

Audit Committee

The Audit Committee's Terms of Reference, approved by the decision of Piraeus Financial Holdings S.A. (PFH) Board of Directors 24.03.2021 is as follows:

1. Introduction

- The present Terms of Reference of the Audit Committee (hereinafter referred to as the 'Committee') have been issued in compliance with the applicable legislative and regulatory framework (including article 44 of Law 4449/2017, Law 4706/ 2020 and Law 3864/2010) as well as international best practices. These terms of Reference are compatible with the standards and practices of the Institute of Internal Auditors (IIA).
- The Terms of Reference are reviewed, on a regular basis by the Committee and may be revised only by the decision of Piraeus Financial Holdings' BoD following a respective recommendation of the Committee.

2. Purpose

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

- the Internal Control System (ICS) of Piraeus Financial Holdings,
- the procedures of compilation of annual and interim financial reports,
- the external chartered accountants – auditors,
- the Internal Audit Unit (IAU) of Piraeus Financial Holdings,
- the Compliance function of Piraeus Financial Holdings,
- the adherence to Piraeus Group's Code of Conduct.

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

3. Authorization

The BoD of Piraeus Financial Holdings authorizes the Committee within the framework of its role and responsibilities, so as to:

- 3.1.** Request any type of information or assistance that is considered necessary for exercising its responsibilities from:
 - any collective body, officer or employee of Piraeus Financial Holdings Group.
 - any third party collaborating with Piraeus Financial Holdings
 - any responsible Authority
- 3.2.** Request the presence of any officer of Piraeus Financial Holdings Group, or a third-party collaborating with Piraeus Financial Holdings in the meetings, which it considers to be necessary.
- 3.3.** Have access to any type and form of data and information of Piraeus Financial Holdings Group, which are considered to be necessary for performing its work.
- 3.4.** Use any sources or means, even the collaboration with external advisors, provided that it considers it to be necessary for performing its work.
- 3.5.** Inform the BoD about any limitation encountered in its work.

4. Membership

- 4.1. Designation and replacement of Committee's members:** The General Meeting of Shareholders is

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responsible to determine the type, the composition and the term 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 of Directors following a respective BoD 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. Chairman: The Chairman of the Committee is appointed by its members and should meet the requirements of Law 3864/2010. The capacity of the Committee's Chairman is incompatible with the one of the BoD's Chairman as well as the Chairman of the Risk Committee.

4.3. The Committee's members are re-eligible at all times. In case that any member of the Committee resigns or dies or loses his capacity as a member, then the BoD may elect his replacement from among its members, meeting the law requirements as well as the requirements of the Committee's quantitative and qualitative composition, which is included in the following paragraph.

4.4. Composition: The Committee consists of at least three (3) members. The Representative of the Hellenic Financial Stability Fund (HFSF) is a member of the Committee, as per the provisions of Law 3864/2010. The number of the Committee members should not exceed 40% (rounded to the nearest integer) of the total number of the BoD members (excluding the HFSF Representative). The $\frac{3}{4}$ (rounded to the nearest whole number) of the Committee's members (excluding the HFSF Representative), including its Chairman, should be independent non-executive BoD members.

4.5. 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 of Directors.

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

- Adequacy of knowledge and experience

The Chairman 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 issues, with which the Committee is concerned. The majority of the Committee's members should possess adequate knowledge of finance, audit or/and accounting issues. All Committee's members should have adequate knowledge of the sector in which the Piraeus Financial Holdings operates.

- Impartiality and Independence

If a certain event or relationship is possible to affect or is considered to be affecting the independence and impartiality of any member of the Committee, this should be notified directly and by an instrument in writing (including explicitly the communication via e-mails) to the Chairman of Piraeus Financial Holdings' BoD by the Chairman of the Committee.

- Compliance with Code of Conduct and required notifications

The requirement for the acquisition and maintenance of the capacity as a Committee member is the continuous compliance of the specific member with Piraeus Financial Holdings Group's Code of Conduct and the required notifications, such as the ones described in the relevant text of declaration (Adjunct I, which comprises an indispensable part of the present terms of reference).

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

Each member of the Committee, who undertakes his duties, is provided with a text of declaration from the Executive Secretary (Adjunct I), regarding the Piraeus Financial Holdings Group's Code of Conduct, in which the liabilities and limitations are described due to his capacity as a member of

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the Committee. After the text of declaration has been signed by the member of the Committee, it is kept by the Executive Secretary of the Committee. The text of declaration is updated when deemed necessary. In case that this text is not accepted, the Chairman of Piraeus Financial Holdings' BoD is informed by the Chairman or the Executive Secretary of the Committee and the member should be replaced.

5. Convocation – Decision-making procedure

- 5.1. The Committee convenes, at least four (4) times a year, within each calendar quarter. Additional meetings may be conducted, when deemed necessary.
- 5.2. Each member of the Committee is entitled to ask, in writing, from the Chairman of the Committee or the Chairman of the BoD, for the convocation of the Committee, so that specific issues are discussed. Such entitlement is also granted to the BoD's Chairman, the Managing Director and CEO of Piraeus Financial Holdings Group as well as to the head of the Internal Audit Unit of Piraeus Financial Holdings and external auditors.
- 5.3. The representative of the Hellenic Financial Stability Fund in the Committee is entitled to the rights comprehended in the term 3.4 of the Relationship Framework Agreement as of 27.11.2015, between the HFSF and Piraeus Financial Holdings.
- 5.4. The meeting covers issues that have been included in the daily 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 Chairman of the Committee.
- 5.5. The Committee, following the decision of its Chairman and the information of its members by the Executive Secretary, may convene using electronic means of communication. A member's participation through such means in the Committee's meetings is considered to be valid.
- 5.6. In order for any meeting to proceed and a quorum to be constituted, the presence of at least 50% of the Committee's members is required. At least one independent Committee member, with adequate knowledge of and experience in auditing or accounting, is required to be present in the Committee's meetings, which pertain to the approval of financial statements.
- 5.7. For decision-making, only the Committee's members shall have a voting right. Decisions are made by the majority. In the event of a tie, the Chairman of the Committee shall have a casting vote.
- 5.8. Each Committee member may grant an authorization, in writing, for representation to another member of the Committee, in case that he cannot be present at the Committee's meeting, either by physical presence or through teleconference. In this case, the vote of the absent member is counted as regular and the decision is made by the majority, as above-mentioned.
- 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 or their representatives may be replaced by emails or messages exchanged by other electronic means.
- 5.10. The absence of a Committee's member from at least three (3) consecutive meetings should be notified directly to the BoD, by the Chairman of the Committee or by two other members of the Committee. The BoD may decide on the replacement of the member, after the member has been invited to provide clarifications to the Chairman of the BoD regarding his absence.
- 5.11. Minutes are kept at all the meetings of the Committee, which are signed by the present members according to the article 93 of L.4548/2018. In case of non-unanimous decisions, the views of the minority are recorded. The Committee's minutes as well as any relevant mail of the Committee are filed under the responsibility of the Executive Secretary. The ratification of the minutes is included on the daily agenda of the very next meeting of the Committee.

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- 5.12.** The copies of the minutes are permitted to be granted or/and ratified only after the Chairman of the BoD or the Chairman of the Committee have granted their written approval. The approval shall be held in the Executive Secretary's file.
- 5.13.** The Chairman of the Committee may conduct meetings, in addition to the scheduled meetings of the Committee, with the head of the Internal Audit Unit, the CFO and the head of Compliance. Other members of the Committee may also participate in such meetings, provided that they are invited by its Chairman. Such meetings do not substitute nor do they have the same force as the Committee's meetings.
- 5.14.** The Committee's Chairman is entitled to invite to its meetings any officers or advisors of Piraeus Financial Holdings Group as deemed appropriate, including indicatively internal or external auditors, compliance or legal advisors and the Chairmen of subsidiaries Audit Committees. As provided for in the Relationship Framework Agreement (RFA) entered into between the Piraeus Financial Holdings and the HFSF, an Observer appointed by the HFSF also attends the Committee's meetings without voting rights.

6. Responsibilities

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

A. Financial statements and relevant notifications

The Committee supervises and evaluates the procedures for compilation of the annual and periodical financial statements of Piraeus Financial Holdings and Piraeus Financial Holdings Group, prior to their submission to the BoD for approval, in order to ascertain the accuracy and completeness of the information contained in them and expresses its opinions, mainly about the following issues:

- the supervision of the audit conducted by the regular chartered auditors – accountants company of the annual and interim financial statements of Piraeus Financial Holdings and Piraeus Financial Holdings Group,
- any major or unusual transactions with significant influence on the financial statements and the way in which they are notified,
- the Management's assessments for provisioning and other issues, which require a prime evaluation and may affect the financial statements to a great extent,
- any major changes proposed by the external auditor.

B. External Audit

- i. Monitors the mandatory audit of annual and consolidated financial statements and, especially, its performance, taking into account the findings and conclusions of the responsible authority.
- ii. Has the responsibility for the selection process of chartered auditors – accountants or auditing companies and proposes the chartered auditors – accountants or auditing companies to be appointed (ensuring that no later than every (5) consecutive fiscal years, an open and transparent process shall be carried out for the selection of external auditors) according to the article 16 of the Regulation (EU) No 537/2014 (unless the par. 8 of article 16 is applied).
- iii. Is informed of the range of audit and strategy to be followed by the external auditor, including the collaboration with the internal audit.
- iv. Ensures the independence of Piraeus Financial Holdings' external auditors and, especially, the suitability of provision of non-audit services to the Company, taking into account the article 5 of the Regulation (EU) No 537/2014 and the provisions of article 12 of the I.3148/2003, regarding the objectivity and independence of external audit. Within this framework, reviews and pre-approves all the auditing and consulting services provided to Piraeus Financial Holdings by the external auditors appointed at any given time.

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Furthermore, on an annual basis, the Committee requests from the company of the regular chartered auditors - accountants:

- a written confirmation as regards the independence status of the company of chartered auditors-accountants towards Piraeus Group and
 - a written notification about the nature and extent of other services offered to Piraeus Group, apart from the services regarding the conduct of obligatory audits.
- v. Within the framework of the regular collaboration with the afore-mentioned auditors, the Committee requests the reporting of any problems or weaknesses identified in the Internal Control System upon the audit of the annual financial statements, according to the International Accounting Standards applicable in each case and the international best practices.
- vi. Submits a proposal to the BoD and Management on the special areas, where the conduct of additional audits by external auditors or specialized consultants is imposed.
- vii. Asks from the above-mentioned companies of chartered auditors-accountants to report any issue concerning possible limitations to their work. The Committee evaluates the objectivity and independence of the involved auditors.

C. Internal Audit – Internal Control System (ICS)

- i. Monitors and evaluates the adequacy and effectiveness of 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 Unit, 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 drawn up by the Internal Audit Unit and the supplementary audit report of chartered auditors - accountants or auditing companies.

- ii. Evaluates the supplementary audit report of external auditors according to the article 16 of the Regulation (EU) No 537/2014
- iii. Provides an annual (positive or negative) evaluation statement of the ICS, within the framework of the Corporate Governance Statement.
- iv. Submits proposals to the BoD for addressing the weaknesses detected in ICS and monitors the implementation of measures decided by the Management (follow up), with the assistance of the Internal Audit Unit.
- v. Evaluates the work of Piraeus Financial Holdings' Internal Audit Unit 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 and the risk level and the overall effectiveness of its operation. With regard to the Internal Audit Unit, the Committee ensures:
- its independent operation,
 - its unobstructed access to all the activities, units and rooms, 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 possibility of asking and receiving all the information and clarifications that are necessary from any officer, in order to fulfill its mission within the framework of the conducted audits.

The Committee ensures, along with the Management's assistance, that the Internal Audit Unit possesses the suitable skills and capacities in order to audit and evaluate the effectiveness of the ICS,

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laying special emphasis on the risk management and fund management sectors, as well as on the financial audit.

- vi. Evaluates and proposes the Annual Action Plan and the Budget of Piraeus Financial Holdings' Internal Audit Unit for approval to the BoD.

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

- vii. Recommends the designation and placement of the head of Piraeus Financial Holdings' Internal Audit Unit as well as his possible replacement to the BoD.
- viii. Conducts the annual evaluation of the head of Internal Audit Unit.
- ix. Recommends the approval of the remuneration and compensation of the head of Internal Audit Unit to the Remuneration Committee.
- x. Proposes the Operation Regulation of Piraeus Financial Holdings' Internal Audit Unit as well as its amendments for approval to the BoD.

D. Compliance – Code of Conduct

- i. Has the oversight of Compliance issues. More specifically, it reviews the effectiveness of Piraeus Financial Holdings' compliance policies and procedures with the laws, rules and provisions of the supervisory authorities and the corporate governance code adopted by the Company and assigns the investigation of non-compliance cases to the Internal Audit Unit of Piraeus Financial Holdings. Moreover, it is informed by the Risk & Compliance Officer of Piraeus Financial Holdings on a quarterly basis, about the material changes in compliance issues pertaining to Piraeus Financial Holdings.
- ii. Ensures that the Risk & Compliance Officer of Piraeus Financial Holdings is independent with a dual reporting line to the CEO and the Audit Committee. The latter, informs the Committee on any significant changes on regulatory compliance issues.
- iii. Evaluates and comments on the annual Action Plan of the Piraeus Financial Holdings Compliance Function and ensures that such plan has been appropriately prepared, considering the applicable laws and regulations.
- iv. Reviews the quarterly compliance reports prepared by the Risk and Compliance Officer and communicates to the BoD any compliance related non-conformities that may have a material impact on Piraeus Financial Holdings operation, reputation or Financial Statements.
- v. Monitors and evaluates on an annual basis the work of the Piraeus Financial Holdings Compliance taking into consideration:
 - the Annual report of the Risk & Compliance Officer
 - the Annual Report of the Internal Audit on the ICS of the Bank
 - the Quarterly reports of the Risk & Compliance Officer
 - any findings and recommendations from reports issued by the Authorities
- vi. Confirms that the whistle-blowing option is ensured by the appropriate procedures, as well as the protection of the employees, through which they inform the BoD or the Committee about the major irregularities, omissions or criminal offences of which they became aware.
- vii. Approves the Code of Conduct of Piraeus Financial Holdings Group and its possible amendments and monitors its uploading on the intranet of Piraeus Financial Holdings.

E. Other responsibilities

- i. The establishment of Audit Committees in all significant (not listed) subsidiaries of the Piraeus Financial Holdings Group, as well as the supervision and coordination of their operation. The Audit Committees of unlisted subsidiaries of the Group companies in Greece and abroad, have separate

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terms of reference, following the present terms of reference, adapted to the requirements of the local legislation. The Audit Committee may propose to the Board of each subsidiary, the composition of the local Audit Committee.

- ii. The Committee has 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." (Bank) and/or its respective subsidiaries and which fall solely within the remit of the Terms of reference of the 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.
- iii. The immediate notification to the Board or/and to the Management of any event that has come to their attention, which is likely to have a significant impact on the operations of the Group.

F. 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 BoD on a regular basis in respect with its activities, including any reporting required by laws or regulations.
- iii. **Annual General Meeting of Shareholders-** The Committee compiles a report of the work of the Committee in discharging its responsibilities for submission to the Annual General Meeting of Shareholders.
- iv. The Chairman of the Committee, or a deputy chosen from the membership, should be present at the Annual General Meeting of Shareholders to answer questions on the report on the Committee's activities and matters within the scope of the Committee's responsibilities.
- v. **Annual Report** –A brief report of the Committee's work in discharging its responsibilities is also included in the Annual Report.

7. Committee's Self-assessment

The Committee conducts an annual self-assessment in order to identify strengths and weaknesses, to flag areas for improvement, and to plan for further action as appropriate.

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ADJUNCT I

PIRAEUS FINACIAL HOLDINGS GROUP

**PERSONNEL'S SOLEMN DECLARATION
COVERED BY THE CODE OF CONDUCT**

Place :.....

Date :.....

I, the undersigned:.....

(full name), declare that I received :

- A copy of the Internal Operation Regulation 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 of Piraeus Financial Holdings, dated May of 2020

That I read carefully the afore-mentioned texts, understood and accepted their content.

That I shall be informed of any relevant change or amendment of the regulation, whenever it is announced by the Group.

That I disclosed all my transactions and activities, in any manner and where required.

All the terms of the Labour Relations Framework and Code of Conduct are material.

THE DECLARER

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(Signature)

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