least two (2) executive members. For any differentiations from TRFA's provisions the HFSF's prior consent should be received. Furthermore, according to the HFSF corporate governance review criteria developed as per the relevant provisions of Law 3864/2010, the target size of the Board should be up to thirteen (13) members.

### **3.3 HFSF and Tripartite Relationship Framework Agreement (TRFA)**

The first economic adjustment programme for Greece required the establishment of the HFSF, funded by the Greek government out of the resources made available by the IMF and the EU, to ensure adequate capitalisation of the Greek banking system. The HFSF was established in July 2010 and its duration, originally set until 30 June 2017, was extended until 30 June 2020 and most recently until 31 December 2022, although this may be further extended by the Minister of Finance if the extension is necessary to enable the HFSF to achieve its objectives.

In the Company's case, the support provided to it by the HFSF was through the issuance of new ordinary shares covered entirely by the HFSF with the contribution of bonds issued by the EFSF and owned by the HFSF, as resolved by the Company's Extraordinary General meeting on 30 April 2013.

Reflecting the HFSF's status as a shareholder of Eurobank Holdings (it currently owns 1.4% of Eurobank Holdings' shares), and following the completion of the demerger, Eurobank Holdings, the Bank and the HFSF are parties to a Tripartite Relationship Framework Agreement (TRFA) signed on 23 March 2020. The TRFA allows the HFSF to enforce against the Bank all the rights which it had against the former Eurobank Ergasias S.A. under an earlier Relationship Framework Agreement (RFA) between it and Eurobank Ergasias S.A.. Accordingly, the TRFA, among other matters:

- regulates the corporate governance of the Bank;
- monitors the implementation of the Bank's non-performing loan management framework; and
- monitors the Bank's performance in relation to non-performing loan resolution.

The TRFA also (i) deals with the material obligations of Eurobank Holdings and the Bank under the RFA, and the switch of the restricted voting rights that the HFSF currently has in Eurobank Holdings to full voting rights if those obligations are breached, (ii) requires the Bank's risk profile to be monitored against the approved Group Risk and Capital Strategy, (iii) requires the Bank to obtain the HFSF's prior written consent for its Group Risk and Capital Strategy and for its Group Strategy, Policy and Governance (relating to the management of the Bank's arrears and non-performing loans) and (iv) establishes the duties, rights and obligations of HFSF's Representative in the Board of each of Eurobank Holdings and the Bank (see further below). The TRFA and the L. 3864/200 (HFSF Law) do not preclude, reduce or impair the ability of the management of each of Eurobank Holdings and the Bank to continue to determine independently, among other matters, their respective commercial strategy and policy and to manage the Bank's day-to-day operations.

According to the HFSF Law and the TRFA, the HFSF has the following rights:

- the right to vote at the General Meetings of Eurobank Holdings only for decisions concerning (i) the amendments of the Articles of Association of Eurobank Holdings, including the increase or reduction of the capital or the corresponding authorisation to its Board, (ii) mergers, divisions, conversions, revivals, extension of term or dissolution of Eurobank Holdings, (iii) the transfer of assets (including the sale of subsidiaries) or (iv) any other issue requiring increased majority as provided for in the Greek law on Sociétés Anonymes;
- the right to appoint one director (the "HFSF representative") to the Board of each of Eurobank Holdings and the Bank, to appoint the HFSF representative to their respective Audit, Risk, Nomination and Remuneration Committees and also to appoint an observer in the Board and in the Audit, Risk, Nomination and Remuneration Committees with no voting rights of each of Eurobank Holdings and the Bank;
- the right to preferential reimbursement, in priority to all other shareholders from the proceeds of the liquidation of Eurobank Holdings, if it is liquidated;
- free access to the books and records of each of Eurobank Holdings and the Bank for the purposes of HFSF Law, with executives or consultants of its choice;
- to review the annual self-assessment of the Board and the Committees of each of Eurobank Holdings and the Bank for the purpose of identifying weaknesses and improving working methods and effectiveness and the responsibility to perform, assisted by an independent consultant of international reputation, an evaluation of their respective corporate governance framework, Board and committees, as well as their respective members; and
- the right to monitor the implementation of the Bank's non-performing loan management framework and of the Bank's performance on non-performing loans resolution.

The HFSF representative has a number of rights, including to:

- to call a Board meeting, a meeting of any Board committee of each of Eurobank Holdings and the Bank he is a member of and a general meeting of shareholders of Eurobank Holdings and to include items on the agenda of any of those meetings;
- to veto any resolution of the Board of each of Eurobank Holdings and the Bank (i) related to dividend distributions or the remuneration policy and proposed bonuses to Board members and General Managers or their deputies (ii) which may jeopardise depositors' interests or materially affect liquidity, solvency or, in general, the prudent and orderly operation of the Bank (such as business strategy and asset/liability management), (iii) concerning corporate actions resulting in any matter for which the HFSF would have full voting rights in a shareholder meeting which may materially impact HFSF's participation in the share capital of Eurobank Holdings, or (iv) any decision related to any other veto right each time provided by the HFSF Law;
- to request the postponement of a Board meeting of each of Eurobank Holdings and the Bank or the discussion of any item in order to receive HFSF's Executive Board's instructions or in case the notification of the date of a relevant Board meeting, including the agenda and the relevant material, data or information and all supporting documents with respect to the items of the agenda, are not sent at least three business days prior to such Board meeting;
- to request an adjournment of any Board meeting of each of Eurobank Holdings and the Bank or the discussion of any item by up to three business days, if it finds that the material, data or information and the supporting documents submitted to the HFSF pursuant to the items of the agenda of the forthcoming relevant Board meeting are not sufficient; and
- to approve the Chief Financial Officer ("CFO") of each of Eurobank Holdings and the Bank. In exercising these rights, the HFSF representative should take into account the business autonomy of each of Eurobank Holdings and the Bank.

Finally, the HFSF Law as in force, has introduced certain minimum requirements with respect to the size, the structure and the members of the Board and the Board Committees of the companies whose corporate governance framework may be assessed by the HFSF according to the relevant provisions of HFSF. In particular, Board members must (i) have a minimum of ten years of experience as senior executives in banking, auditing, risk management or management of risk-bearing assets, with three years of experience, with respect to the non-executive members, as board members of a credit institution, a financial sector enterprise or an international financial institution, (ii) not serve or have been entrusted during the last four years with prominent public functions, such as heads of state or of government, senior politicians, senior government, judicial or military officials or prominent positions as senior executives of state owned corporations or political party officials, and (iii) have declared any economic connections with the credit institution prior to their appointment. In addition, the Board must comprise at least: (i) three experts as independent non-executive directors, with sufficient knowledge and international experience of at least 15 years with financial institutions of which at least three years as members of an international banking group which is not active in the Greek market unrelated to any Greek credit institution during the past decade, which shall chair all board committees, and (ii) one member with at least five years of international experience and specialisation in risk or NPL management, who shall be responsible for NPL management at board level and shall chair any special board committee for NPL management. Furthermore, and based on the provisions of article 10, par. 6 of the HFSF Law, the HFSF with the assistance of an independent consultant has developed additional criteria as to the eligibility of individual Board members.

### **3.4 Division of responsibilities**

There is a clear division of responsibilities at the head of the HoldCo and the Bank between the proper operation of the Board and the day-to-day management and control of the HoldCo's and the Bank's business. The roles of Chairperson and CEO are not exercised by the same person.

The Executive Directors have responsibility for the day-to-day management and control of the Group and the implementation of its strategy. The non-Executive Directors are responsible for the overall promotion and safeguarding of the HoldCo's and the Bank's interests, constructively challenge and help develop proposals on strategy and approve, revise and oversee the implementation of the remuneration policy at HoldCo, the Bank and Group level. The Independent non-Executive Directors have the duty, if they consider it necessary; to submit each one of them or jointly to the General Meeting their own reports other than those of the Board on a specific subject.

### **3.5 Operation of the Board**

The Chairperson of HoldCo/Bank's Board chairs the Board and ensures its effectiveness on all aspects of its role. He is non-executive and does not serve as Chairperson of the Audit Committee. The CEO is accountable for and manages strategy development and implementation in line with the vision of the Group. He is responsible for leading the organisation to the achievement of its objectives.

The Board meets regularly every quarter and on an ad hoc basis, whenever the law or the HoldCo's and the Bank's needs necessitate it, given at least two (2) business days' notice or at least five (5) business days' notice, if the meeting is held outside the HoldCo/Bank's registered office, as per Company Law 4548/2018 provisions. The invitation must also mention with clarity the agenda subjects, otherwise a decision is taken only when all members of the Board are present or represented and nobody objects to the convocation of the meeting and to the taking of decisions. In addition, according to the TRFA provisions the Board informs the HFSF's Representative and the Observer on the activities and the decisions of the Board and to that end it shall notify to them the agenda together with the relevant supporting material at least three (3)

business days prior to the Board meeting, otherwise, unless an emergency case unforeseeable by the HoldCo/Bank exists, the HFSF Representative is entitled to request a postponement of the Board meeting which shall be resumed the earliest after three (3) business days, provided that the aforementioned documents are provided to him/her on time. In case where an item on the agenda requires, as per TRFA provisions, the prior HFSF consent, the HoldCo/Bank should not submit it for approval to the Board before HFSF consent is granted, unless otherwise agreed between the HoldCo/Bank and HFSF. For urgent matters, the Board may approve matters subject to subsequent HFSF consent.

The Board is considered to be in quorum and meets validly when at least half plus one of its members are present or represented. The number of the present or represented members is not allowed to be less than three (3). For defining the quorum any resulting fraction is omitted. Decisions of the Board are taken by absolute majority of the Directors that are present or represented. In case of parity of votes, the vote of the Chairperson of the Board does not prevail.

During 2020 the attendance details for the Board were as follows:

<u>Company</u>	<u>Meetings</u>		<u>Average ratio of Directors' attendance</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
HoldCo	23	27	98%	97%
Bank (from 20.3.2020)	22	n/a	99%	n/a

Submissions to the Board are normally circulated together with the agenda. Decisions are taken following discussions which exhaust the agenda items to the satisfaction of all Directors present. Board meetings minutes are kept by the Secretary of the Board, are approved at subsequent Board meetings and signed by all Directors present. The TRFA provides for, on an individual basis, compulsory attendance of Board members of at least 85%. Each member may miss up to 15% of individual meetings if a valid excuse is provided. Finally, the drawing up and signing of minutes by all the members of the Board of Directors or their representatives is equal to a decision of the Board of Directors, even if no meeting has preceded.

### **3.6 Directorships of Board members**

The number of directorships which may be held by the Board members at the same time comply with the provisions of Law 4261/2014 (art. 83), according to which the Directors shall not hold more than one (1) of the following combinations of directorships at the same time: a) one (1) executive directorship with two (2) non-executive directorships; and b) four (4) non-executive directorships. This restriction is not applied to directorships within the Group. Bank of Greece (BoG) as the competent authority may authorize Board members to hold one (1) additional non-executive directorship. Based on their declared information, all members are compliant with the provisions of Law 4261/2014.

### **3.7 Conflicts of interest**

The Group, based on the "Conflicts of Interest Policy" has adopted a series of Policies, measures and procedures that must be followed in order to prevent and manage conflict of interest situations, as encountered in the context of the Group's activities.

To avoid situations of conflicting duties, each company within the Group, segregates the executive and supervisory responsibilities of the members of the Board of Directors, including the division of the responsibilities of the Chairperson of the Board of Directors with the executive responsibilities of the CEO. More specifically, by adopting appropriate procedures, effective segregation of duties is ensured, so as to avoid cases of incompatible roles, conflicts of interest between the members of the Board of Directors, Management and Executives, but also between the aforementioned and those of the Holdings/Bank and its transacting parties, as well as the unlawful use of inside information or assets.

The Board members:

- must comply with the high standards and principles of professional ethics in the performance of their duties, apply the principles of the "Conflicts of Interest Policy" and refrain from any activity or conduct that is inconsistent with it.
- according to article 97 par. 1 of Company Law 4548/2018, are prohibited from pursuing personal interests that run counter to the interests of the Holdings (or the Group) and must timely and adequately disclose to the other members of the Board of Directors any personal/own interests that may arise from the Holdings' transactions which fall within their line of responsibility, as well as any other potential, perceived or actual conflict of interests that may exist between Holdings or its affiliated undertakings (under article 32 of Greek Law 4308/2014) and themselves. Furthermore, they have to disclose to the other members of the Board, any conflicts of interest between Holdings and their associated parties under article 99 par. 2 of the Company Law 4548/2018. Adequate disclosure on behalf of the Board members, as per the above, is considered the one that includes a description of both the transaction and the own interests.
- must ensure the privacy and the confidentiality of non-publicly available information and refrain from behaviors that would constitute market abuse and conflict of interest.

### **3.8 Remuneration**

Eurobank Holdings has established a Board of Directors' Remuneration Policy in line with related requirements of the Law 4548/2018 (the Law) (latest version of the Policy approved by the AGM on 28.7.2020). It has been created to satisfy the pertinent terms of the Law (articles 109, 110, 111, 112 and 114) and describes key components and considerations of the remuneration framework for the members of the Board.

It also complies with relevant stipulations of the TRFA between Eurobank Holdings, Eurobank and the HFSF. Eurobank Holdings produces, for each financial year, a Remuneration Report concerning the remuneration and other financial benefits paid to each Executive and Non-Executive Directors of the Board during the reporting financial year, in line with the requirements of Article 112 of the Law.

It is noted that due to same composition of the Board of the Eurobank Holdings with the Board of its subsidiary Eurobank and since the Directors are paid solely by one of the two, that being the Bank, any reference to the remuneration and /or the benefits payable to the Directors of Eurobank Holdings, applies to the relevant remuneration they receive as Directors of the Bank.

The 2020 Board and key management remuneration disclosure is included in note 46 of the consolidated accounts of Eurobank Holdings and in compliance with the provisions of the Company Law 4548/2018 and in order to ensure adequate transparency to the market of the remuneration structures and the associated risks, is uploaded at website [www.eurobankholdings.gr](http://www.eurobankholdings.gr).

### **3.9 Main issues the Board dealt with during 2020**

In discharging its responsibilities for 2020 the main issues Holdco/Bank's BoDs dealt with related to:

- | <u>Eurobank Holdings</u>   | <u>Bank</u>  |
|--|--|
| a) <u>Governance:</u> <ul style="list-style-type: none"><li>• election of new Board members and approval of Board Committees' composition,</li><li>• approval of the Terms of Reference of Board Committees,</li><li>• appointment of new Secretary,</li><li>• preparation and convocation of the Shareholders General Meetings,</li><li>• annual evaluation of the Board and the Board Committees,</li><li>• CEO's performance evaluation,</li><li>• approval of the BoD Diversity Policy, the Conflict of Interest Policy and the Separation Policy,</li><li>• approval of the Remuneration Policy for the Directors and further submission for approval by the Annual General Meeting,</li><li>• approval of the Corporate Governance Code and Practices,</li><li>• regular update on Board Committees' matters,</li><li>• various remuneration issues.</li></ul> | a) <u>Governance:</u> <ul style="list-style-type: none"><li>• election of new Board members,</li><li>• establishment of the Board Digital and Transformation Committee and approval of Board Committees' composition,</li><li>• approval of the Terms of Reference of the Board Committees,</li><li>• appointment of Secretary ,</li><li>• preparation and convocation of the Bank's Shareholders General Meeting,</li><li>• CEO's performance evaluation and approval of his financial and non-financial objectives</li><li>• approval of the Remuneration Policy, the Group Subsidiary Board Remuneration Policy and the Separation Policy,</li><li>• update on Senior Executives succession plan,</li><li>• regular update on Board Committees' matters,</li><li>• various remuneration issues.</li></ul> |
| b) <u>Corporate and other actions:</u> <ul style="list-style-type: none"><li>• actions for the completion of the hive down of the banking sector of Eurobank Ergasias with the establishment of a new company pursuant to the relevant legal provisions,</li><li>• acquisition of Fixed Rate Tier 2 Subordinated Instruments due 2028</li><li>• Service Level Agreement (SLA) and Reverse Service Level Agreement (RSLA) with the Bank,</li><li>• initiation of the process concerning the return of capital to the shareholders in kind,</li><li>• actions for the completion of the share capital reduction,</li><li>• issuance of medium-term notes (EMTN).</li></ul>   | b) <u>Corporate and other actions:</u> <p>approved the following:</p> <ul style="list-style-type: none"><li>• actions for the substitution of Eurobank Ergasias by Eurobank, by way of universal succession, to all the transferred assets and liabilities,</li><li>• issuance of Fixed Rate Tier 2 Subordinated Instruments due 2028,</li><li>• Service Level Agreement (SLA) and Reverse Service Level Agreement (RSLA) with HoldCo,</li><li>• final agreement of the sale of 80% of FPS shares to doValue,</li><li>• provision of guarantees by the Hellenic Republic addressed to the European Investment Bank ("EIB") in favour of the Bank, related to the granting of loans from EIB.</li></ul>   |
| c) <u>Capital adequacy:</u> <ul style="list-style-type: none"><li>• approval of the 2020 Internal Capital &amp; Liquidity Adequacy Assessment Process (ICAAP &amp; ILAAP 2020),</li></ul>  | c) <u>Capital adequacy:</u> <ul style="list-style-type: none"><li>• approval of the securitization of the Bank's receivables from portfolios of business and other loans.</li></ul>  |

d) Business monitoring:

- approval of the 2019 annual financial statements and the 2020 interim financial statements,
- approval of the Annual Budget 2021 and the 3-Years Business Plan for the period 2021-2023,
- discussion of business developments and liquidity.

e) Risk Management and Internal Control:

- update on significant audit and compliance issues,
- approval of Group Risk and Capital Strategy and Risk Appetite Statements,
- approval of the 2019 consolidated Pillar 3 Report (capital and risk management disclosures),
- regular briefing on Audit Committee's matters,
- update on the 2019 Annual Activity Report of the Audit Committee,
- approval of new or revised policies as per the legal or regulatory framework and internal processes,
- approval of the 2020 Group Recovery Plan.

d) Business monitoring:

- approval of the interim consolidated financial statements for the period 20 March to 30 June 2020,
- approval of the Annual Budget 2021 and the 3-Years Business Plan for the period 2021-2023,
- approval of the Group's NPE Targets for the period 2020-2022 and the NPE management Strategy,
- update on significant subsidiaries activities and strategic priorities,
- review of business developments and liquidity.

e) Risk Management and Internal Control:

- briefing on the assessment on Internal Audit Group and Group Compliance annual regulatory reports,
- update on significant audit issues
- update on significant compliance issues
- approval of amendments relevant to the Group Risk and Capital Strategy and Risk Appetite Statements,
- update on the Group Chief Risk Officer's Annual Report for the year 2019,
- update on credit related issues through various reports
- regular briefing on Risk and Audit Committees matters,
- approval of policies as per the legal or regulatory framework and internal processes,
- update on issues relevant to the Group Recovery Plan.

### **3.10 Evaluation of the Board's structure, size, composition and performance**

The Nomination Committees of HoldCo/Bank in discharging their responsibility for the annual assessment of the structure, size, composition and performance of the Board, proceeded with the Board's evaluation for 2020.

In accordance with the Board and Board Committees Evaluation Policy, 2020 Board evaluation covered the following areas:

- Board's performance in setting and monitoring strategy (including the business plan),
- Board's performance in overseeing, engaging with, evaluating, incentivizing and retaining key management personnel,
- Board's performance in overseeing risk management and internal control,
- adequacy of the Board's profile and composition,
- adequacy of Board dynamics and functioning,
- role and performance of the Board Chairperson,
- adequacy of Board secretarial support,
- effectiveness of Board Committees.

Overall the evaluation concluded that the BoDs continued to function effectively in 2020 as in 2019. In the context of the Board's evaluation, the Board noted as issues for further attention the need for more focus on deep dive discussions on: a) long term strategic planning, also in view of Eurobank's transformation plan that is presently underway, and b) relevant HR issues, such as the methodologies used for attracting talent, the assessment, promotion and rewarding processes, the succession planning, the leadership frameworks, the salary surveys and benchmarking etc.

### **3.11 Directors' Induction and Continuous Professional Development Process**

The new Board members appointed during 2020 have received a full and formal Induction Program whose main objectives were to (a) communicate HoldCo/Bank's vision and culture, (b) communicate practical procedural duties, (c) reduce the time taken for them to become productive in their duties, d) assimilate them as welcomed members of the Board, e) become familiar with the HoldCo/Bank's organizational structure and f) give them an understanding of HoldCo/Bank's business and strategy and the markets in which it operates, a link with the HoldCo/Bank's people and an understanding of its main relationships. Also, the new Board members, upon their appointment received a Manual of Obligations towards Supervisory Authorities and the HoldCo/Bank, aiming to inform them on their main obligations under the local regulations and the Board's procedures, while meetings and presentations were arranged with the HoldCo/Bank's Key Executives, in order for the new Directors to acquire a real overview of the HoldCo/Bank.

Furthermore, given that the HoldCo/Bank acknowledges the need to provide resources for developing and refreshing the knowledge and skills of the Directors, during 2020 and in the framework of its Continuous Professional Development

program, all the Board members a) received regular updates, including reports and presentations, from senior management regarding the operations and strategic targets of business units, b) were updated on a regular basis on risk, audit, compliance, financial, human resources, legal and regulatory issues, and d) received regular and ad-hoc research and economic bulletins prepared by Eurobank's Economic Analysis and Financial Markets Research Division.

#### **4. Board Committees**

The Boards of HoldCo/Bank are assisted in carrying out their duties by Board Committees to whom they delegate some of their responsibilities. In addition, the Boards approve their terms of reference, receive regular and ad hoc reports from them and assess their performance as per the provisions of the Board and Board Committees Evaluation Policy.

According to the TRFA, the HFSF appoints its Representative as well as its Observer (who has no voting rights in the Board's Committees) or replaces them with a written request addressed to the Chairperson of the Board and their appointment is completed immediately from the receipt by the HoldCo/BoD of the HFSF's written request and no further procedures are required. Pursuant to the TRFA, the HFSF Representative has the right to participate in, request the convocation of, and include items on the agendas of the Audit Committee, Board Risk Committee, Remuneration Committee and Nomination Committee. In addition, HFSF is entitled to the assistance by an independent consultant of international reputation and established experience and expertise, to perform its own evaluation of the Board Committees, in accordance with the article 10 of L. 3864/2010 as in force.

According to the TRFA provisions, the members of the Audit, Board Risk, Remuneration and Nomination Committees should be at least three (3) and should not exceed 40% (rounded to the nearest integer) of the total number of Board members, excluding the representative of the HFSF. The Committees' Chairpersons should be independent non-executive members and shall meet the requirements provided for in Law 3864/2010. The Committees' members should be non-executives with the majority of them, excluding the representative of the HFSF, independent non-executives, except for the Audit and Board Risk Committees where 75% and 1/3, respectively, of their members (excluding the representative of the HFSF and rounded to the nearest integer) should be independent non-executives. For any deviations from the TRFA provisions, the prior consent of HFSF should be received.

It is noted that since the demerger of Eurobank Ergasias S.A. on 20.3.2020, Eurobank Holdings' Board Risk, Remuneration and Strategic Planning Committees, for which there is nor a regulatory requirement neither a business need, they are kept in idle capacity until the BoD will finally conclude on whether to abolish them or not, following the incorporation into the Greek legal framework of the new Directive (EU) 2019/878 (known as CRD V) which is expected to regulate the governance issues of the financial holdings companies (like Eurobank Holdings).

##### **4.1 Audit Committee<sup>2</sup>**

The primary function of the Audit Committee (AC) is to assist the Board in discharging its oversight responsibilities primarily relating to:

- the review of the adequacy of the Internal Control and Risk Management systems and the compliance with rules and regulations monitoring process,
- the review of the financial reporting process and satisfaction as to the integrity of the HoldCO's Financial Statements,
- the External Auditors' selection, performance and independence,
- the effectiveness and performance of the Internal Audit and of the Compliance function.

According to article 44 of the Law 4449/2017, as recently amended by Law 4706/2020, the AC could be either a Board Committee, or a mixed Committee consisted of Board members and third parties, or an independent Committee consisted exclusively from third parties. The type of the Committee, the tenure, the number and the qualifications of its members are decided by the Shareholders' General Meeting. In case the AC is a Board Committee, its composition is decided by the Board. In all other cases (mixed or independent Committee), the members are decided by the Shareholders' General Meeting.

The HoldCo/Bank's Audit Committees are Committees consisted exclusively by Board members and their compositions have been approved by the General Meeting of the Shareholders (as per the legal framework prior to the provisions of the new Law 4706/2020), following the recommendation of the Nomination Committees to the Boards. The tenure of the Committee members coincides with the tenure of the HoldCo/Bank's Boards, with the option to renew their appointment, but in any case the service in the Committee should not be more that twelve (12) years in total. The Chairperson of the Committees is appointed by the members of the Committee, while the Committee's members may also appoint a Vice Chairperson. The current Audit Committees consist of five (5) non-executive Directors, three (3) of whom are independent, including the Chairperson. One (1) of the Audit Committee members is the HFSF Representative. The HFSF appointed an Observer in the Audit Committees, in line with the requirements of the TRFA.

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<sup>2</sup> Information regarding the Committee's main duties and responsibilities as well as composition are included in the Code. Additionally, information regarding current composition and short biographical details of its members may be found at the HoldCo/Bank websites ([www.eurobankholdings.gr](http://www.eurobankholdings.gr) & [www.eurobank.gr](http://www.eurobank.gr)).



All AC members have sufficient knowledge in the field of HoldCo/Bank's activities and the necessary skills and experience to carry out their duties. The Chairperson of the Audit Committees and one (1) more member are the appointed financial/audit/risk expert members.

The Audit Committee of the Bank meets at least four (8) times per year or more frequently while HoldCo's Audit Committee at least 4 times or more frequently, as circumstances require, report to the Board on a quarterly basis on its activities, submits the minutes of its meetings to the Board and submits annually an Activity Report of the Audit Committee to the Board. The Audit Committee's meeting is in quorum and meets validly when half of its members plus one are present or represented, provided that at least three (3), including the Chairperson or the Vice Chairperson, are present. Each member of the Committee may validly represent only one of the other Committee members. Representation in the Committee may not be entrusted to persons other than the members thereof. The Audit Committee resolutions are validly taken by an absolute majority of the members who are present and represented. In case of a tie of votes, the Chairperson and in case of his/her absence the Vice Chairperson has the casting vote. The Board is informed whenever a decision of the Audit Committee is not reached unanimously.

During 2020 the attendance details for the Audit Committee were as follows:

<u>Company</u>	<u>Meetings</u>		<u>Average ratio of Directors' attendance</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
HoldCo	9	12	98%	88%
Bank (from 20.3.2020)	6	n/a	97%	n/a

The Audit Committee appoints its Secretary, who reports to the Group Company Secretariat and cooperates with the Chairperson of the Committee. The Secretary is responsible to minute the proceedings and decisions of all Audit Committees' meetings, including the names of those present and in attendance and the action plans and follow ups for assignments, as well as for the issuance of extracts. Decisions, actions and follow ups are disseminated to the responsible parties, as required.

The Audit Committee's Terms of Reference (ToR) are reviewed every two (2) years and revised if necessary, unless significant changes necessitate earlier revision. The ToR are approved by the Board. The Committee's performance is evaluated annually according to the provisions of HoldCo/Bank Board and Board Committees Evaluation Policy. According to the Committee's 2020 self-evaluation it was determined that the Committee continuous to function effectively, including the areas of leadership, good planning and scheduling of the meetings as well as effective coordination with the Board Risk Committee.

For 2020 the Audit Committee has, amongst others:

Eurobank Holdings

- reviewed and discussed reports with information relating mainly to the Internal Audit and Compliance issues,
- reviewed the annual Group Compliance Sector's report over AML (per BoG Decision 281/2009) for the year 2019. The report was submitted to the Board and the BoG in March 2020 in line with the regulatory framework. It is noted that later on, in June 2020, Eurobank AC has prepared its own assessment over the annual Group Compliance Sector's report over AML and the annual Group Compliance Sector's report of Eurobank, for further submission to the Board and the BoG, in line with the BoG Governors Act 2577/2006 and Decision 281/2009 requirements,
- approved the scope of the independent triennial evaluation of the System of Internal Controls (SIC) per BoG Act 2577/2006,
- reviewed and approved the Code of Conduct, the Conflict of Interest Policy, the Market Abuse Policy and the Insider Dealing Guideline,
- discussed with Management, Internal Audit and External Auditors issues relating to the financial results,
- reviewed and cleared the financial statements and other financial reports and trading updates prior to their release,
- discussed with Management the implementation of corrective actions to recommendations made by

Bank

- reviewed and discussed reports with information relating to the System of Internal Controls, including quarterly reports from Internal Audit Group, Compliance, Operational Risk Sector, Clients Relations Office, etc.,
- ensured that an annual evaluation of the System of Internal Controls has been performed, by the Internal Audit Group for the year 2019. Results are documented in the latter's report of the System of Internal Controls. The Audit Committee has prepared its own assessment report on Internal Audit Group's evaluation. The reports were submitted to the Board in May and in June 2020 respectively, and subsequently to the BoG in line with the BoG Act 2577/2006 requirements,
- focused particularly on the AML function and received regular updates on the AML issues
- reviewed the annual Group Compliance Sector's report over compliance activities of the Bank for the year 2019, and prepared its own assessment report thereon. The reports were submitted to the Board and the BoG in June 2020, in line with the BoG Governors Act 2577/2006. It is noted that the AC's assessment report covered also the annual Group Compliance Sector's report over AML which was reviewed by the Eurobank Ergasias AC before the demerger, and was submitted to the Eurobank Ergasias Board and the BoG in March 2020, in line with the Decision 281/2009 requirements,

- Internal and External Auditors and Regulatory Authorities,
- assessed the effectiveness of the External Auditors, their objectivity and independence, discussed results with Management and Internal Audit and communicated final results to the Board and to the External Auditors,
  - approved in line with the External Auditor's Independence Policy non-audit services provided in 2020,
  - approved the annual Plans of Internal Audit Group and of Group Compliance and monitored their progress,
  - received updates on the progress of the Annual Budget,
  - in accordance with the provisions of Law 2533/1997, the Audit Committee reviewed reports on substantial stock transactions performed by the HoldCo's Directors and General Managers which meet the criteria set in Law 2533/1997 and notified the Board.
- reviewed and approved the Code of Conduct and Ethics, Policy for Reporting Unethical Conduct, Order Execution Policy and Market Abuse Policy,
  - discussed with Management, Internal Audit and External Auditors issues relating to the interim financial results,
  - reviewed and cleared the interim consolidated financial statements,
  - discussed with Management the implementation of corrective actions to recommendations made by Internal and External Auditors and Regulatory Authorities,
  - discussed with the Audit Committee Chairpersons of Eurobank Cyprus, Eurobank Private Bank Luxembourg and Eurobank Bulgaria the key audit issues of the International Subsidiaries,
  - assessed the effectiveness of the External Auditors, their objectivity and independence, discussed results with Management and Internal Audit and communicated final results to the Board and to the External Auditors,
  - assessed the performance of the Head of Internal Audit and the Head of Group Compliance Sector,
  - approved the remuneration of External Auditors and approved in line with the External Auditor's Independence Policy non-audit services provided in 2020,
  - approved the annual Plans of Internal Audit Group and of Group Compliance and monitored their progress,
  - monitored and approved as required, the changes to the memberships of the Audit Committees of the subsidiaries, as required, and reviewed their Activity Reports,
  - in accordance with the provisions of Law 2533/1997, the Audit Committee reviewed reports on substantial stock transactions performed by the Bank's Directors and General Managers which meet the criteria set in Law 2533/1997 and notified the Board,

#### **4.2 Board Risk Committee<sup>3</sup>**

As mentioned previously, since the demerger of Eurobank Ergasias S.A. on 20.3.2020, Eurobank Holdings' Board Risk Committee, for which there is nor a regulatory requirement neither a business need, it is kept in idle capacity until the BoD will finally conclude on whether to abolish it or not, following the incorporation into the Greek legal framework of the new Directive (EU) 2019/878 (known as CRD V) which is expected to regulate the governance issues of the financial holdings companies (like Eurobank Holdings).

As regards the Bank's Board Risk Committee's (BRC), its purpose is to assist the Board in the following risk-related issues:

- to ensure that the Group has a well-defined risk strategy and risk appetite in line with its business plan, and that the risk appetite is articulated in a set of qualitative and quantitative statements and risk tolerance levels for all relevant risks,
- to ensure that the Group has developed an appropriate risk management framework which is embedded in the decision-making process (e.g. products and services introduction, risk adjusted pricing, internal risk models, risk adjusted performance measures and capital allocation) throughout the Bank and its subsidiaries,
- to define the Group risk management principles and ensure that the Bank has the appropriate methodologies, modelling tools, data sources and sufficient and competent staff to identify, assess, monitor and mitigate risks,
- to review and assess, at least on a monthly basis, the Bank's and Group's risk profile and effectiveness of its risk management policies and advise the Board accordingly (this review is supported by the Management Risk Committee (MRC) regular reporting, including aspects of operational risk),
- to ensure that appropriate stress tests are performed, at least on an annual basis, in relation to all major Group risks,
- to review and approve the Bank's internal risk models development (framework, policies, etc.) as well as regularly monitor internal risk models results, including validation and back testing,

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<sup>3</sup> Information regarding current composition and short biographical details of its members may be found at the HoldCo/Bank websites ([www.eurobankholdings.gr](http://www.eurobankholdings.gr) & [www.eurobank.gr](http://www.eurobank.gr))

- to review and approve the Bank's Internal Ratings Based (IRB) rating systems and estimation processes including IRB roll-out plan status and progress report, as well as monitor and report differences between the realized and expected default rates,
- to maintain a sound and effective overall architecture for the implementation of the Internal Capital Adequacy Assessment Process (ICAAP) and the Internal Liquidity Adequacy Assessment Process (ILAAP), ensuring that the ICAAP and the ILAAP are integral parts of the Bank's overall management framework,
- to provide its assessment of the capital adequacy and liquidity adequacy of the Group,
- to assess in compliance with the approved risk appetite and risk tolerance levels, the appropriateness of risk limits, the adequacy of provisions and, in general, the capital adequacy in relation to the risks undertaken by the Group, through, amongst others, the annual report prepared by the Group Risk Management General Division and relevant extract of the report prepared by the Internal Audit Division,
- to keep the Board and Audit Committee updated on relevant risk matters and recommend to the Board on an annual basis the future risk strategy and risk appetite,
- to provide oversight of, review and approve the Bank's Interest Rate Risk in Banking Book (IRRBB) framework, strategy, policies and processes.

The BRC members are appointed by the BoD, following the recommendation of the Nomination Committee, in accordance with the legal and regulatory framework where applicable. The Chairperson, qualifies as independent member with a solid experience in commercial banking and preferably risk and/or Non-Performing Exposures management and is familiar with the Greek and international regulatory framework. The appointment of the Chairperson and the Vice-Chairperson shall go through the Nomination Committee's proposal process and approved by the Board. The tenure of the BRC members coincides with the tenure of the Bank's Board, with the option to renew their appointment, but in any case the service in the BRC should not be more that twelve (12) years in total. The current BRC consists of six (6) non-executive Directors, four (4) of whom are independent, including the Chairperson. One (1) of the BRC members is the HFSF Representative. The HFSF appointed an Observer in the BRC, in line with the requirements of the TRFA.

The BRC meets at least on a monthly basis and) the Chairperson updates the BoD members on the material matters covered by the Committee during the previous period (if any) at the quarterly meetings of the BoD. Quorum requires the majority of members (half plus one) to be present or represented, provided that no less than three (3) Committee members, including the Chairperson or the Vice Chairperson, are present. Each member of the Committee may validly represent only one of the other Committee members. Representation in the Committee may not be entrusted to persons other than the members thereof. In determining the number of members for the quorum, fractions, if any, will not be counted. The BRC resolutions require a majority vote of the members who are present or represented. In case of a tie, the Chairperson and in case of his/her absence the Vice Chairperson has the casting vote. In case of non-unanimous decisions, the views of the minority are also minuted. The Board is informed of the BRC's minutes. Apart from the BRC members, the Audit Committee's members may also attend BRC sessions when common issues are discussed (i.e. on operational risk matters, on IT security and cyber risks). The Chairperson of the BRC may also invite to the meetings other executives of the Group or external advisors or experts, as deemed appropriate. During 2020 and since the establishment of Eurobank in March 2020, the BRC held twelve (12) meetings with 98% attendance.

The BRC appoints its Secretary, who reports to the Group Company Secretariat and cooperates with the Chairperson of the Committee and the Group Chief Risk Officer ("GCRO"). The Secretary is responsible to minute the proceedings and resolutions of all BRC meetings, including the names of those present and in attendance and the action plans and follow ups for assignments, as well as for issuance of extracts. Decisions, actions and follow ups are disseminated to the Bank's responsible Units, as required.

BRC's Terms of Reference (ToR) were approved by the Board in March 2020, when Eurobank was established, and will be reviewed at least every two (2) years and revised if necessary, unless significant changes in the role, responsibilities, organization and/or regulatory requirements necessitate earlier revision. The Committee's performance is evaluated annually according to the provisions of the Board and Board Committees Evaluation Policy of the Bank. According to the Committee's self-evaluation, it was determined that it continues to function effectively, including the areas of leadership and effective coordination with the Audit Committee.

For 2020, the BRC has, amongst others:

- monitored qualitative and quantitative aspects of credit, market, liquidity and operational risks,
- updated the Board on the adequacy of the risk management policy and risk appetite framework,
- recognized material risks, including the aforementioned risks,
- monitored the progress of regulatory projects such as the New Definition of Default project, the Retail new origination application scorecards project, etc.
- approved, among others, the following regulatory and other reports, including risk policies and frameworks
  - SRB working priorities for the Bank in 2020 (Bail in playbook, etc.)
  - Resolution Planning working priorities: Minimum Requirement for Own Funds and Eligible Liabilities (MREL) issuance plan, targets and Resolution planning priorities
  - MREL Issuance plan & Targets
  - Non-performing Exposures (NPE) Reduction Plan 2020-2023: Summary report, impairments and key risk metrics
  - Internal Capital & Liquidity Adequacy Assessment processes (ICAAP/ILAAP) 2020:
    - Macroeconomic, liquidity and operational risk scenarios,

- Capital Adequacy Statements, Liquidity Adequacy Statements
- Group Risk and Capital Strategy and Risk Appetite Framework as well as Risk Appetite Statements
- 2020 Group Recovery Plan
- Group CRO's Annual Risk report for 2019
- Effect of Covid 19 sensitivity analysis on corporate loan portfolios, Covid 19 related bank's policies/ relief measures for Retail and Corporate borrowers, and Covid 19 post moratoria credit Strategy

#### **4.3 Remuneration Committee<sup>4</sup>**

As mentioned previously, since the demerger of Eurobank Ergasias S.A. on 20.3.2020, Eurobank Holdings' Remuneration Committee, for which there is nor a regulatory requirement neither a business need, it is kept in idle capacity until the BoD will finally conclude on whether to abolish it or not, following the incorporation into the Greek legal framework of the new Directive (EU) 2019/878 (known as CRD V) which is expected to regulate the governance issues of the financial holdings companies (like Eurobank Holdings).

As regards the Bank's remuneration Committee, the Board has delegated to it the responsibilities (a) to provide specialized and independent advice for matters relating to remuneration policy and its implementation at Bank and Group level and for the incentives created while managing risks, capital and liquidity, (b) to safeguard the proper exercise of its duties and responsibilities, the efficient alignment of the personnel's remuneration with the risks the Bank undertakes and manages and the required alignment between the Bank and the Group, and (c) to approve or propose for approval all exposures of Key Management Personnel<sup>5</sup> and their relatives (spouses, children, siblings). The Non-Executive Directors have the responsibility to approve and periodically review Bank's remuneration policy and oversee its implementation both at Bank and Group level.

The implementation of the remuneration policy is in line with the provisions of Laws 3864/2010, 4261/2014 and Bank of Greece Governor's Act 2650/2012.

The RemCo members are appointed by the Board. The tenure of the RemCo members coincides with the tenure of the Bank's Board, with the option to renew their appointment, but in any case the service in RemCo should not be more than twelve (12) years in total. The current RemCo consists of five (5) non- executive Directors three (3) of whom are independent Directors, including the Chairperson. One (1) of the RemCo members is the HFSF Representative. The HFSF appointed an Observer in the RemCo, in line with the requirements of the TRFA.

RemCo meets at least twice a year and minutes are kept. RemCo is in quorum and meets validly when half of its members plus one (1) are present or represented (fractions, if any, are not counted), provided that no less than three (3) members, including the Chairperson or the Vice Chairperson are present. Each member of RemCo may validly represent only one of the other RemCo members. Representation in RemCo may not be entrusted to persons other than the members thereof. RemCo's resolutions are validly taken by an absolute majority of the members who are present or represented. In case of a tie, the Chairperson and in case of his/her absence the Vice Chairperson of RemCo shall have the casting vote. In case of non-unanimous decisions, the views of the minority should also be minuted. The Board shall be informed whenever a decision of the Committee is not reached unanimously. During 2020 and since the establishment of Eurobank in March 2020, RemCo held seven (7) meetings and the ratio of attendance was 100%.

RemCo appoints its Secretary, who reports to the Group Company Secretariat and cooperates with the Chairperson of RemCo and the Group Human Resources Deputy General Manager. The Secretary is responsible to minute the proceedings and resolutions of all RemCo's meetings, including the names of those present and in attendance and the action plans and follow ups for assignments, as well as for issuance of extracts. Decisions, actions and follow ups are disseminated to the Bank's responsible Units, as required.

RemCo's Terms of Reference (ToR) were approved by the Board in March 2020, when Eurobank was established, and will be reviewed at least once every two (2) years and revised if necessary, unless significant changes in the role, responsibilities, organization and/or regulatory requirements necessitate earlier revision. RemCo's performance is evaluated annually according to the provisions of the Board and Board Committees Evaluation Policy of the Bank. According to RemCo's self-evaluation, it was determined that RemCo continues to function effectively, including the area of leadership, while remuneration under the strict legal framework and the ability to retain talent are areas of focus for the RemCo in discharging its responsibilities.

For 2020 and since the establishment of Eurobank in March 2020, RemCo has amongst others:

- reviewed and proposed to the Non-Executive Directors for approval the Remuneration Policy of the Bank
- discussed the remuneration policy implementation at Group level,

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<sup>4</sup> Information regarding current composition and short biographical details of its members may be found at the HoldCo/Bank websites ([www.eurobankholdings.gr](http://www.eurobankholdings.gr) & [www.eurobank.gr](http://www.eurobank.gr))

<sup>5</sup> Key Management Personnel includes: Bank's Executive and Non-Executive BoD members, Executive Board (ExBo) members, General Managers non-members of the ExBo and the Heads of Group Internal Audit, Group Compliance, Group Risk Management.

- approved the Benefits Policy of the Bank and proposed to the Non-Executive Directors of the Bank for approval the Separation Policy,
- proposed to the Board for approval the Board and Board Committees' Fees 2020 for Non-Executive Directors of the Bank,
- proposed to the Non-Executive Directors for approval the Bank's total remuneration framework
- approved the remuneration frameworks of the Bank's Subsidiaries in Greece
- proposed to the BoD for approval the Group Subsidiary Board Remuneration Policy
- proposed to the Non-Executive Directors of the Bank for approval the CEO's Performance Evaluation & CEO's Financial and Non-Financial objectives for 2020,
- reviewed the implementation of the Board and Board Committees' attendance policy,
- approved the Remuneration Disclosures,
- Discussed the establishment of a stock options plan
- Proposed to the Non-Executive Directors for approval the Voluntary Exit Scheme (VES) and received updates on its implementation

#### **4.4 Nomination Committee<sup>6</sup>**

Eurobank Holdings and the Bank's Boards have delegated to the Nomination Committees (NomCo) the responsibilities (a) to lead the process for Board and Board Committees appointments, including the identification, nomination and recommendation of candidates for appointment to the Board and (b) to consider matters related to the Board's adequacy, efficiency and effectiveness. NomCo, in carrying out its duties, is accountable to the Board.

NomCo members are appointed by the Board. The tenure of NomCo members coincides with the tenure of the Board, with the option to renew their appointment, but in any case the service in NomCo should not be more that twelve (12) years in total. The current NomCo consists of six (6) non-executive Directors, three (3) of whom are independent Directors, including the Chairperson. The BoD Chairman is also a member of NomCo, while one (1) of the NomCo members is the HFSF Representative. The HFSF appointed an Observer in the NomCo, in line with the requirements of the TRFA.

NomCo meets at least twice a year and minutes are kept. NomCo is in quorum and meets validly when half of its members plus one (1) are present or represented (fractions, if any, are not counted), provided that no less than three (3) members, including the Chairperson or the Vice Chairperson are present. Each member of NomCo may validly represent only one of the other NomCo members. Representation in the NomCo may not be entrusted to persons other than the members thereof. NomCo's resolutions are validly taken by an absolute majority of the members who are present or represented. In case of a tie, the Chairperson and in case of his/her absence the Vice Chairperson of NomCo shall have the casting vote. In case of non-unanimous decisions, the views of the minority should also be minuted. The Board shall be informed whenever a decision of the Committee is not reached unanimously.

During 2020 the attendance details for the Nomination Committee were as follows:

<u>Company</u>	<u>Meetings</u>		<u>Average ratio of Directors' attendance</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
HoldCo	9	88	98%	93%
Bank (from 20.3.2020)	8	n/a	100%	n/a

NomCo appoints its Secretary, who reports to the Group Company Secretariat and cooperates with the Chairperson of NomCo. The Secretary is responsible to minute the proceedings and resolutions of all NomCo's meetings, including the names of those present and in attendance and the action plans and follow ups for assignments, as well as for issuance of extracts. Decisions, actions and follow ups are disseminated to the responsible parties, as required.

NomCo's Terms of Reference (ToR) are reviewed at least once every two (2) years (last review performed in March 2020, to incorporate the necessary adjustments following the Demerger of Eurobank Ergasias) and revised if necessary, unless significant changes in the role, responsibilities, organization and/or regulatory requirements necessitate earlier revision. The ToR are approved by the Board while NomCo's performance is evaluated annually according to the provisions of the Board and Board Committees Evaluation Policy. According to NomCo's self-evaluation, it was determined that NomCo continues to function effectively.

For 2020, NomCo has amongst others:

##### Eurobank Holdings

- proposed to the BoD for approval the BoD and BoD Committees 2019 self-evaluation,

##### Bank

- proposed to the Board for approval the appointment of new Board members,
- approved the new Board members nomination process,

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<sup>6</sup> Information regarding current composition and short biographical details of its members may be found at the HoldCo/Bank websites ([www.eurobankholdings.gr](http://www.eurobankholdings.gr) & [www.eurobank.gr](http://www.eurobank.gr))

- proposed to the Board for approval the appointment of new Board members,
- reviewed and proposed to the Board for approval the Board Diversity Policy,
- approved the new Board members nomination process,
- approved the appointment of NomCo Secretary,
- reviewed the independence of the Independent Non-Executive directors,
- reviewed the attendance of Directors to the Board and its Committees.
- approved the selection of candidates as members of the Board of Directors of various subsidiaries,
- reviewed and proposed to the BoD for approval the establishment of the Board Digital and Transformation Committee,
- reviewed and updated the Board on Senior Executives succession plan,
- approved the appointment of General Managers,
- approved the appointment of NomCo Secretary,
- reviewed the independence of the Independent Non-Executive directors,
- reviewed the attendance of Directors to the Board and its Committees.

#### Board of Directors Diversity Policy

The Board of Directors Diversity Policy (“Policy”) sets out the approach to diversity on the Board and it is in accordance with international best practices and the applicable legal framework<sup>7</sup>.

As declared in the Policy, the Board’s diversity is one of the factors which, according to the Board Nomination Policy, the Committee shall consider when examining composition and structure of the Board. A diverse Board includes and makes good use of variety in the skills, educational and professional background, geographical provenance (nationality), gender, age and other qualities of Directors.

NomCo members discuss and agree all measurable objectives for achieving diversity on the Board during the review process of the Board profile matrix according to the Board Nomination Policy and for proposing the (re)appointment/succession planning of individual Board members according to the Board and Board Committees Evaluation Policy, taking into consideration the balance of all diversity aspects mentioned in the Policy. At any given time the Board may seek to improve one or more aspects of its diversity and measure progress accordingly.

According to the Policy, NomCo’s priority is to ensure that the Board continues to have strong leadership and the right mix of skills to deliver the business strategy. Within this context and in regard to the less represented gender in the Board, NomCo’s aim is that the percentage of the female gender representation in HoldCo’s Board shall be at least 20% calculated on the total Board size, with a minimum of two (2) female members, also considering industry trends and best practices. As of 31 December 2020, following the appointments of Ms. Alice Gregoriadi and Ms. Irene Rouvitha-Panou to the BoD of HoldCo/Bank in April 2020, along with the appointment of Ms. Cinzia Basile to the BoD of HoldCo/Bank in December 2020, the representation of the female gender in the HoldCo/Bank Board stood at 23%. The representation rate of the female gender in the HoldCo/Bank Board, increased to 31% on 28 January 2021, following the appointment of Ms. Efthymia Deli at the HoldCo/Bank BoD.

#### Assessment of the knowledge, skills and experience (KSE) of the Board collectively as well as the KSE and contribution of individual Board members

In accordance with the respective legal framework and the Board and Board Committees Evaluation Policy, the Board Chair conducted an assessment of the contribution of the Non-Executive Board Members for 2020 and presented the results to NomCo.

Specific focus areas were applied as follows:

- contribution to overall Board profile skillset,
- Board participation and quality of contributions to Board deliberations,
- punctuality and attendance,
- team spirit and demeanour,
- independent thinking and constructive challenge.

The overall assessment demonstrated quite positive results across all focus areas and has confirmed that the assessed Non-Executive Board Members adequately meet expectations for effectively accomplishing their role as Directors of the HoldCo/Bank.

Furthermore, the HoldCo/Bank 2020 Target Board profile matrix has revealed that the desired KSEs are overall met for all the Board members. The Target Board profile matrix is the instrument to identify the specific characteristics the Board needs on the basis of its strategic objectives and risk management priorities, purposed to track the current profile of the Board against the desirable KSEs, through the assessment of the existing KSEs of all Board members (Executives and Non-Executives Directors).

#### Board Nomination Policy

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<sup>7</sup> The Board of Directors Diversity Policy may be found at the HoldCo/Bank’s website

The Board Nomination Policy sets out the guidelines and formal process for the identification, selection and nomination of candidates for the Board. The Policy ensures that such appointments are made: (a) in accordance with legal and regulatory requirements; (b) with due regard to the expectations of the major shareholders, (c) in line with the HoldCo's and Bank's contractual obligations with the HFSF and (d) on the basis of individual merit and ability, following a best practice process.

The Board supported by NomCo shall nominate candidates who meet the following nomination criteria:

- *Reputation along with honesty, integrity and trust*
  - a) Reputation: Sufficiently good repute, high social esteem and adherence to the reputation, honesty, and integrity criteria of the applicable regulatory framework
  - b) Honesty, integrity and trust: Demonstration of the highest standards of ethics, honesty, integrity, fairness, and personal discipline, through personal history, professional track record or other public commitments
- *Knowledge, skills, experience (KSE) and other general suitability requirements*
  - a) Understanding of the HoldCo/Bank: Sufficient KSE for the development of a proper understanding of the business, culture, supervisory and regulatory context, product and geographic markets of operations, and stakeholders of the HoldCo and its subsidiaries
  - b) Seniority: Several years of experience in a generally recognised position of leadership in the candidate's field of endeavour
  - c) Independent mind-set and ability to challenge: Ability of forming and expressing an independent judgement on all matters that reach the Board and candour to challenge proposals and views on these matters by management and other candidates
  - d) Collegiality, team skills and leadership: Ability to contribute constructively and productively to Board discussions and decision making along with ability of leading such discussions as chair or vice-chair of specific committees or the Board as a whole
  - e) Additional criteria for the nomination of Executive Directors: Proven, through current and previous executive positions, knowledge, skills, experience and character to lead the HoldCo/Bank and its subsidiaries in the achievement of strategic objectives, along with willingness to enter into full time employment with the HoldCo/Bank.
- *Conflicts of interest and independence of mind*

NomCo examines the personal, professional, financial, political and any other possible interests and affiliations of candidates, ensuring that the candidates do not have actual, potential or perceived conflicts of interest which cannot be prevented, adequately mitigated or managed under the written policies of the HoldCo/Bank, that would impair their ability to represent the interests of all shareholders of the HoldCo/Bank, fulfil their responsibilities as Directors and make sound, objective and independent decisions (act with independence of mind).

In particular, NomCo shall ensure that candidates are not linked to borrowers with an exposure above EUR 1 million or any exposures in arrears. NomCo shall also examine relevant direct and indirect monetary interests and non-monetary interests, including those arising from affiliations with and membership in other organisations.

- *Time commitment*

NomCo ensures that all nominees are able to commit the time necessary to effectively discharge their responsibilities as Directors, including regularly attending and participating in meetings of the Board and its Committees.
- *Collective suitability*

The Target Board Profile Matrix is updated in accordance with the strategic objectives and risk management priorities of the HoldCo/Bank, assisting in identifying the desirable KSE of the members to ensure collective suitability.

The Board Nomination Policy is approved by the Board and reviewed at least once every two (2) years by NomCo and revised if necessary, unless material changes, regulatory or other, necessitate earlier revision.

#### **4.5 Strategic Planning Committee<sup>8</sup>**

As mentioned previously, since the demerger of Eurobank Ergasias S.A. on 20.3.2020, Eurobank Holdings' Strategic Planning Committee, for which there is nor a regulatory requirement neither a business need, it is kept in idle capacity until the BoD will finally conclude on whether to abolish it or not, following the incorporation into the Greek legal framework of the new Directive (EU) 2019/878 (known as CRD V) which is expected to regulate the governance issues of the financial holdings companies (like Eurobank Holdings).

As regards the Bank, its Strategic Planning Committee (SPC) is established by the Board and its purpose is to:

- a) assist the Board's Executive Officers in planning, developing and implementing the Group's Strategy and
- b) recommend to the Board certain initiatives in relation to the Group's Strategy.

The key tasks and responsibilities of the SPC are:

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<sup>8</sup> Information regarding current composition and short biographical details of its members may be found at the HoldCo/Bank website.

- to ensure that the Group develops a well-defined planned medium term strategy in line with the Board's guidance and its approved business plan,
- to review, within the framework of which the Executive Board draws up the annual budget and the business plan, the key objectives and goals contained therein and review major business initiatives, before their submission for approval to the Board.
- to review, analyze and deliberate issues concerning the Group's strategic choices (e.g. strategic partnerships, share capital increase, issuing convertibles and/or launching debt issuance programs, mergers, acquisitions or disposals, the formation of joint ventures, creation or dissolution of special purpose vehicles, dividend distribution and all other major investments or disinvestments by the Group etc.), ensuring these being in line with the approved Group's strategy. The SPC shall formulate relevant proposals to the Board, if:
  - a) the issue under discussion exceeds € 40 million, while for lower amounts approval will be provided by the Executive Board;
  - b) a decision of the Board is obligatory by Law or by the Bank's contractual commitments;
  - c) it is deemed necessary by the SPC, taking into account the complexity and nature of the strategic choices under discussion.
- to submit to the Board for approval proposals relating to the strategy and the budget of the Property Portfolio as described in the Service Level Agreement between Eurobank and Grivalia Management Company.
- to submit to the Board for approval proposals for the acquisition and disposal of assets other than repossessed assets (as these are defined in the Service Level Agreement between Eurobank and Grivalia Management Company) with book value above € 10 million.
- to submit to the Board for approval proposals for the disposal of repossessed assets (as these are defined in the Service Level Agreement between Eurobank and Grivalia Management Company) with gross book value above € 20 million.
- to maintain and take all necessary actions on regulatory and internal capital required to cover all types of risks (incl. strategic and reputational risks, as well as other non-quantifiable risks) and to ensure that capital requirements are met at all times,
- to review and evaluate all major Group's initiatives aiming at transforming the business and operating model,
- to monitor on a regular basis the strategic and the key performance indicators of the Group, including the segmental view,
- to review and, as needed, make proposals to the Board on all other issues of strategic importance to the Group.

The SPC members are appointed by the Board, on the recommendation of its Chairperson, following the proposal by the Nomination Committee.

The Committee is chaired by the Chairperson of the Board and in case of absence or impediment of the Chairperson by the Vice-Chairperson of the Board and is composed of the following members with voting rights:

- The Chairperson of the Board
- The Vice-Chairperson of the Board
- The Chief Executive Officer (CEO)
- The Deputy CEOs
- The Group Chief Risk Officer
- The Group Chief Financial Officer

The General Manager Group Strategy participates in the Committee as a permanent attendee with no voting rights.

The Committee may delegate specific responsibilities and authorities within the purview of its responsibilities and authorities to one (1) or more individual Committee members.

The SPC meets biweekly or ad hoc when necessary, keeps minutes of its meetings and reports to the Board on a quarterly basis and as required. During 2020 and since the establishment of Eurobank in March 2020, the SPC held thirty-seven (37) meetings and the ratio of attendance was 99%. The Committee is in quorum and meets validly when half of its members plus one, including the Chairperson or the Vice-Chairperson and the CEO, are present. Resolutions of the Committee are reached unanimously by the members who are present.

The SPC appoints its Secretary, who reports to the Group Company Secretariat and cooperates with the Chairperson of the Committee. The Secretary is responsible to minute the proceedings and resolutions of all SPC meetings, including the names of those present and in attendance and the action plans and follow up assignments, as well as for issuance of extracts. Decisions, actions and follow ups are disseminated to the Bank's responsible Units, as required. The minutes of the SPC are submitted to the Board on a quarterly basis.

The Terms of Reference (ToR) of the Committee were approved by the Board in March 2020, when Eurobank was established, and will be reviewed once every three (3) years and revised if necessary, unless significant changes in the role, responsibilities, organization and / or regulatory requirements necessitate earlier revision. The Committee evaluates its performance at least annually and establishes criteria for such evaluation. The results are submitted to the Nomination Committee, so that the latter makes proposals to the Board, as required.



#### **4.6 Board Digital & Transformation Committee<sup>9</sup>**

On 15 September 2020, following the recommendation of the Bank's NomCo, the Bank's Board established the Board Digital & Transformation Committee (BDTC). The BDTC is a consultative body that makes proposals to the BoD on the Group's digital, innovation, transformation and cybersecurity matters in order to contribute in achieving the vision and strategic goals of the Bank. The BDTC, in carrying out its duties, is accountable to the Board.

The BDTC members are appointed by the Board. The tenure of the BDTC members coincides with the tenure of the Bank's Board, with the option to renew their appointment, but in any case the service in BDTC should not be more than twelve (12) years in total. The current BDTC consists of six (6) Directors of whom two (2) executives, three (3) independent non-executives, one (1) non-executive who is also the representative of the HFSF. The HFSF appointed an Observer in the BDTC, in line with the requirements of the TRFA.

BDTC meets at least twice a year and as each time required, also considering that the annually held Strategy Away Day is a forum in which relevant digital and transformation strategic matters are also discussed, while minutes are kept for all meetings. BDTC is in quorum and meets validly when half of its members plus one (1) are present or represented (fractions, if any, are not counted), provided that no less than three (3) members, including the Chairperson or the Vice Chairperson and one non-executive director are present. At all times, the Chairperson or the Vice Chairperson are present and the total number of non-executive (incl. independent nonexecutive) directors should be the majority of the members present or represented. Each member may validly represent only one of the other BDTC members and representation may not be entrusted to persons other than the Committee members. BDTC's resolutions are validly taken by an absolute majority of the members who are present or represented. In case of a tie, the Chairperson and in case of his/her absence the Vice Chairperson of BDTC shall have the casting vote. In case of non-unanimous decisions, the views of the minority should also be minuted. The Board shall be informed whenever a decision of the BDTC is not reached unanimously. During 2020 and since the establishment of BDTC, BDTC held two (2) meetings and the ratio of attendance was 100%.

BDTC appoints its Secretary, who reports to the Group Company Secretariat and cooperates with the Chairperson of BDTC. The Secretary is responsible to minute the proceedings and resolutions of all BDTC's meetings, including the names of those present and in attendance and the action plans and follow ups for assignments, as well as for issuance of extracts. Decisions, actions and follow ups are disseminated to the Bank's responsible Units, as required.

The BDTC Terms of Reference (ToR) were approved by the BoD on 15 September 2020, when the BDTC was established, and will be reviewed at least once every two (2) years and revised if necessary, unless significant changes in the role, responsibilities, organization and/or regulatory requirements necessitate earlier revision. BDTC's performance will be evaluated for the first time in 2021.

For 2020 and since its establishment, BDTC has discussed mainly a) the current and desired state of the Bank on digital banking, information technology, cyber security and HR/culture thematic and b) the Strategic aspirations of IT & Digital and the key enablers and prerequisites to achieve them.

#### **5. Management Committees**

Given that there is nor a relevant regulatory requirement neither a business need, the CEO has not established committees at HoldCo level.

As regards the Bank, the CEO establishes committees to assist him, as required, in discharging his duties and responsibilities. The most important Committees established by the CEO are the Executive Board, the Management Risk Committee, the Group Asset and Liability Committee, the Central Credit Committees (I & II) and the Troubled Assets Committee.

##### Executive Board<sup>10</sup>

The Executive Board (ExBo) manages the implementation of Group's strategy, as developed by the SPC, in line with the Board's guidance. The functioning of ExBo is subject to the provisions of the TRFA. The ExBo is established by the CEO and its members are appointed by the CEO. The ExBo meets on a weekly basis or ad hoc when necessary. Other executives of the Group, depending on the subject to be discussed, may be invited to attend.

The ExBo is in quorum and meets validly when half of its members plus one are present or represented. In determining the number of members for the quorum, fractions, if any, shall not be counted. The ExBo resolutions require a majority vote. The ExBo appoints its Secretary, who reports to the Group Company Secretariat and cooperates with the Chairperson of the Committee. The Secretary is responsible to minute the proceedings and resolutions of all ExBo meetings, including the names of those present and in attendance and the action plans and follow ups for assignments, as well as for issuance of

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<sup>9</sup> Information regarding current composition and short biographical details of its members may be found at the Bank's website ([www.eurobank.gr](http://www.eurobank.gr)).

<sup>10</sup> Information regarding current composition and short biographical details of its members may be found at the Bank's website ([www.eurobank.gr](http://www.eurobank.gr)).

extracts. Decisions, actions and follow ups are disseminated to the Bank's responsible Units, as required. The ExBo Terms of Reference (ToR) are approved by the CEO, and revised as appropriate.

The ExBo's key tasks and responsibilities are to:

- manage the implementation of the Group's strategy as developed by the SPC, in line with the BoD's guidance
- draw up the annual budget and the business plan. The SPC reviews the key objectives and the goals contained therein, as well as the major business initiatives, and submits them to the Board for approval,
- approve issues concerning the Group's strategic choices (e.g. partnerships, share capital increase, issuing convertibles and/or launching debt issuance programs, mergers, acquisitions or disposals, the formation of joint ventures, creation or dissolution of special purpose vehicles, dividend distribution and all other investments or non-material disinvestments<sup>11</sup> by the Group etc.), ensuring these being in line with the approved Group's strategy, if the issue under discussion is less than or equal to €40 million. In case though:
  - a) the issue under discussion exceeds € 40 million;
  - b) a decision of the Board is obligatory by Law or by the Bank's contractual commitments;
  - c) it is deemed necessary by the SPC, taking into account the complexity and nature of the strategic choices under discussion;the issues concerning the Group's strategic choices are approved by the Board following a relevant proposal by the SPC (as per its Terms of Reference),
- to perform its duties according to the Bank's policies, Service Level Agreements (SLAs) and Reverse Service Level Agreement (RSLAs) as approved by ExBo, BoD Committees and BoD. In particular, following the Amended & Restated SLA of August 2020 between Eurobank and Grivalia Management Company S.A., the Executive Board is responsible:
  - To approve any decision to acquire any single Asset to be classified as a Grivalia Asset with an acquisition price exceeding € 10 million, and up to € 40 million, following a recommendation by the Real Estate Committee (REC). For Assets exceeding € 40 million the decision is approved by the BoD following a recommendation by the SPC, which will have received a recommendation by the REC.
  - To approve any decision to divest any single Asset classified as a Grivalia Asset or included in the Eurobank Greek Portfolio with a book value exceeding € 10 million, and up to € 40 million, following a recommendation by the REC. For any Asset with a book value exceeding € 40 million, the decision is approved by the BoD following a recommendation by the SPC, which will have received a recommendation by the REC.
  - To approve any decision to divest a group of 10 Assets or more "Portfolio Sale" for which the total book value of the Assets exceeds € 5 million and up to € 40 million, following a recommendation by the Real Estate Committee. For a Portfolio Sale for which the total book value of Assets exceeds € 40 million, the decision is approved by the BoD following a recommendation by the SPC, which will have received a recommendation by the REC.
  - To approve any decision to lease an asset of the Grivalia Assets and Eurobank Greek Portfolio other of than the Eurobank REO Portfolio or Eurobank to lease from a third party, for rental contracts with a value exceeding € 300 thousand per month following a recommendation by the Real Estate Committee.
- in case that the Real Estate Strategic Committee cannot reach an unanimous decision for a matter, as described by its ToR, such matter shall be referred to the ExBo or the SPC, as required.
- monitor the performance of each business unit and country against budget and ensure corrective measures are in place wherever required,
- decide on all major Group's initiatives aiming at transforming the business and operating model, enhancing the operating efficiency and cost rationalization, improving organizational and business structure,
- ensure that adequate systems of internal controls are properly maintained,
- review and approve Bank's Policies (other than Credit Policies that are approved by Management Risk Committee and/or Troubled Assets Committee and/or BRC) that are related to its responsibilities and/or are of critical importance to the Bank, including but not limited to those requiring BoD approval as per the TRFA,
- review the performance of any Committee and /or individuals to whom it has delegated part of its responsibilities, as approved,
- ensure adequacy of Resolution Planning governance, processes and systems
- hire and retain external consulting firms in its sole judgment, and approve their compensation and terms of engagement in accordance with Bank's policies and procedures,
- hire and retain investment banking advisors, in its sole judgment, and approve their compensation and terms of engagement, in accordance with Bank's policies and procedures, where applicable.

#### Management Risk Committee<sup>12</sup>

The Management Risk Committee (MRC) oversees the risk management framework of Eurobank. The MRC ensures that material risks are identified and promptly escalated to the BRC and that the necessary policies and procedures are in place

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<sup>11</sup> As specified in the Divestment Policy

<sup>12</sup> Information regarding current composition and short biographical details of its members may be found at the Bank's website ([www.eurobank.gr](http://www.eurobank.gr)).

to prudently manage risk and to comply with regulatory requirements. The MRC members should have the ability to identify, assess and manage the Group's risks.

As part of its mandate, the MRC:

- reviews the Bank's and its subsidiaries' risk profile vis-à-vis its declared risk appetite and examines any proposed modifications to the risk appetite,
- reviews and approves the methodology, the parameters and the results of the Bank's stress testing programme,
- determines appropriate management actions which are discussed and presented to the ExBo for information and submitted to the BRC for approval, and maintains at all times a pro-active approach to Risk Management, understands and evaluates risks, addresses escalated issues, provides oversight to the Group's risk management framework – including the implementation of risk policies – and informs the BRC of the Group's risk profile
- assists the BRC in defining risk management principles and methodologies thereby ensuring that the Group's Risk Management Framework contains processes for identifying, measuring, monitoring, mitigating and reporting the current risk profile against its risk appetite, limits, and performance targets.

The MRC does not conflict with the GCRO or the Risk Management General Division's responsibilities for Risk governance as prescribed under the HFSF Relationship Framework Agreement or the Bank of Greece's Governor Act no. 2577/2006. The CEO serves as the Chairperson of the MRC and the GCRO as the Vice Chairman. They have responsibility to escalate material risks and issues to the BRC and to update ExBo on material risks and issues on a periodical basis.

The MRC is in quorum and meets validly when half of its members, including the Chairperson or the Vice-Chairperson, plus one are present or represented. Selected attendees can be invited to the MRC meetings, when the topics for discussion fall under their remit or they have the requisite expertise to constructively participate. The finalized minutes are distributed to the BRC, SPC and ExBo members, as prepared by the committee's secretary and approved by its Chairperson. Abstracts of resolutions reached and actions to be taken are provided to Management, SPC and/or ExBo members, as necessary.

Resolutions of the MRC are decided based on a simple majority and in case of a tie vote, the Chairman or the Vice-Chairman in the case of Chairman's absence, has the casting vote. The opinion of the minority is recorded in the meeting minutes whenever a decision of the MRC is not reached unanimously, and the BRC is informed accordingly.

Changes to the ToR of the MRC are reviewed by the MRC at least every two (2) years and revised if necessary, unless significant changes in the composition, role, responsibilities, organization and / or regulatory requirements necessitate earlier revision and are approved by the CEO. The ToR of MRC are also submitted to the BRC for information purposes.

#### Group Asset and Liability Committee (G-ALCO)<sup>13</sup>

G-ALCO's primary mandate is to i) review, approve, formulate, implement and monitor - as may be appropriate - the Group's a) liquidity and funding strategies and policies, b) interest rate guidelines and interest rate risk policies, c) Group's capital investments, as well as FX exposure and hedging strategy, and d) Group's business initiatives and/or investments that affect the Bank's market and liquidity risk profile, ii) approve at a first stage and recommend to the BRC for final approval the respective country limits (with special attention given for the approval / monitoring of the limits for countries where Eurobank has a local presence) and iii) approve or propose –as the case may be - changes to these policies that conform to the Bank's risk appetite and levels of exposure as determined by the BRC & Management while complying with the framework established by regulatory authorities and/or supervising bodies.

G-ALCO convenes once a month and/or whenever required. Other executives or managers of the Group, depending on the subject to be discussed, may be invited to attend as required.

Required quorum for G-ALCO meetings to be effective is six members. In order to have a quorum the presence of its Chairperson and a minimum of three (3) SPC members is required. Decisions on issues are taken by majority and communicated to the relevant / affected business areas, while meetings are minuted by the Committee's Secretary and distributed to G-ALCO members, the CEO, the Board's Chairman and the Single Supervisory Mechanism (SSM).

#### Central Credit Committees

##### Central Credit Committee I

The main objective of Central Credit Committee I (CCCI) is to ensure the objective credit underwriting of relevant exposures of Greek corporate performing and private banking clients, in accordance to the Risk Appetite Framework and the Credit Policy Manual of the Bank and in a way that balances credit risk and return on equity.

The CCCI is chaired by an independent to Business and Risk Professional, convenes at least once a week and all meetings are minuted. Decisions are taken unanimously. If unanimity is not achieved, the credit request is escalated by the

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<sup>13</sup> Information regarding current composition and short biographical details of its members may be found at the Bank's website ([www.eurobank.gr](http://www.eurobank.gr)).

Chairperson to the next (higher) approval level requiring a unanimous decision. In case of non-unanimity the final decision lies with the Management Risk Committee (MRC), by majority voting.

The main duty and responsibility of the CCCI is to assess and approve all credit requests for clients in the Greek related corporate performing and private banking portfolio of a total exposure above €50mio and unsecured exposure above €35mio. For total exposure exceeding €75mio and unsecured exposure exceeding €50mio, additional approval by the GCRO is required, while for total exposure exceeding €150mio and unsecured exposure exceeding €100mio, additional approval by the CEO is required. Furthermore, for exposures higher than 10% of the Bank's regulatory capital the additional approval of the Management Risk Committee (MRC) is required. Subsequently, the consent of Hellenic Financial Stability Fund (HFSF) is necessary, whereas final approval is granted by the Board Risk Committee (BRC).

#### Central Credit Committee II

The main objective of the Central Credit Committee II (CCCII) is the same as for the CCCI for lower levels of exposure.

The CCCII convenes at least once a week and all meetings are minuted. Decisions are taken unanimously. If unanimity is not achieved, the request is escalated by the Chairperson to the next approval level.

The main duty and responsibility of CCCII is to assess and approve all credit requests for clients in the Greek related corporate performing and private banking portfolio for total exposure from €20mio up to €50mio and unsecured exposure from €10mio up to €35mio and retail exposures for total limits above €3mio.

#### Troubled Assets Committee<sup>14</sup>

The Troubled Assets Committee (TAC) is established according to the provisions of the BoG Executive Committee Act No. 42/30.5.2014, as in force. The main purpose of the Troubled Assets Committee is to act as an independent oversight body, closely monitoring the Bank's troubled assets portfolio and the execution of its NPE Management Strategy. The Committee's composition and Terms of Reference (ToR) are approved by the CEO of the Bank.

The Committee meets at least once per month and/or whenever required if the majority of the members, including the Chairperson, are present. Decisions are taken by majority, are minuted and circulated as appropriate. The Chairman has a casting vote. TAC informs the Board or its competent Committees on the results of its activities, at least quarterly. TAC cooperates with Group Risk Management Division in order to develop and to be fully aligned with regard to the appropriate methodologies applied for the evaluation of the risks inherent in every type of modification and delinquency bucket, by portfolio. TAC's reports to the BoD or its competent Committees are also submitted to Group Risk Management General Division.

Main responsibilities of the Committee are, among others, the following:

- processes centrally all the internal reports regarding troubled assets management under the provisions of BoG Acts 42/30.05.2014 and its amendments
- approves the available forbearance, resolution and closure solutions by loan sub-portfolio, and monitors their performance through suitable KPIs
- defines criteria to assess the sustainability of credit and collateral workout solutions (design and use of "decision trees")
- determines the parameters and the range of responsibilities of the bodies and officers involved in the assessment of viability and sustainability of the proposed modifications and the subsequent monitoring of their implementation
- designs, monitors and assesses pilot modification programs (in cooperation with other business units)
- supervises and provides guidance and know-how to the respective troubled assets units of the Bank's subsidiaries abroad.

## **6. Key Control Functions**

As part of its overall system of internal controls, HoldCo has established a number of dedicated control functions whose main responsibility is to act as independent control mechanisms thus reinforcing the control structure of the HoldCo. The most important functions and their key responsibilities are described below.

### **6.1 Internal Audit**

#### Eurobank Holdings

Internal Audit ("IA") is an independent, objective assurance and consulting function designed to add value and improve the operations of Eurobank Holdings. IA has adequate organisation structure and appropriate resources to ensure that it can fulfil its roles and responsibilities.

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<sup>14</sup> Information regarding current composition and short biographical details of its members may be found at the Bank's website ([www.eurobank.gr](http://www.eurobank.gr)).

IA also maintains a quality assurance and improvement programme, which covers all aspects of the IA, to ensure the consistent application of the methodology in accordance with the IIA Standards.

In order to safeguard its independence, IA reports functionally to the Audit Committee and administratively to the CEO. The Board has delegated the responsibility for monitoring the activity of the IA to the Audit Committee of the HoldCo. IA is headed by the Chief Internal Auditor (CIA) who is appointed by the Audit Committee. The latter also assesses the CIA's performance.

The mission of IA is to enhance and protect organisational value by providing risk-based and objective assurance, advice and insight. The key assurance and consulting responsibilities of IA are to:

- provide reasonable assurance, in the form of an independent opinion, as to the adequacy and effectiveness of the internal control framework of the HoldCo. IA has a periodic plan and budget approved by the Audit Committee. IA ensures establishment of risk based audit plan and priorities in consistency with the HoldCo's strategic plan and adherence to regulatory requirements,
- assist Management on the prevention and detection of fraud or defalcation (unethical practices etc.),
- assist Management in enhancing the system of internal control by making recommendations to address weaknesses and improve existing policies and procedures,
- follow-up to ascertain that appropriate action is taken on reported audit findings within agreed deadlines,
- participate in HoldCo's projects in an assurance or consulting capacity.

#### Eurobank

Internal Audit Group ("IAG") is an independent, objective assurance and consulting function designed to add value and improve the operations of Eurobank and its subsidiaries. IAG has adequate organisation structure and appropriate resources to ensure that it can fulfil its roles and responsibilities.

IAG comprises the "Internal Audit Sector", the "Forensic Audit Division", the "International Audit Division" and the "Business Monitoring and Organisational Support Division". IAG also has a Quality Assurance function (QAF), to assess the effectiveness of the Group's internal audit activities and conformance with IIA Standards. QAF operates as Centre of Excellence for Audit Standards & Methodology, acting as an advisor to IAG Management in topics related to quality improvement and methodology.

In order to safeguard its independence, IAG reports functionally to the Audit Committee and administratively to the CEO. The Board has delegated the responsibility for monitoring the activity of the IAG to the Audit Committee of the Bank. IAG is headed by the Group Chief Audit Executive (CAE) who is appointed by the Audit Committee. The latter also assesses the CAE's performance.

The key assurance and consulting responsibilities of IAG are to:

- provide reasonable assurance, in the form of an independent opinion, as to the adequacy and effectiveness of the internal control framework of the Bank and its subsidiaries. In order to form an opinion, IAG establishes and carries out a programme of audit work (based on the risk assessment of the audit universe),
- assist and advise Management on the prevention and detection of fraud or defalcation or unethical practices and undertake such special projects as required,
- assist Management in enhancing the system of internal control by making recommendations to address weaknesses and improve existing policies and procedures,
- follow-up to ascertain that appropriate action is taken on reported audit findings within agreed deadlines,
- carry out any other specific duties required by the Regulatory Authorities and/or participate in bank wide projects undertaken by the Bank,
- participate in Bank projects in an assurance or consulting capacity
- assess the performance of the Group's internal audit functions, which have a direct reporting line to IAG.

## **6.2 Risk Management**

#### Eurobank Holdings

As part of its overall system of internal controls HoldCo has engaged in a Service Level Agreement (SLA) with Eurobank in order to receive supporting and advisory services in all areas of risk management (credit, market, liquidity and operational risks) undertaken by the Group. The most important services provided through the above mentioned SLA are described below:

- Provision of advice on:
  - Identification, evaluation and monitoring of credit risk
  - Ensuring policy and instructions (strategy and products) recommended by business owners and Servicers are aligned to applicable credit policy manual and regulatory guidelines
  - Standardization of procedures and guidelines
  - Update and maintenance of the risk strategic framework master document
  - Participation in systemic bank consultation committees Review new remedial products and initiatives prior submission to TAG or approval

- Coordination of NPE related regulatory reporting
- Provision of input for SSM submission and 3-year business plan, monthly MIS actual data (including Greek and International subsidiaries)
- Advising on identification, support/advise, recording and evaluation of liquidity risks and financial monitoring
- Advising in the identification, assessment, recording and monitoring of operational risks (e.g. RCSA, events capture, outsourcing etc.)

#### Eurobank

The Group Risk Management General Division, which is headed by the Group Chief Risk Officer (GCRO), is independent from the business units and has full responsibility for monitoring credit, market, liquidity and operational risks undertaken by the Eurobank Group.

It comprises the Group Credit General Division, the Group Credit Control Sector, the Group Credit Risk Capital Adequacy Control Sector, the Group Market & Counterparty Risk Sector, the Group Operational Risk Sector, the Group Model Validation & Governance Sector, the Group Risk Management Strategy Planning & Operations, the Risk Analytics Division and the Supervisory Relations & Resolution Planning Sector<sup>15</sup>.

The GCRO serves as a pivotal point for the risk management functions of the Group and he is responsible for developing the Risk Appetite Framework and overseeing and coordinating the development and implementation of adequate risk measurement and management policies in relation to credit, market, liquidity, and operational risks.

The GCRO reviews the credit policies prepared by the responsible Risk Units before their submission for final approval to the BRC or to the BoD and oversees their implementation thereafter. The GCRO promptly reports any deviation from the credit policy or potential conflict with the approved risk strategy and risk appetite to the Board Risk Committee.

The GCRO is responsible to provide to the Board Risk Committee, on a monthly basis, adequate information so that the Committee can properly oversee and advise the BoD on the Bank's risk exposures / profile and future risk strategy. Additionally, the GCRO oversees compliance with approved Risk Appetite Limits, included in the Risk Appetite Framework (RAF) and reports compliance status as well as any deviations to the Board Risk Committee.

Eurobank has a well-established strategy and clear risk management objectives that has to deliver through core risk management processes and methodologies. At a strategic level, the risk management objectives are to:

- Identify Eurobank's material risks (credit, market/liquidity, operational);
- Ensure that business plan is consistent with Eurobank's risk appetite;
- Optimize risk/return decisions by taking them as closely as possible to the business, while establishing strong and independent review;
- Ensure that business growth plans are properly supported by effective risk infrastructure;
- Manage risk profile to ensure that specific financial deliverables remain possible under a range of adverse business conditions;
- Assist senior executives improve the control and co-ordination of risk taking across their businesses;
- Embed risk management into the Bank's culture and existing processes and raise awareness of risk management throughout the Bank;
- Provide the framework, procedures and guidance to enable all employees to manage risk in their own areas across the Business and back-office Units.
- Advise and support Eurobank Holdings in risk management according to the agreed Service Level Agreement (SLA) between Eurobank Holdings and Eurobank.

### **6.3 Compliance**

#### Eurobank Holdings

Eurobank Holdings Compliance is established with the approval of the Board of Directors and the Audit Committee. It is a permanent function and independent from Eurobank Holdings' business activities so that conflicts of interests are avoided. In order to safeguard its independence, it reports functionally to the Audit Committee and for administrative purposes to the CEO.

Its mission is to promote, within Eurobank Holdings, an organizational culture that encourages ethical conduct, and a commitment to compliance with laws and regulations as well as international governance standards.

The main objective of Eurobank Holdings Compliance is to ensure that Eurobank Holdings has established an adequate system of internal controls that allows it to operate in accordance with the ethical set of values contained in its corporate governance framework and in compliance with applicable laws, regulations and internal policies. More specifically, Eurobank Holdings Compliance is mandated to:

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<sup>15</sup> The Supervisory Relations & Resolution Planning Sector has a dual reporting line to both the GCRO & the Group Chief Financial Officer

- advise the Board of Directors and Senior Management on Eurobank Holdings compliance with applicable laws, rules and standards and keeping them informed of developments in the area
- issue, as necessary, policies and other documents such as internal codes of conduct, in order to provide guidance to staff on the appropriate implementation of applicable laws, rules and standards
- assist the business to develop and implement regulatory compliant policies and procedures
- review new high-risk activities and advise on potential compliance risks
- ensure that staff is adequately trained about compliance issues. Provide guidance on the application of regulations in practice
- support and challenge, if required, business line management regarding the completeness and accuracy of the compliance risk management activities
- monitor whether staff effectively applies the internal processes and procedures aimed at achieving regulatory compliance
- monitor staff adherence to internal policies and the "Code of Conduct and Ethics" and/or indications of fraudulent activity
- monitor timely submission of reports and report any delays and fines to the AC
- fulfil any statutory responsibilities and liaise with regulators and external bodies.

#### Eurobank

Group Compliance is established with the approval of the Board of Directors and the Audit Committee . It is a permanent function and independent from the Bank's business activities so that conflicts of interests are avoided. In order to safeguard its independence, it reports functionally to the Audit Committee of the Bank and for administrative purposes to the CEO.

Its mission is to promote, within the Bank and its subsidiaries, an organizational culture that encourages ethical conduct through integrity, and a commitment to compliance with laws and regulations as well as the application of international governance standards.

The main objective of Group Compliance is to ensure that the Group has established an adequate system of internal controls that allows it to operate in accordance with the ethical set of values contained in its "Code of Conduct and Ethics" and in compliance with applicable laws, regulations and internal policies, as well as international best practices. More specifically, Group Compliance is mandated to:

- advise the Board of Directors and Senior Management on the Bank's compliance with applicable laws, rules and standards and keeping them informed of developments in the area
- issue policies, procedures and other documents in order to provide guidance to staff on the appropriate implementation of applicable laws, rules and standards
- assist the business to develop and implement regulatory compliant policies and procedures, exercising an enforcement/decision making authority as the most appropriate body and expert on these issues
- review new high-risk activities and advise on potential compliance risks
- ensure that staff is adequately trained and frequently updated about compliance issues by designing training programs and co-operating with HR for their implementation. Provide guidance on the application of regulations in practice
- develop a robust compliance risk identification and assessment framework. Support and challenge, if required, business line management regarding the completeness and accuracy of the compliance risk management activities
- monitor and test whether staff effectively applies the internal processes and procedures aimed at achieving regulatory compliance. Report on potential breaches and required improvements and follow up on implementation
- review staff accounts in order to monitor staff adherence to internal policies and the "Code of Conduct and Ethics" or indications of fraudulent activity
- monitor timely submission of reports to Competent Authorities and report any delays and fines for any alleged breaches of regulations to the AC
- fulfil any statutory responsibilities and liaise with regulators and external bodies.
- supervise, monitor, coordinate and evaluate the activities of the Compliance Officers of the Bank's local and international subsidiaries in order to ensure compliance with Group standards.

The scope of activities of Group Compliance covers the following regulatory topics:

- Financial Crime including laws and regulations on Anti Money Laundering (AML) and Combatting the Financing of Terrorism (CFT) and legislation aimed at combatting Tax evasion such as FATCA and CRS. The scope includes the provision of timely and accurate responses to requests arising from regulatory and judicial authorities for the lifting of banking secrecy or freezing of assets and co-operation with them to facilitate their work. The Board appoints the Money Laundering Reporting Officer and his/her Deputy
- Market Integrity related regulation regarding the provision of investment products and services to clients including laws and regulations on Market Manipulation and Insider Trading
- Business and internal conduct rules including Conflict of interest regulatory provisions, internal codes of conduct, anti-bribery and anti-corruption legislation and Antitrust and Competition laws and regulations
- Consumer protection laws and regulations (including dormant accounts legislation, BoG's Code of Conduct for loans, the Payment Services Directive and the Deposit Guarantee scheme)

- Any other topic for which there is a law / regulation explicitly assigning a responsibility to the Compliance function.

## **7. Principles of Internal Controls**

The Group has established a System of Internal Controls that is based on international good practices and COSO terminology and is designed to provide reasonable assurance regarding the achievement of objectives in the following categories:

- efficient and effective operations,
- reliability and completeness of financial and management information,
- compliance with applicable laws and regulations.

The key principles underlying the Group's system of internal controls are described below:

- **Control Environment:** The control environment is the foundation for all components of Internal Control System, providing discipline and structure and influencing the control consciousness of employees. Integrity and high ethical values stem from management's philosophy and operating style and appropriate recruitment and training policies ensure the competence of the Group's people. The Group's organisation structure is suitable for its size and complexity with clearly defined responsibilities and reporting lines and clearly specified delegation of authority.
- **Risk Management:** the Group acknowledges that taking risks is an integral part of its business. It therefore sets mechanisms to identify those risks and assess their potential impact on the achievement of the Group's objectives. Because economic, industry, regulatory and operating conditions will continue to change, risk management mechanisms in place shall be set (and evolve) in a manner that enables to identify and deal with the specific and new risks associated with changes.
- **Control Activities:** Internal control activities are documented in the policies and detailed procedures that are designed to ensure that operations are carried out safely and all transactions are recorded accurately in compliance with Management's directives and regulations. They occur throughout the organisation and business processes, at all levels and in all functions. One of the prime organisational measures to ensure control effectiveness in the Group is segregation of duties. Functions that shall be separated include those of approval (limits, limit excesses, specific transactions), dealing, administration (administrative input, settlement, confirmation checks, transaction approval check, documentation check, file keeping, custody) and controlling (reconciliation, limit monitoring, excess approval check, risk management, compliance checks, physical counts).
- **Information and Communication:** Information must be identified, captured and communicated in a form and timeframe that enables people to carry out their responsibilities. The Group has set effective communication channels to ensure that information is communicated down, across and up within the organisation. Mechanisms are also in place to obtain appropriate external information as well as to communicate effectively with outside parties including regulators, shareholders and customers.
- **Monitoring:** the Group has established mechanisms for the ongoing monitoring of activities as part of the normal course of operations. These include regular management and supervisory activities and other actions personnel take in performing their duties that assess the performance of internal control systems. There are also independent evaluations of the internal control system by the Internal Audit function, the scope and frequency of which depend primarily on an assessment of risks and the effectiveness of ongoing monitoring procedures. Internal control deficiencies are reported upstream, with serious matters reported to top management, the Audit Committee and the Board. Every three years the efficiency of the internal control system of HoldCo/Bank on a solo and consolidated basis is independently evaluated by a third auditing firm, other than the statutory auditor, as provided for in BoG Governor's Act 2577/2006. The evaluation report, following its assessment/acknowledgement by HoldCo/Bank competent bodies (Audit Committee and BoD) is further submitted to the BoG.

## **8. Shareholders' General Meeting**

The Shareholders' General Meeting ("General Meeting") is the supreme body of the HoldCo/Bank, convened by the Board and entitled to resolve upon any matter concerning the HoldCo/Bank and is the only competent body to resolve on issues described in article 117 of Company Law 4548/2018 (such as amendments to the Articles of Association). All shareholders have the right to participate and vote at the General Meeting either in person or by their legal representatives according to the proposed legal procedure each time in force.

The General Meeting is in quorum and meets validly when the shareholders, present or represented, represent at least 20% (1/5) of the paid-in share capital that corresponds to the shares with voting rights ("share capital"). Resolutions are reached by absolute majority. Exceptionally, with regard to certain significant decisions such as most decisions related to share capital, mergers etc.(para 3, art. 130, Company Law 4548/2018), the General Meeting is in quorum and meets validly when the shareholders, present or represented, represent at least 50.00% (1/2) of the paid-in share capital. Resolutions on the aforementioned issues are reached by two-thirds (2/3) majority. If such quorum is not reached, the General Meeting is convened again in a repeat Meeting where lower quorum is required for all categories of resolutions.



The HFSF's Representative has the right to request the convocation of HoldCo's Shareholder's General Meeting. Such right was not exercised during 2020.

Based on the present 1.4% stake in HoldCo's share capital, the HFSF, under Law 3864/2010 as in force and the TRFA signed between the Bank, the HoldCo and the HFSF, exercises its voting rights in the General Meetings of HoldCo only for decisions concerning the amendment of the HoldCo's Articles of Association, including the increase or reduction of the capital or the corresponding authorization to the Board, the mergers, divisions, conversions, revivals, extension of term or dissolution of the HoldCo, the transfer of assets (including the sale of subsidiaries), or any other issue requiring increased majority as provided for in Company Law 4548/2018.

The Annual General Meeting is held every year before the 10th of September. An Extraordinary General Meeting may be convened by the Board when it is deemed appropriate or necessary or when required by law.

The minutes of the General Meeting are signed by the Chairperson and the Secretary of the General Meeting.

All persons appearing as shareholders of ordinary shares of the HoldCo in the registry of the Dematerialized Securities System (DSS) managed by Hellenic Central Securities Depository S.A. on the Record Date, namely at the start of the fifth day before the General Meeting, have the right to participate and vote in the General Meeting. The aforementioned record date is applicable for the Repeat Meeting as well. For each General Meeting, the Board arranges for the detailed invitation, including date, place, record date, issues on the agenda and related papers to be available to shareholders at least 20 full days before the meeting, including the proposed resolution or commenting by the Board on each issue. The detailed invitation also defines the procedure to be followed for voting by proxy, the minority shareholders rights and any available documentation relating to the General Meeting.

Standard minority rights, as described in Company Law 4548/2018, apply.

#### **9. Other information required by Directive 2004/25/EU**

- **Holders of securities with special control rights**

The HFSF's participation interest in the HoldCo's share capital, through the ordinary shares it possesses, confers to HFSF the rights according to the legislation in force and the TRFA that has been signed between the HoldCo, the Bank and the HFSF.

- **Treasury Shares**

The Shareholders' General Meeting can authorize the Board, under article 49 of Company Law 4548/2018, to implement a program of acquisition of treasury shares. However, according to paragraph 1 of Article 16C of Law 3864/2010, during the period of the participation of the HFSF in the share capital of the HoldCo, HoldCo is not permitted to purchase treasury shares without the approval of the HFSF (note 37 of the consolidated accounts).

***For other information required by Directive 2004/25/EU regarding the: a) Major shareholdings, b) Authority to issue new shares, and c) Restrictions of voting rights, please refer to the relevant sections of the Directors' Report.***