



**ALPHA BANK**

## **Corporate Governance, Sustainability and Nominations Committee**

### **Charter**

**DECEMBER 2022**

# **Charter of the Corporate Governance, Sustainability and Nominations 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 Corporate Governance, Sustainability and Nominations 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. Ensuring that the composition, structure and operation of the Board of Directors meet the relevant legal, regulatory and supervisory requirements.
- 2.2. Pursuing the implementation of international corporate governance best practice and adequate checks and balances across the Bank and its Subsidiaries (the “Banking Group”) especially with regard to the regulated entities of the Banking Group, while taking into consideration the culture of the Banking Group and the local legal requirements.
- 2.3. Ensuring that there is an effective and transparent procedure for the nomination of candidates to the Board of Directors and of Key Function Holders.
- 2.4. Ensuring an appropriate mix of knowledge, skills and experience at Board and Board Committee level across the Bank and the Banking Group.
- 2.5. Steering the process for the regular evaluation of the Board of Directors and of the Individual Members’ performance and effectiveness.
- 2.6. Ensuring fit-for-purpose guidelines regarding the Member nomination process for the Boards of Directors of the Subsidiaries, while recognizing that the final responsibility for compliance with the relevant provisions of the national legislation lies with the Subsidiaries.
- 2.7. Establishing the conditions required for effective succession and continuity in the Board of Directors.
- 2.8. Developing and maintaining an effective approach to Senior Executive succession planning and performance evaluation.
- 2.9. Setting high-quality ethical and integrity standards for the Bank and the Banking Group. The standards will reflect international principles and best practice in the areas of professional ethics, thereby enhancing the quality of the services

offered and protecting the Bank's and the Banking Group's reputation by strengthening the confidence of their Stakeholders in them.

- 2.10. Ensuring the implementation of Environmental, Social and Governance (ESG) standards according to the regulatory framework and the relevant best practices, thereby strengthening the Bank's long-term commitment to creating value in its sustainable development. ESG includes environmental issues like climate change and natural resources scarcity, social issues including labor and workforce considerations, corruption, bribery and human rights as well as governance issues including Board of Directors' diversity and remuneration/incentive issues. For this purpose, the Committee ensures that there is an adequate level of communication on ESG issues between the Members of the Committee and the Members of the Risk Management Committee, the Remuneration Committee and the Audit Committee.

### **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 Board of Directors or the General Meeting of Shareholders. All Committee Members are Non-Executive Members of the Board of Directors, the majority of whom are Independent (excluding the HFSF representative). The representative of the HFSF is a Member of the Committee.
- 3.2. The Committee proposes to the Board of Directors its composition, 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. At least one Member is in charge of overseeing ESG issues.
- 3.4. The Chair of the Committee (the "Chair") is an Independent Non-Executive Member of the Board of Directors.
- 3.5. The Committee ensures and regularly evaluates that its Members collectively possess the required knowledge, skills and experience relating to sustainability and ESG issues as well as to the business of the Bank to assess the appropriate composition of the Board of Directors and, among others, the selection process and suitability requirements to adequately discharge the Committee's responsibilities.

### **4. Tenure**

- 4.1. The Chair and the Members of the Committee are appointed for a period of four years, by a resolution of the Board of Directors, on the recommendation of the Committee. 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 at least quarterly per year and may invite any Member of the Management or Executive to attend its meetings.
- 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 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. The Committee Members shall not participate in Committee deliberations regarding their own appointment, re-election or departure from the Board of Directors and/or its Committees.
- 5.5. The Chair shall ensure that the 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 Committee receives and reviews appropriate reports, opinions and information from Heads of internal control functions, cooperating accordingly with the other Committees, concerning the overall risk profile and risk culture of the Bank, and any significant deviations from related policies including related

remediation measures; it periodically reviews the content and the frequency of such information flow.

- 5.9. 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 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.
- 5.10. The Committee may appoint reputable independent experts and consultants to support it in the exercise of its duties.

## **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:

### Corporate Governance

- 7.1. Is regularly informed of current trends and developments in the area of banking, corporate governance, including best practice and relevant regulations.
- 7.2. Monitors the compliance of the Bank and the Banking Group with the pertinent Hellenic Corporate Governance Code to which the Bank adheres, ensuring appropriate application of the "comply or explain" principle required; provides oversight that the implementation of this principle aligns with the legislation in force, the regulatory expectations and the international corporate governance best practice.
- 7.3. Reviews the Bank's Internal Governance Regulation and recommends its approval by the Board of Directors.
- 7.4. Reviews the Bank's annual Corporate Governance Statement and recommends its approval by the Board of Directors.

- 7.5. Reviews, at least annually, and monitors changes in individual Member independence, fit and proper and professional status.
- 7.6. Recommends to the Board of Directors for approval the corporate governance principles to be adopted by the Banking Group.
- 7.7. Reviews, at least annually, the chart of authorities of the Bank in order to ensure that the delegation of authorities to the Management allows for effective and efficient decision-making and proper checks and balances, informing the Audit Committee accordingly.
- 7.8. Facilitates the regular review of the Charters of the Board Committees, in consultation with the relevant Committees, by providing input to each Committee in order to ensure that the Charters remain fit-for-purpose and align with the Hellenic Corporate Governance Code as well as with corporate governance best practices.
- 7.9. Reviews at least annually and recommends to the Board of Directors the approval of the “Diversity Policy” of the Bank.
- 7.10. Recommends to the Board of Directors for approval the Code of Ethics as well as any changes thereto.

#### Sustainability - ESG

- 7.11. Reviews at least semi-annually current and emerging trends and regulatory developments in ESG issues that may significantly affect the Bank’s activities, highlighting to the Board of Directors areas that may require actions.
- 7.12. Oversees the implementation of the Bank’s policies on ESG issues.
- 7.13. Oversees the sustainability reporting to Stakeholders, in coordination with the Audit Committee.
- 7.14. Oversees the Bank’s alignment with sustainability requirements.
- 7.15. Acts as the ultimate liaison/responsible Board Committee with respect to all sustainability/ESG issues and promotes respective communications and feedback from all the Board of Directors Committees.
- 7.16. Reviews at least annually the Sustainability/ESG Policy of the Bank and, if necessary, provides proposals for amendments and recommends its approval by the Board of Directors.

#### Member Nomination

- 7.17. Recommends to the Board of Directors for approval and regularly reviews the “Suitability and Nomination Policy for the Members of the Board of Directors and Key Function Holders”.

- 7.18. Recommends to the Board of Directors for approval and regularly reviews the “Induction and Training Policy for the Members of the Board of Directors”.
- 7.19. Develops and regularly reviews the selection criteria and the appointment process for the Members of the Board of Directors. For this purpose, the Corporate Governance, Sustainability and Nominations Committee, indicatively but not exhaustively:
- (a) identifies and recommends for the approval of the Board of Directors candidates to fill vacancies, according to the “Suitability and Nomination Policy for the Members of the Board of Directors and Key Function Holders”, evaluates the balance of knowledge, skills, diversity and experience of the Board of Directors and prepares a description of the roles and capabilities for a particular appointment and assesses the time commitment expected;
  - (b) periodically, and at least annually, assesses the structure, size, composition and performance of the Board of Directors and makes recommendations to the Board of Directors with regard to any changes;
  - (c) periodically, and at least annually, assesses the knowledge, skills and experience of each Member of the Board of Directors and of the Board of Directors collectively and reports to the Board of Directors accordingly;
  - (d) ensures that the majority of the Non-Executive Members of the Board of Directors are Independent under the definition of the Hellenic Corporate Governance Code, the law and the Joint European Securities and Markets Authority (ESMA) and European Banking Authority (EBA) “Guidelines on the assessment of the suitability of the members of the management body and key function holders”;
  - (e) assesses whether or not all Members of the Board of Directors have the necessary behavioral skills (independence of mind);
  - (f) assesses whether or not there exists any conflict of interest, to an extent that would impede the Members’ ability to perform their duties independently and objectively (independence of mind);
  - (g) reviews political affiliations of the Members of the Board of Directors.
- 7.20. Proposes the composition of the BoD Committees to the Board of Directors, 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.
- 7.21. In performing its duties, the Committee shall, to the extent possible and on an ongoing basis, take account of the need to ensure that the Board of Directors decision making is not dominated by any one individual or small group of individuals in a manner that is detrimental to the interests of the Bank as a whole.
- 7.22. Compiles and maintains a target profile matrix for the Board of Directors in accordance with the “Suitability and Nomination Policy for the Members of the Board of Directors and Key Function Holders”.

- 7.23. Ensures that the individual and collective suitability assessments of the Members of the Board of Directors are carried out before they are appointed.
- 7.24. Ensures that the individual assessments of the Key Function Holders are carried out before they are appointed.
- 7.25. In accordance with the corporate governance principles adopted for the Banking Group (see 7.1) and the applicable national legal requirements, advises the Nomination Committees of the Subsidiaries on their Board Suitability and Nomination Policy, as required.
- 7.26. Taking into account the applicable national legal requirements, is informed by the Nomination Committees, where established, or by the Boards of Directors of the Subsidiaries through the Governance and Sustainability Division, and is consulted on the following issues:
- the expiration of a Member’s tenure from the Board of Directors or its Committee and/or the expiration of the tenure of the Board of Directors;
  - the resignation of a Member from the Board of Directors and/or its Committees;
  - the necessity of the replacement of a Member of the Board of Directors and/or its Committees;
  - the necessity of the renewal of the composition of the Board of Directors and/or its Committees;
  - the proposed appointment of a Member to the Board of Directors and/or its Committees;
  - the need of the establishment of a new Committee of the Board of Directors;
- liaising accordingly with and informing or consulting the other Committees as appropriate.
- 7.27. Submits proposals to the Board of Directors regarding the promotion of diversity among the Members of the Board of Directors and the Senior Executives of the Bank and the Banking Group (including gender diversity).

#### Executive Appointments and Evaluation

- 7.28. Submits recommendations to the Board of Directors regarding the appointment and dismissal of the Chief Executive Officer (CEO) of the Bank.
- 7.29. Following a proposal by the CEO, the Committee advises the Board of Directors on the appointment and dismissal of the Members of the Executive Committee and Key Function Holders of the Bank, except for the Heads of Internal Audit and Compliance as well as the Chief Risk Officer, where the relevant proposal is submitted by the Audit Committee and the Risk Management Committee, respectively.



- 7.30. Reviews regularly and submits to the Board of Directors for approval the Bank's "Policy for the Succession Planning of Senior Executives and Key Function Holders".
- 7.31. Reviews and endorses the CEO's successors (including interim ones) as well as the successors list developed for the Senior Executive positions.
- 7.32. Ensures that there is adequate implementation of the Executive succession planning process and keeps a registry of all successors developed for Senior Executive positions, as per the provisions of the "Policy for the Succession Planning of Senior Executives and Key Function Holders".
- 7.33. Makes recommendations to the Board of Directors regarding significant changes (which the Committee deems to be of importance) to the Bank's Organizational Chart.
- 7.34. Develops, regularly reviews and submits to the Board of Directors for approval the Bank's "Policy for the Evaluation of Senior Executives and Key Function Holders" and oversees the adequate implementation of this Policy.

#### Evaluation and Training of the Board of Directors

- 7.35. Reviews and recommends to the Board of Directors for approval the "Policy for the Annual Evaluation of the Alpha Bank Board of Directors".
- 7.36. Oversees the design and implementation of the induction program for the new Members of the Board of Directors as well as the on-going knowledge and skills development for Members, which support the effective discharge of their responsibilities.

#### Collaboration with Other Board Committees

- 7.37. May liaise with other Committees (e.g. Risk Management Committee, Audit Committee and Remuneration Committee) and Internal Functions (e.g. Human Resources, Legal or Control Functions), in order to ensure that the individual and collective suitability assessments of the Members of the Board of Directors are carried out before they are appointed.
- 7.38. Collaborates with the Remuneration Committee on the determination of the remuneration of the Non-Executive Members of the Board of Directors.
- 7.39. Collaborates with the Remuneration Committee on the review and implementation of the "Policy for the Evaluation of Senior Executives and Key Function Holders".

#### Other

- 7.40. Ensures the availability of resources, within and outside the Bank, required to support the work of the Committee.

- 7.41. Reviews the Annual and Semi-Annual Activity Reports of the Banking Group's Nomination Committees regarding the fulfillment of their responsibilities.
- 7.42. Ensures that: (i) there is effective training in the Bank's Code of Ethics as well as in business ethics and in ESG issues at all levels and (ii) there is an effective communication reinforcing ethical values and good practice in the daily business of the Bank and at Banking Group level and censures unacceptable practice.

## **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.