

PIRAEUS BANK



**INFORMATION ON THE RESPONSIBILITIES AND THE
OPERATION OF THE BOARD OF DIRECTORS
COMMITTEES**

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Audit Committee

1. Mission

The purpose of the Audit Committee (hereinafter “the Committee”) is to provide assistance to the Board of Directors (BoD) in order to perform its supervisory duties, for the issues concerning primarily:

- the Group’s Internal Audit System,
- the procedures of preparation of the annual and interim financial reports,
- the statutory auditors,
- the Internal Audit Department,
- the monitoring and evaluation of the Compliance’s audit work and, specifically, in regard to the sectors of Money Laundering, Terrorist Financing (ML/TF) and MIFID and
- the compliance with the Group’s Code of Conduct.

The Chairman of the Committee informs the BoD at its meetings about the Committee’s work. The Audit Committee communicates with the Management through the Chairman of the Audit Committee.

The Bank’s BoD authorizes the Committee within the framework of its role and responsibilities to:

- Request any type of information or assistance that it deems necessary for the exercise of its responsibilities from:
 - any collective body, officer or employee of the Group,
 - any third party collaborating with the Bank
 - any competent Authority
- Request the presence at the meetings of any officer or employee of the Group or any third-party collaborating with the Bank, if deemed necessary.
- Have access to any type and form of data and information of the Group, considered to be necessary for performing its work.
- Use any sources or means, even the collaboration with external associates, if deemed necessary for performing its work.
- Informs the BoD about any restriction encountered in its work.

2. Meetings – Decision-making procedure

The Committee convenes, at least, four times a year, within each calendar quarter. Additional meetings may be held, when deemed necessary.

Each member of the Committee has the right to request, by addressing the Chairman of the Committee or the Chairman of the BoD in writing, the convocation of Committee in order for specific items to be discussed. Such right is also granted to the BoD’s Chairman, the Managing Director and CEO of the Group as well as to the Head of the Internal Audit Department and the external auditors.

The Committee is assisted by the Executive Secretary and a Secretary, who are appointed by the Committee. Declarations regarding the Bank’s Code of Conduct and the investment positions and describing the liabilities and limitations to which the member is subject due to his position, is given to each member from the Executive Secretary upon assuming office. After the text of declarations has been signed by the member of the Committee, it is filed with the Executive Secretary of the Committee. The text of declarations is updated annually. In the event the Declarations are not signed, the Chairman of the Bank’s BoD is informed by the Chairman or the Executive Secretary of the Committee and the member should be replaced directly.

The Representative of the Hellenic Financial Stability Facility (HFSF) in the Committee has the rights provided for in Law 3864/2010 and the Relationship Framework Agreement entered into between the HFSF and Piraeus Bank.

The meeting covers items that have been included in the daily agenda, which is notified timely and in any case no later than three (3) working days, to the members of the Committee by the Executive Secretary in consultation with the Chairman of the Committee.

The Committee may convene using electronic means of communication following respective decision of its Chairman and

the notification of its members by the Executive Secretary. A member's participation through such means in the Committee's meetings is considered to be valid.

In order for any meeting to proceed and a quorum to be reached, the presence of at least 50% of the Committee's members shall be required.

For decision-making, only the Committee's members shall have a voting right. Decisions are made by the majority. In the event of a tie, the Chairman shall have a casting vote in the Committee's meeting.

Each member of the Committee may grant a written authorization to another member of the Committee to represent him/her, in case that he/she cannot attend the Committee's meeting, either by physical presence or through teleconference. In such a case, the vote of the absent member is counted and the decision is made by the majority, as above-mentioned.

The absence of a Committee's member from at least three (3) consecutive meetings should be notified directly to the BoD, by the Chairman of the Committee or by two other members of the Committee. The BoD may decide on the replacement of the member, after the member has been invited to provide clarifications to the Chairman of the BoD regarding his absence.

Minutes are kept at all the meetings of the Committee; they are validated by the Chairman or the Executive Secretary of the Committee and are available ten (10) working days following the Committee's meeting. The Committee's minutes as well as any relevant correspondence of the Committee are filed with the responsibility of the Executive Secretary. The approval of the Minutes of the Committee is included as an item of the daily agenda of the next meeting of the BoD.

Access to the Minutes is permitted only after the BoD's Chairman or the Committee's Chairman has granted their written approval. Copies of the Minutes are permitted to be granted or/and validated only after the Chairman of the BoD or the Chairman of the Committee have granted their written approval. The approval shall be filed with the Executive Secretary.

The Chairman of the Committee may hold meetings with the Head of the Internal Audit Department, the CFO and the Head of Compliance, in addition to the scheduled meetings of the Committee. Other members of the Committee may also participate in such meetings, provided that they are invited by its Chairman. Such meetings do not substitute nor do they constitute Committee's meetings.

3. Responsibilities

For fulfilling its mission, the Committee has the following duties and responsibilities:

A. Financial statements and relevant notifications

The Committee supervises and evaluates the procedures for the preparation of the annual and interim financial statements of the Bank and the Group, according to the accounting standards, prior to their submission to the BoD for approval, in order to ascertain the accuracy and completeness of the information contained in them and expresses its opinions, mainly about the following issues:

- the supervision of the audit conducted by the statutory auditors of the annual and interim financial statements of the Bank and the Group,
- any major or unusual transactions with significant influence on the financial statements and the notification procedure of same,
- the Management's assessments on the provisioning and other issues, which require evaluation and may significantly affect the financial statements,
- any major changes proposed by the external auditor.

B. External Audit

i. Evaluates the effectiveness of the external auditors (to be understood as the statutory auditors) and when considered advisable, submits a proposal to the BoD for their replacement or rotation, according to the Bank's procedures, ensuring that a transparent and open procedure shall be carried out for the selection of external auditors no later than every (5) consecutive fiscal years,.

ii. Is informed of the range of audit and strategy to be followed by the external auditors, including the collaboration with the internal audit.

iii. Ensures the independence of the Bank's and its subsidiaries' external auditors.

The rules concerning the services provided by the external auditors are established in three basic principles, whose breach could influence the independence of external auditors: (1) an auditor cannot control his own work, (2) an auditor cannot exercise, in parallel, any administrative duties to his customer and (3) an auditor may provide advisory services to his customer, provided that the provisions of paragraph viii) are followed. Within this framework, any service apart from the regular audit that may be provided by the company of the regular chartered auditors accountants, shall be notified to the Committee and pre-approved. Furthermore, the Committee requests on an annual basis, from the external auditors:

- Written confirmation regarding the independence status of the company of the statutory auditors towards the Group and

- Written notification about the nature and scope of other services offered to the Group, apart from the services regarding the conduct of the statutory audits.

iv. Within the framework of the regular collaboration with the afore-mentioned auditors, the Committee requests the reporting of any problems or weaknesses identified in the Internal Audit System upon the audit of the annual financial statements according to the International Accounting Standards the international best practices.

v. submits a recommendation to the Management for the selection, at least every three years, of the chartered auditors-accountants company, other than the one conducting the regular audit, which has the necessary experience, for the evaluation of the IAS's adequacy on an annual and consolidated basis, as provided for by the Bank of Greece Governor's Act 2577/2007. Prior to the project initiation, the Audit Committee determines the units and subsidiaries to be included in the project (scope). Such determination is performed on the basis of criteria of significance of each unit and subsidiary, as well as of other qualitative criteria. The project scope is notified to the Bank of Greece (Supervision of Credit and Related Financial Institutions Department) by the Committee.

vi. Submits a recommendation to the BoD and to the Management for particular areas where additional audits should be conducted by external auditors or consultants.

vii. Requests to be informed by the auditors on any issue concerning restriction encountered when performing their duties. The Committee evaluates the impartiality and independence of the auditors involved.

viii. Reviews and pre-approves all the audit and advisory services provided to the Bank by the external auditors, who are designated each time, taking into account the relevant legal provisions regarding the impartiality and independence of the external audit.

C. Internal Audit – Internal Audit System (IAS)

i. Monitors and evaluates the adequacy and effectiveness of the Internal Audit System (IAS) on an individual basis and at Group level, based on the relevant data and information of the Internal Audit Department, the findings and remarks of the external auditors (regular chartered auditors-accountants), as well as the supervisory authorities.

The Committee evaluates the operation of the Internal Audit System on the basis of the relevant data and information included in the quarterly reviews and the Annual Report, which are drawn up by the Internal Audit Department.

The Committee reviews the effectiveness of the Bank's compliance procedures with the laws, rules and provisions of the supervisory authorities and assigns the investigation of non-compliance cases to the Internal Audit Department.

ii. The Audit Committee evaluates, selects and instructs, no later than every three years, a recognized company of chartered auditors-accountants (except for the regular ones) which possesses the required experience, to evaluate:

- the adequacy and effectiveness of the IAS

- the compliance of the Internal Audit Department with the International Standards for the professional practice of the Internal Audit of the International Institute of Internal Auditors as well as the effectiveness in the implementation of its work.

The evaluation report of the Internal Audit System is notified to the Bank of Greece (Supervision of Credit and Related Financial Institutions Department) within the first semester of the very next year following the end of the three-year period. The audit company and the chartered auditors undertaking the specific work should be rotated and replaced by another company, following two consecutive evaluations. During the conduct of the annual evaluation under (i), the Committee takes also into account the evaluation and possible individual remarks of the chartered auditors-accountants.

iii. Submits the Annual Report for the adequacy of the IAS to the BoD for approval. The Annual Report is also sent to the Bank of Greece (Supervision of Credit and Related Financial Institutions Department) until the end of the first half of

each calendar year. Moreover, the Committee informs the BoD in writing, on a regular basis, about the results of its audit work.

iv. Provides an annual (positive or negative) evaluation statement on the IAS, which is included in the Corporate Governance Statement.

v. Submits proposals to the BoD for addressing the weaknesses, which have been detected in the IAS and monitors the implementation of measures decided by the Management (follow up), with the assistance of the Internal Audit Department.

vi. Evaluates the work of the Internal Audit Department focusing on the issues related to the degree of its independence, the quality and the scope of audits conducted, its impartiality, the priorities determined by the changes in the financial environment, the systems and the risk level and the overall effectiveness of its operation. With regard to the Internal Audit Department, the Committee ensures:

- its independent operation,
- its unobstructed access to all the activities, units and rooms, as well as all types and forms of data and information (books, documents, archives, bank accounts, portfolio etc.) of the Group,
- its unhampered communication with any officer, collective body and employee of the Group,
- the possibility of asking and receiving all the information and clarifications that are necessary from any officer, in order to fulfill its mission within the framework of the conducted audits.

The Committee ensures, along with the Management's assistance, that the Internal Audit Department possesses the suitable skills and capacities in order to audit and evaluate the effectiveness of the IAS, emphasizing on the risk management and fund management sectors, as well as on the financial audit. Furthermore, the Committee may request the conduct of additional audits by the Internal Audit Department on special areas which it considers necessary within the framework of performance of its work.

vii. Evaluates and submits a recommendation for approval to the BoD of the Annual Action Plan and the Budget of the Internal Audit Department.

viii. Recommends the appointment of the Head of the Internal Audit Department as well as his possible replacement to the BoD.

ix. Conducts the annual evaluation of the Head of the Internal Audit Department.

x. Submits a recommendation to the Remuneration Committee for the approval of the remuneration and the compensation of the Head of the Internal Audit Department.

xi. Approves the Operation Regulation of the Internal Audit Department and its amendments.

xii. Confirms that the whistle-blowing procedure is ensured by the appropriate procedures, as well as the protection of the employees, through which they inform the BoD or the Committee about the major irregularities, omissions or criminal offences, of which they became aware.

D. Compliance – Code of conduct

i. The Committee evaluates and makes remarks on the Annual Action Plan of the Group Compliance and determines whether the annual plan meets the provisions of the applicable law.

ii. Monitors and evaluates on an annual basis, the audit work of the Group Compliance, taking into account the following:

- the annual report of the Responsible Management Executive for Money Laundering (ML) and Terrorist Financing (TF)
- the annual report of Compliance
- the relevant annual report of the Internal Audit Department
- the quarterly reviews of the Compliance, laying emphasis on the ML, TF and MIFID issues
- the findings and remarks of the supervisory authorities

iii. Is informed by the Group Compliance about the substantial changes in compliance issues

iv. Approves the Group's Code of Conduct and any of its amendments and monitors its uploading on the Bank's intranet.

E. Other responsibilities

i. Sets up the Audit Committees in all the important (non-listed) Group subsidiaries, supervises and coordinates their operation. The Audit Committees of the non-listed Group subsidiaries in Greece and abroad have particular Operation Regulations, which follow the Regulation of the Committee, and are conformed to the requirements of the respective law. Within the framework of supervision, the Committee asks the Audit Committees of the Group subsidiaries to provide reports regarding the fulfillment of their responsibilities (annual self-evaluation). The Bank's Audit Committee may propose the composition of the local Audit Committees to the BoD of the subsidiaries.

ii. Informs the BoD or / and the Management directly about the events that are brought to its attention and are likely to affect substantially the Group activities.

4. Self-evaluation

On an annual basis, the Committee evaluates its performance and compiles the annual brief review of its work for the shareholders' General Meeting.

Risk Committee

Purpose

The Risk Committee (hereinafter “Committee”) is responsible for exercising the duties specified below in order to assist the Board of Directors (BoD) in its work with regard to:

- the existence of the appropriate strategy for risk assumption and specification of the acceptable maximum risk assumption limits, as well as the supervision of their implementation,
- the establishment of principles and rules regulating the risk management in respect of their recognition, provisioning, measurement, monitoring, audit and treatment,
- the development of the internal risk management system and the incorporation of the appropriate risk management policies in business decision-making,
- the Bank’s and Group’s compliance with the institutional framework for the risk management operation through strict and reliable procedures.

In addition, the Risk Committee monitors the independence, adequacy and effectiveness of operation of the Bank’s and Group’s Risk Management Department.

2. Organization - Operation

Convocation

The Committee convenes, upon its Chairman’s invitation, as many times as considered necessary in order to accomplish its mission, but not less than at least once (1) a month. Each member of the Committee is entitled to request the convocation of the Committee in writing for the discussion of specific issues.

The Committee is entitled to invite to its meetings as many employees, officers or advisors of the Banks as it considers advisable or useful.

Decision-making procedure

In order for a decision to be made by the Committee, a quorum of over 50% of its members must be reached. The Committee’s decisions are made by the majority of 2/3 of the present members, including members participating through teleconference or other technological means. Without prejudice to the attainment of a quorum as afore-mentioned, a member of the Committee may participate in the meeting through teleconference or in the case of an impediment, he may authorize in writing another member in order to represent him at a specific meeting of the Committee and vote on his behalf in the daily agenda issues. No member can represent more than one member of the Committee.

The presence, participation and vote of a member of the Committee shall not be allowed during the discussion of an issue, for which he has a conflict of interests. The decisions concerning the specification of risk management policy, procedures, terms or criteria or other general implementation issues shall not fall under the above-mentioned ban.

The Representative of the Hellenic Financial Stability Facility (HFSF) in the Committee has the rights provided for in Law 3864/2010 and the Relationship Framework Agreement entered into between the HFSF and Piraeus Bank.

At all the meetings of the Committee, minutes are kept, which are confirmed by the Chairman and the Executive Secretary of the Committee. The Executive Secretary is responsible for collecting the material and information, which are useful or necessary for the Committee’s work; prepares the issues to be discussed by the Committee; he/she is responsible for keeping the minutes and filing the Committee’s decisions; handles the correspondence of the Committee with the departments and the Board of Directors; and monitors the communication of the Committee’s decision at the Bank and Group level. The Executive Secretary is assisted by the Bank’s employees.

3. Duties and Responsibilities

3.1. General

The Risk Committee’s mission is:

- (a) to ensure that the Bank has a well-defined risk management and risk appetite strategy. The Bank’s risk appetite should be structured through a series of quantitative and qualitative positions for specific risk categories, including the special acceptance levels (per portfolio, geographical area, credit solvency etc.)

- (b) to ensure that all types of risks (including the operational risk), which are connected to the Bank's activity, are covered effectively
- (c) to ensure that the risk appetite of the Bank is notified explicitly to the entire Bank and constitutes the basis, upon which the risk management policies as well as the risk limits are established at the business and regional level of the Group.
- (d) to ensure the consolidated risk management audit, their specialized treatment and the required coordination at the Bank and its Group level.

For the achievement of its goal, the Committee undertakes the following duties and responsibilities:

- Determines the risk assumption strategy for all types of risks as well as the fund management strategy, in such a way that it responds to the Bank's business goals, both at the mother company and at the Group level.
- Ensures the development of the internal risk management system and its incorporation in the business decision-making procedure (e.g. decisions pertaining to the import of new products and services, the risk-adjusted pricing of products and services, as well as the calculation of performance and capital allocation in accordance with the risk) throughout the whole range of the Bank's and its consolidated subsidiaries' activities.
- Determines the principles regulating the risk management in respect of their recognition, provisioning, measurement, monitoring, audit and treatment, in accordance with the business strategy applicable from time to time and the adequacy of the available resources.
- Determines the type, quantity, form and frequency of the information to be received concerning the risk issues.
- Evaluates annually on the basis of the Chief Risk Officer's annual report and the relevant extract of the Internal Audit report:
 - the adequacy and effectiveness of the risk management policy of the Bank and its Group and particularly, the compliance with the specified risk tolerance level
 - the appropriateness of the limits, adequacy of provisions and the overall adequacy of equity capital in relation to the amount and form of the risk exposure
- Formulates the proposals and recommends corrective actions to the BoD in case that he detects a weakness in the implementation of the strategy that is formed for the Bank's risk management or any deviations as regards its implementation.
- Forms the appropriate internal environment, so as to ensure that each officer and employee of the Bank understands the nature of risks, which are connected to his activities, within the framework of execution of his duties, recognizes the need for their effective and timely response and facilitates the implementation of the internal audit procedures that are placed by the Bank Management.
- Sets out, annually or more frequently if required, revision proposals and corrective actions to the BoD concerning the Risk Management and risk appetite Strategy, including the assessment of the appropriateness of the business plan / restructuring plan of the bank within the risk assumption framework.
- Ensures the adequacy of the available resources in technical means, such as the appropriate methodologies, modelling tools, data sources and competent personnel in order to assess: a) any changes in the quality of assets under different assumptions (macroeconomic and market) and b) the risks that such changes may set in the financial stability of the Bank.
- Proceeds annually with the review of the current Credit Policy and approves its amendments in cases where the modification of the approved risk appetite is requested.
- Ensures the appropriate supervision and audit mechanisms for the monitoring and effective management of distressed assets, which are specified in such a way that it includes:
 - non-performing loans (NPLs)
 - loans under restructuring or subject to renegotiation
 - exposures that are written-off for accounting purposes, but the bank still seeks their partial or full recovery .
- Lays emphasis on the development of the appropriate timely detection systems, in order to detect the debtors, who approach the limits of their capacity as regards the fulfillment of their obligations.
- Ensures, similarly, that the Bank develops, retains and renews constantly the suitable pool of solutions for the reduction of arrears and the maintenance of the Bank's loan portfolio value.

- Controls the pricing of offered services, taking into account the business model and the risk assumption strategy of the Bank. When the pricing does not reflect accurately the risks, according to the business model and the risk assumption strategy, the Committee submits a corrective plan to the BoD.
- For the contribution into the development of sound remuneration policies and practices, and without prejudice to the duties of the Remuneration Committee, examines whether the incentives provided for in the remuneration system take into account the risk, capital, liquidity and projected profits.
- Proceeds with any other advisable action for the effective pursuance of its mission.

3.2. Risk Management Department (RMD)

The Committee's basic responsibility is to review – monitor constantly the activities of the Bank's Risk Management Department. In particular, the Committee is entrusted with the following responsibilities in respect of the Department:

- Ensures that the Risk Management Department develops measurement tools and methodologies for the risk weighted measurement of performance and pricing of products and services. In addition, the Committee supervises their implementation through the RMD.
- Approves the recommendations of the Group's RMD concerning the adoption of the appropriate risk adjustment techniques at acceptable levels.
- Provides for the conduct of stress tests for market risk, credit risk, liquidity risk as well as operational risk, at least once every calendar year, by using the relevant techniques.
- Establishes the appropriate strategies and policies for the risk management undertaken by the Bank (including the liquidity risk), by specifying, following the recommendation of the Group Risk Management Department:
 - the acceptable maximum risk assumption limits from time to time as per category of counterparty, field, country, currency, type of loans, form of financial instruments, grade/grades of credit solvency rating, activity or product, time frame etc.,
 - the maximum permissible limits for the overrides of the rating systems
 - the minimum permissible risk assumption limits for the cut-offs in the credit solvency rating systems
 - the Contingency Funding Plan at Group Level and the annual Funding Plan at Group level, and is also informed by the Group RMD, monitors and, firstly, approves any unscheduled deviations from the aforementioned limits.
- Approves the recommendations of the Group Risk Management Department regarding the planning, documentation, periodical re-evaluation and monitoring of the implementation of the Bank's Internal Capital Adequacy Assessment Process, within the framework of which the objectives regarding the capital requirements of the Bank, which are relative to the risk exposure or the potential risks at individual or Group level and its operating environment and the policies related to the amount, management and the allocation of its funds in relation to the above-mentioned risks.
- Receives and evaluates the submitted reports of the Group Risk Management Department, informs the BoD about the most significant assumed risks at least on a quarterly basis, the outline of Bank's risks and exposures and assures their effective treatment.
- Ensures the access of the Group Risk Management Department to all the activities and units, as well as to all the data and information of the Group, which are necessary for the fulfillment of its task.
- In particular, as regards the credit risk management, recommends the basic points of the internal rating procedures to the BoD as well as the assessment of the risk parameters and monitors the consistent implementation of the relevant supervisory provisions.
- Evaluates the effectiveness of the Bank's Risk Management departments as well as the competence and suitability of their heads. Also, evaluates the effectiveness of the respective Group units and subsidiaries on the basis of reports and statements of accounts of the Internal Audit and Compliance, as well as the competence and suitability of their heads.

3.3 External Audit

The Committee is responsible for the provision of data to external auditors for the issues pertaining to its responsibilities, such as:

Committee's Operation Regulation - Amendments

Annual Risk Management Report

Statements of accounts to the Committee and Committee's Decisions

3.4. Other Responsibilities

The Committee's Chairman, who is assisted by the Executive Secretary, is responsible for the coordination of all the Risk Committees of the Bank's subsidiaries.

4. Committee's Support

For the effective execution of its duties and responsibilities, the Committee is supported by the Bank's Department and is entitled to engage external consultants and specify the collaboration terms with them; remuneration of same shall be charged to the Management's budget.

The Committee's members are provided with full and unconditional access to the IT systems and specialized tools that are used by the Bank and the Group companies and which are necessary for the execution of the Committee's duties, at the primary data level as well as at the management information level.

5. Recommendations and Notifications

Within the framework of its responsibilities, the Committee presents the results of its actions and activities to the BoD:

- The Committee informs the BoD about the results of its work through a written report to the BoD at least once a year, at any reasonable time.
- In parallel, the Committee's Chairman informs the BoD in the intervening periods about the work of the Committee within the framework of the BoD's meetings.
- The Committee sets out its proposals and recommendations to the BoD, in writing, concerning corrective actions, in case that a weakness is detected in the implementation of the strategy approved for risk management or any deviations to its implementation.
- Delivers an opinion regarding the remuneration of CRO in order for same to be approved by the Remuneration Committee.
- Submits a recommendation to the BoD with regard to the overall present and future risk assumption strategy, thereby assisting the BoD, which has the general responsibility for risks, in the supervision of the implementation of the specific strategy by the senior managers.

6. Regulation's Amendment

The Committee re-evaluates its operation regulations and its responsibilities on an annual basis and recommends the amendments that it considers useful to the Board of Directors.

Remuneration Committee

1. Operation

The Remuneration Committee (hereinafter the “Committee”) convenes, following the Chairman’s invitation, as many times as required necessary for the fulfillment of its mission, but not less than once (1) every calendar year. Each member of the Committee is entitled to request the convocation of the Committee in writing for the discussion of particular issues. The Committee’s meetings may also be carried out using teleconference means.

In order for a decision to be made by the Committee, a quorum of at least two of its members must be reached. Subject to the attainment of quorum according to the aforementioned, if a member of the Committee cannot attend the meeting, he/she may authorize, in writing, another member in order to represent him/her at a specific meeting and vote on his behalf for the issues of the daily agenda. No member may represent more than one of the other Committee’s members.

The Representative of the Hellenic Financial Stability Facility (HFSF) in the Committee has the rights provided for in Law 3864/2010 and the Relationship Framework Agreement entered into between the HFSF and Piraeus Bank.

The Committee’s decisions are made by the majority of the present members.

The Committee is entitled to invite to its meetings as many of the Bank’s employees, officers or advisors as it considers advisable or useful.

The Managing Director of the Bank shall not participate, nor be present at the Remuneration Committee’s meeting when his remuneration is the subject of the discussion. The decisions pertaining to the specification of policy, plans, programs, terms or criteria for benefits or remunerations or other general implementation issues shall not fall under the above-mentioned ban.

Minutes are kept at all the meetings of the Committee, which are confirmed by the Chairman and the Secretary of the Committee.

For the assistance to the Committee’s task, the Committee is supported by the Bank’s Departments (especially by the Human Resources and Internal Audit) and is entitled to engage external consultants and specify the collaboration terms with them, whose remuneration shall be charged to the Management’s budget.

The Committee reviews its present rules governing its operation on an annual basis and complements or revises them with the amendments that it considers useful.

2. Mission - Responsibilities

As a Committee of the Board of Directors (BoD), the Remuneration Committee is responsible for the drafting, monitoring of implementation and periodical revision of the Bank’s remuneration policy according to the Bank of Greece Governor’s Act 2650/2012, taking into account the provisions of the laws 3864/2010 and 4261/2014, as in force.

The Remuneration Committee, upon the execution of its duties, takes into account the long-term interests of the shareholders, investors and other involved parties in the Bank as well as the public interest, also pursues the long-term prudent and sound management of the Bank and the prevention or the minimization of any conflicts of interests, which are against such management. The Committee is able to pass an independent opinion on the remuneration policies and their implementation, as well as the incentives created during risk management, fund management and liquidity management, taking into account, if required, the specialized services of the external consultants.

2.1 Specifically, the Remuneration Committee:

(a) Prepares the decisions concerning the remuneration received from the BoD, which should meet the powers, duties, specialization, performance and responsibilities of its members, and have an impact on the assumed risks and their management for the Bank, and oversees the compliance with these decisions.

(b) Recommends corrective actions in case that it detects a weakness in the implementation of the remuneration policy that has been formed or any deviations as regards its implementation,

(c) Submits proposals to the non-executive members of the BoD concerning the Management’s remuneration, and especially of the executive members of the BoD, as well as the highest paid employees of the Bank,

- (d) Informs, advises and assists the non-executive members of the BoD in issues pertaining to the formation, revision and supervision of the remuneration policy implementation,
- (e) Ensures that all types of risks, the Bank's liquidity and capital adequacy are taken into account during the evaluation of mechanisms adopted for the alignment of the remuneration policy to the risks,
- (f) Monitors directly the remuneration of the senior executives in Risk Management and Group Compliance.
- (g) Seeks the external audit/confirmation of the remuneration policy by an acknowledged specialized consulting company,
- (h) Receives and evaluates the reports of the Group Internal Audit, which are submitted periodically and at least on an annual basis, by which the afore-mentioned Unit submits the findings arising from its central and independent internal audit of the remuneration policy, as well as its proposals for a possible revision of the applied remuneration policy, taking into account especially the prevention of creating incentives for excessive risk assumption or other behaviors, which are incompatible with the Bank's objectives.
- (i) Collaborates with the other Committees of the BoD or the Management in case that their activities are likely to have an impact on the planning and the proper operation of the remuneration policy and practice (e.g. Audit Committee, Risk Committee) and approves the compensations of the Heads of the Internal Audit and Risk Management Units, following the recommendation of the Audit Committee and Risk Committee respectively.
- (j) Ensures the due advisory contribution of the Bank's responsible Units (Risk Management, Compliance, Internal Inspection, Personnel Management and Strategic Planning Units) to the formation, revision and consistent application of the remuneration policy, as well as of the external field experts, when it is considered necessary by the BoD.
- (k) Ensures that the remuneration of the personnel of the Bank's internal operation units (e.g. risk management, internal audit, compliance, financial audit) is not connected with the performance of the business units they monitor.

2.2 In addition, the Remuneration Committee:

- (a) Forms and recommends the currently applicable Remuneration and benefits policy to the BoD for the executive members of the Bank's Management and develops the BoD's proposal to the shareholders' General Meeting in relation to the annual remuneration of the Management's executive members, which is evaluated on the basis of comparative data for executives of the same or equivalent level.
- (b) Provides for the conduct of a formal evaluation of possible scenarios, for the purpose of determining the impact of possible future events on the remuneration system, either within the Bank, or outside the Bank, as well as the conduct of back tests.
- (c) Provides, in case that it is required, sufficient information to the shareholders' General Meeting for the activities it exercises.
- (d) Ensures that the Bank has a clear, well-documented and transparent remuneration policy, which is notified on an annual basis. The remuneration policy is consistent with the corporate strategy profile and risk appetite of the Bank and does not encourage the assumption of excessive and short-term risks.
- (e) Considers and submits proposals to the BoD for the variable remuneration programs of the senior executives, which are connected with incentives and the existence of a clawback clause, following the previous evaluation of the projected performance targets based on the risks, which is conducted by the Risk Committee.
- (f) Provides, annually, a compliance statement of the remuneration policy with Laws 3864/2010, 4261/2014 and the Bank of Greece Governor's Act 2650/2012, to be included in the Corporate Governance Statement.
- (g) Ensures that the Bank's general implementation of the remuneration policy and procedures, which are specified by the non-executive members of the Board of Directors is subject to a central and independent internal audit and revision, as exercised by the Internal Audit Unit or a respective body designated for this purpose, at least on an annual basis.
- (h) Delivers an opinion prior to the recruitment of senior executives, when their remunerations depart from the ones provided for in the applicable remuneration policy.

2.3 The Remuneration Committee is provided with unimpeded access:

(a) to advisory reports, which are drawn up by the Management Committees and the Risk Management, Compliance and Internal Audit, as well as by the external field experts, and such reports have been drawn up independently from the advisory reports of the senior managers and are not provided for the account of the aforementioned executives,

(b) to all the points and information pertaining to the decision-making procedure of the non-executive members of the BoD concerning the formation and the implementation of the remuneration policy, and

(c) to all the data and information available by the Risk Management, Internal Inspection, Compliance Units in such a way that it shall not place any barriers to the usual activities of the Bank.

2.4 The responsibilities of the Committee pertain to Piraeus Bank as well as to the subsidiaries included in the consolidated financial statements of the Group.

BoD Members' Nomination Committee

1. Purpose – Responsibilities

The BoD Members' Nomination Committee:

- a) identifies and proposes candidates for the vacant positions of the Board of Directors (BoD), for the approval of the BoD or the General Meeting, evaluates the combination of breadth of knowledge as per scope, skills, and experience of the Board of Directors' members. Furthermore, proceeds with the description of the individual skills and qualifications, which are required, at its discretion, for filling the positions of the BoD's members and estimates the time that should be dedicated to the respective position. In addition, the BoD Members' Nomination Committee sets a goal for the representation of the under-represented sex in the BoD and develops a policy with respect to the way in which the number of individuals of the under-represented sex in the BoD will be increased, for the purpose of realizing this goal,
- b) periodically and at least annually, evaluates the structure, size, composition and performance of the BoD and addresses recommendations to the BoD concerning any changes that it considers advisable,
- c) periodically and at least annually, evaluates the knowledge, skills and experience as per scope of the individual members of the BoD and the BoD as a whole, and submits the relevant reports to the BoD,
- d) reconsiders the policy implemented by the BoD, periodically, for the selection and appointment of the senior executives and addresses recommendations to the BoD.
- e) monitors and ascertains the contribution of the independence criteria, in order for a BoD member to be characterized as "independent". Upon the application and ascertainment of the contribution of the independence criteria, the Committee focuses on substance rather than form. Within this framework, the Committee weighs the independence criteria or the lack of any of them, so as to decide whether the candidate member fulfills the independence requirements, especially if his overall participation and the way in which he exercises his duties do not cause any conflicts of interests and, also, do not question his free and impartial judgment, to the Bank's interest.

Upon the execution of its duties, the BoD Members' Nomination Committee takes into account, on an ongoing basis and to the extent possible, the need to ensure that a person's or a small team's will shall not count essentially, upon the decision-making of the BoD, in such a manner that could affect the interests of the Bank as a whole.

The BoD Members' Nomination Committee may use any resources that it considers appropriate, including the external consultants, while it is provided with financing, as appropriate, for the accomplishment of this goal.

The Representative of the Hellenic Financial Stability Facility (HFSF) in the Committee has the rights provided for in Law 3864/2010 and the Relationship Framework Agreement entered into between the HFSF and Piraeus Bank.

Strategy Committee

1. Responsibilities

The Strategy Committee has the following responsibilities:

- 1.1 Determines the targets of the Bank's Strategic Plan and provides the guidelines for the Bank's Action Plan, which shall be developed by the Managing Director and the Executive Committee in order to be approved by the BoD.
- 1.2 Follows up and monitors the execution of the approved Action Plan.
- 1.3 Follows up on a regular basis, analyzes and introduces issues of the Bank's strategic choices to the BoD (e.g. capital increases or reductions, acquisitions, mergers, investments or liquidations of stakes, strategic collaborations, etc.), assigns special missions to executives for the accomplishment of objectives and, when required, sets out the relevant recommendation to the Bank's BoD.
- 1.4 Monitors, detects and analyzes the emerging risks in the execution of the approved Business Plan and submits proposals to the Board of Directors for their treatment.
- 1.5 Introduces the afore-mentioned issues for their inclusion in the Daily Agenda of the Bank's Board of Directors or the General Meeting.
- 1.6 Follows up and introduces to the BoD all the issues of strategic importance for the Group.
- 1.7 It operates as a crisis management committee.

The responsibilities of the Strategy Committee refer to both Piraeus Bank and the Group Subsidiaries.

The Representative of the Hellenic Financial Stability Facility (HFSF) in the Committee has the rights provided for in Law 3864/2010 and the Relationship Framework Agreement entered into between the HFSF and Piraeus Bank.

2. Meetings

The Strategy Committee convenes once a month, at the place, time and by the Daily Agenda that is specified by its Chairman. The Chairman may convene the Strategy Committee on an exceptional basis or change the day or frequency of the regular meetings.

Each member of the Strategy Committee is entitled to propose or introduce issues for further discussion by the Committee. The issues are brought to the attention of the Committee's Chairman in order to be inserted into the Daily Agenda of the next scheduled or unscheduled meeting of the Committee. In general, the Daily Agendas are notified to the members by the Committee's Secretary.

The Committee's meetings may be carried out using the teleconference tools, which do not require the physical presence of all the members at the same location.

Apart from the Committee's members, the following individuals are invited to be present at the meetings, without a voting right:

- a. The Bank's Managing Director,
- b. The Group Executive Committee's members, following the Managing Director's request,
- c. The Bank's Management executives or other executives, who are responsible for issues introduced to the Committee for discussion, following the Managing Director's request,
- d. The Chairman's Advisor, who is responsible for Strategic Issues.

At all the meetings of the Strategy Committee, minutes are kept, which are confirmed by the Chairman and Secretary of the Committee.

3. Decision-making process

The Strategy Committee decides by a quorum of at least half of its members and the majority of 2/3 of the present members.