



BOARD RISK COMMITTEE CHARTER

KANO-23/20.00/7/3/2024

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History of Revisions

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ARTICLE 1: SCOPE

This Charter specifies the composition, duration, decision-making process, responsibilities and operation of the Board Risk Committee (BRC) of Attica Bank Societe Anonyme Banking Company (hereinafter the “Bank”) and Attica Bank Group (hereinafter the “Group”).

ARTICLE 2: PURPOSE

The Board Risk Committee (BRC) is responsible to perform the duties specified in this Charter in order to be able to adequately inform the Board of Directors (hereinafter “BoD”) on all issues related to the risk assumption strategy and the risk tolerance level when the BoD is performing its duties. The Board Risk Committee (BRC) assists the BoD as regards the achievement of the following goals:

- the Group’s compliance with the legislative and regulatory framework governing risk management,
- prepare the risk assumption strategy, regarding any type of risk, and the capital management, in line with the Group’s business goals and the adequacy of available resources in terms of technical means and staff,
- audit the adequacy, independence and efficiency of the Group’s Risk Management Unit, and
- ensure that the risk appetite has been notified to all business units of the Group and serves as the basis to specify risk control limits.

ARTICLE 3: COMPOSITION

1. The Board Risk Committee (BRC) consists of, at least, three (3) non-executive BoD members, 1/3 of whom (excluding the representative of the Hellenic Financial Stability Fund) are independent non-executive BoD members. The representative of the Hellenic Financial Stability Fund participates in the Committee as a member. One (1) independent non-executive member, that cannot be the BoD Chairman or the Audit Committee Chairman, is designated as the Committee Chairman.
2. The Committee members have, both at an individual and a collective level, adequate knowledge and experience in risk management, in particular regarding risk management and control practices, in order to efficiently cover all types of risks, including operational risk, and to ensure unified control and specialized addressing thereof as well as the required coordination at Bank and Group level.

3. The Committee Chairman and members are designated by the Bank's BoD. The Committee members are not allowed to simultaneously hold positions or capacities or carry out transactions that could be considered as incompatible to the Committee's mission. Subject to that, their participation in the Committee does not exclude their possibility to participate in other BoD Committees.
4. The term of office of the Committee members is the same as their term of office in the BoD.
5. If a Committee member leaves for any reason whatsoever, said member shall be replaced by decision of the Bank's BoD. Until the replacement decision is taken, the Committee shall continue to validly convene, provided that the remaining members are at least three members and one (1) independent non-executive member.
6. Any Management member or Director of the Bank may be invited to the Committee meetings, as deemed necessary, so that they are informed and the Committee's work is facilitated, following an invitation by the Committee Chairman, depending on the issue to be discussed that falls under their competency.
7. The duties of the Committee Secretary shall be performed by an Executive of a Unit, who is reporting to the Chief Risk Officer; said executive will be designated by the Committee Chairman.

ARTICLE 4: DUTIES - RESPONSIBILITIES

The Board Risk Committee (BRC) has the following main responsibilities:

1. Risk strategy

- 1.1 It advises and supports the BoD as regards monitoring the overall current and future risk appetite and risk strategy of the Bank, taking into account all types of risks, in order to ensure that the latter are aligned with the Bank's business strategy, goals, company culture and values.
- 1.2 It prepares, according to a proposal by the Chief Risk Officer (hereinafter "CRO"), the risk assumption strategy, regarding any type of risk, and the capital management strategy, in line with the Group's business goals and the adequacy of available resources in terms of technical means and staff.

- 1.3 It supports the BoD in monitoring the implementation of the risk strategy and the corresponding limits specified.
- 1.4 It supervises the implementation of the capital and liquidity management strategies, as well as all other relevant risks that the Bank is facing, such as market risk, credit risk (including legal risk and IT risk) and reputation risk, in order to assess the adequacy of the strategies regarding the approved risk appetite and risk strategy.
- 1.5 It makes recommendations to the BoD regarding the necessary adjustments to the risk strategy resulting from, inter alia, changes to the Bank's business model, market developments or recommendations made by the risk management function.
- 1.6 It drafts proposals and proposes corrective actions to the BoD if it identifies a failure to implement the Bank's risk management strategy specified or any deviations in the implementation thereof.

2. Risk assumption framework

- 2.1 It supervises the development and implementation of an appropriate risk assumption framework that sets specific tolerance limits regarding risk assumption. It proposes on an annual basis to the BoD the risk assumption framework to be discussed and approved, as well as the business plan suitability assessment. It proposes modifications to the above, when it deems it necessary.

If a discrepancy between the business plan and the risk assumption framework is identified, it submits a corrective plan to the BoD.

- 2.2 It proposes to the BoD, when it deems it fit, the revision of the risk management policy.
- 2.3 It assesses annually the adequacy and the efficiency of the Bank's and the Group's risk management policy, and in particular, compliance to the risk tolerance level specified, the suitability of limits, the adequacy of provisions and, in general, the adequacy of equity in relation to the level and nature of risks assumed, at least on the basis of the CRO's annual report and the relevant excerpt from the Internal Audit Unit's report.

3. Exposures in arrears and non-performing exposures

It ensures appropriate supervision and audit mechanisms in order to monitor and to

efficiently manage exposures in arrears and non-performing exposures, that include:

- exposures in pre-arrears,
- exposures in early arrears: 1 to 89 days past due, and
- exposures in definitive arrears - at least 90 days past due - which the Bank seeks to fully or partially recover.

4. Integration of environmental, social, and governance risks

4.1 It supervises and monitors the integration of environmental, social, and governance risks, including climate and environmental risks, in the overall risk management framework of the Bank, the risk appetite, the risk strategy, the risk management culture, as well as the overall business strategy.

5. Relation with the Risk Management Unit

5.1 It receives notifications from the CRO about any deviation from the approved risk assumption limits, any issues regarding non-compliance with the minimum capital adequacy ratio, as well as negative developments related to the approved Business Plan of the Group.

5.2 It forwards to the BoD the CRO's annual report after it has been assessed. Said report, along with the assessment thereof, is submitted by the end of the first calendar quarter every year to the Bank of Greece, pursuant to the applicable regulatory framework.

5.3 It ensures the development of an internal risk management system, integrating it also in the business decision making process (e.g. decisions related to the launch of new products and services, the pricing of products and services that is adjusted depending on the risk, as well as the calculation of efficiency and funds allocation in function with the risk) throughout the Group's activities.

5.4 It specifies the principles that should govern risk management in terms of identification, forecast, measurement, monitoring, auditing and addressing risks, in line with the applicable business plan and the adequacy of available resources. If there are any shortcomings in the material/technical infrastructure and the staffing of the Risk Management Unit, it proposes to the BoD to strengthen the Risk Management Unit so that it can perform its duties efficiently.

5.5 It guides the Risk Management Unit regarding the preparation of a Quarterly

Risk Report that covers all risks to which the Bank is exposed, includes assessments and proposed actions as well as information on the transactions between the Bank and related parties. It thoroughly discusses and assesses said report by the Risk Management Unit and presents to the BoD the relevant conclusions and proposed actions.

5.6 It submits a proposal to the BoD regarding the CRO.

6. Other responsibilities and duties

6.1 It informs the BoD, at least every quarter, on the Committee's work and the most important risks assumed at Group level. It assures the BoD that said risks will be efficiently addressed and it proposes any actions it considers necessary.

6.2 It ensures the development of adequate systems for prompt notification and of supervision and audit mechanisms to monitor and manage high risks credits efficiently. Prompt notification systems cover all risks to which the Bank is exposed and have specific quantitative and qualitative risk indicators. When the latter are not respected, this leads to the specific actions by the Management.

6.3 It gives advice on the appointment of external consultants, about whom it may be decided to be hired to provide advice or support in risk management.

6.4 It reviews several potential scenarios, including stress tests, in order to assess the potential response of the Bank's risk profile to external and internal developments, and it sees that stress tests are carried out at least annually regarding market risk, credit risk, liquidity risk and that equivalent techniques are implemented regarding operational risk.

6.5 It supervises the alignment of all important financial products and services offered to customers with the Bank's business model and risk strategy.

6.6 It assesses risks linked with the financial products and services offered and it takes into account the correspondence between the prices set for said products and services and the profit gained from them. When pricing does not accurately reflect risks, pursuant to the business plan and the risk assumption framework, it submits a corrective plan to the BoD.

6.7 It reviews, subject to the Remuneration Committee's duties, whether the incentives stipulated in the Bank's and the Group's remuneration policies and practices take into account risk, capital, liquidity, as well as the possibility and the timeline of profitability.

6.8 It assesses the recommendations made by internal or external auditors and it monitors the correct implementation of any measures taken.

6.9 It addresses issues regarding the relation between the Group and any Related Parties.

ARTICLE 5: OPERATION

1. The Board Risk Committee (BRC) is convened ordinarily at least once a month or extraordinarily, when the Chairman thereof deems that circumstances impose the need to or that decisions must be made immediately.
 2. The meeting schedule is set by the Committee Chairman, who sends (through the Committee Secretary) a relevant invitation to the members, presides over the Committee meetings, proposes the items to be discussed and, in general, coordinates and supervises its work. In the event of impediment of the Committee Chairman, the oldest one of the members who are present shall preside over the meeting. If it is identified that there is a conflict of interest regarding a Committee member (including the Chairman) in relation with an item on the agenda, the conflicted member makes a relevant statement, that is recorded in the minutes, and abstains from the discussion and voting about this item. If the remaining members are not enough to form a quorum, the item is introduced to the BoD to be discussed and decided upon.
 3. The Committee forms a quorum when half plus one of its members participate in the meeting. Meetings can be held either with the physical presence of the members or through teleconference/phone call, when so required due to reasons attributable to business. A Committee member may authorize in writing another member to vote on their behalf on specific items on the Agenda. The authorizing Committee member is counted among the members present, while the vote of the absent member is normally counted and the decision is made according to the rules of majority. No member can represent more than one Committee member.
 4. A Committee member who is absent unjustifiably for three consecutive meetings may be replaced by BoD decision.
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5. The Committee decisions are made by majority of its members. In the event of a tied vote, the Chairman has the casting vote. In the event of a minority vote on any item on the Committee's agenda, the minority opinions are recorded in the minutes.
6. Every Committee member, as well as the CRO, has the right to request the Committee Chairman to convene the Committee to discuss specific issues.
7. The Secretary, by order of the Chairman, draws up the agenda, which, along with the required documents and other information, shall be distributed to the Committee members within a reasonable time period before the meeting, so that members can study them and formulate any questions or opinions.
8. The duties of the Committee Secretary include keeping the minutes and caring for the signing and transmission thereof, and the responsibility of keeping the relevant Committee record. Copies and excerpts from the Committee minutes are ratified by the Chairman thereof. The agenda and the relevant minutes of decisions may be forwarded to BoD members for information purposes, if the Committee deems it necessary.
9. Non-Committee members are allowed to access the minutes only following the explicit approval of the Chairman or the Committee. Copies of the minutes may be issued or/and ratified only following the explicit approval of the Chairman or the Committee. The approving documents are kept in the Secretary's office.
10. The Committee cooperates with other BoD Committees whose activities may affect the risk strategy (for example, the Audit Committee and the Remuneration Committee) and communicates regularly with the functions of the Internal Audit System and in particular with the Group's Risk Management Unit.
11. The Committee members have adequate access to information that is kept at the Group's Risk Management Unit, regarding the status of the risks faced by the Bank, and, if deemed necessary, to special external consultants. They may also request and receive all information they deem important in order to perform their duties correctly.
12. The Committee has the obligation to inform the Bank's BoD, at least every quarter, on its work during the BoD's meetings and to submit reports with all the conclusions derived from the Committee meetings and all the recommendations made by the Committee. Furthermore, it submits to the Bank's BoD the Committee's annual report that includes a review of its work and actions.

ARTICLE 6: APPROVAL - REVISION

1. The Committee Charter is approved by the Bank's BoD.
2. The Charter is revised whenever an update is required, according to the changes made.
3. The Board Risk Committee (BRC) is responsible for preparing the revisions to the Charter, assisted by the units responsible for monitoring the Bank's governance.