

# BOARD COMMITTEE CHARTER

## Risk Committee



National Bank  
of Greece S.A.

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# 1. Introduction

The Board Risk Committee was established by Board decision (meeting no. 1308/20.07.2006).

Since 2010, the following versions of the Board Risk Committee Charter have been approved:

## Document Control & Approval Record

 VERSION	 APPROVAL BODY	 DATE
VERSION 1	BoD	26.05.2011
VERSION 2	BoD	27.11.2013
VERSION 3	BoD	19.01.2017
VERSION 4	BoD	01.03.2019
VERSION 5	BoD	29.07.2019
VERSION 6	BoD	31.03.2021
VERSION 7	BoD	24.03.2022
VERSION 8	BoD	26.05.2023 <sup>1</sup>

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<sup>1</sup> Effective as of 26.10.2023.

## Review, Update & Maintenance

01

The Board Risk Committee (“the Committee” or “BRC”) reviews at least annually the adequacy of the present Charter and submits to the Board proposals on any amendments it deems expedient.

02

This Charter will come into force upon its approval by the NBG Board, unless the Board explicitly decides otherwise, and can be amended at any time by Board decision to that effect.

## 2. Authorities & Purpose of the Committee

### 2.1 Authorities of the Committee

#### (i) Access to information

The Committee shall have access to all necessary information to perform its duties, including the authority to investigate any activity within its purview and obtain from members of management and staff whatever information may be required.

#### (ii) Appointment of external advisors

The Committee is authorized by the Board to hire and retain independent advisors to assist in matters within its competency, at its sole discretion, and to approve the related fees and retention terms in accordance with the Corporate Governance Code and within the approved Annual BoD budget.

#### (iii) Expenses

The Committee shall proceed to administrative expenses it deems necessary or expedient, within the approved Annual BoD budget.

### 2.2 Purpose of the Committee

The Board Risk Committee is established by and among the NBG’s Board of Directors (the ‘Board’ or ‘BoD’) with the purpose of advising and supporting the Board in its supervisory function regarding independently challenging, approving and overseeing the overall framework for managing financial and non-financial risk and the effectiveness and efficiency of risk management of the Bank and the Group.

To this end, the Committee shall advise and support the Board in performing its duties in respect of:

### **(i) Risk Appetite and Risk Strategy**

- a. Ensuring that the Bank has clearly and adequately defined the Group's risk appetite and strategy, taking into account all types of risks, in line with the business strategy, objectives, corporate culture and values of the Group.
- b. Overseeing the implementation of the Group's risk strategy by the senior management, ensuring that the actual risk profile of the Bank and the Group remains in line with the risk appetite and conform to the Risk Appetite statement.
- c. Within the above context, the Committee ensures that the Board is adequately apprised of all matters relating to NBG's risk strategy, risk appetite (including risk tolerance and risk capacity thresholds) and the Bank's and Group's actual risk profile, in the exercise of its supervisory and strategy functions.

### **(ii) Risk Culture and Awareness**

- a. Establishing risk culture as a core component of effective risk management, with the Board and senior management as the starting point that sets the tone, example and core values, that are communicated throughout the Bank and the Group.
- b. Ensuring that sound arrangements are in place regarding risk governance and management incentives / disincentives.
- c. Ensuring that all units are fully aware of the risk appetite and that risk management policies and limits are established and communicated accordingly at all appropriate levels.

### **(iii) Internal Risk Management System and Structures**

- a. Monitoring the overall effectiveness of risk governance and management, ensuring the right frameworks, policies and adequate resources are in place for taking up, managing, monitoring and mitigating the risks the Group is or might be exposed to.
- b. Approving and periodically reviewing the strategies, frameworks and policies for these risks.

- c. Overseeing the capital and liquidity management, including the Internal Capital Adequacy Assessment Process (ICAAP), the Internal Liquidity Adequacy Assessment Process (ILAAP) and the relevant internal stress tests, in order to assess its adequacy against the approved Group's risk appetite and risk strategy.
- d. Controlling of the risk management function in terms of independence, adequacy and effectiveness.

#### (iv) Ongoing Risk Monitoring and Supervision

- a. The Committee shall be regularly apprised of and monitor the overall risk profile of the Bank and the Group as well as relevant actions taken, and shall provide the Group risk management function with guidance in implementing NBG's risk strategy and risk management policies, including compliance with the current regulatory framework.
- b. The Committee shall monitor risks and oversee relevant actions taking place at the Bank with the purpose of managing different types of risks, as these are defined under Section 3.1 below.
- c. The Committee shall provide advice on the appointment of external consultants that the Board may decide to engage for advice or support, as this may be required where this relates to matters under the Committee competence.

The Committee has competence over matters relevant to Risk Management, as well as Non-Performing Loans/Exposures (NPLs/NPEs)

Within the context of the Board Working Model of the Bank, topics related to areas of responsibility of the Committee shall also be discussed at the Board of Directors level as this may be required particularly as regards issues pertaining to important matters which shall be discussed at Board of Directors level.

## 3. Duties & Responsibilities of the Committee

### 3.1 Key Risks overseen by the Committee

The Committee, as per its nature having overall risk management competence, has global oversight and, in the context of the Enterprise Risk Management (ERM) framework, monitors any kind of risk the Group is or might be exposed to, considering at the same time any other particular Board Committees' oversight competences.

Risks overseen by the Committee primarily include, but are not limited to:

			
<b>Liquidity Risk</b>	<b>Interest Rate Risk in the Banking Book</b>	<b>Operational Risk including Legal Risk</b>	<b>Market Risk</b>
			
<b>Business Risk</b>	<b>Credit Risk</b>	<b>Concentration Risk</b>	<b>Counterparty Risk</b>
			
<b>Enterprise Risk</b>	<b>Model Risk</b>	<b>Outsourcing Risk</b>	<b>Regulatory Risk</b>
			
<b>Climate-related &amp; Environmental (C&amp;E) Risks</b>	<b>Conduct Risk</b>	<b>IT &amp; Cyber Risk</b>	<b>Real Estate Risk</b>

In addition, the Committee considers the potential effects of the aforementioned and other risks on the Group's reputation.

Risks taxonomy and detailed definitions shall be included in Risk & Capital Strategy document.

## 3.2 Main Duties & Responsibilities of the Committee

### I. Risk Management Responsibilities

The responsibility and authority of the Committee covers the whole of the Group's business.

The Committee is entrusted with the following duties in the context of assisting the Board in its oversight of the Bank's Enterprise Risk Management (ERM) framework:

### ***Risk Appetite and Risk Strategy***

- a. to review and propose to the Board on an annual basis or more frequently, if necessary, the Bank's risk strategy and risk appetite for approval, providing comfort for their comprehensiveness and effectiveness, including an assessment of the appropriateness of the Bank's business plan in the context of risk appetite and risk appetite statement.
- b. to define the high-level Risk Appetite Statement (RAS) to be approved by the Board, in accordance with the regulatory/supervisory provisions as these each time apply.
- c. to review, challenge and approve the risk tolerance and risk capacity thresholds (limits) and ensure that risk appetite is cascaded down to operational limits across all material risk types and portfolios.
- d. to oversee the adherence of the strategic decision-making process to the risk appetite and challenge the Executive Committee for any activities that could bring the Group's risk profile beyond the approved risk limits.
- e. to regularly review and monitor (through reports) the Group's risk profile against the set risk tolerance and risk capacity thresholds.
- f. to be notified for any breach of the approved risk tolerance or risk capacity limits and to notify the Board, as per the risk appetite governance arrangements for the escalation process.
- g. to ensure that any breaches of risk appetite limits are properly and timely managed by the Executive Committee, and to notify the Board accordingly, as may be required in accordance with the risk appetite governance arrangements.
- h. to ensure that risk appetite of subsidiaries is in overall alignment with the Group's risk appetite
- i. to propose to the Board adjustments to the risk strategy whenever deemed necessary, resulting from, inter alia, changes in the business model, market developments or recommendations made by the risk management function.

### ***Cascading of Risk Appetite and Strategy, Setting of Risk Management Policies***

- a. to ensure that the Bank's risk appetite and risk strategy are clearly communicated throughout the Bank and form the basis on which risk policies and risk limits are established at group, business and/or regional level.
- b. to review and be accountable to approve all risk management frameworks, methodologies and policies for identifying, measuring, evaluating, monitoring, reporting and mitigating risks, including frameworks, methodologies and policies related to credit risk (inclusive of material aspects of the credit rating systems), market risk, liquidity risk, interest rate risk in the banking book, operational risk, model risk and model validation, and propose their endorsement to the Board of Directors.

### ***Monitoring of the adequacy and effectiveness of risk management arrangements and provision of assurance***

- a. to ensure that the right frameworks, policies, processes and resources are in place for taking up, managing, monitoring and mitigating the risks the Group is or might be exposed to.
- b. to monitor the aggregate risk profile of the Bank and the Group.
- c. to ensure, in particular, the existence of appropriate credit risk management practices, including an effective internal control system, to consistently determine adequate allowances in accordance with the credit institution's stated policies and procedures, the applicable accounting framework and relevant supervisory guidance.
- d. to receive and assess the Group risk management function's reports on the Bank's and the Group's risk profile and the status and effectiveness of the risk management system
- e. to brief the Board on the major risks assumed by the Bank and the Group, monitor the said risks and ascertain that they are addressed effectively.
- f. to regularly review the risk models' development and validation activities.
- g. to assess the recommendations of internal or external auditors concerning risk management arrangements and follow up on the appropriate implementation of measures taken.

- h. to draft proposals and recommend corrective action to the Board, where it ascertains that the implementation of the risk strategy adopted by NBG is not feasible or that actual implementation diverges from planned implementation thereof.

### ***Asset Quality***

to ensure that the Bank has the appropriate methodologies, modelling tools, data sources, IT systems and competent staff to assess (a) the likely change in asset quality under different macroeconomic and market assumptions and (b) the risks that such changes may pose to the financial stability of the Bank.

### ***Performance, Products and Pricing***

- a. to ensure that the risk management function develops appropriate risk-weighted tools and methodologies for the effective assessment of performance and pricing. Also, to supervise via the risk management function the implementation of the said tools and methodologies.
- b. to oversee the alignment between all material financial products and services offered to clients and the business model and risk appetite and strategy. Where prices do not properly reflect risks in accordance with the business model and risk appetite and strategy, the Committee shall present a remedy plan to the Board.

### ***ICAAP, ILAAP and Stress Testing***

- a. to review and recommend to the Board for approval an ICAAP/ILAAP and a Stress Testing governance framework with a clear and transparent assignment of responsibilities, adhering to the segregation of functions.
- b. to annually assist the Board in providing its assessment of the capital / liquidity adequacy of the institution, supported by ICAAP/ILAAP outcomes and any other relevant information, by producing a clear and concise statement, the capital / liquidity adequacy statement (CAS / LAS).
- c. to review, challenge and recommend to the Board for approval the annual ICAAP and ILAAP submission, including inputs, outputs and documentation.
- d. to use ICAAP and ILAAP outputs for enhancing control tasks and decision-making processes, together with the senior management.
- e. to ensure that clear responsibilities and sufficient resources (e.g., skilled

human resources and information technology systems) are assigned and allocated for the execution of the stress testing programme.

- f. to review a number of possible scenarios, including stressed scenarios, to assess how NBG risk profile would react to external and internal events.
- g. to provide for the implementation, at least annually, under risk management function responsibility and concern, of stress tests for market, credit and liquidity risks, and of similar techniques for operational risk; to assess the results of such exercises and report to the Board on these.
- h. to assist the Board to take the outcomes of the stress tests into account, in particular with regard to identified limitations, vulnerabilities and shortcomings detected, when setting the institutions strategy and when making all relevant decisions affecting capital, liquidity, recovery and resolution planning.

#### ***Risk Policies and related Credit Approvals***

- a. to approve the technical Risk Policies following proposal by the Chief Risk Officer and approval of the Executive Committee and propose to the Board for approval the overarching Risk policies.
- b. to review and submit proposals to the Board for approval regarding credit decisions, in potential cases requiring approvals as per the applicable legal and regulatory framework or the Bank's internal framework.

#### ***Disclosures***

- a. to approve the Pillar 3 Disclosures Policy
- b. to ensure the appropriateness, integrity, accuracy and completeness of disclosures
- c. to approve the disclosure of Pillar 3 information

#### ***Remuneration Practices***

In order to assist in the establishment of sound remuneration policies and practices, the Committee shall, without prejudice to the tasks of the Human Resources & Remuneration Committee, examine whether incentives provided by the remuneration system take into consideration risk, capital, liquidity and the likelihood and timing of earnings. The Committee can collaborate, as may be required, without prejudice to the responsibilities of the Human Resources & Remuneration Committee, with the latter, in the context of designing

remuneration policies/practices (e.g. as may be required to ensure excessive risk taking is avoided, for instance in case of remuneration policies linked to sales targets) or the identification process of persons whose professional activities have a material impact on the Bank's Risk profile (Identified Staff), and a member of the Committee may participate, where relevant, in the meetings of the Human Resources and Remuneration Committee. Within the above context, in particular, the Committee members, as members of the Board of Directors, review the remuneration policies and the identification process, which are subject to approval by the Board of Directors.

### ***Oversight & monitoring of Climate-related & Environmental (C&E) Risks***

- a. to ensure the Bank adheres to supervisory expectations and best practices with respect to the management, monitoring and mitigation of C&E risks.
- b. to oversee the incorporation of C&E considerations in the overall risk management framework, incl. the risk appetite framework, risk strategy, risk reporting & risk awareness.

### ***Appointment, evaluation & remuneration of the Chief Risk Officer***

- a. In consultation with the CEO, propose to the Board the appointment of the Chief Risk Officer, whose performance and ongoing suitability the Committee is competent to evaluate, as well as replacement in those cases where the Committee deems that the appropriate "fit and proper" or adequacy requirements for the effective performance of Chief Risk Officer duties are not met. In any case, the Chief Risk Officer shall not be removed without prior approval of the Committee or the non-executive members of the Board of Directors.
- b. Consult with the Human Resources and Remuneration Committee before the latter approves the compensation/remuneration of the Chief Risk Officer.

### ***Subsidiaries***

- a. to ensure that appropriate risk governance is present (without any formal decision-making role of the Group present in subsidiary risk management, given each subsidiary is expected to have their own governance processes and escalation mechanisms within their firm).
- b. to ensure that a common framework across risk types, with a common taxonomy, risk register and risk identification approach is installed.
- c. to ensure that the risk appetite of subsidiaries is in overall alignment with

Group risk appetite.

- d. to ensure that firm-wide policies, processes, scenarios and limits to subsidiaries are duly communicated.
- e. to ensure that key events of the subsidiaries are escalated to the Group, including supervisory penalties, operational risk losses, legal cases and emerging warning signals, as well as key potential issues on a portfolio level.
- f. to ensure that key risk management reporting is regularly delivered to the Group.

## **II. Responsibilities of the Committee specific to its competence over Arrears and Non-Performing Loans/Exposures (NPLs/NPEs)**

The Committee has competence over ensuring that effective oversight and control mechanisms are in place for the purposes of monitoring and managing "troubled assets", which have been defined so as to include:

- non-performing loans,
- loans in the process of restructuring or renegotiation
- exposures that have been written off for accounting purposes, and that the Bank still seeks to recover in full or in part.

Within this context, the Committee is entrusted with the following duties:

### ***NPL/NPE Strategy***

- a. to assist the Board in developing an appropriate NPL/NPE Strategy and recommend appropriate revisions, and in ensuring that the necessary financial and human resources are put in place for the agreed NPL/NPE Strategy to be implemented.
- b. to supervise and monitor, the approved by the Board Bank/Group general strategy, policy and governance regarding the management of Arrears and Non-Performing Loans and any amendment, extension, revision or deviation thereof.

### ***NPL/NPE oversight and monitoring mechanisms***

- a. to recommend to the Board and ensure appropriate oversight mechanisms and controls for the monitoring and effective management of "troubled assets".
- b. to supervise the adoption of best practices and relevant guidelines on

NPL/NPE management and the establishment of a set of KPIs in order to monitor the effectiveness and efficiency of the NPL/NPE management framework and NPL/NPE resolution, and to systematically monitor the effectiveness of NPL/NPE management arrangements and performance against targets.

- c. to receive regular reports from the relevant NPEs Management Divisions or the Chief Risk Officer, provide feedback to them, and closely monitor the results of the Bank's NPE management framework objectives and NPE resolution operational performance and strategy implementation.

#### **Early Warning Systems**

- a. to emphasize the development of appropriate early warning systems so as to identify borrowers reaching the limits of their ability to perform on their obligations and recommend to the Board improvements of such systems. Also, to ensure that the Bank develops, maintains and continuously updates a satisfactory range of solutions for the prevention of delinquencies and the safeguarding of the value of its loan portfolio.
- b. Further to what has been specifically stipulated under Section 3.2, subsections I. and II. above, in any case, the Committee is competent to develop proposals, for consideration by the Board, regarding any matter within its purview.

### **3.3 Additional Duties & Responsibilities of the Committee**

Further to what has been specifically stipulated above, in any case, the Committee is competent to:

- develop proposals, for consideration by the Board, regarding any matter within the purview of this Charter;
- perform any other activities within the purview of this Charter, at the request of the Board Chair or the Board or as required by the Corporate Governance Code;
- oversee issues within its purview in the overall context of maintaining a sustainable business model for the Bank.

## **4. Executive Accountability & Reporting Structures**

Considering the Risks overseen by the Committee, the Bank has in place appropriate accountabilities at the Executive level for the day-to-day management of respective risks and the provision of all necessary feedback required by the Committee for the effective discharge of its duties. Within this context, the Committee can receive reports and information by the following Executive positions:

 Chief Risk Officer and Executives overseeing Risk Units, Credit Risk and Model Validation	 General Manager – Troubled Assets and Executives overseeing Non-Performing Loans / Non-Performing Exposures
 Group Chief Financial Officer and Executives overseeing MIS, Finance, Tax	 Group Chief Compliance and Corporate Governance Officer and Executives overseeing Regulatory Compliance and AML/CFT
 Chief Data Officer	 Executives overseeing Credit Units
 Executives overseeing Strategy	 Group Chief Operations Officer; and Executives overseeing IT and Operations
 Chief Information Security Officer; and Executives overseeing information security	 Executives overseeing Internal Control System functions
 Executives overseeing Regulatory Authority audits and Bank relations with Supervisors	 Data Protection Officer
 Executives overseeing Real Estate	 Executives overseeing Corporate and Retail Banking
 General Manager - Group Treasury and Financial Markets	 Executives overseeing Group subsidiaries / activities
 Heads of Legal Services	 Group Chief Audit Executive

Reporting structures and procedures in place may include the following:

- a. The Chief Risk Officer reports to the Board through the Board Risk Committee and the CEO, and has direct access to the Committee without impediment.
- b. The Committee has adequate access to information on the risk situation of the institution and, if necessary and appropriate, to the risk management function and to external expert advice.
- c. The Chief Risk Officer submits sufficient reports to the Committee at least on a monthly basis, so as to enable the Committee to effectively supervise the Bank's / Group's risk profile in relation to the risk appetite and strategy, and to deliver its opinions accordingly to the Board. The relevant reports should be submitted as quickly as possible and in any case no more than thirty (30) calendar days after the events presented therein. The Chief Risk Officer should promptly report to the Committee events of non-compliance on risk related issues.
- d. The Committee receives and assesses all the relevant reports from the risk management function including concerning compliance with the Bank's risk appetite, capital adequacy levels and relevant risks, while events of non-compliance on risk related issues are reported promptly by the Chief Risk Officer.
- e. Through risk management function's and the CRO's regular reports, the Committee is monitoring the implementation of the Bank's risk strategy and policy including the Group's compliance with the existing regulatory framework for capital adequacy.
- f. The Committee receives notifications from the Chief Risk Officer with regard to any deviation from the approved risk tolerance and risk capacity limits, as required in line with the applicable risk appetite governance arrangements, and related issues of non-compliance, capital adequacy levels and the possibility of adverse developments with regard to the approved (by the Board) business plan.
- g. The Committee receives alerts from the risk management function or other competent units of the Bank with regard to deviations from Credit or other applicable Policies of the Group which may affect risks under the competence of the Committee.
- h. The Committee is informed on regulatory developments related to risk issues it oversees through the receipt of reports which depending on the exact nature of such developments can be submitted by the Group Chief Compliance and Corporate Governance Officer, the Chief Risk Officer or any other competent

Executive per case who can provide the Committee with information on developments and their impact on the Bank and the Group.

- i. The Committee receives information related to its competence to oversee financial risk, which encompasses risks related to the Bank's financial position and respective statements, from the Group Chief Financial Officer and the respective Financial Planning and MIS function.
- j. Through reports provided by the Executives overseeing Non-Performing Loans / Non-Performing Exposures (Heads of Stressed Assets Units), the Committee is informed on developments and key issues related to its competence over NPLs/NPEs.

In any case, the Committee shall determine the nature, the amount, the format, and the frequency of the information on risk which it is to receive, and the Executives of the Group who shall be required to provide information to the Committee, within the broader context of guidelines available per case on reporting to Board Committees, and where necessary, ensure the proper involvement of the internal control functions and other relevant functions as may be required within their respective areas of expertise.

Further, the Bank's Senior Executives are responsible, in case key risks under the competence of the Committee are identified related to activities of their area of supervision, to raise these so that the Committee can be sufficiently informed about any important risk under its areas of oversight.

## 5. Composition of the Committee

In determining the Committee structure and composition, the principles applying as per the Policy - Methodology on reviewing the composition of Board Committees shall be followed, and any further individual guidance on Board Committee compositions/membership adopted upon recommendation of the Corporate Governance and Nominations Committee and Board resolution. In any case, the composition of the Committee shall follow all relevant legal and regulatory provisions, including the corporate governance framework to which the Bank is subject.

### 5.1 Membership

**The Committee shall be composed of:**

The HFSF Representative is appointed as a member of the Committee in line with the process set out in the Relationship Framework

## 5.2 Appointment of Committee Members

The members of the Committee (including its Chair and Vice-Chair) shall be appointed by the Board pursuant to recommendation submitted by the Corporate Governance & Nominations Committee.

## 5.3 Appointment of the Committee Chair / Vice-Chair – Role of Committee Chair

The Committee Chair shall be appointed by the Board.

The Committee Chair shall:

- ▶ Oversee and coordinate the Committee meetings:
  - request that the Company Secretary convenes the Committee meetings, (including in case of relevant request by the HFSF Representative, as described in Section 6 “Modus Operandi of the Committee”)
  - specify the agenda, the frequency and the length of meetings, and promote the Committee’s effectiveness in discharging its duties;
  - decide upon meetings via video/conference call and/or meetings via circulation, as described in Section 6 “Modus Operandi of the Committee”;
- ▶ Oversee and coordinate the Committee’s workings, as described herein.

Should the Chair resign, be absent or impeded, he/she shall be substituted by the Vice-Chair (if any) or the Committee's most senior (by date of appointment) member or any other member that the Committee shall appoint.

## 5.4 Appropriateness/Qualifications of the Committee Members



Committee members should have previous experience in the field of financial services or commercial banking and at least one member (expert) should have solid risk and capital management experience, as well as familiarity with local and international regulatory framework.



In accordance with the provisions of Art. 68 of Law 4261/2014, transposing Art. 76 of EU Directive 2013/36 as applicable, all members of the Committee are non-executive, while they shall have appropriate knowledge, skills and expertise to fully understand and monitor the risk strategy and the risk appetite.



The Committee Chair shall:

- have sufficient knowledge/subject matter understanding to effectively discharge the duties of chairing the Committee; and
- be an independent non-executive member with solid experience in commercial banking and preferably risk and/or NPL management, as well as, be familiar with local and international regulatory framework.



The Committee Chair should not:

- serve as Chair of the Board;
- serve as the Chair of the Board's Audit Committee.



Without prejudice to the abovementioned exception regarding the Chair of the Committee, participation in the Board Risk Committee does not exclude its members from participating in other Board Committees.

## 5.5 Remuneration relevant to Committee duties

The Remuneration of Board members and remuneration related to Committee duties is determined within the framework of NBG's Corporate Governance Code, the Directors' and Senior Managers' Remuneration Policy, and is subject to approval by the General Meeting of Shareholders. Board members receive an annual fee for their participation in the Board as members and there is no additional remuneration foreseen for the participation as member in the Committee, while the Chair of the Committee is remunerated in accordance with

the remuneration structure applying for the position of Committee Chair, as this is each time determined by resolution of the Board of Directors and the General Meeting of Shareholders. In any case, remuneration follows the decisions of the Board of Directors and the General Meeting of Shareholders, as this each time applies.

## 5.6 Development & Performance Assessment

### Knowledge and Development

The Committee determines areas which it is considered appropriate for the Committee members to examine more thoroughly or matters on which training could be desirable, and considering also the provisions of the Board Training Policy in place, can arrange for deep-dives or trainings on specific areas, which can be hosted either internally or take place with the assistance of external providers.

### Performance Assessment

The Committee is subject to evaluation of its performance in accordance with the Bank's Policy on the Annual Self-Assessment of the Board and its Committees.

## 5.7 Term of Committee Members

The Committee members shall be appointed for a term of one year, which shall be automatically renewed for successive one-year renewal terms, unless otherwise decided.

In any case, the mandates of the Committee members shall automatically expire if they cease to be members of the NBG Board.

## 5.8 Resignation & Replacement of Committee Members

In the event of resignation, death or forfeiture, it is examined whether the requirements for the Committee's composition continue to be fulfilled and in case this is deemed appropriate a proposal for appointment of a new Committee member is submitted.

## 5.9 Secretary of the Committee

In discharging its duties, the Committee is assisted by the General Company Secretary in collaboration with the Group Corporate Governance Division.

## 5.10 Conflict of Interest

Committee members should not, during their term of office, hold posts or have capacities or carry out transactions that could be deemed incompatible with the Committee’s mission.

## 5.11 Access & Confidentiality of Information

As mentioned above, one of Committee’s authorities is the access to all necessary information to perform its duties. Committee members shall take all reasonable measures and precautions to maintain the secrecy and confidentiality of all confidential information of the Bank and the Group which may come to their knowledge in the performance of their duties, in accordance with NBG Corporate Governance Code.

# 6. Modus Operandi of the Committee

## 6.1 Frequency and Agenda of Meetings

 <p>The Committee shall meet at least on a monthly basis regularly, and on an ad hoc basis whenever the Committee Chair deems fit. The Committee shall keep minutes of its proceedings. The Chair shall briefly inform the Board on the progress of the Committee's work following each meeting.</p>	 <p>The Committee Chair shall determine the agenda, the frequency and the length of meetings held and ensure that it carries out its duties effectively.</p>	 <p>Any member may suggest items in the agenda for consideration.</p>	 <p>The Group Chief Compliance and Corporate Governance Officer, the Chief Risk Officer and any other executive deemed necessary depending on the matters discussed shall be present at the meetings of the Committee though without voting rights.</p>	 <p>At the first meeting of each calendar year, the Committee shall decide on its priorities and plan for the rest of the year, within the broader context of the priority areas identified at Board level.</p>
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## 6.2 Convening Meetings & Notice to Members

- ▶ The Committee meetings shall be convened by the General Company Secretary at the request of the Committee Chair.
- ▶ The Committee members and the HFSF Observer shall be notified of the venue, time and date of each meeting.
- ▶ The agenda of items to be considered at each meeting, together with supporting documents, will be provided to the Committee members and the HFSF Observer at least five (5) calendar days in advance of the meeting, with a view to allowing sufficient time for review by the members prior to the meeting. In exceptional cases, and following consultation with the Committee Chair, supporting material could be provided to the Committee members in less than five (5) calendar days.
- ▶ The relevant documents are provided to the Committee members via the BoD Secretariat Software used or through other means in accordance with Board Communication Principles as these are each time decided by the Board.
- ▶ With specific regard to the HFSF representative, if he/she submits a written request to the Committee Chair to hold a Committee meeting, which shall include all the proposed items of the agenda, and the Chair fails to call a meeting within seven (7) calendar days of the said written request or fails to include all the proposed items of the agenda, the HFSF representative shall be entitled to convoke the Committee meeting within five (5) days as of the expiry of the 7-day period. Such invitation shall be notified to all the members of the Committee and to the HFSF Observer.
- ▶ The HFSF Representative has the right to request an interruption of each meeting of the Committee for three (3) working days, until instructions are given by the CEO of the Fund.

### 6.3 Meeting Methods

The Committee may, by decision of its Chair, hold meetings by video or conference call. The Chair may also ask the Committee to decide on certain documents through the exchange of e-mails or letters.

### 6.4 Quorum of Meetings & Attendance Guidelines

- ▶ The Committee meeting shall be deemed to have quorum and duly convene when half plus one of its members are present including its Chair or Vice-Chair or his/her substitute.
- ▶ A duly convened meeting of the Committee at which a quorum exists is authorized to exercise all or any of the powers and authorities of the Committee.
- ▶ A member's participation in a meeting by video link or audio link shall be

deemed valid to that effect.

- ▶ Member attendance at Committee meetings shall be disclosed in the annual corporate governance statement.

## 6.5 Invitees

- ▶ The Committee may invite to its meetings any Board member, executive of NBG or of Group subsidiaries or such other person deemed appropriate to assist it in performing its responsibilities.
- ▶ The CEO is informed on attendance of executives of NBG or Group subsidiaries at Committee meetings, through the receipt of the meeting Agenda including information on presenters per Item.
- ▶ If invited to attend a Committee meeting, any executive of NBG and its Group is required to attend.

## 6.6 Delegation Guidelines

The Committee may delegate specific responsibilities and authorities to one or more individual Committee members, within the purview of its responsibilities and authorities, insofar as this is permitted by the applicable regulatory framework and the Bank's internal regulations and there is no conflict of interest.

## 6.7 Voting Guidelines

- ▶ Decisions shall be validly taken by simple majority vote of the members present. In the event of deadlock, the Chair's vote shall be decisive; if the Chair is absent, the Vice Chair's/substitute's vote is decisive.
- ▶ The views of the minority are recorded in the Committee's minutes in case of not unanimous decision.

## 6.8 Minutes of Meetings

Resolutions and minutes of the Committee's Meetings shall be available (and forwarded to the members of the Committee) after the relevant meetings and shall be approved by the Committee members at a next Committee session.

# 7. Reporting to the Board

- ✓ The Committee shall review any issue referred to it by the Board Chair or the Board.

- ✓ The Committee prepares an Annual Report depicting its key workings during the previous year and priority areas for the coming year per case, which is included in the Annual Board of Directors Report, while it assesses the adequacy and effectiveness of its Charter, and makes proposals on any modifications it deems expedient.
- ✓ Following Committee meetings there is relevant feedback provided to the Board of Directors on risk related issues discussed by the Committee. Under the oversight of the Committee Chair, provision of sufficient information to the Board of Directors on topics discussed by the Committee shall be promoted.

## 8. Relationship & Cooperation with Other Board Committees / bodies / Executives

- ▶ Within the context of effectively performing its tasks, the Committee shall collaborate with any other Committee whose activities may have an impact on risk strategy or as considered necessary and can hold joint sessions with other Board Committees as may be required for the review of issues under its competence or may revert issues to other Board Committees for matters within their competency, as per case.
- ▶ The Committee and its Chair shall be systematically apprised of the workings of the Audit Committee. The Chairs of the two Committees shall coordinate their activities whenever and however they deem fit.
- ▶ The Committee may be supported and receive advice from any advisory council as deemed appropriate.
- ▶ The Committee shall regularly communicate with NBG Internal Control functions, in particular the risk management function.
- ▶ Further, the Committee cooperates with any other Executive of the Bank or Group entities, as deemed appropriate in the discharge of its responsibilities.

## Appendix – Table of Abbreviations

<b>Abbreviation</b>	<b>Description</b>
<b>Board/BoD</b>	NBG's Board of Directors
<b>BoG</b>	Bank of Greece
<b>BRC</b>	Board Risk Committee
<b>CAS/LAS</b>	Capital/Liquidity Adequacy Statement
<b>CRO</b>	Chief Risk Officer
<b>HFSF</b>	Hellenic Financial Stability Fund
<b>ICAAP</b>	Internal Capital Adequacy Assessment Process
<b>ILAAP</b>	Internal Liquidity Adequacy Assessment Process
<b>IT</b>	Information Technology
<b>MIS</b>	Management Information System
<b>NPLs/NPEs</b>	Non-Performing Loans/Exposures
<b>RAS</b>	Risk Appetite Statement