CHARTER OF THE
NBG BOARD RISK MANAGEMENT COMMITTEE

I. Purpose of the Committee

The purpose of the Board Risk Management Committee ("the Committee") is:

1. To ensure that the Bank has clearly defined the Group’s risk management strategy and risk appetite. The Bank's risk appetite should be formulated on the basis of quantitative and qualitative statements for specific risk categories, including specific risk bearing capacity levels (per portfolio, sector, geographical region, creditworthiness etc).

2. To provide for the development of an internal risk management system and its incorporation in the business decision making process for matters covering the entire range of business activities/Units of the Bank and the Group (including decisions with regard to new products and services launched, risk-adjusted product and service pricing, as well as risk-related performance assessment and allocation of capital).

3. To ensure that all NBG units are fully aware of the Bank's risk appetite and that risk management policies and limits are established accordingly at the level of group, business line and geographical region.

4. To develop NBG’s risk assumption and capital management strategy in line with business objectives, both at the Group and at individual entity level, and adequacy of available resources in terms of infrastructure and staff.

5. To control the function of the Group Risk Management Divisions in terms of independence, adequacy and effectiveness.

6. To define the principles governing NBG’s risk management function in terms of identifying, estimating, measuring, monitoring, controlling and addressing the relevant risks in line with NBG’s current business strategy and adequacy of available resources.

7. To be regularly apprised of and monitor the overall risk profile of the Bank and the Group and provide the Group Risk Management Divisions with guidance in implementing NBG’s risk appetite strategy and risk management policies, including compliance with the current regulatory framework for capital adequacy.

8. To monitor risks and oversee relevant actions taking place at the Bank with the purpose of managing different types of risks, including concerning regulatory risk, operational risk, conduct risk, cyber risk.
9. To ensure that the Bank’s Board of Directors is adequately apprised of all matters relating to NBG’s risk assumption strategy, risk bearing capacity and risk profile in the exercise of its supervisory and strategy functions.

10. To ensure that the Bank uses the appropriate methodology, tools for developing models, and data resources, and recruits competent staff for the purposes of evaluating (a) possible changes in the quality of assets under various macroeconomic assumptions and market conditions, and (b) the risks that such changes may entail for the stability of the Bank.

11. To ensure that effective supervisory and audit mechanisms are in place for the purposes of monitoring and managing "troubled assets", which have been defined so as to include:
   - non-performing loans,
   - loans in the process of restructuring or renegotiation
   - exposures that have been written off for accounting purposes, and that the Bank still seeks to recover in full or in part.

12. To focus on the development of appropriate early warning systems so as to identify borrowers that are struggling to meet their obligations. Also, to ensure that the Bank develops, maintains and continuously updates a satisfactory range of solutions for the prevention of delinquencies and the safeguarding of the value of its loan portfolio.

13. To ensure that the Risk Management Division develops appropriate risk-weighted tools and methodologies for the effective assessment of performance and pricing. Also, to supervise via the Risk Management Division the implementation of the said tools and methodologies.

II. Membership of the Committee

**Eligibility Criteria**

1. The Committee shall be composed of NBG Board members appointed by the Board pursuant to recommendation submitted by the Corporate Governance & Nominations Committee. The Committee shall have at least three members, while the maximum number of Committee members cannot exceed 40% (rounded to the nearest whole number) of total Board Members (excluding the HFSF Representative). All members of the Committee are non-executive Board members. At least one third (1/3) of the members (excluding the HFSF Representative and rounded to the nearest whole number) are independent non-executive Board members. The HFSF Representative to the Bank’s Board should be a member of the Risk Management Committee. Additionally, an HFSF Observer will be appointed upon notification from the HFSF in the Committee, who shall act as an observer and will have no voting rights.

2. The Committee Chairman shall be appointed by the Board and shall be
one out of the three experts pursuant to the provisions of Art.10 par.8 of the Law 3864/2010 as amended and in force. The Chairman of the Committee should not serve as Chairman of the Board. The Chairman of the Committee should not also serve as the Chairman of the Board's Audit Committee and should be an independent non-executive member with solid experience in commercial banking and preferably risk and/or NPL management, as well as, be familiar with local and international regulatory framework.

3. Committee members shall fulfil the eligibility criteria applying in accordance with Art.10 of the Law 3864/2010 as in force and should have previous experience in the field of financial services or commercial banking and at least one member (expert) should have solid risk and capital management experience, as well as familiarity with local and international regulatory framework.

4. In accordance with the provisions of Art. 68 of Law 4261/2014 and Art. 76 of EU Directive 2013/36 as applicable, all members of the Committee are non-executive, while they shall have appropriate knowledge, skills and expertise to fully understand and monitor the risk strategy and the risk appetite.

5. The Committee members shall be appointed for a term of one year, which may be renewed indefinitely.

Dual Role of the Committee

The Committee shall have two roles, namely it shall operate a) as the Board Risk Management Committee and b) as the Board Committee Responsible for Non-Performing Loans/Exposures (NPLs/NPEs) prescribed by Art. 10 par. 8 of Law 3864/2010 as in force.

III. Powers and Authorities of the Committee

The Committee shall:

1. Investigate any activity within its purview and obtain from any member of staff whatever information may be required, as per NBG’s Corporate Governance Code.

2. Appoint professional advisors as required for the discharge of its duties and secure the resources for payment of the relevant fees and expenses as per NBG’s Corporate Governance Code.

IV. Duties of the Committee

The Committee is entrusted with the following duties:
1. to review and propose to the Board on an annual basis or more frequently if necessary, the Bank's risk and capital management strategy and risk appetite, including an assessment of the appropriateness of the Bank's business/restructuring plan in the context of risk appetite. To monitor the implementation of the above, to assist the Board of Directors in overseeing implementation of the strategy and to propose to the Board amendments whenever deemed necessary;

2. to oversee risk appetite statements of subsidiaries and assess business plans in the context of the Group's risk appetite;

3. to approve and review annually and whenever else required NBG's risk management principles and policy, including maximum credit limits and to ensure that the Bank's risk appetite, risk and capital strategy is clearly communicated throughout the Bank and forms the basis on which risk policies and risk limits are established at group, business and regional level.

4. to receive and assess the Group Risk Management Divisions’ reports on the Bank’s and the Group’s risk profile and the status and effectiveness of the risk management system; to brief the Board on the major risks assumed by NBG, monitor the said risks and ascertain that they are addressed effectively;

5. to provide for the implementation, at least annually, under Risk Management Divisions responsibility and concern, of stress tests for market, credit and liquidity risks, and of similar techniques for operational risk; to assess the results of such exercises and report to the Board on these.

6. to assess annually, on the basis of the Chief Risk Officer’s annual report and the relevant section of the Internal Audit Unit’s report:

   a. the adequacy and effectiveness of the Bank’s and the Group’s risk and capital strategy and risk management policy, focusing on compliance with the risk bearing capacity level adopted by NBG.
   b. the appropriateness of the various limits, the adequacy of provisions and, in general, of equity capital (regulatory and economic) vis-à-vis the level and type of risks assumed by the Group;

7. to draft proposals and recommend corrective action to the Board where it ascertains that the implementation of the risk management strategy adopted by NBG is not feasible or that actual implementation diverges from planned implementation thereof;

8. to develop proposals, for consideration by the Board, regarding any matter within its purview;
9. to propose to the Board the appointment of the Chief Risk Officer as well as replacement in those cases where the Committee deems that the appropriate “fit and proper” or adequacy requirements for the effective performance of Chief Risk Officer duties are not met;

10. to receive alerts from the Risk Management or other competent Unit of the Bank with regard to any deviation from the policy governing relations with Connected Borrowers;

11. to consult with the Remuneration Committee before the latter approves the compensation/remuneration of the Chief Risk Officer;

12. to approve the credit policy following proposal by the Chief Credit Officer and the Chief Risk Officer and approval of the Executive Committee;

13. to receive notifications from the Chief Risk Officer with regard to:
   - any deviation from the approved risk-bearing capacity limits.
   - issues of non-compliance with the risk bearing capacity, capital adequacy levels and the possibility of adverse developments with regard to the approved (by the Board) business plan.

14. The Chief Risk Officer reports to the Board through the Board Risk Management Committee and the CEO and has direct access to the Chairman of the Committee whenever the Chief Risk Officer deems necessary. Additionally, the Chief Credit Officer (CCO), who has competence over Credit Risk, reports to the Chief Executive Officer and also to the Board of Directors through the Board Risk Committee.

15. The Chief Risk Officer submits sufficient reports to the Committee at least on a monthly basis, so as to enable the Committee to effectively supervise the Bank’s exposure to risk/ risk profile and future risk management strategy and to deliver its opinions accordingly to the Board. The relevant reports should be submitted as quickly as possible and in any case no more than thirty (30) calendar days after the events presented therein. The Chief Risk Officer should report issues of non-compliance on risk related issues to the Committee promptly.

16. The Committee receives and assesses all the relevant reports from the Risk Management Divisions including concerning compliance with the Bank’s risk appetite, capital adequacy levels and relevant risks, while issues of non-compliance on risk related issues are reported promptly by the Chief Risk Officer.

17. Through Risk Management Division’s and the CRO’s regular reports, the Committee is monitoring the implementation of the Bank’s risk management strategy and policy including the Groups compliance with the existing regulatory framework for capital adequacy.

18. The Committee should ensure that the Bank has the appropriate methodologies, modelling tools, data sources, IT systems and
competent staff to assess (a) the likely change in asset quality under different macroeconomic and market assumptions and (b) the risks that such changes may pose to the financial stability of the Bank.

19. The Committee shall oversee the existence of internal control systems towards efficient management of risks.

20. The Committee shall review whether prices of liabilities and assets offered to clients take fully into account the Bank's business model and risk strategy. Where prices do not properly reflect risks in accordance with the business model and risk strategy, the Committee shall present a remedy plan to the Board of Directors.

21. The Committee shall determine the nature, the amount, the format, and the frequency of the information on risk which it is to receive. In order to assist in the establishment of sound remuneration policies and practices, the Committee shall, without prejudice to the tasks of the remuneration committee, examine whether incentives provided by the remuneration system take into consideration risk, capital, liquidity and the likelihood and timing of earnings.

22. Review and submit proposals to the Board of Directors regarding any Credit Decision submitted to the Board of Directors including on & off balance sheet credit transactions (including restructuring and write-offs) with related parties according to BoG Governor’s Act 2651/2012 and IAS 24 which are equal or exceed:
- €1 million for individuals,
- €10 million for legal entities &
- €100 million for subsidiaries

V. Duties of the Committee specific to its competence over Arrears and Non-Performing Loans/Exposures (NPLs/NPEs)

The Committee is entrusted with the following duties:

1. to recommend to the Board and ensure appropriate oversight mechanisms and controls for the monitoring and effective management of “troubled assets”, defined so as to include:
   - Non-performing Exposures (NPEs)
   - Exposures which have been written-off for accounting purposes but for which the Bank still pursues partial or full recovery

2. to emphasize the development of appropriate early warning systems so as to identify borrowers reaching the limits of their ability to perform on their obligations and recommend to the Board improvements of such systems.

3. to receive regular reports from the relevant NPEs Management Divisions
and the Chief Risk Officer, provide feedback to them, and closely monitor the results of the Bank’s NPE management framework objectives and NPE resolution operational performance and strategy implementation.

4. to ensure similarly that the Bank develops, maintains and constantly updates an appropriate range of solutions for the mitigation of delinquencies and the preservation of the value of its loan assets.

5. to supervise and monitor, the approved by the Board under the HFSF’s prior written consent, Bank/Group general strategy, policy and governance regarding the management of Arrears and Non-Performing Loans and any amendment, extension, revision or deviation thereof.

6. to supervise the adoption of best practices and relevant guidelines on NPEs management and the establishment of a set of KPIs in order to monitor the effectiveness and efficiency of the NPE management framework and NPE resolution, and to systematically monitor the effectiveness of NPE management arrangements and performance against targets.

7. to assist the Board in developing an appropriate NPL resolution strategy and recommend appropriate revisions, and in ensuring that the necessary financial and human resources are put in place for the agreed NPL resolution strategy to be implemented.

VI. **Modus operandi of the Committee**

1. The Committee shall meet at least on a monthly basis regularly, and on an ad hoc basis whenever the Committee Chairman deems fit. The Committee shall keep minutes of its proceedings. The Chairman shall briefly inform the Board on the progress of the Committee's work following each meeting. The Committee Chairman shall determine the agenda, the frequency and the length of meetings held and ensure that it carries out its duties effectively. The Group Chief Compliance and Corporate Governance Officer, the Chief Risk Officer, the Chief Credit Officer, Heads of Units competent over Non-Performing Exposures and any other executive deemed necessary depending on the matters discussed shall be present at the meetings of the Committee though without voting rights. At the first meeting of each calendar year, the Committee shall decide on a schedule and a rolling agenda of meetings for the rest of the year.

2. The HFSF representative has the right to include items in the agenda of the Committee meeting by submitting them in writing to the Chairman of the Committee at least one (1) day prior to the scheduled Committee meeting.
3. The Committee may, by decision of its Chairman, hold meetings by video or conference call. The Chairman may also ask the Committee to decide on certain documents through the exchange of e-mails, faxes or letters.

4. The Committee meeting shall be deemed to have quorum and duly convene if more than half of its members are present; a member’s participation in a meeting by video or audio link is deemed valid to that effect. The views of the minority are recorded in the Committee’s minutes in case of not unanimous decision. In the event of halved votes, the Committee Chairman’s vote shall be the deciding vote.

5. In discharging its duties, the Committee is assisted by a Secretary, who may be the Bank’s Board Secretary or another competent officer appointed by the Chairman of the Board. The Committee Chairman can request the Chairman of the Board to replace the Committee Secretary if the Secretary’s assistance to the Committee is not considered adequate.

6. The Committee meetings shall be convoked by the Secretary of the Committee at the request of the Committee Chairman. The Committee members shall be notified of the venue, time and date of each meeting. With specific regard to the HFSF representative, if he submits a written request - which shall include all the proposed items of the agenda- to hold a Committee meeting and the Chairman fails to call a meeting within seven (7) calendar days of the said written request or fails to include all the proposed items of the agenda, the HFSF representative shall be entitled to convene an extraordinary Committee meeting within 5 days as of the expiry of the 7-day period. Such invitation shall be notified to all the members of the Committee and to the HFSF Observer.

7. The agenda of each meeting, together with supporting documents, will normally be furnished to each member at least five (5) calendar days in advance of the meeting, unless the Chairman decides otherwise for a certain reason, though in any case without prejudice to the provisions of the Relationship Framework Agreement between NBG and the HFSF regarding updating the HFSF representative. If the agenda and the respective supporting documents are supplied to members of the Committee less than five (5) days prior to the scheduled meeting, they can be accepted for consideration by the meeting only if all Committee members agree. The relevant documents may be circulated by email. Resolutions and minutes of the Committee’s Meetings shall be available (and forwarded to the members of the Committee) within ten (10) calendar days after the relevant meetings.

8. The Committee may invite to its meetings any Board member, NBG or NBG Group affiliate officer or such other person deemed appropriate to assist it in discharging its duties.

9. The Committee shall review any issue referred to it by the Board Chairman or the Board.
10. The Committee and its Chairman shall be systematically apprised of the workings of the Audit Committee. The Chairmen of the two Committees shall coordinate their activities whenever and however they deem fit.

11. Following Committee meetings there is relevant feedback provided to the Board of Directors on risk related issues as necessary, including through the submission of a monthly risk report to the Board of Directors.

12. The Committee is subject to evaluation of its performance in accordance with the Bank's Policy on the Annual Self-Assessment of the Board and its Committees.

This Charter shall enter into force on the day following its approval by the NBG Board, and may be amended by resolution thereof at any time.

*Approved by the Board of Directors on 21.12.2016*