

Remuneration Policy for Members
of the Board of Directors of Attica Bank
(in accordance with Law 4548/2018)

1. Preface

This Remuneration Policy (hereinafter referred to as "**the Policy**") of Attica Bank (hereinafter referred to as

"**the Bank**") shall be adopted in accordance with the provisions of **Articles 110-111 of Law 4548/2018** on the "*Reform of the law of Societes Anonymes*" incorporating into Greek law the provisions relating to remuneration of Directive (EU) 2017/828 of the European Parliament and of the Council of 17 May 2017 "*amending Directive 2007/36/EC as regards the encouragement of long-term shareholder engagement*", taking into account best practices. This Policy takes into account the Remuneration Policy already adopted and implemented by the Bank - in compliance with banking legislation - in accordance, in particular, with the following provisions:

(a) of **Law 4261/2014** (incorporating Directive (EU) 2013/36 of the European Parliament and of the Council of 26 June 2013 "*on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms*", amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC",

(b) of **Law 4514/2018** (incorporating Directive (EU) of the European Parliament and of the Council of 15 May 2014 "*on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU*)",

(c) of **Law 3723/2008** (strengthening the liquidity of the economy to deal with the effects of the international financial crisis and other provisions),

(d) the relevant regulatory acts of the Bank of Greece,

(e) the European Banking Authority guidelines on good remuneration policies; and

(f) the Corporate Governance Code of the Bank.

2. Scope - General Principles

2.1. Scope

The Policy concerns all types of remuneration of the members of the Board of Directors of the Bank as well as the positions of the General Manager or his or her deputy, if any in the future.

2.2. General Principles

The Policy in conjunction with the Bank's other governance measures, such as, for example, its risk management policy, the measures it takes to avoid conflicts of interest and its Corporate Governance Code, contributes to the success of the Bank's business strategy, promoting its long-term interests and sustainability. In particular, the Policy promotes effective risk management, does not encourage excessive risk-taking on the part of the Bank, is in line with the Bank's business strategy, objectives, values and long-term interests and includes measures to avoid conflicting interests.

The Bank focuses on the provision of stable remuneration with the aim of discouraging the taking of excessive risks and encouraging the members of the Board of Directors to focus on the continuous pursuit of strengthening the long-term economic value of the Bank and creating value for it.

The remuneration of the members of the Board of Directors is determined in such a way that their amount is fair and reasonable, taking into account, on the one hand, the salary and working conditions of the Bank's employees and, on the other hand, the general conditions in the Greek economy and the banking market. The Bank takes seriously its position and the remuneration applicable to the financial sector in general, in order to attract the most suitable, as appropriate, persons as members of its Board of Directors.

To this end, the Bank's Remuneration Committee and its Board of Directors shall be informed on a regular basis and at least annually on how to determine and the amount of remuneration of the Bank's employees, the average increase in remuneration and financial indicators of the market, while taking into account the need to attract the right people, the competitiveness, the long-term interests

of the Bank and the need for the appropriate and adequate remuneration for the position of responsibility and the requirements to be met for the staffing of the Board of Directors of the Bank, which by their nature differ substantially from those applicable to the average employees in the Bank.

The main objective of the Policy is to link the remuneration and incentives given to the members of the Board of Directors in order to avoid taking excessive risks, which may in the short term lead to high profitability, but in the long term to potentially large losses to the Bank.

3. Remuneration of the members of the Board of Directors

3.1. General

The general level of remuneration mainly reflects the relevant professional experience, the specialization, the educational level, the high level of required skills, know-how and qualifications, their duties and responsibilities, their authorities and the responsibility of their position. They are linked to the achievement of the objectives related to the responsibilities delegated, as appropriate, to the members of the Board of Directors and the time they devote to the performance of their duties, taking into account market conditions, in order to attract capable and appropriate executives, which meet the high level requirements required for the members of the Board of Directors.

The remuneration of all members of the Board of Directors is reviewed on an annual basis and in case of increase, as a rule they are not expected to exceed the average increase for all employees of the Bank.

The remuneration of all members of the Board of Directors of the Bank is - at present - only fixed and has remained unchanged throughout the term of office of this Board of Directors (from 20.09.2016 to 20.09.2019).

3.2. Non-executive members

Each non-executive member and each independent non-executive member shall be remunerated with fixed remuneration due to his / her capacity as a member of the Board of Directors of the Bank and in addition for his / her participation in

Committees of the Board of Directors, depending on the tasks assigned to him / her, as appropriate (for example, if he or she is the Chairman or a member of Committees). In order to avoid any conflicts of interest, non-executive members receive only fixed remuneration, and the use of incentive mechanisms based on the Bank's performance is not foreseen for them.

Non-executive members of the Board of Directors are provided with Life and Hospital care insurance through the Group Insurance Policy for the Bank's Personnel, as well as civil, professional liability insurance.

As a rule, non-executive members, in this capacity, are not employed by the Bank and do not receive pension contributions.

Expenses related to the movement of these members, as well as other expenses incurred in fulfilling their duties as members of the Board of Directors shall be paid in accordance with the Rules of Procedure of the Board of Directors, within the limits decided annually by the Board of Directors following a recommendation from the Remuneration Committee.

3.3. Executive members

3.3.1. Fixed remuneration

The executive members of the Board of Directors are remunerated with fixed remuneration in the context of their employment relationship with the Bank. They also receive certain benefits both in kind and in monetary value in accordance with the Operational Collective Labor Agreement, the Circulars of the Human Resources Department and other arrangements to facilitate their official needs in the performance of their duties, such as, for example, company car, corporate mobile phone, travel expenses and corporate parking space within the limits decided on an annual basis by the Board of Directors following a recommendation from the Remuneration Committee.

The executive members of the Board of Directors or of the Committees established by the Bank and who receive a salary having any kind of employee relationship with the Bank, are not entitled to additional remuneration or remuneration for their participation in the Board of Directors or in the said Committees.

The executive members of the Board of Directors are provided with Life and Hospital care insurance through the Group Insurance Policy for the Bank's Personnel, as well as civil, professional liability insurance.

3.3.2. Variable remuneration

The remuneration of the executive and non-executive members of the Board of Directors of the Bank is only fixed and has not changed for the period from 20.09.2016 to 30.06.2019.

If during the term of effect of the Policy it is decided to pay variable remuneration to the executive members of the Board of Directors, such remuneration will reflect long-term and risk-adjusted performance, as well as performance exceeding the requirements required for the fulfillment of their duties as part of the terms of the contract they have with the Bank in the context of their employment relationship with the Bank.

In addition, their amount will be such as to avoid excessive reliance on them and include long-term incentives and performance criteria, which will be rewarded in the long run.

The various components for the granting of fixed and variable remuneration of all kinds, to the executive members of the Board of Directors, also include pre-emption rights, options for participation in the profits of the company and allowances or other allowances of any kind, which may be granted to them, are defined by the competent body, indicating the respective relevant percentages

In particular, in the case of granting to the executive members of the Board of Directors variable remuneration, the following shall apply:

(a) If the remuneration is linked to performance, the total amount of remuneration will be based on a combination of performance appraisal of the person to whom it is awarded, the service unit involved and the overall results of the Bank. During the evaluation of individual performance, financial criteria will be taken into account, such as, for example, the achievement of specific financial objectives in accordance with the specific tasks and areas of

competence of the executive member of the Board of Directors, and non-financial criteria, such as, for example, compliance with the Bank's risk-taking strategy, teamwork, spirit of cooperation, etc.

(b) Performance evaluation shall be carried out over a period of three years to ensure that the evaluation process is based on longer-term performance and that the payment of the performance-related parts of the remuneration is allocated over a period of time within which it is possible to take into account the underlying financial activity cycle of the Bank and the business risks.

(c) The total of the variable remuneration granted will not limit the Bank's ability to strengthen its capital base.

(d) It is not allowed to pay guaranteed variable remuneration except exceptionally for new executive members of the Board of Directors and only for the first year of employment at the Bank.

(e) The fixed and variable components of the total remuneration are balanced in such a way that the fixed remuneration represents a sufficiently high proportion of the total remuneration. In any case, the variable remuneration will not exceed 100% of the fixed remuneration.

(f) Except in cases where the early termination of a contract is due to inadequacy or the commission of offenses related to the service or the breach of due managerial diligence and safeguarding the financial and other interests of the Bank, the remuneration associated with any other early termination of a contract of an executive member of the Board of Directors must also reflect the performance achieved with his or her contribution during the validity of his or her contract.

(g) Remuneration packages relating to compensation or redemption from contracts in previous employment should be aligned with the long-term interest of the Bank, including the provisions on retention, deferment, suspension, performance and recovery.

(h) The measurement of performance used to calculate the components for variable remuneration or grouped components for variable remuneration shall

include an adjustment to all types of existing and future risks and shall take into account the cost of capital and liquidity required.

(i) The Bank fully complies with the applicable banking legislation regarding the composition of variable remuneration (shares or other instruments).

(j) The variable remuneration, including the deferred part, if it exists, is paid or secured only if it is acceptable on the basis of the overall financial situation of the Bank and is justified on the basis of its performance, the business unit involved and the member concerned.

(k) Up to 100% of the total variable remuneration shall be subject to *malus* arrangements or arrangements on reimbursement of remuneration, in particular where the person concerned participated or was responsible for conduct which caused significant damage to the Bank or did not meet the appropriate suitability standards.

4. Contracts of the Bank with members of the Board of Directors

The Services Contract of the members of the Board of Directors, where it exists, is normally for a defined-term and the text of the contract includes at least the following:

- The contract has a term as long as the term of office of the member in the Board of Directors of the Bank, which is extended until the expiry of the deadline within which the next ordinary General Meeting of the Bank must be convened and until the relevant resolution is taken.

- The contract may be terminated for significant cause. In the event that the contract is terminated by the Bank for significant cause, the member of the Board of Directors shall not be entitled to unpaid earnings, allowances or benefits. The following cases will constitute significant cause for the Bank to terminate the contract if at the discretion of the Board of Directors of the Bank such events are detrimental to its interests:

a) Non-compliance of the Director with the instructions of the Board of Directors of the Bank.

b) Failure of the Director to fulfill his or her duties and obligations with due diligence or efficiency which are reasonably expected by a person in a similar position.

- In case the contract is terminated by the Bank without significant cause, and in

case the Director loses the status of CEO, he or she shall be paid all the gross earnings due for the remaining period until the end of the contract.

The amount of the compensation shall be deemed reasonable and fair by the Contracting Parties, shall comply with the prevailing economic conditions and shall not be subject to any reduction for any reason or cause.

The Contract of executive members of the Board of Directors, who had an employee relationship with the Bank prior to their appointment as executive members of the Board of Directors, shall be amended to contain the following conditions:

- The placement of the executive member in the duties of the Deputy CEO may be revoked at any time by resolution of the Board of Directors of the Bank or the General Meeting of its Shareholders. In such a case the executive is limited to the position he or she held prior to his or her appointment as Deputy CEO.
- If the executive ceases to perform the duties of the Deputy CEO, he or she shall be retained only in his or her old position and in this case his or her remuneration shall be retained in the amount received for that position.
- The corresponding provisions with the above provisions shall also apply in case of dissolution, liquidation, merger or absorption of the Bank by another company.
- With the payment of the above amounts, any obligation of the Bank towards the member of the Board of Directors is exhausted by the termination of the contract between them for the reasons mentioned above.

5. Governance on remuneration

The Remuneration Committee of the Bank (hereinafter referred to as “the Committee”) shall be composed of at least three (3) non-executive members of the Board of Directors, who at least in their majority, including its Chairman, are independent non-executive members. The Committee assists, in accordance with its Regulation, the Board of Directors on remuneration issues, recommends to the Board of Directors the remuneration for the members of the Board of Directors, gives a specialized and independent opinion on remuneration policies and their implementation, as well as on the use of incentives related to management of risk, capital and liquidity and ensures effective alignment of employee remuneration with risks which are undertaken and managed by the Bank and the required coordination between the Bank and the Group.

The Remuneration Committee shall cooperate with other Committees composed of non-executive members of the Board of Directors whose activities may have an impact on the planning and proper functioning of the Policy (in particular the Risk Management Committee, the Audit Committee and the Nomination Committee).

The Committee shall ensure the appropriate advisory contribution of the competent Units and Directorates of the Bank (Risk Management, Regulatory Compliance, Internal Audit, Human Resources, Strategic Planning) in the formulation of the Policy, as well as external experts.

The Committee shall examine whether the Policy is still in line with the Bank's operational strategy or whether it should submit a proposal for its revision at regular intervals not exceeding one year.

The period of validity of the Policy is set at four years, from its approval by the General Meeting of Shareholders.

The Policy is approved by the General Meeting and beyond the publicity it receives in accordance with the provisions of Law 4548/2018, is posted on the Bank's website for the entire period of its validity, as well as the date of its approval and the results of the vote of the General Meeting during which it was approved.

6. Revision or derogation from the Remuneration Policy

The Board of Directors is obliged, in case of a material revision of the Policy, to submit it again to the General Meeting for voting together with a report, which will describe and explain all the changes that occurred in the revised remuneration policy.

The changes that may occur in the event of a policy revision may be due to a number of reasons, such as, for example, observations and views of shareholders, on the initiative of the Board of Directors itself or because the conditions for the company and the economy in general have changed.

In exceptional circumstances it may be possible to temporarily derogate from the policy approved by the General Meeting, provided that a relevant resolution is taken by the Board of Directors following a recommendation from the Remuneration Committee, given that such derogation is deemed necessary for

the long-term service of the interests of the Bank as a whole or to ensure its viability. Such derogation may relate to the fixed remuneration of the members of the Board of Directors and / or the additional benefits received in accordance with the above. In the case of a temporary derogation from the implementation of the Policy, the Bank will provide explanations in the Remuneration Report and will include information on remuneration paid on the basis of and due to exceptional circumstances.

7. Remuneration Report

The Bank, in accordance with Article 112 of Law 4548/2018, will prepare on an annual basis a Remuneration Report, which will contain a comprehensive overview of the total remuneration regulated in the Policy for the last fiscal year.

The Remuneration Report will include all types of allowances granted or due to the members of the Board of Directors and any other persons to whom it is applicable, whose remuneration has been included in the Policy.

The remuneration report of the last fiscal year will be submitted for discussion at the Ordinary General Meeting and the shareholders' vote will be advisory. The Board of Directors must explain in the next Remuneration Report how the above result of the vote was taken into account during the Ordinary General Meeting.