



## **Nomination Committee**

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**of  
Eurobank Ergasias S.A.  
TERMS OF REFERENCE**

**June 2019**

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## 1. INTRODUCTION

The Nomination Committee (hereinafter the “Committee”) is a Board Committee established by the Board of Directors (hereinafter the “Board” or the “BoD”), which approves its composition and Terms of Reference (ToR).

Within its scope and in order to perform its duties, the Committee is authorized by the BoD to have unrestricted access to information and to members of Management and employees of the Group, who should cooperate with and support the Committee. In addition, it is authorized to work and liaise as necessary with all other Board Committees.

In connection with its duties the Committee is authorized by the BoD to use any forms of resources that it considers appropriate and to obtain any external legal or other professional advice, provided that no conflict of interest arises. To that effect, the Committee shall receive appropriate funding.

These Terms of Reference are drafted in accordance with international best practices and the applicable provisions of Law 4261/2014, Law 3864/2010 as amended and currently in force and the Relationship Framework Agreement (RFA) signed between the Hellenic Financial Stability Fund (HFSF) and Eurobank (the Bank).

ToR will be reviewed once every two (2) years and revised if necessary, unless significant changes in the role, responsibilities, organization and / or regulatory requirements necessitate earlier revision. Revised ToR will be approved as stated above.

## 2. PURPOSE

The BoD has delegated to the Committee the responsibility to lead the process for BoD and BoD Committee appointments. In this context, The Committee is responsible for, amongst other things, the identification, nomination and recommendation of candidates for appointment to the BoD.

The Committee also considers matters related to the Board’s adequacy, efficiency and effectiveness, and to the appointment/replacement/dismissal of senior executives<sup>1</sup>.

The Committee, in carrying out its duties, is accountable to the BoD.

## 3. KEY TASKS & RESPONSIBILITIES

Key Tasks and Responsibilities of the Committee are:

1. At least annually, to assess the structure, size, composition and performance of the BoD and make recommendations to the BoD with regard to any changes it considers appropriate. The assessment should be disclosed in the annual Corporate Governance Statement.
2. At least annually, to assess the knowledge, skills and experience of individual Board members and of the Board collectively and report to the BoD accordingly. The assessment should be disclosed in the annual Corporate Governance Statement.

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<sup>1</sup> Senior Executives include all executives of the Bank at the level of General Manager and above as well as Heads of General Divisions.

3. To review regularly and approve the Director's Induction and Continuous Professional Development Process of BoD members in order to enhance the Board's oversight capabilities.
4. To decide on a target for the representation of the underrepresented gender in the BoD, prepare a policy on how to meet this target and recommend it to the BoD for approval. The target, the policy and their implementation should be disclosed pursuant to EU Regulation No 575/2013.
5. To review at least once every two years and recommend for the approval of the BoD the BoD Nomination Policy. The BoD Nomination Policy should be disclosed in the annual Corporate Governance Statement.
6. To identify and recommend, for the approval of the BoD or the General Assembly, where required, candidates as members of the BoD (including the current BoD members at the conclusion of their specified term of office), taking into consideration the BoD Nomination Policy. The Committee should evaluate the balance of skills, knowledge, diversity and experience of the Board members, prepare a description of the roles and capabilities required for a particular appointment and assess the time commitment expected.
7. To identify and recommend, for the approval of the BoD or the General Assembly, the members of all BoD Committees.
8. To review semi-annually the independence of Non-Executive Directors and make recommendations to the BoD with regard to any changes it considers appropriate. Non-Executive BoD members independence criteria should follow those in Law 3016/2002, the European Commission recommendation 2005/162/EC and the Joint ESMA and EBA Guidelines on the "Assessment of the suitability of members of the management body and key function holders" dated 26.9.2017. The review of the independence of the Non-Executive BoD members should be documented as appropriate.
9. To consider actual or potential conflicts of interest of the Directors and assess the need for escalation to the BoD.
10. To monitor on a quarterly basis the attendance of the Directors to the BoD and its Committees and assess the need for escalation to the BoD in case that the mandatory minimum attendance of 85% for individual members is not achieved, in line with the provisions of the Board and Board Committees' Attendance Policy. Individual meetings up to 15% can be missed only if a valid excuse is provided. The BoD member attendance at BoD and BoD Committees' meetings should be disclosed in the annual Corporate Governance Statement.
11. To review annually the Directors' other significant commitments and directorships outside the Bank's Group and assess the need for escalation to the BoD.

12. To review at least once every three years and recommend to the BoD for approval
- the Key Function Holders Selection and Appointment Policy, and
  - the Senior Management Selection and Appointment Policy.
13. In line with the provisions of the Key Function Holders Selection and Appointment Policy:
- to approve the appointment/replacement/dismissal of the Chief Financial Officer, for whom HFSF's approval is also required (RFA requirement)
  - to consult with the Audit Committee in order the latter to propose to the BoD for approval the appointment/replacement/dismissal of:
    - ✓ the Chief Audit Executive, and/or
    - ✓ the Group Compliance Officer and his/her deputies, and/or
    - ✓ the Anti-Money Laundering Officer and his/her deputies
  - to consult with the Board Risk Committee in order the latter to propose to the BoD for approval the appointment/replacement/dismissal of the Chief Risk Officer.
14. In line with the provisions of the Senior Management Selection and Appointment Policy, to approve the appointment/replacement/dismissal of the Bank's General Managers as well as the Heads of General Divisions, other than those described under 13 above.
15. To approve the selection of candidates, other than Eurobank Group employees<sup>2</sup>, as members of the Board of Directors of significant<sup>3</sup> Group's subsidiaries, prior to their election.
16. To review the succession planning for the senior executives at the level of the CEO minus one and inform the BoD accordingly.
17. To recommend for the approval of the BoD the organizational chart and any amendments.
18. To review once every two years and recommend for the approval of the BoD the Board and Board Committees Evaluation Policy.
19. To provide, when appropriate, adequate information to the General Assembly regarding its activities.
20. To be kept up to date and fully informed about strategic issues and commercial changes affecting the Bank and the market in which it operates.

In performing its duties, the Committee shall, to the extent possible and on an ongoing basis, take into account the need to ensure that the BoD's decision making is not dominated by any one individual or small

<sup>2</sup> Including in-house lawyers.

<sup>3</sup> As significant subsidiaries for the purposes of the present terms of reference, are defined the Group subsidiaries that are subject to the supervision by a Central Bank and/or a Capital Markets Commission and they employ over 40 employees, or have been identified as Material Legal Entities in the Group's Recovery Plan.

group of individuals in a manner that is detrimental to the interests of the Bank. In any case, the Committee should take under consideration the legal and regulatory framework.

#### 4. MEMBERSHIP

- The Committee members should not exceed 40% (rounded to the nearest integer) of total BoD members (excluding the HFSF Representative) with a minimum of three (3) members.
- The Committee members, including the Chairperson and the Vice-Chairperson, shall be selected on the basis of their competence and experience on relevant issues and shall be appointed by the Bank's BoD, following its relevant proposal, in accordance with the applicable legal and regulatory framework as well as the internal procedures followed by the Bank.
- The tenure of the Committee members coincides with the tenure of the Board of Directors, with the option to renew their appointment, but in any case the service in the Committee should not be more than twelve (12) years in total.
- All Committee members are Non-Executive Directors of the Bank's BoD while the majority of the members (excluding the HFSF Representative) are Independent Non-Executive Directors.
- The HFSF representative to the Bank's BoD is member of the Committee.
- The members of the Committee are not allowed to hold positions and conduct transactions through which a conflict regarding the Committee's mission might arise. The members of the Committee can participate in other BoD Committees.

#### 5. MEETINGS

- Meetings shall be held as required, but not less than twice a year.
- The Committee is in quorum and meets validly when half of its members plus one are present or represented<sup>4</sup>, provided that no less than three (3) Committee members, including the Chairperson or the Vice Chairperson, are present. In determining the number of members for the quorum, fractions, if any, will not be counted.
- Only members of the Committee have the right to attend Committee meetings. However, other individuals such as the Chief Executive Officer, the Head of Group Human Resources and external advisors may be invited to attend for all or part of any meeting, as and when appropriate and necessary.
- Members may attend the meetings by video or audio conference. Mandatory minimum attendance of Committee members should be achieved as described in the Board and Board Committees' Attendance Policy. In particular, each Board member is expected to achieve mandatory minimum attendance to the Board and Board Committees where he participates of not less than 85% every calendar year, while individual meetings up to 15% can be missed only if a valid excuse is provided.
- Decisions of the Committee shall be validly taken by an absolute majority of the members who are present and represented. In case of a tie, the Chairperson and in case of his/her absence the Vice

<sup>4</sup> Each member of the Committee may validly represent only one of the other Committee members. Representation in the Committee may not be entrusted to persons other than the members thereof.

Chairperson of the Committee shall have the casting vote. The drawing up and signing of minutes by circulation by all the members of the Committee or their representatives is equal to a decision of the Committee, even if no meeting has preceded.

- The agendas together with the relevant materials shall be sent to the Committee members and the HFSF Observer, by written notice at least five (5) calendar days prior to the meetings.
- The HFSF Observer in the Committee shall act as an Observer and will have no voting right.
- The Chairperson updates the BoD members on the material matters covered by the Committee during the previous period at the quarterly meetings of the BoD.
- The BoD shall be informed whenever a decision of the Committee is not reached unanimously.
- The Committee appoints its Secretary who reports to the Group Company Secretariat and cooperates with the Chairperson of the Committee. The Secretary is responsible to minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance, issue true copies/ extracts of the Committee's minutes and notify the responsible managers regarding the Committee's decisions that are relevant to them or on which they need to take action. In case of non-unanimous decisions, the views of the minority should be also minuted.
- The minutes and the decisions shall be submitted to the HFSF Representative as soon as they are finalized but no later than ten (10) calendar days after the meeting. Additionally, after their finalization, the minutes shall be signed by all Committee members.
- Once approved, minutes shall be available to all Board members through the software application of the Committees' meetings support [Diligent Boards].
- No individual shall be present when his/her own succession plan is being considered.

## 6. REPORTING RESPONSIBILITIES

- Internally to the BoD.
- Externally to the General Assembly.

## 7. PERFORMANCE EVALUATION

The Committee's performance is evaluated according to the provisions of the Board and Board Committees Evaluation Policy of the Bank. In order to perform their role effectively, the Committee members need to maintain and develop their skills and knowledge.