

## **Audit Committee**

### **Charter**

**DECEMBER 2022**

## **Charter of the Audit Committee**

### **1. Preamble**

- 1.1. The present Charter is a document of Alpha Bank S.A. (the “Bank”) that sets out the principles and the framework for the proper operation of the Audit Committee (the “Committee”).
- 1.2. The Committee has been established and operates in accordance with all applicable laws and regulations.

### **2. Scope**

The Committee assists the Board of Directors in achieving the following objectives:

- 2.1. Safeguarding the integrity of the financial and non-financial reporting processes by overseeing the generation of complete, reliable, accurate and timely Financial Statements and Non-Financial Information which reflect the situation of the Bank and its Subsidiaries (the “Banking Group”).
- 2.2. Ensuring the independent, objective and effective conduct of internal and external audits of the Bank.
- 2.3. Overseeing the adequacy and effectiveness of the Internal Control System for the Bank and across the Banking Group.
- 2.4. Overseeing compliance with the institutional, regulatory and legal framework governing the operations of the Bank and the Banking Group (especially with regard to its regulated Subsidiaries) as well as with internal regulations and codes of ethics.
- 2.5. Overseeing the effectiveness and performance of the Internal Audit Division and of the Compliance Division of the Bank and of the respective Units across the Banking Group.

### **3. Composition**

- 3.1. The Committee consists of no fewer than three Members and no more than 40% of the total number of the Members of the Board of Directors of the Bank (rounded to the nearest whole number), excluding the representative of the Hellenic Financial Stability Fund (the “HFSF”). The exact number of the Members of the Committee is determined by the General Meeting of Shareholders. All Committee Members are Non-Executive Members of the Board of Directors and at least 75% of them are Independent (excluding the HFSF representative). The representative of the HFSF is a Member of the Committee. The Committee generally includes one Member of the Risk Management Committee to ensure the proper sharing of information in common areas of interest.

- 3.2. The composition of the Committee is proposed to the Board of Directors by the Corporate Governance, Sustainability and Nominations Committee taking into account the “Suitability and Nomination Policy for the Members of the Board of Directors and Key Function Holders” as well as the respective legal and regulatory framework.
- 3.3. The Chair of the Committee (the “Chair”) shall be appointed by its Members and is an Independent Non-Executive Member of the Board of Directors who has the required expertise and experience to oversee the audit, accounting and financial policies and processes within the remit of the Committee. The Chair cannot simultaneously act as Chair of the Board of Directors or Chair of the Risk Management Committee.
- 3.4. The Members of the Committee should collectively possess adequate knowledge of the banking sector and in general the required knowledge, skills and experience to adequately discharge the Committee’s responsibilities. At least one Member should have accounting or auditing knowledge and experience and should always be present at the meetings regarding the approval of the Financial Statements.

#### **4. Tenure**

The Chair and the Members of the Committee are appointed for a period of four years and their tenure is determined by the General Meeting of Shareholders. The tenure of the Chair of the Committee should not normally exceed six years accumulatively from the time of his/her election. The Independent Non-Executive Members may be appointed for up to nine years from the date of their first appointment. To the extent possible, changes to the Committee’s composition shall occur in a staggered manner.

#### **5. Functioning**

- 5.1. The Committee convenes generally on a monthly basis, adding meetings on an as-needed basis. It may invite any Member of the Management or Executive as well as external auditors to attend its meetings. The Head of Internal Audit and the Head of Compliance are regular attendees of the Committee meetings and have unhindered access to the Chair and to the Members.
- 5.2. The Chair shall convene a meeting of the Committee if any Member deems that such a meeting is necessary. The representative of the HFSF may convene an extraordinary meeting if the Committee Chair has not convened such a meeting within seven days from the submission of the relevant request by the HFSF representative. In this case, the meeting is convened within five days from the expiration of the seven-day period.
- 5.3. The Chair, with the support of the Secretary, sets the agenda of each Committee meeting. The agenda and the accompanying materials are sent to

the Members of the Committee at least five business days prior to the scheduled date of the meeting. At the discretion of the Committee Chair, accompanying materials relating to specific agenda items may exceptionally be submitted less than five business days prior to the meeting. The representative of the HFSF may request the addition of specific items to the agenda.

- 5.4. At least once per year, the Committee shall have separate sessions with the Head of Internal Audit and with the Statutory Certified Auditor, without the presence of Executives.
- 5.5. The Chair shall ensure that minutes of the Committee meetings (the “Minutes”) are appropriately kept by the Secretary. The Committee shall approve the Minutes of each meeting in the subsequent meeting and then the Chair and the Members shall sign them.
- 5.6. Any Member of the Committee may request that his/her opinion should be recorded in the Minutes.
- 5.7. The Committee may request and receive all information and data from relevant corporate and control functions (e.g. legal, finance, human resources, IT, internal audit, risk, compliance, including information on AML/CTF compliance and aggregated information on suspicious transaction reports and ML/TF risk factors) that it deems important for the proper discharge of its responsibilities. Where necessary, the Committee ensures the proper involvement of the internal control functions and other relevant functions of the Bank (human resources, legal, finance) within their respective areas of expertise and/or seeks external expert advice.
- 5.8. The Chair regularly informs the Board of Directors of the work of the Committee. The Chair also submits to the Board of Directors a formal annual activity report on the work of the Committee conducted during the previous year, parts of which are included in the Bank’s annual Corporate Governance Statement.
- 5.9. The Chief Risk Officer (CRO) of the Bank attends the Audit Committee meetings as a permanent observer in order to act as a liaison with the Risk Management Committee, while further facilitating and enhancing alignment between the two Committees with respect to matters of common interest.
- 5.10. The Committee collaborates with the Risk Management Committee as necessary on the effective oversight of the mitigation of certain key areas of risk, including climate-related or other Environmental, Social and Governance (ESG) risks, and capital management and their repercussions on the Internal Control System. More specifically, the Committee convenes jointly with the Risk Management Committee to discuss and review issues relevant to the remediation plans from regulatory/supervisory assessments and certain operational risk or other issues of importance and common interest.

## **6. Decision-making procedure**

- 6.1. The Committee shall be deemed in quorum when at least three Members are present, whether physically, by videoconference or by teleconference.
- 6.2. In the absence of the Chair, the Committee is chaired by the Independent Non-Executive Member with the longest tenure on the Board of Directors among those present.
- 6.3. Decisions shall be passed by majority vote, with the Chair (or his/her replacement) having the casting vote. In case there is no unanimous decision, the views of the minority shall be recorded in the Minutes. Non-unanimous decisions shall be reported as such to the Board of Directors.
- 6.4. Decisions may be approved through the circulation of documents to all Members and the approval of the Minutes documenting such decisions.

## **7. Responsibilities**

The Committee has the following responsibilities:

### *Financial Reporting and Non-Financial Reporting*

- 7.1. Monitors the financial reporting process of the Bank and the Banking Group and submits recommendations or proposals to ensure its integrity.
- 7.2. Performs the oversight of the financial reporting processes and procedures for drawing up the Annual and the Interim Financial Statements of the Bank and the Banking Group, in accordance with the applicable accounting standards.
- 7.3. Reviews the quarterly, semi-annual and annual Financial Statements of the Bank and the Banking Group, together with the Statutory Auditors' Report where applicable and the Board of Directors' Annual Management Report, prior to their submission to the Board of Directors for approval. Indicatively, the Committee focuses on:
  - Critical accounting estimates, one-off items impacting the Financial Statements and significant variances from the previous year.
  - Accounting areas that require a high level of professional judgment.
  - Significant adjustments arising from the audit, whether resolved or not.
  - Compliance with the accounting principles and practices and with the applicable accounting standards.
  - Compliance with applicable laws and regulations, including those of the Hellenic Capital Market Commission.
  - Any legal or tax matters which could significantly impact the Financial Statements.
- 7.4. Is informed of the evolution of significant accounting standards and oversees the impact on accounting policies.

- 7.5. Oversees the drafting of accounting policies by the Bank.
- 7.6. Performs the oversight of the Sustainability Report and Non-Financial Information reporting, including sustainability and ESG disclosures.

Internal Audit

- 7.7. Reviews annual or multi-year audit plans and recommends their approval by the Board of Directors.
- 7.8. Reviews the periodic reports on the activity of the Internal Audit Division in the Bank and the Banking Group as well as on the corrective actions for the adequate handling of comments and recommendations identified in these reports.
- 7.9. Is informed of the activity of the Internal Audit Units of the Banking Group as well as of any critical issues on which the Audit Committees of the Banking Group are updated.
- 7.10. Evaluates the work of the Internal Audit Division, including its independence, the planning process in relation to risks, the quality and scope of audits conducted and related audit reports, the audit processes and systems and the overall effectiveness of its operation. In particular, the Committee evaluates annually the organizational structure and staffing of the Internal Audit Division. The Internal Audit Division shall be administratively independent of the business lines and the internal units it controls.
- 7.11. Recommends to the Board of Directors for approval the Charter of the Internal Audit Division as well as any changes thereto ensuring that it is compatible with the principles of the Institute of Internal Auditors and the applicable legal framework. The Committee reviews the Charter of the Internal Audit Division annually.
- 7.12. Reviews and approves policies regarding the Internal Audit Division of the Bank and the Banking Group as well as any amendments thereto.
- 7.13. Recommends to the Board of Directors the appointment or replacement of the Head of Internal Audit and agrees with the proposed remuneration, in coordination with the Remuneration Committee. The Head of Internal Audit, while administratively reporting to the Chief Executive Officer (CEO), shall report functionally to the Board of Directors through the Committee.
- 7.14. Reviews and endorses the Head of Internal Audit's successor(s) list and submits it to the Corporate Governance, Sustainability and Nominations Committee for approval, in accordance with the provisions of the Bank's "Policy for the Succession Planning of Senior Executives and Key Function Holders".
- 7.15. Consults with the Remuneration Committee on the remuneration of the Head of Internal Audit of the Bank.

- 7.16. Is responsible for the evaluation of the performance of the Head of Internal Audit, takes into consideration the CEO's input, discusses his/her performance and the relevant objectives as well as reviews, amends, if required, and approves the Head of Internal Audit Evaluation Scorecard and goals, in accordance with the provisions of the Bank's "Policy for the Evaluation of Senior Executives and Key Function Holders".

#### External Audit

- 7.17. Reviews the planning and execution of the audit of the interim and annual Financial Statements of the Bank and the Banking Group conducted by the Statutory Certified Auditors meeting with them on a regular basis.
- 7.18. Reviews the scope and frequency of the statutory audit as well as other annual audit assurance, including ESG reporting.
- 7.19. Ensures receipt of and reviews the Additional Report of the Statutory Certified Auditors of the Bank, transmitting it with any observations to the Board of Directors, and any other report called for under the laws in effect.
- 7.20. Informs the Board of Directors of the outcome of the statutory audit and explains how the statutory audit contributed to the integrity of financial reporting and what the role of the Audit Committee was in that process.
- 7.21. Informs the Board of Directors of the outcome of the audit of Non-Financial Information based on the scope approved by the Board.
- 7.22. Ensures that critical issues identified by the external auditors on the Financial Statements of the Bank are appropriately discussed with the Bank's supervisors and regulators, in accordance with the provisions of the applicable International Standards on Auditing.
- 7.23. Ensures timely receipt and submission to the Board of Directors of the Annual Audit Report of the Statutory Certified Auditors in conformity with the applicable laws.
- 7.24. Is responsible for the procedure for the selection of the Statutory Certified Auditors of the Bank and the Banking Group and makes recommendations to the Board of Directors on the appointment or dismissal, rotation, tenure and remuneration of the Statutory Certified Auditors, according to the relevant regulatory and legal provisions.
- 7.25. Monitors the independence of the Statutory Certified Auditors in accordance with the applicable laws, which includes reviewing, *inter alia*, the provision by them of Non-Audit Services to the Bank and the Banking Group. In relation to this, the Committee examines and approves all proposals regarding the provision by the Statutory Certified Auditor of Non-Audit Services to the Bank and the Banking Group, based on the relevant Bank policy that the Audit Committee oversees and recommends to the Board of Directors for approval.

### Internal Control and Regulatory Compliance

- 7.26. Monitors and assesses the adequacy, effectiveness and efficiency of the Internal Control System (including ESG procedures) of the Bank and the Banking Group based on reports by the Internal Audit Division, findings of the external auditors, the supervisors and the tax authorities as well as management information, as appropriate.
- 7.27. Provides a relevant statement in the annual Corporate Governance Statement that the evaluation of the Internal Control System has been conducted.
- 7.28. Submits recommendations to the Board of Directors regarding remedies for identified weaknesses in the Internal Control System of the Bank and the Banking Group and monitors the implementation of corrective measures.
- 7.29. Requests external auditor reports on problems or weaknesses identified in the Internal Control System of the Bank and the Banking Group, as needed.
- 7.30. Every three years or when required, selects external auditors, other than the Statutory Certified Auditor, that will perform the assessment of the adequacy of the Internal Control System of the Bank and/or the Banking Group, including the overall system of segregation of duties.
- 7.31. Ensures that the external auditors, to whom the assessment of the adequacy of the Internal Control System every three years has been assigned, rotate at least after two consecutive assessments.
- 7.32. Reviews the nature of projects assigned to external auditors that have been responsible for conducting the assessment of the Internal Control System of the Bank and/or the Banking Group to ensure proper independence.
- 7.33. Submits recommendations to the Board of Directors on specific areas where further audits may need to be carried out by the internal or external auditors.
- 7.34. Recommends to the Board of Directors the appointment or replacement of the Head of Compliance on the proposal of the CEO.
- 7.35. Reviews and approves the Chief Risk Officer's (CRO) evaluation of the performance of the Head of Compliance, discusses his/her performance and the relevant objectives as well as reviews, amends, if required, and approves the Head of Compliance Evaluation Scorecard and goals, in accordance with the provisions of the Bank's "Policy for the Evaluation of Senior Executives and Key Function Holders".
- 7.36. Reviews and endorses the Head of Compliance's successor(s) list and submits it to the Corporate Governance, Sustainability and Nominations Committee for approval, in accordance with the provisions of the Bank's



“Policy for the Succession Planning of Senior Executives and Key Function Holders”.

- 7.37. Evaluates annually the organizational structure, staffing, training effectiveness and independence of the Compliance Division. The Compliance Division shall be administratively independent of the business lines and the internal units it controls. The Head of Compliance, while reporting administratively to the CRO, shall report functionally to the Audit Committee, which shall refer accordingly to the Board of Directors.
- 7.38. Recommends to the Board of Directors for approval the Charter of the Compliance Division as well as any changes thereto ensuring that it is compatible with the applicable legal framework. The Committee reviews the Charter of the Compliance Division annually.
- 7.39. Evaluates the adequacy and effectiveness of the processes and procedures of the Compliance Division based on the Annual Compliance Report, as per the regulatory framework in force.
- 7.40. Assesses the adequacy and effectiveness of the “Anti-Money Laundering and Combating the Financing of Terrorism Policy”, reporting annually to the Board of Directors and to the Supervisory Authorities; reviews the implementation of the Markets in Financial Instruments Directive (MiFID).
- 7.41. Consults with the Remuneration Committee on the remuneration of the Head of Compliance.
- 7.42. Ensures adherence to and compliance with the Code of Ethics.
- 7.43. Recommends to the Board of Directors for approval the “Anti-Bribery and Corruption Policy”.
- 7.44. Recommends to the Board of Directors for approval the Bank’s and the Banking Group’s “Whistleblowing Policy and Procedures” and receives relevant updates and reports on the results of investigations by the Banking Group’s Whistleblowing Committee.
- 7.45. Reviews and proposes to the Board of Directors for approval the “Policy on the Prevention of Conflict of Interests” and the “Policy on Related Parties Transactions” and, to the extent required by the above-mentioned Policy, assists the Board in having sufficient information on related parties transactions.
- 7.46. Reviews significant regulatory correspondence, reports and other communications (as required) received from regulatory, supervisory and tax authorities.
- 7.47. Reviews risk response and risk mitigation.

- 7.48. Oversees the Bank's effort to foster a culture of ethics and discourage unethical behavior in all operational levels.
- 7.49. Liaises with other Board Committees in relation to issues concerning the effective adherence to responsible practices relating to ESG.

Other

- 7.50. Ensures the availability of resources, within and outside the Bank, required to support the work of the Committee.
- 7.51. Meets on a regular basis with the Banking Group's Audit Committees and reviews their Annual and Semi-Annual Activity Reports regarding the fulfillment of their responsibilities.

**8. Review of the Charter**

The present Charter is reviewed annually by the Committee, which may propose relevant amendments to the Board of Directors for approval.