



REGULATION OF RISK MANAGEMENT COMMITTEE

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REVIEW HISTORY

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ARTICLE 1: OBJECT

These Rules of Procedure define the composition, duration, decision-making process, responsibilities and functioning of the Risk Management Committee of Attica Bank Anonymi Trapeziki Etaireia (the “Bank”) and Attica Bank Group (the “Group”).

ARTICLE 2: PURPOSE

The Risk Management Committee is responsible for carrying out the duties set out in these Rules of Procedure in order to be able to adequately inform the Board of Directors (the “Board of Directors”) on all matters relating to the risk-taking strategy and the level of risk tolerance in carrying out its duties. The Risk Management Committee assists the Board of Directors with regard to the achievement of the following objectives:

- compliance of the Group with the legal and regulatory framework governing risk management;
- formulation of a strategy on undertaking of all kind of risks and asset management that responds to the Group's business objectives and the adequacy of the resources available in technical means and personnel;
- control of the adequacy, independence and effectiveness of the Group Risk Management Unit; and
- ensuring that risk management is disclosed to all the Group's business units and forms the basis for setting risk control limits.

ARTICLE 3: COMPOSITION

1. The Risk Management Committee is composed of at least 3 (three) non-executive members of the Board of Directors, of whom at least one (1) is an independent non-executive member of the Board of Directors. One member (1) who cannot be the Chairman of the Board of Directors is appointed as Chairman of the Committee.
2. Members of the Committee, both at individual and collective level, must have sufficient knowledge and experience in the area of risk management and in particular in risk management and control practices to effectively cover all forms of risk, including operational risk and to ensure their unified control, their specialized treatment and the required coordination at the level of the Bank and the Group.

3. The Chairman and the members of the Committee are appointed by the Board of Directors of the Bank. Members of the Committee may not hold parallel positions or properties or carry out transactions which could be considered incompatible to the mission of the Committee. Given this, their participation in the Committee does not exclude the possibility of participating in other Board of Directors' committees.
4. The term of office of the members of the Committee is three years and may be changed by decision of the Board of Directors.
5. Any member of the Board of Directors deemed necessary or Executive Officers of the Bank depending on the matter of discussion which falls under their responsibility may be called to the meetings of the Committee for the purpose of informing the latter and facilitating its work.
6. Duties of the Secretary of the Committee are executed by an Executive of the Group Risk Management Unit appointed by the Chairman of the Committee.

ARTICLE 4: DUTIES - POWERS

The Risk Management Committee has the following main responsibilities:

1. Risk strategy

- 1.1 Advises and supports the Board of Directors regarding the monitoring of the Bank's overall present and future risk-taking strategy, taking into account all types of risks, to ensure that they are consistent with the Bank's business strategy, objectives, corporate culture and corporate values.
- 1.2 It develops, on the recommendation of the Head of the Group Risk Management Unit (hereinafter "CRO"), a strategy of undertaking any form of risk and capital management that meets the Bank's business objectives, both individually and at Group level, and the adequacy of the technical means and human resources available.
- 1.3 Supports the Board of Directors in overseeing the implementation of the risk strategy and the respective limits set.
- 1.4 It oversees the implementation of capital and liquidity management strategies as well as all other relevant risks of the Bank, such as market risk, credit risk, operational risk (including legal and IT risk) and reputation risk, in order to assess their adequacy against the approved risk taking and risk strategy.

1.5 It makes recommendations to the Board of Directors on the necessary adjustments to the risk strategy arising, inter alia, from changes in the Bank's business model, market developments or recommendations made by the risk management function.

1.6 It makes proposals and recommends corrective actions to the Board of Directors, if it finds it impossible to implement the Bank's risk management strategy or deviations in its implementation.

2. Risk Taking Framework

1.1 It oversees the development and implementation of an appropriate risk-taking framework, setting specific risk tolerance limits. It proposes to the Board of Directors on an annual basis the risk-taking framework for discussion and approval, as well as the evaluation of the appropriateness of the business plan. It suggests modifications to the above, whenever it considers it necessary.

If there is any discrepancy between the business plan and the risk-taking framework, it shall submit a correction plan to the Board of Directors.

1.2 It recommends to the Board of Directors, where appropriate, a review of the risk management policy.

1.3 It assesses annually the adequacy and effectiveness of the Bank's and the Group's risk management policy, and in particular compliance with the specified level of risk tolerance, the appropriateness of limits, the adequacy of forecasts and the general adequacy of equity in relation to the amount and form of the risks assumed, at least on the basis of the annual CRO report and the relevant extract of the Internal Audit Unit report.

3. Exposures in delay and non performing exposures

It ensures appropriate oversight and control mechanisms for monitoring and effectively managing delayed exposures and non-performing exposures, including:

- pre-delay exposures;
- exposures at an early stage of delay; 1 to 89 days delay; and
- exposures at a stage of definitive delay - at least 90 days of delay - for which the Bank seeks partial or full recovery.

The Delay Board's recommendations and reports to the Board of Directors are also submitted to the Group Risk Management Unit, whose Head (CRO) expresses his/her opinion to the Board of Directors on the relevant recommendations through the Committee.

4. Link to the Risk Management Unit

- 4.1 Receives CRO notices of any deviation from compliance with approved risk limits, issues of non-compliance with minimum levels of capital adequacy as well as negative developments with regard to the Group's approved Business Plan.
- 4.2 Promotes to the Board, after evaluation, the annual report of the CRO. This report, together with its evaluation, shall be submitted to the Bank of Greece by the end of the first calendar quarter of each year, in accordance with the applicable regulatory framework.
- 4.3 It ensures the development of an internal risk management system that integrates into the business decision-making process (for example decisions related to the introduction of new products and services, risk-adjusted pricing of products and services, as well as the calculation of profitability and capital allocation in relation to the risk) depending on risk) throughout the Group's activities.
- 4.4 It sets out the principles that should govern risk management in identifying, predicting, measuring, monitoring, controlling and addressing risk, in accordance with the business plan in force and the adequacy of the resources available. In case of any shortcomings in the logistics and staffing of the Risk Management Unit, it shall propose to the Board of Directors the strengthening of the Risk Management Unit to be able to respond to its work.
- 4.5 it directs the Risk Management Unit to prepare a Quarterly Risk Report that covers all the risks to which the Bank is exposed, contains assessments and proposals for actions as well as information about the Bank's transactions with affiliated parties. It discusses extensively and evaluates the above mentioned report of the Risk Management Unit and presents the relevant conclusions and proposed actions to the Board of Directors.
- 4.6 It proposes to the Board of Directors with respect to the CRO.

5. Other responsibilities and duties

- 5.1 It informs the Board of Directors at least quarterly on the activities of the Committee and the major risks assumed at the Group level, reassures the Board of Directors of their effective response and proposes any actions that it deems necessary. It ensures the development of appropriate early warning systems and supervisory and control mechanisms for the monitoring and effective management of high risk facilities. Early warning systems cover all risks to which the Bank is exposed and have specific quantitative and qualitative risk indicators, the breach of which implies that specific actions must be taken by its Management.
- 5.2 It provides advice on the appointment of external consultants who may be decided to be hired to provide risk management advice or support.

- 5.3 It examines various possible scenarios, including stress testing scenarios, to assess the potential response of the Bank's risk profile to external and internal events and ensures that at least annual stress tests are carried out on market risks, credit risk, liquidity risk and similar techniques for operational risk.
- 5.4 It oversees the alignment between, on the one hand, all of the important financial products and services offered to customers and, on the other, the Bank's business model and strategic risk.
- 5.5 It assesses the risks associated with the financial products and services offered and takes into account the correspondence between the prices set for those products and services and the profits derived from those products and services. When pricing does not accurately reflect the risks, in accordance with the business plan and risk framework, it submits a corrective plan to the Board of Directors.
- 5.6 It examines, without prejudice to the Remuneration Committee's duties, whether the incentives provided by the Bank's and the Group's remuneration policies and practices take into account risk, capital, liquidity, as well as the probability and timing of profitability.
- 5.7 It assesses the recommendations of internal or external auditors and monitors the proper implementation of the measures taken.
- 5.8 It addresses issues related to the Group's relationship with Affiliated Persons.

ARTICLE 5: OPERATION

1. The Risk Management Committee shall meet regularly at least once a quarter, or even exceptionally, when the Chairman considers it necessary or circumstances require immediate decision-making.
2. The meeting agenda is set by the Chairman of the Committee, who sends (through the Secretary) an invitation to the members, chairs its meetings, recommends the topics to be discussed and generally coordinates and supervises its work. In the absence of the Chairman, the oldest of the present Members shall preside over the Committee.
3. The Committee is in quorum when half of its members plus one are present at the meeting. Meetings can be held either by the physical presence of its members or by teleconference, when official grounds so require.
4. A member of the Committee who is absent for three (3) consecutive meetings without reason may be replaced by a Board of Directors' decision.
5. The Committee's decisions are taken by majority vote. In the event of a tie, the Chairman's vote shall prevail. In the event of non unanimous decision on any matter by the Committee, the minority's views shall be recorded in the minutes.
6. Each member of the Committee, as well as the CRO, has the right to request from the Chairman of the Risk Management Committee to convene the Committee so that it can discuss specific issues.
7. The Secretary, by order of the Chairman, shall draw up the agenda, which, together with the required documents and other information, shall be distributed to the members of the Committee at a reasonable time before the meeting, so that members can study them and formulate any questions or opinions.
8. The duties of the Committee Secretary includes the keeping of minutes and care for their signing and transmission, and the responsibility for keeping the relevant file of Committee. Validation of copies and extracts of Committee's minutes is done by its Chairman. The transmission of the agenda and the relevant minutes decisions may be forwarded to inform Board member, in case the Committee deems it appropriate.
9. Access to the minutes by non-members of the Committee shall be permitted only upon the prior approval of the Chairman or the Committee. Copies of the minutes may be issued and / or validated only upon the prior approval of the Chairman of the Committee. Approval documents shall be kept at the Secretary's office.

10. The Committee cooperates with other Board of Directors' Committees whose activities may have an impact on its work (including, for example, the Risk Management Committee and the Remuneration Committee) and maintains regular communication with the functions of the Internal Audit System and in particular with the Group's Risk Management Division.
11. The members of the Committee shall have adequate access to information on the Bank's risk status in the Group Risk Management Unit and, where appropriate, to specialist external consultants and may request and receive all information they deem relevant for the good performance of their duties.
12. The Committee is obliged to report at least quarterly to the Bank's Board of Directors on its work during its meetings and to report on all conclusions of its meetings and all recommendations made. In addition, it submits to the Bank's Board of Directors its annual report, which includes a review of its work and operations.

ARTICLE 6: APPROVAL - REVIEW

1. The Rules of Procedure are approved by the Bank's Board of Directors.
2. The Rules of Procedure shall be revised whenever necessary, in accordance with any changes that may be made.
3. The Risk Management Committee is responsible for preparing the revisions to the Rules of Procedure assisted by the units responsible for monitoring the Bank's governance.