



AUDIT COMMITTEE CHARTER

KANO-3-20.00-23/02/2021

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REVISION HISTORY

Date of Approval	Document Code	Approval Team	Relevant Document
15/06/2022	KANO-3-30.00-15/06/2022	Board of Directors	Circular by CEO No. 169 (according to the Board of Directors Minutes No. 1376)
23/02/2021	KANO-3-20.00-23/02/2021	Board of Directors	Circular by CEO No. 148 (according to the Board of Directors Minutes No. 1331)
22/06/2020	KANO-3-10.00-13/07/2020	Board of Directors	Circular by CEO No. 131 (according to the Board of Directors Minutes No. 1324)
22/11/2018	KΛ_E_EEΛ_181122	Board of Directors	Circular by CEO (according to the Board of Directors Minutes No. 1283)
27/04/2017	KΛ_E_EEΛ_170912	Board of Directors	Circular by CEO No. 67 (according to the Board of Directors Minutes No. 1243/27-04-2017)
31/3/2015	KΛ_E_EEΛ_150331	Board of Directors	Board of Directors Minutes No. 1187
31/10/2012		Board of Directors	Board of Directors Minutes No. 1141

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ARTICLE 1: OBJECT

This Charter specifies the composition, duration, decision-making process, responsibilities and operation of the Audit Committee (hereinafter the “AC”) of Attica Bank SA (hereinafter the “Bank”) and Attica Bank Group (hereinafter the “Group”).

ARTICLE 2: PURPOSE


The purpose of the AC is to assist the Board of Directors (hereinafter “BoD”) in the performance of its duties, in developing and ensuring the operation of an adequate and effective Internal Audit System at Bank and Group level and, in particular, in ensuring:

- the integrity of the financial statements of the Bank and the Group;
- the independence of the internal and external audit of the Bank and the Group; and
- the compliance with the legal and regulatory framework, internal regulations and best practices to which the Bank and the Group are subject.

ARTICLE 3: COMPOSITION

1. The AC consists of at least three (3) members. The AC may be:
 - (a) a BoD Committee consisting of non-executive members thereof, or
 - (b) an independent committee consisting of BoD non-executive members and third parties, or
 - (c) an independent committee consisting solely of third parties.
2. The type of the AC, the term of office, the number and the capacities of its members are decided by the General Meeting of the Bank.
3. The members of the AC are appointed by the BoD, when the former is a Board of Directors committee, or by the General Meeting of the Bank.
4. The AC members are in their majority independent of the Bank.
5. The AC Chairman is appointed by the members and is independent of the Bank.

The term of office of the AC members is three years. In case of resignation, death or loss of member capacity, the BoD shall appoint, from its current members, a new member to replace the one missing, for the period until the end of their term of office. When the member mentioned in the preceding section is a third party and non-BoD member, the BoD shall appoint a third person, who is a non-BoD member, in temporary replacement, and the next General Meeting shall either appoint the same member or elect a different one, for the period until the end of their term of office in the AC. The AC Chairman is not

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allowed to perform the duties of the BoD Chairman or the Risk Management Committee Chairman.

6. AC members may not hold simultaneously positions or capacities or carry out transactions which could be considered as incompatible to the mission of the AC. Under this condition, their participation in the Committee does not exclude their possibility to participate in other committees of the Bank's Board of Directors.
7. All AC members must have sufficient knowledge of the banking sector and the financial sector in general. At least one AC member, who is independent of the Bank, shall have sufficient knowledge and experience in auditing or accounting.
8. The secretary of the AC shall be an executive of the Bank, from an agency of the Bank that is not subject to audit by the Internal Audit Division (hereinafter "IAD"). The secretary shall be appointed by an AC decision.
9. The AC may invite to its meetings any BoD member, any executive of the Bank or any subsidiaries of its Group or any other person (employee or associate) who the Bank deems that has the capacity to assist it in the execution of its work.

ARTICLE 4: DUTIES - RESPPONSIBILITIES


Subject to the BoD members' liability, the AC shall have the following main responsibilities:

1. External audit and financial reporting procedure

- 1.1. It monitors the process and the carrying out of the mandatory audit of the Bank's and the Group's individual and consolidated financial statements, it informs the Bank's BoD on the outcome of the mandatory audit and explains how the said audit has contributed to the quality and integrity of the financial reporting, i.e. to the accuracy, completeness and correctness of the financial reporting, including the relevant disclosures approved by the BoD, and what was the AC's role in this process, i.e. recording the actions taken by the AC during the mandatory audit process.

In the context of the said reporting, the AC shall take into account the content of the supplementary report submitted by the certified public accountant or an audit firm of the Bank and the Group containing the results of the mandatory audit that was carried out and meeting the requirements of the legislative and regulatory framework.

- 1.2. It monitors, reviews and evaluates the financial reporting process, i.e. the mechanisms and production systems, the flow and dissemination of financial information produced by the Bank's organizational units involved, and makes recommendations or proposals in order to ensure its integrity, if deemed fit. To this end, the AC shall, inter alia, be informed

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by the Management on the process and the timetable for the preparation of the financial statements.

- 1.3. It reviews the annual financial statements of the Bank and the Group, the annual report of the BoD and the consolidated quarterly and six-monthly statements of the Bank and the Group before they are submitted for approval to the BoD. It takes into account and examines the most significant issues and risks that may have an impact on the Bank's financial statements, as well as the significant judgments and assessments of the Management during the preparation thereof, such as, indicatively, significant assumptions in the preparation of the financial statements, valuation of assets, significant transactions with related parties, significant unusual transactions, assessing the use of going concern assumption, evaluation of the detection and monitoring risks method, significant judgments, assumptions and estimates during the preparation of the financial statements, observance and compliance of the Bank with the principles governing the accounting standards, observance and compliance of the Bank with the applicable legislation, including those specified by the competent supervisory authorities, deferred tax liability, forecasts, objectivity and independence of the certified public accountants or audit firms and the Financial Division of the Bank.
- 1.4. It conducts meetings with the competent Executives during the preparation of the financial statements.
- 1.5. It is informed by the certified public accountant or audit firm on the annual mandatory audit program prior to the implementation thereof, it evaluates it and ensures that the annual mandatory audit program covers the most significant areas of audit, taking into account the Bank's main business and financial risk areas. It conducts meetings with the certified public accountant or audit firm during the audit planning stage, during its execution, and during the preparation of audit reports.
- 1.6. It assesses the range of audits performed by the certified public accountants or audit firm, their working methods and, in general, the services that the latter are required to provide to the Bank and the Group. As part of this cooperation, it asks auditors to report any problems or weaknesses they have identified in the Internal Audit System during the audit of the financial statements in accordance with the applicable Auditing Standards.

2. Internal Audit System

- 2.1. It monitors, reviews and evaluates the adequacy and effectiveness of the Bank's overall policies, procedures and safeguards with regard to the Bank's Internal Audit System, quality assurance and risk management concerning financial reporting.

As regards the Internal Audit Unit, the AC shall monitor and inspect the proper functioning thereof in accordance with the legislative and regulatory framework, but without violating its independence. To this end, it approves, inter alia, the IAD Internal Regulation, it evaluates its annual action plan and submits it to the BoD for approval, it is informed -at least quarterly- on the work of the IAD through its reports and findings, and it submits them to the BoD for information purposes, and it evaluates, in general, its work with emphasis on issues related to its degree of independence, the quality and scope of the audits it performs, the priorities identified by changes in the financial environment, systems and risk levels, and the overall effectiveness of its operation.

It evaluates the staffing and the organizational structure of the IAD and identifies any weaknesses. If appropriate, it submits proposals to the BoD so that the IAD has the necessary resources, is adequately staffed with personnel who has sufficient knowledge, experience and education so that there are no constraints to its work and that it has the independence provided for.


It examines whether the necessary corrective actions are taken in a timely manner in order to address weaknesses in the Internal Audit System, non-compliance with the policies, laws, regulations and internal circulars of the Bank identified by internal and external auditors and regulatory authorities. It submits proposals to the BoD in order to address any weaknesses identified and it monitors the proper implementation of the measures adopted.

2.2. It evaluates annually the adequacy and effectiveness of the Policy against Money Laundering and Terrorist Financing and the report by the competent manager, it submits a relevant report to the BoD and it supervises, in general, the proper implementation of this policy.

2.3. It is informed by the Regulatory Compliance Division on substantial changes in regulatory compliance matters.

2.4. It reviews and evaluates the IAD Reports and informs the BoD on:

- the adequacy and effectiveness of the Internal Audit System at Bank and Group level,
- the effectiveness and adherence to the risk management procedures and the relevant credit granting procedures, including provisions policy,
- the adequacy of procedures in relation to the internal assessment of the Bank's capital adequacy,
- the completeness of the procedure or methodology for calculating the impairment of loans and other assets and any changes during the financial year,
- the IT systems,

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- the effectiveness of procedures for the prevention and suppression of money laundering and terrorist financing,
- the issues falling under the Regulatory Compliance Unit's competence.

2.5. It informs the BoD on a quarterly and annual basis by submitting a report on the progress of its audit work.

In addition, it drafts and submits to the BoD annual reports that include, at least, inter alia:

- evaluation of IAD's work;
- evaluation of the adequacy and effectiveness of the Internal Audit System, and
- evaluation of the work of certified public accountants or audit firms.

2.6. It indicates and triggers specific investigations on issues of particular importance to the Bank's and the Group's course and financial position. It shall immediately inform the BoD in the event of an assignment of a particular investigation and in the event that it has become aware of events that are likely to significantly affect the Bank and Group's performance.

2.7. It oversees the adoption of accounting standards by the Bank, receiving a fully justified briefing by the Chief Financial Officer (CFO) including the implications of the implementation thereof.

2.8. It makes recommendations to the BoD on the appointment of the IAD head.

3. Mandatory audit monitoring


3.1. It monitors the mandatory audit of the annual and consolidated financial statements and in particular its outcome, taking into account any findings and conclusions of the competent authority in the context of quality assurance inspections of the external auditors (pursuant to par. 6 of article 26 of Regulation (EU) No. 537/2014 of the European Parliament and of the Council).

3.2. It reviews the scope of the audit and the frequency of the mandatory audit.

4. External auditors

4.1. It is responsible for the selection procedure regarding certified public accountants or audit firms and it recommends the certified public accountant or firm that will be appointed (pursuant to article 16 of Regulation (EU) no. 537/2014). In this context, the AC:


- specifies the criteria for the selection of certified public accountants, technical specifications as well as issues related to the independence and conflict of interest of candidates;
- in collaboration with the Chief Financial Officer, it ensures that a tender is conducted for the selection of certified public accountants;

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- after examining, in collaboration with the Bank's competent Procurement Division, the submitted quotes as regards the financial and technical aspect thereof and as regards independence and conflict of interest issues, it submits to the BoD a recommendation on the appointment, reappointment or revocation of the certified public accountants as well as the approval of the remuneration and the terms of recruitment thereof, which may also include the recommendation of a specific candidate;
 - it reviews the agreement with the certified public accountants for the assignment of the project before it is concluded.
- 4.2. It reviews and monitors the independence of certified public accountants or audit firms pursuant to articles 6, 21-23 and 26-27 of Regulation (EU) No. 537/2014 and the provisions of article 12 of Law 3148/2003 and, in particular, the appropriateness of providing non-audit services to the Bank (pursuant to article 5 of the said Regulation). In this context, it is informed, it supervises and evaluates the procedures related to audit and consulting services provided to the Bank by third parties in relation to the Financial Statements, the Internal Audit and the regulatory Compliance. In addition, it receives on a six-monthly basis, a written certification regarding the certified public accountants firm's independence of the Bank (pursuant to article 6 of the said Regulation) as well as a written notice regarding the nature and extension of other services offered to the Bank.
- 4.3. It approves the provision of the permissible audit services except for the regular audit, and of non-audit services by the External Auditor to the Bank and its subsidiaries, within the framework, on the one hand, of the provisions of Law 3148/2003, and Law 4449/2017, as in force, and Regulation (EU) 537/2014, and, on the other hand, of applicable provisions and other laws regarding the objectivity and independence of the auditors and the relevant remuneration thereof.
- 4.4. The AC shall also submit, when it deems it appropriate, a proposal for the replacement or rotation of the certified public accountants or audit firms.

5. Other responsibilities and duties


- 5.1. It facilitates communication between the BoD, the Management, the Internal Audit and the certified public accountant or audit firm and the Bank of Greece for the exchange of views and information on matters that fall under its competence.
- 5.2. It submits proposals to the internal or external auditors for the specific areas where additional audits are required, in particular, on matters of particular significance for the Bank's and the Group's course and financial position.

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- 5.3. It ensures the prevention and avoidance of wrongful actions and irregularities which come to its knowledge that could endanger the reputation and interests of the Bank and the Group, as well as of its Shareholders and those who make transactions with the Bank.
- 5.4. It proposes, at least every three years, the outsourcing to third parties -apart from the certified public accountant or audit firm- that have the appropriate experience and knowledge, the assessment of the adequacy of the Internal Audit System at Bank and Group level, as set out in the decisions of the Supervisory Authorities. When assigning this task, the auditors shall be authorized to inform the Bank of Greece.
- 5.5. It is informed by the Head of the Bank's Internal Audit, by the certified public accountant or audit firm on the audits carried out at every stage of the works, on the computerized procedures and the IT and accounting systems, on the safeguards that have been specified in order to prevent mistakes, misuse of systems and fraudulent actions.
- Furthermore, it receives, through the competent Business Units, the reports of the Bank of Greece's Banking Supervision Department and the audit findings by other Authorities (e.g. tax audits).
- 5.6. It accepts confidential or even anonymous written or oral reports and observations on the inappropriate actions or omissions by Executives and Officers or on breaches of accounting and auditing practices.
- 5.7. It participates in meetings of the Bank, of the certified public accountant or audit firm and of the Bank of Greece in order to discuss the certified public accountant's information and findings on a three-parties basis, as well as in special cases in bilateral meetings between the certified public accountant or audit firm and the Bank of Greece, in accordance with the applicable Greek Auditing Standard regarding the communication with regulatory and supervisory authorities.
- 5.8. It conducts, at its discretion, meetings with the head of the IAD, the CFO and the head of Regulatory Compliance, even in addition to the scheduled Audit Committee meetings.
- 5.9. It participates in the remuneration policy preparation process, as well as the review thereof, as further analyzed in detail in articles 54, 62 and 101 of the European Commission Directive "Guidelines on sound remuneration policies under Article 74, paragraph 3 and article 75, paragraph 2 of Directive 2013/36/EU and disclosures pursuant to article 450 of Regulation (EU) No. 575/2013".
- 5.10. It supervises the IAD when monitoring the correct/strict observance by the operators of the procedures and regulations approved as well as decision taking in accordance with the approved authorizations.

ARTICLE 5: OPERATION

1. The AC shall meet regularly at least once a quarter, or extraordinarily when immediate decision making is required due to the circumstances, in the AC Chairman's opinion. As regards matters of organization, risk management, regulatory compliance, information technology, and accounting or other specialized areas, as well as subsidiaries, the respective Managers or CEOs shall provide such information as may be necessary or requested to do so; if deemed necessary and following the invitation by the AC Chairman of the Audit Committee they shall attend the meetings thereof. The Head of IAD participates in the AC meetings without the right to vote and is the rapporteur on audit matters.
2. The meeting schedule is set by the AC Chairman, who sends (through the Committee Secretary) a relevant invitation to the members, chairs its meetings, proposes the topics to be discussed and, in general, coordinates and supervises its work.
3. The AC shall form a quorum when all members thereof are present at the meeting. Meetings can be held either at the buildings of the Bank's management with the physical presence of its members or through teleconference/phone conference when so required due to reasons attributable to business or force majeure.
4. An AC member who is absent unjustifiably for three consecutive meetings may be replaced by BoD decision that shall be ratified at the next General Meeting of shareholders.
5. The AC's decisions are taken by majority vote. In the event of a tie, the AC Chairman's vote shall prevail. Only AC members have the right to vote. In the event of an AC non-unanimous decision on any matter, the minority views shall be recorded in the minutes.
6. Every AC member, as well as the Head of the IAD, has the right to request the AC Chairman to convene the Committee to discuss specific issues.
7. The Secretary, by order of the Chairman, shall draw up the agenda, which, along with the required documents and other information, shall be distributed to the AC members at a reasonable time before the meeting, so that members can study them and formulate any questions or opinions.
8. The duties of the AC Secretary include the keeping of minutes and care for the signing and transmission thereof, and the responsibility of keeping the relevant AC record. Copies and excerpts from the AC minutes are certified by the Chairman thereof. The transmission of the agenda and the relevant minutes of decisions may be forwarded to BoD members for information purposes, if the AC deems it appropriate.

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9. Non-AC members are allowed to access the minutes only following the explicit approval of the Chairman or the AC. Copies of the minutes may be issued and/or certified only following the explicit approval of the Chairman or the AC. The approval shall be kept at the Secretary's office.
10. The AC shall submit an annual report to the ordinary General Meeting of Shareholders.
11. The AC shall cooperate with other BoD Committees whose activities may affect its work (including, for example, the Risk Management Committee and the Remuneration Committee) and shall maintain regular communication with the functions of the Internal Audit System and in particular with the IAD.
12. AC members have adequate access to all information they consider to be important and necessary in the exercise of their responsibilities for the purposes of performing their duties properly.

ARTICLE 6: REVISION

1. The AC Charter shall be approved by the Bank's BoD and shall be published on its website.
2. The Charter may be revised on a regular basis, at least annually, and extraordinarily, depending on changes in the parameters adopted during the regular revision.
3. The AC shall be responsible for preparing the revisions to the Charter and it shall be assisted by the IAD and the units responsible for monitoring the Bank's governance.