Audit Committee of Piraeus Financial Holdings S.A.
Terms of Reference

The Audit Committee's Terms of Reference (ToR), approved by the decision of Piraeus Financial Holdings S.A. (PFH) Board of Directors (the Board) on 23.01.2025 are as follows:

1. Introduction

- The present ToR of the Audit Committee (the 'Committee') have been issued in compliance with the legislative and regulatory framework, as applicable (including article 44 of Law 4449/2017 and Law 4706/2020), as well as the international best practices.
- The ToR are reviewed, on a regular basis by the Committee and may be amended by resolution of the Board following a respective recommendation of the Committee.

2. Purpose

The Committee's purpose is to provide assistance to the Board concerning its supervisory responsibilities, for the issues concerning primarily:

- the Internal Control System (ICS) of PFH,
- the financial and sustainability reporting process,
- the statutory auditors,
- the PFH Internal Audit,
- the oversight of the PFH Compliance unit.

The Committee communicates with Management through the Chairperson of the Committee.

3. Authority

The Board authorises the Committee within the framework of its role and responsibilities, so as to:

3.1. Request and obtain any type of information or assistance that is considered necessary for exercising its responsibilities from:

- any collective body, officer or employee of the PFH Group
- any third party collaborating with the PFH Group
- any competent authority.

3.2. Request the presence of any officer of the PFH Group, or a third-party collaborating with PFH in the meetings, when deemed necessary.

3.3. Have access to any type and form of data and information of PFH Group, which are considered to be necessary for performing its work.

3.4. Use any sources or means, including the collaboration with external advisors, if deemed necessary for performing its work.

3.5. Inform the Board about any limitation encountered in its work.

4. Membership

4.1. **Designation and replacement of Committee's members:** The General Meeting of Shareholders is responsible to determine the type, the composition, and the term of the members of the

Committee. Unless resolved otherwise by the General Meeting of Shareholders in the future, the Audit Committee is a Board of Directors' Committee. The Committee's members are designated by the Board following a respective Board Nomination Committee proposal presenting the rationale of the members' nomination and the assessment of their independence on the basis of the criteria provided for in law, taking also into consideration possible ineligibility or incompatibility restrictions.

4.2. **Term of office:** Unless otherwise resolved by the General Meeting of Shareholders, the term of office of the Committee members coincides with the three-year term of office of the Board.

4.3. **Chairperson**: The Chairperson and Vice - Chairperson of the Committee are appointed by its members.

4.4. **Composition**: The Committee consists of at least three (3) non-executive Board members. The majority of the Committee members, including its Chairperson, should be independent non-executive Board members. The chairperson of the Risk Committee should be a member of the Audit Committee.

4.5. In the event of resignation, death or forfeiture, the Board of Directors appoints, from among its existing members, a new member in replacement thereof, for the remaining term of office of the member replaced, in accordance, with par. 1 and 2 of Article 82 of L. 4548/2018, which, if applicable, apply mutatis mutandis.

4.6. **Characteristics and skills of the Audit Committee's members**

- <u>Adequacy of knowledge and experience</u>

The Chairperson of the Committee should possess solid experience in financial management, accounting and auditing and the required knowledge for the supervision of the audit procedures and accounting. At least one independent non-executive member of the Committee, with sufficient knowledge and experience in auditing or accounting, shall be required to attend meetings of the Committee relating to the approval of the financial statements. All Committee's members should have adequate knowledge of the sector in which PFH operates.

- <u>Impartiality and Independence</u>

If any event or relationship is likely to impact or is deemed to be impacting the independence and objectivity of a Committee's member, the Committee's Chairperson should promptly convey this information in writing, which may include email, to the Chairperson of Board.

- <u>Compliance with the Code of Conduct & Ethics and required notifications</u>

Committee membership necessitates ongoing adherence to the Piraeus Financial Holdings Group's Code of Conduct & Ethics and the mandatory notifications outlined in the accompanying document (Adjunct I), which is an integral part of these ToR.

4.7. **Executive Secretary:** The Committee is assisted by an Executive Secretary and a Secretary, who are appointed by the Committee.

Every Committee member, upon assuming his/her responsibilities, receives a declaration document (Adjunct I) from the Executive Secretary. This document outlines the Piraeus Financial Holdings Group's Code of Conduct & Ethics, along with the responsibilities and constraints associated with his/her role on the Committee. Once the Committee member signs this declaration, it is retained by the Executive Secretary of the Committee. The declaration document is revised as needed. If a Committee member refuses to sign this document, the Chairperson or Executive Secretary of the Committee informs the Chairperson of PFH Board, and appropriate action is taken to replace the member.

5. **Convocation – Decision-making procedure**

5.1. The Committee convenes, at least eight (8) times a year. Additional meetings may be conducted, when deemed necessary.

5.2. The Committee convenes at the headquarters of the Company or where the articles of association provide for.

5.3. Each member of the Committee is entitled to ask, in writing, from the Chairperson of the Committee, for the convocation of the Committee, so that specific issues are discussed. Such entitlement is also granted to the Board Chairperson, the Managing Director and CEO of PFH Group as well as to the Chief Internal Auditor of PFH and the external auditors.

5.4. The meeting covers issues that have been included in the Committee's agenda, which is notified timely and, in any case, no later than five (5) working days prior to the scheduled meeting, to the members of the Committee by the Executive Secretary in consultation with the Chairperson of the Committee.

5.5. The Committee may hold meetings through electronic communication methods at the discretion of its Chairperson, with members being informed by the Executive Secretary. The participation of a member in Committee meetings through such electronic means is recognised as valid.

5.6. In order to proceed with any meeting and establish a quorum, at least 50% of the Committee's members should be in attendance. Additionally, during meetings related to the approval of financial statements, the presence of at least one independent Committee member with sufficient expertise in auditing or accounting is required.

5.7. In decision-making, voting rights are held solely by members of the Committee. Decisions are reached through a majority vote. In the event of an equal split in votes, the Chairperson of the Committee holds the prerogative to exercise a casting vote.

5.8. Each member of the Committee is entitled to provide written authorisation for representation to another Committee member in the event of their inability to attend the Committee's meeting, whether in person or via teleconference. In such instances, the vote of the absent member is considered valid and is counted as part of the regular voting process.

5.9. Minutes executed and signed by all members of the Committee, or their representatives shall generate effects as valid decisions even if no meeting has been previously held (by circulation). The signatures of members of their representatives may be replaced by emails or messages exchanged by other electronic means.

5.10. In the event that a Committee member is absent from a minimum of three (3) consecutive meetings, the Chairperson of the Committee or two other Committee members are responsible for directly informing the Board. Subsequently, the Board has the authority to consider the replacement of the absent member. Prior to any decision on replacement, the absent member is given the opportunity to furnish clarifications to the Chairperson of the Board regarding the reasons for his/her absence.

5.11. Minutes are recorded at every Committee meeting, and these minutes are signed by the attending members. In case of non-unanimous decisions, the dissenting opinions of the minority are duly documented. The responsibility for archiving the Committee's minutes, along with any pertinent correspondence, lies with the Executive Secretary. The ratification of the minutes is a standard item on the agenda of the subsequent Committee meeting.

5.12. Copies of the minutes are only authorised for distribution or ratification following written approval from either the Chairperson of the Board or the Chairperson of the Committee. These approvals are retained in the records held by the Executive Secretary.

5.13. The Chairperson of the Committee may hold meetings, in addition to the scheduled meetings of the Committee, with the participation of the Chief Internal Auditor (CIA), the Chief Financial Officer (CFO), and the Compliance and Risk Officer. Other Committee members may also attend these meetings if they receive invitation from the Chairperson. These meetings do not serve as substitute for, nor do they hold the same authority as, the Committee meetings.

5.14. The Chairperson of the Committee is entitled to invite to the Committee meetings any officers or advisors of Piraeus Financial Holdings Group as deemed necessary. This may indicatively include internal or external auditors, compliance or legal advisors and the Chairpersons of subsidiaries' Audit Committees.

6. Responsibilities

For the fulfillment of its mission, the Committee has the following duties and responsibilities:

A. Financial statements and relevant notifications

The Committee is responsible for overseeing and evaluating the processes involved in the preparation of Piraeus Financial Holdings Group's annual and interim financial statements before they are submitted to the Board for approval. This oversight aims to ensure the appropriate presentation, accuracy and completeness of the information contained in these financial statements, and the Committee expresses its opinion primarily focusing on the following key matters:

- **Significant transactions:** The Committee pays special attention to unusual transactions that have a material impact on the financial statements and their accounting treatment.
- **Management's accounting policies and critical judgments:** The Committee evaluates Management's accounting policies, critical judgments and assessments related to provisioning and other critical matters that require careful consideration and have the potential to materially affect the financial statements.
- **External auditors' proposals:** Any material uncorrected audit adjustments proposed by the external auditors are reviewed and assessed by the Committee.

B. Sustainability reporting

The Committee is responsible to:

i. inform the BoD of the Company of the outcome of the assurance of sustainability reporting and explain how the assurance of sustainability reporting contributed to the integrity of sustainability reporting, and what the role of the Audit Committee was in that process;

ii. monitor the sustainability reporting process, including the electronic reporting process as referred to in Article 29d of Directive 2013/34/EU and the process carried out by the Company to identify the information reported in accordance with the sustainability reporting standards adopted pursuant to Article 29b of that Directive, and submit recommendations or proposals to ensure their integrity;

iii. monitor the effectiveness of the Company's internal quality control and risk management systems and its internal audit regarding the sustainability reporting of the Company, including its electronic reporting process as referred to in Article 29d of Directive 2013/34/EU, without breaching its independence;

iv. monitor the assurance of the annual and consolidated sustainability reporting, in particular its performance, taking into account any findings and conclusions by the competent authority pursuant to Article 26(6) of Regulation (EU) No 537/2014;

v. review and monitor the independence of the independent assurance service providers in accordance with point (e) of article 39 (6) of Directive 2006/43/EC;

C. External Audit

i. The Committee oversees the statutory audit of both the separate and consolidated financial statements, with a particular focus on evaluating the performance of the audit process. This evaluation takes into account the outcomes and conclusions of the relevant authority (e.g., Hellenic Accounting and Auditing Standards Oversight Board (HAASOB)) according to the provisions of the law and the EU regulations.

ii. The Committee bears the responsibility for the selection of external auditors and puts forth recommendations for their appointment according to the provisions of the law.

iii. The Committee meets the statutory auditor during the different stages of the audit (i.e. planning, execution, conclusion) and reviews the audit scope and approach to be followed by the auditor including collaboration with internal audit.

iv. The Committee safeguards the independence of Piraeus Financial Holdings' statutory auditors by requesting written representation with regards to the independence status of the audit firm and the statutory auditor towards PFH Group and providing its consent on non-audit services rendered to PFH Group.

v. The Committee is informed by the statutory auditors about any material weaknesses or significant deficiencies identified in the ICS upon the conduct of their statutory audit of the annual financial statements, in accordance with International Auditing Standards and international best practices on internal controls.

vi. The Committee puts forth recommendations to both the Board and Management regarding specific areas where additional audits by the external auditors or specialized consultants are deemed necessary.

vii. The Committee is informed by the statutory auditors about any possible limitations that could affect their ability to carry out their duties, as well as any fraudulent instances identified.

viii. The Committee reviews and pre-approves all audit and non-audit services, prior to the audit firm's engagement, in order to ensure conformity with the applicable regulatory framework (article 5 of the Regulation (EU) No 537/2014 and the provisions of article 12 of the l.3148/2003) or internal limits, regarding the objectivity and independence of external auditors and related fees.

D. Internal Control System (ICS) – Risk Management

i. The Committee monitors and assesses the adequacy and effectiveness of the ICS on an individual basis and at Piraeus Financial Holdings Group level, based on the relevant data and information of Piraeus Financial Holdings' Internal Audit, the findings and remarks of the external auditors as well as the supervisory authorities.

   The Committee evaluates the operation of the ICS on the basis of the relevant data and information included in the quarterly reports, the Annual Report and follow-up reports drawn up by the Internal Audit as well as the supplementary audit report of statutory auditors or auditing companies. The Committee can also take into consideration the SREP (Supervisory Review and Evaluation Process) assessment of the supervisory authorities and the results of the work by the PFH Compliance Unit.

ii. The Committee assesses, selects and appoints, the latest every three years, independent certified public accountants (other than the statutory auditors), in order to assess the ICS's adequacy. The ICS assessment is performed as per the Bank of Greece Governor's Act 2577/2006 requirements.

   Prior to the project initiation, the Audit Committee determines the units and subsidiaries to be included in the project scope. Such determination is performed on the basis of criteria for the significance of each unit and subsidiary, as well as other qualitative criteria. The assessment report is duly communicated to Hellenic Capital Market Commission and the Bank of Greece.

The audit firm and the independent certified public accountants that are assigned with this task shall change at least after two consecutive assessments. When carrying out under point (i) annual evaluation, the Committee takes account of the evaluation and any findings of the independent certified public accountants.

iii. The Committee assesses the results of the report of the independent certified public accountants (other than the statutory auditors), which have the required expertise to assess the compliance of Internal Audit with International Standards for the Professional Practice of Internal Auditing of the International Institute of Internal Auditors and the effectiveness in the performance of its task.

iv. The Committee provides a positive or negative statement that the ICS has been evaluated in the Annual Corporate Governance Statement.

v. The Committee evaluates the additional audit report of the statutory auditors according to the article 11 of the Regulation (EU) No 537/2014.

vi. The Committee submits proposals to the Board for addressing the weaknesses detected in the ICS and monitors the implementation of measures decided by the Management (follow up), with the assistance of the Internal Audit.

vii. The Committee ensures that the Company has established appropriate procedures to ensure the availability of a whistle-blowing mechanism. These procedures also include measures for protecting employees who use this mechanism to report significant irregularities, omissions, or criminal offenses of which they have become aware to the Board or the Committee.

viii. The Committee reviews and monitors the level of operational risk in the Group through regular reporting by the Risk Management. As a result, the Committee obtains a good understanding of how the Group identifies, manages and mitigates significant operational risks. It also ensures that Management takes all adequate corrective steps to reduce the level of operational risk where necessary.

E. Internal Audit

i. The Committee evaluates the work of Piraeus Financial Holdings' Internal Audit focusing on the issues related to the degree of its independence, the quality and the scope of audits conducted, its impartiality, the priorities determined by the changes in the financial environment, the systems, the risk level and the overall effectiveness of its operation.

In relation to the Internal Audit, the Committee ensures:

- its independent operation,
- its unobstructed access to all the activities, units and premises, as well as all types and forms of data and information (books, documents, archives, bank accounts, portfolio etc.) of Piraeus Financial Holdings Group,
- its unhampered communication with any officer, collective body and employee of Piraeus Financial Holdings Group.

The Committee ensures, along with the Management's assistance, that the Internal Audit possesses the suitable skills and capacities in order to audit and evaluate the effectiveness of the ICS, laying special emphasis on the risk and capital management, ICT (Information and Communications Technology) as well as financial control.

ii. The Committee reviews the quarterly Internal Audit activity reports as well as the follow up reports prepared by the Internal Audit. The second include the audit findings (internal / external audit, regulatory authorities) and the timetable for implementation to correct weaknesses. The Committee informs the Board, on a regular basis, about the results of the audit work.

iii. The Committee evaluates and proposes the Annual Action Plan and the budget of Piraeus Financial Holdings' Internal Audit for approval to the Board.

In addition, the Committee may request the conduct of additional audits by the Internal Audit, on special areas that it considers necessary, within the framework of performance of its work.

iv. The Committee recommends the designation and appointment of the Chief Internal Auditor of Piraeus Financial Holdings as well as his / her possible replacement to the Board.

v. The Committee conducts the annual performance evaluation of the Chief Internal Auditor.

vi. The Committee submits its recommendation to the Remuneration Committee on the remuneration and compensation of the Chief Internal Auditor.

vii. The Committee proposes the Operation Regulation of Piraeus Financial Holdings' Internal Audit as well as its amendments for approval to the Board.

F. Compliance

i. The Committee has the oversight of Compliance policies and procedures; it reviews the alignment and effectiveness of the PFH compliance policies and procedures with the legal and regulatory framework and the articles of association and assigns the investigation of non-compliance issues to the Internal Audit of Piraeus Financial Holdings. Moreover, it is informed by the Head of the PFH Compliance on a regular basis, about the material changes in regulations and compliance matters pertaining to PFH.

ii. The Committee ensures the independence of the Head of the PFH Compliance Unit at PFH by establishing a dual reporting line to both the CEO and the Audit Committee. Additionally, it mandates that the Head of the PFH Compliance Unit keeps the Committee informed of any notable developments or changes related to regulatory compliance matters.

iii. The Committee evaluates and comments on the annual Action Plan of the Compliance Unit and ensures that such plan has been appropriately prepared, considering the applicable laws and regulations.

iv. The Committee evaluates and comments on the PFH Anti-Money Laundering Report and communicates to the Board any comments, requesting for its approval, prior its submission to the Bank of Greece.

v. The Committee reviews the quarterly compliance reports and the Compliance Annual Report and communicates to the Board any compliance related non-conformities that may have a material impact on Piraeus Financial Holdings operation, reputation or financial statements.

vi. The Committee is informed by Compliance of audits performed by regulatory and/or other authorities and the results of these audits.

vii. The Committee monitors and evaluates on an annual basis the work of the Piraeus Financial Holdings Compliance Unit taking into consideration:

- the PFH Compliance Annual Activity Report
- the Quarterly reports of the PFH Compliance Unit
- any findings and recommendations from reports issued by Internal Audit and the Authorities.

G. Other responsibilities

i. The Committee has the oversight of the Group as a whole in relation to the matters within its remit, but notes that, within the parameters set by this Committee matters which relate solely to Piraeus Financial Holdings' subsidiary 'Piraeus Bank S.A.' or/and its respective subsidiaries and which fall solely within the remit of the Terms of Reference of the Piraeus Bank's Audit Committee shall be dealt with by that Committee. However, to the extent that such matters are of Group-level significance, the Committee will exercise additional oversight.

ii. The Committee is responsible for promptly informing the Board and/or Management of any event that comes to its attention and is likely to have a substantial impact on the operations of the Group.

H. Reporting

i. **General** – The Committee should identify any shareholder views on audit issues and respond to any shareholder concerns.

ii. **Board of Directors:** The Committee reports to the Board on a regular basis in respect with its activities, including any reporting required by laws or regulations.

iii. **Annual General Meeting of Shareholders / Annual Report**: The Committee prepares a report summarizing its activities and performance in fulfilling its responsibilities, which is then submitted to the Annual General Meeting of Shareholders. This report includes a description of the sustainable development policy implemented by the audited company according to Law 4706/2020. A brief summary of the Committee's actions in fulfilling its duties is also incorporated into the Annual Report.

iv. The Chairman of the Committee, or a designated deputy from among its members, should be in attendance at the Annual General Meeting of Shareholders to provide responses to inquiries regarding the report on the Committee's activities and matters that fall within the Committee's responsibilities.

7. Self-assessment

The Committee conducts an annual self-evaluation to pinpoint its strengths and weaknesses, highlight areas that require enhancement, and strategize for any necessary follow-up actions.

APPENDIX I

PIRAEUS FINACIAL HOLDINGS GROUP

SOLEMN DECLARATION

Place :……………………………..
Date :……………………………..

I, the undersigned:……………………………………………………………………………….
(full name), declare that I received :

- A copy of the Internal Operating Regulations of Piraeus Financial Holdings.
- A copy of the Audit Committee' s Terms of Reference, and
- A copy of the Labour Relations Framework and Code of Conduct and Ethics of Piraeus Financial Holdings Group, dated March of 2023

I read carefully the aforementioned texts, understood and accepted their content.

THE DECLARER

…………………………….
(Signature)