



**ALPHA BANK**

## **Corporate Governance and Nominations Committee**

### **Charter**

**DECEMBER 2019**

## **Charter of the Corporate Governance and Nominations Committee**

### **1. Preamble**

- 1.1. The Board of Directors, at its meeting held on 27.6.2014, resolved on the establishment of a Corporate Governance and Nominations Committee (the “Committee”) for Alpha Bank (the “Bank”) and the Group Companies (the “Group”).
- 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 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 the Group, while taking into consideration the culture of the 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 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 Group Companies, while recognising that the final responsibility for compliance with the relevant provisions of the national legislation lies with the Group Companies.
- 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.

### **3. Composition**

- 3.1. The Committee consists of no less 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. 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 Chair of the Committee (the “Chair”) is a Non-Executive Independent Member of the Board of Directors.
- 3.3. The Committee ensures and regularly evaluates that its Members collectively possess the required knowledge, skills and experience relating 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. They may be appointed for more than one period. 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 of 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. 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 minutes of the Committee meeting proceedings (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 within the Bank that the former 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.
- 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 report on the work of the Committee during the year, parts of which are included in the Bank's annual Corporate Governance Statement.
- 5.9. 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 or by teleconference.
- 6.2. In the absence of the Chair, the Committee is chaired by the Non-Executive Independent 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. Ensures that the corporate governance principles of the Bank and the Group, as embedded in the Corporate Governance Code of the Bank as well as the implementation of these principles reflect the legislation in force, regulatory expectations and international corporate governance best practice.
- 7.2. Is regularly informed of current trends and developments in the area of banking governance, including best practice and relevant regulations.

- 7.3. Regularly reviews the Corporate Governance Code of the Bank and makes appropriate recommendations to the Board of Directors on its update. In this context, the Committee takes into account other Corporate Governance Codes as well as corporate governance best practices.
- 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 Group Companies.
- 7.7. Reviews 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.
- 7.8. Facilitates the regular review of the Charters of 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 Bank's Corporate Governance Code as well as with corporate governance best practices.

#### Member Nomination

- 7.9. 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.
- 7.10. Recommends to the Board of Directors for approval and regularly reviews the Induction and Training Policy for the Members of the Board of Directors.
- 7.11. In accordance with the corporate governance principles adopted for the Group (see 7.1) and the applicable national legal requirements, advises the Nomination Committees of the Group Companies on their Board Suitability and Nomination Policy, as required.
- 7.12. 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 and Nominations Committee, indicatively but not limited to:
  - (a) identifies and recommends for the approval of the Board of Directors candidates to fill vacancies, 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 Alpha Bank 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) reviews regularly the Diversity Policy;
  - (f) assesses whether or not all Members of the Board of Directors have the necessary behavioral skills (independence of mind);
  - (g) 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);
  - (h) reviews political affiliations of the Members of the Board of Directors.
- 7.13. 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.
- 7.14. 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 Group (including gender diversity).
- 7.15. Ensures that the individual and collective suitability assessments of the Members of the Board of Directors are carried out before they are appointed.
- 7.16. Ensures that the individual assessments of the Key Function Holders are carried out before they are appointed.

#### Executive Appointments and Evaluation

- 7.17. Submits recommendations to the Board of Directors regarding the appointment and dismissal of the Chief Executive Officer (CEO) of the Bank.
- 7.18. 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, and the Chief Risk Officer, where the relevant proposal is submitted by the Audit Committee and the Risk Management Committee, respectively.
- 7.19. Develops, regularly reviews and submits to the Board of Directors for approval the Bank’s Policy for the Succession Planning of Senior Executives and Key Function Holders; and oversees the adequate implementation of this Policy.

- 7.20. Makes recommendations to the Board of Directors regarding significant changes (which the Committee deems to be of importance) to the Bank's Organizational Chart.
- 7.21. 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*

- 7.22. Reviews and recommends to the Board of Directors for approval the Policy for the Annual Evaluation of the Alpha Bank Board of Directors.
- 7.23. 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, that support the effective discharge of their responsibilities.

#### *Collaboration with Other Board Committees*

- 7.24. May liaise with other Committees (e.g. Risk Management and Audit 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.
- 7.25. Collaborates with the Remuneration Committee on the determination of the remuneration of the Non-Executive Members of the Board of Directors.
- 7.26. Collaborates with the Remuneration Committee on the review and implementation of the Policy for the Evaluation of Senior Executives and Key Function Holders.

#### *Other*

- 7.27. Ensures the availability of resources, within and outside the Bank, required to support the work of the Committee.
- 7.28. Reviews the Group Companies' Nomination Committees 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.