

REMUNERATION POLICY

Skopje, July 2017

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1. Introduction

INTRODUCTION	Terms and Definitions	1.1
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NBG Group	:	National Bank of Greece S.A. and its affiliated companies (as defined in par. 5(a) of Article 42e of Codified Law 2190/1920, as amended) in Greece and abroad
Bank	:	Stopanska Banka AD Skopje
Unit	:	Separate administrative entities of the Bank which are divided into: <ul style="list-style-type: none"> • Head office: Divisions, Departments, Units, Business centres • Network Units: Branches
Stopanska Banka AD – Skopje Remuneration Policy	:	Hereinafter, “Remuneration Policy”
Staff	:	The core and non-core staff of the Bank falling within the scope of this Policy, as per the classification set out in chapter 2.3.
NBRM	:	National Bank of RM
Supervisory Board	:	Supervisory Board of SB is consisted from 7 members, all non – executive, out of which 2 are independent.

INTRODUCTION	Terms and Definitions	1.1
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Remuneration	: All forms of payments or benefits, fixed or variable, made directly by, or indirectly but on behalf of the Bank (i.e. remuneration made in respect of the staff of another Group Company on behalf of the Bank and vice versa), in exchange for professional services rendered by staff. Ancillary payments or benefits that are part of a general, non-discretionary, institution-wide policy and pose no incentive effects in terms of risk assumption are waived under the scope of this Remuneration Policy.
Fixed remuneration	: Payments or benefits without consideration of any performance criteria.
Variable remuneration	: Additional payments or benefits depending on performance or other contractual criteria.
Discretionary pension benefits	Enhanced pension benefits granted on a discretionary basis by the Bank to an employee as part of that employee's variable remuneration package, which do not include accrued benefits granted to an employee under the terms of the company pension scheme.
Remuneration Committee	Remuneration Committee of the Bank (RC)

The Remuneration Policy of Stopanska Banka AD – Skopje is adopted by the Shareholders Assembly in accordance with article 26 of Statute Stopanska Banka AD – Skopje (S.A. No.284/28.05.2015, revised text) and in compliance with NBG Group Remuneration Policy No. 01/12.04.

The Bank's Remuneration Policy sets out the general framework for remuneration throughout the Bank and defines the basic principles on which the Bank should approach issues regarding Staff remuneration, as defined in Chapter 2.3 herein below.

In particular, the Remuneration Policy:

- forms an integral part of the corporate governance framework of the Bank;
- is aligned with the overall operational policy, the business strategy, the goals, the values, and the long-term interests of the Bank;
- incorporates measures to avoid or minimize conflicts of interest or any possible negative impact on the sound, prudent and good management of risks assumed by the Bank;
- promotes the sound and effective risk management and coverage of risks assumed by the Bank;
- discourages excessive risk-taking;
- contributes to safeguarding the capital position of the Bank; and
- contributes to maintaining a sound, effective and complete framework for assessing and maintaining on an on-going basis the amounts, types and distribution of own funds of the Bank such as are sufficient to cover the nature and level of the risks to which they are, or might be, exposed.

INTRODUCTION	Objectives	1.3
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Key objectives of the Remuneration Policy are:

1. to ensure compliance of the Bank with the current legal and regulatory remuneration framework;
2. to adopt the basic guidelines for the remuneration of the Staff of the Bank in line with the provisions of the relevant NBRM Decision (Decision on the basic principles of corporate governance in a bank ("Official Gazette of RM" No. 159/2007) and Corporate Governance Code of Stopanska banka AD – Skopje (S.A. No. 297/28.05.2015) and in line with the NBG Group Policy and the relevant legal and regulatory framework;
3. to allocate responsibilities regarding remuneration procedures and to ensure their proper implementation;
4. to ensure credibility and transparency of the principles and procedures relating to the remuneration of Bank's Staff;
5. to minimize potential risks arising from implementation of the principles governing the remuneration of Staff covered by this Policy.

This Policy shall be approved and reviewed by the Shareholders Assembly of Stopanska Banka AD – Skopje, following recommendation by the Remuneration Committee of the Bank (RC). Annex A of this Policy is integral part of this Policy and shall come into effect once the Policy has been adopted.

The RC is responsible for updating the present Policy and ensuring that the Bank complies with the provisions herein, with the assistance of the following units:

- Chairman’s Office
- Internal Audit Division
- Compliance Division
- Human Resources Division
- Risk Management Division
- Business Processes and Organization Division.

The present Policy and any updates made to it will be endorsed by the NBG Group Compliance Corporate Governance and Corporate Social Responsibility Division before their approval by the Shareholders Assembly of Stopanska Banka AD – Skopje.

This Policy enters in the force on the date it is passed thus invalidating SB Remuneration Policy S.A. No. 269 dated 19.07.2013.

2. Scope of the remuneration policy

SCOPE	Group	2.1
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The Board of Directors of the Bank shall ensure that the requirements of the applicable regulatory remuneration framework are coherently observed in the present Remuneration Policy.

SCOPE OF APPLICATION	Remuneration	2.2
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2.2. a. This Remuneration Policy covers total remuneration made—in any way and form—to staff members of the Bank, as defined in Chapter 2.3 herein below. Total remuneration may include salaries, discretionary pension benefits or any similar payments or benefits, including also variable remuneration, guaranteed variable remuneration and payments related to early termination of a contract.

In particular, the Remuneration Policy covers total remuneration which:

- is provided through employment relationship;
- is directly or indirectly payable (i.e. through a Group Company but on behalf of the Bank, or vice versa) and may include: 1) monetary payments or benefits, such as cash, shares, options, termination of loans to staff members at severance, pension contributions or remuneration by third parties; 2) non-cash benefits, such as health insurance or special allowances for car use.

2.2. b. This Policy shall take effect from the day it is approved.

SCOPE OF APPLICATION	Classification of Staff	2.3
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Having regard to the management structure of the Bank, the Remuneration Policy shall apply to the following categories of staff:

1. Members of the Supervisory Board and Audit Committee;
2. Senior Management responsible for day-to-day management of the Bank such as: members of the Board of Directors (Chief Executive Officer, Chief Retail Officer, Chief Risk Officer, Chief Corporate Officer), Senior Manager for Treasury and Finance, Senior Manager for Operations, Division managers, Deputy Division Managers.
3. Officers assuming risks on behalf of the Bank, in particular members of staff whose professional activities may have a material impact on the risk profile of the Bank as specifically determined in Annex A of this Policy. Specifically, staff members, whose professional activities – whether acting individually or by participating in collective bodies – may have an impact on the risk profile and profitability of the Bank.

This category includes staff members who under their duties may enter into contracts or take positions that affect the risk positions of the Bank.

4. Senior managers with competencies in:
 - independent control functions and specifically in:
 - the Compliance Unit,
 - the Risk Management Unit,
 - the Internal Audit Unit, as well as
 - the Human Resources Unit.
5. Any employee whose total level of remuneration implies inclusion in the level of category (3) above, but it is not included in this category.

To define the notion of **material impact on the risk profile** of the Bank, and determine the members of staff whose professional activities have such a material impact on the risk profile, a **detailed analysis of job positions and responsibilities of staff** is undertaken, and subsequently specific criteria are applied, such as:

- higher proportion of variable to fixed remuneration;
- total remuneration above a certain absolute threshold;
- activities of staff members which could potentially have a significant impact on the results and/or balance sheet of the Bank.

The list of employees to be included in categories 3, 4 and 5 is revised on an annual basis, in the framework of reassessing the material impact on the risk profile and is adjusted accordingly, whereas the employees of other categories are included in Annex A of this Policy.

3. Governance - Competent bodies

RESPONSIBILITIES

The role and responsibilities of the Supervisory Board related to the Remuneration Policy are assigned exclusively to specific members of the Supervisory Board and can be defined as follows:

1. To supervise the implementation and propose periodic review of the Remuneration Policy and its general principles to Shareholders Assembly. The procedures for determining staff remuneration of the Bank should be clear, detailed and internally transparent.
2. To cooperate with the competent Supervisory Board committees, such as:
 - The Remuneration committee;
 - The Risk management committee; as well as with

the Units responsible for issues related to:

- risk management;
- compliance;
- internal audit;
- human resources management;
- business processes and organization
- external experts, if necessary

in order to fulfil the said responsibilities related to the design and periodic review of the Remuneration Policy.

3. To ensure that the implementation of the Remuneration Policy and its procedures are subject to central and independent internal audit and review, **at least on an annual basis**, by the Internal Audit Division.
4. To determine and monitor the remuneration levels of the Board of Directors members, which must correspond to their authorities, role, specialization and responsibilities, while the determination and monitoring of the remuneration levels of Senior Management as well as employees of the Bank that receive equal or higher amounts of total remuneration than the members of the Board of Directors, is delegated to the Board of Directors which must correspond to their authorities, role, specialization and responsibilities.

The Board of Directors members do not attend or take part in the Supervisory Board meetings at which their remuneration is discussed and decided. The Supervisory Board of the Bank is responsible for monitoring the general adoption, implementation and periodic review of the Remuneration Policy.

The Shareholders Assembly authorizes the Supervisory Board of the Bank to assign the responsibilities that are related to the Remuneration Policy and set up a Remuneration Committee in such a way as:

1. to enable it to exercise competent and independent judgment on remuneration policies and practices and the incentives created for managing risk, capital and liquidity; and
2. to ensure that the Remuneration Committee exercises without problems its responsibilities, and staff remuneration is effectively aligned with the risks assumed and managed by the Bank in accordance with the relevant NBRM Decision.

The Remuneration Committee is comprised of three Supervisory Board members, the majority of whom should be independent, including its Chairman.

The Remuneration Committee, when performing its duties:

- takes into consideration the long-term interests of the shareholders and investors of the Bank; and
- focuses on: the long-term sound and good management of the Bank and the elimination or minimization of any conflicts of interest that could have a negative impact on the said management.

GOVERNANCE – COMPETENT BODIES	REMUNERATION COMMITTEE	3.2
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FUNCTION/MODUS OPERANDI

The Remuneration Committee is governed by a Regulation that specifies its duration, its members and their mandate, the decision taking procedures, as well as its key responsibilities.

At least one member of the Remuneration Committee should have sufficient expertise and professional experience concerning risk management and control activities, specifically with regard to the mechanism for aligning the Remuneration Policy with the Bank's/ risk and capital profiles.

The Remuneration Committee has responsibilities in line with the effective legal framework.

RESPONSIBILITIES OF THE RC

In the context of the present Policy, the responsibilities of the Remuneration Committee of the Supervisory Board shall include at least the following:

1. to prepare the Supervisory Board's decisions concerning the remuneration of staff, that have an impact on the risks assumed and their management by the Bank;
2. to suggest corrective actions in the event that any difficulties or deviations in the implementation of the Remuneration Policy are observed;
3. to inform and provide its support to the Supervisory Board with regard to preparing, reviewing and monitoring the implementation of the Remuneration Policy;
4. to devote specific attention to ensuring that during the assessment of the mechanisms deployed for the risk alignment of the Remuneration Policy, all types of risks, liquidity and capital levels of the Bank are properly taken into account;
5. to make recommendations to Supervisory Board regarding the remuneration of the Board of Directors members and-employees with high salaries;
6. to directly oversee the remuneration of the Senior Management of the Bank in:
 - Risk Management Division;
 - Compliance Division.
7. to review the appointment of external remuneration consultants for the purpose of receiving advice or support on the Remuneration Policy;
8. to receive and assess the reports of the Internal Audit Division which include the findings of its central and independent audit of the remuneration policy, and its recommendations regarding possible review of the applied policy with a view to avoiding the creation of incentives for excessive risk-taking or other conduct incompatible with the objectives set by the Bank. These reports are submitted to the RC on a periodic basis, and in any case at least on an annual basis.
9. to collaborate with other Supervisory Board and Bank Committees whose activities may have an impact on the preparation and effective implementation of the Remuneration Policy and its practices (e.g. Audit Committee, Risk Management Committee);
10. to ensure adequate consultative involvement in the preparation, review and proper implementation of the Remuneration Policy of:
 - a) the competent Units responsible for:
 - risk management;
 - compliance;

- internal audit;
- human resources;
- business processes and organization.

b) external experts, when considered necessary by the members of the Supervisory Board.

11. to formally review a number of possible scenarios to test how the remuneration scheme will react to future internal and external events, and back test it as well;

12. to provide adequate information to the Shareholders Assembly of the Bank regarding its activities, if necessary.

The RC should have unimpeded access to:

- advisory reports related to the remuneration issues by:
 - ✓ the Board of Directors of the Bank
 - ✓ the Units responsible for:
 - Risk Management,
 - Compliance and
 - Internal Audit
- external experts, compiled independently of advisory reports provided by, and not on behalf of, senior management;
- all data and information concerning the decision-making process of the Supervisory Board, on the preparation and implementation of the Remuneration Policy;
- all information and data from Risk Management, Internal Audit and Compliance Units, in a manner that does not hinder the ordinary activities of the Bank.

1. Internal Audit Division

Under the present Policy, the Internal Audit Division shall:

- review periodically, and at least on an annual basis, on a central and independent basis, the preparation and implementation of the Remuneration Policy in the Bank, with regard to its compliance with the relevant decisions by the competent bodies;
- make recommendations to the RC on any need to review the Remuneration Policy;
- review the feasibility study of the Remuneration Policy carried out by the competent Units, with regard to the objectives set in the regulatory framework and any impact of this Policy on risk taking and management.

2. Risk Management Division

In the context of the present Policy, the Risk Management Division should:

- assist the RC in preparing, reviewing and properly implementing the Remuneration Policy;
- define and update, at least on an annual basis, the notion of “material impact on the risk profile” of the Bank, in line with the Job Descriptions, and always in collaboration with the HR Division which is the competent body for preparing these descriptions, as well as the Business Processes and Organization Division, in order to identify and determine the employees whose business activities may have a material impact (see chapter 2.3).
- prepare advisory reports to the RC to keep it informed respectively.

3. Human Resources Division

Under this Policy, the Human Resources Division shall:

- in collaboration with the Business Processes and Organization Division:
 - prepare job descriptions of employees of the Bank falling within the scope of the present Policy; and
 - record clear, detailed and transparent processes for defining the remuneration of employees of the Bank.
- in collaboration with the Legal Division and/or other competent Units, review and monitor any amendments to employment contracts under its responsibility, if required
- provide assistance to the RC in the preparation, review and effective implementation of the Remuneration Policy, whenever required;
- provide assistance to the competent Divisions in disclosing the required information according to the provisions of the relevant chapter hereof.

4.

Compliance Division

Under this Policy, the Compliance Division shall:

- monitor the regulatory framework regarding remuneration and submit recommendations with a view to keeping Remuneration Policy aligned with the regulatory developments;
- take action to harmonize the remuneration policy with the local regulatory framework and with the Group Remuneration Policy, taking in consideration the legal provisions in the country.
- assist the RC in the preparation, review and proper implementation of the Remuneration Policy, whenever required;
- monitor the timely disclosure of required information, in line with the proportionality principle, by the Bank, and coordinate the collection of such information.

5. Business Processes and Organization Division

Under this Policy, the Business Processes and Organization Division shall:

- Provide its assistance to the RC in the preparation, review and proper implementation of the Remuneration Policy, within the framework of its responsibilities regarding the preparation of all regulatory texts of the Bank;
- Provide its assistance to the Human Resources Division, within the framework of its responsibilities for:
 - Preparing job descriptions of the Bank's employees falling within the scope of this Policy; and
 - Formulating clear, detailed and transparent procedures for determining the remuneration of the Bank's employees.

4.Remuneration

REMUNERATION	General Principles	4.1
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The Bank should comply with the basic principles governing remuneration management, as follows:

1. Staff remuneration is primarily comprised of fixed components that represent a sufficiently high proportion of the total remuneration as compared with variable components. Staff remuneration is properly balanced to the appropriate ratio between the fixed and variable components.
2. The policy implemented in respect of the ratio of variable-to-fixed remuneration should be fully flexible, adaptable to market conditions and the nature of the work being paid for, and include the possibility that such variable remuneration may not in fact be paid.
3. The allocation of variable remuneration to the staff shall take into account the full range of current and future risks.
4. Variable remuneration is not paid through mechanisms, methods or other agents that hinder compliance of the Bank with the requirements of this Policy and the regulatory framework applicable.
5. Variable remuneration shall only be paid subject to the Bank's overall financial standing and justified according to the performance of the Bank, the unit involved, and the individual concerned.
6. Any failings or shortcomings as regards a staff member's failure to comply with the Bank's procedures and policies cannot be offset by achievement of targets.
7. Any extraordinary or additional remuneration paid shall be reclaimed if, following such payment, it is discovered that the performance for which it was offered derived from practices that are irregular or inconsistent with the general principles described herein ("claw back").
8. The total variable remuneration should not limit the ability of the Bank to strengthen its capital base.
9. Payments related to early termination of a contract shall reflect the performance achieved over time and shall be designed so as not to reward failure.
10. Pension policy is in line with the business strategy, objectives, values and long-term interests of the Bank.

REMUNERATION	Structure and Form	4.2
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Remuneration structure

Remuneration shall be provided through a work relationship and is divided into **fixed and variable remuneration**.

The ratio of fixed to variable remuneration shall be determined in compliance with the provisions of the regulatory framework, as well as the international best practices.

Form of remuneration

1. Irrespective of its category, remuneration may consist of:
 - ✓ direct monetary components (such as cash, shares, cancelation of loans to staff members of dismissal, pension contributions, remuneration by third parties).
 - ✓ non-cash components (such as additional health insurance, specific discounts, fringe benefits (car for personal use, etc)).
2. A substantial portion, and in any event at least 50%, of any variable remuneration shall consist of an appropriate balance of:
 - a) shares (e.g. NBG shares) or equivalent ownership interests, or share-linked instruments or equivalent non-liquid instruments.
 - b) where appropriate, other instruments according to the applicable legal and regulatory framework that duly reflect the credit quality of the Bank as a going concern (e.g. hybrid instruments).

The Supervisory Authorities may place restrictions on the type and design of the said instruments or prohibit certain instruments if deemed necessary. This provision shall apply to both deferred and non-deferred variable remuneration.

Performance assessment criteria

1. When variable remuneration is paid, in order to ensure proper assessment of performance the following shall apply:
 - The aggregate amount of the remuneration shall be based on a combination of the performance assessment of the employee, the unit concerned, and the overall results of the Bank.
 - Remuneration is not determined on the basis of an automatic procedure, but shall be subject to assessment that takes into account:
 - financial and non-financial criteria, as well as
 - factors beyond economically measurable parameters; in particular, qualitative criteria are taken under account, such as the individual's qualifications, his/her overall progress, compliance with the Bank's policy and his/her contribution to the team work.
2. In the context of this assessment, any deficiencies or shortcomings related to the employee's failure to comply with the Bank's procedures and policies cannot be offset by any financial performance achieved by him/her.
3. Performance assessment for the calculation of variable remuneration components or variable remuneration component pools is subject to adjustable parameters related to any current or future risks, taking into consideration capital cost and required liquidity. This is necessary in order to ensure that incentive schemes take into consideration the Bank's long-term business objectives, as well as the full spectrum of current and future risks.

Time-frame of assessment

The assessment of performance shall be set in a multi-year framework, so as to ensure that the assessment procedure is based on long-term performance and that the payment of performance-based remuneration components is spread over a period in which the underlying cycle of economic activity and business risks can be taken into account.

REMUNERATION	Restrictions	4.4
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i. Guaranteed variable remuneration

Payment of guaranteed variable remuneration is not allowed.

ii. Hedging / risk insurance strategies

Staff members are not allowed to employ any personal hedging strategies or compensation-/liability-related insurance (or civil liability insurance), via which the risk-alignment mechanisms incorporated in remuneration regulations are violated.

iii. Payment / Vesting

Variable remuneration, including the deferred portion thereof, is paid or vested only if it is sustainable in terms of the aggregate financial situation of the Bank and justified on the basis of:

- the results of the Bank as well as
- the performance of:
 - the business unit involved and
 - the employee concerned.

iv. Adjustment of variable remuneration

Without prejudice to the general principles of national labour law applicable in the country where the Bank operates, including the provisions regarding labour agreements, total variable remuneration is substantially reduced in the event that the financial performance of the Bank is declining or negative.

In this event, current remuneration as well as any reduction in payment of remuneration vested in the past, including malus, claw back or other arrangements, shall be taken into consideration.

REMUNERATION	Restrictions	4.4
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Total variable remuneration should not limit the ability of the Bank to strengthen its capital base. In order to maintain a sound capital base, the Bank should reduce variable remuneration by applying performance adjustment measures (malus, claw back) in the financial year in question.

Net profit of the Bank for that year and potentially for subsequent years should be used to strengthen their capital base, rather than awarding, paying out or vesting variable remuneration.

The Bank should not compensate for this by awarding, paying out or vesting variable remuneration in subsequent years.

Intervention of the Regulatory Authorities

Within the context of supervision exercised on a consolidated basis, the Regulatory Authorities may intervene in the remuneration practices followed, according to the provisions of the applicable legal and regulatory framework in each case.

REMUNERATION	Deferral	4.5
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In the event that the Bank provides variable remuneration, payment of at least 40% of such remuneration shall be deferred for at least 3 to 5 years, so as to align such remuneration with the nature and the risks involved in the Bank's activities, as well as the activities of the employee concerned. Remuneration payable under deferral arrangements shall vest no faster than on a pro-rata basis. In the case of a variable remuneration component of a particularly high amount, at least 60% of the amount shall be deferred. The length of the deferral period shall be established in accordance with the business cycle, the nature of the business, its risks and the activities of the member Staff in question.

Payment of variable remuneration shall be suspended entirely or in part when:

- the Bank does not meet specific indicators (such as capital adequacy, liquidity etc.)
- NBG places restrictions on the type and design of the said instruments or prohibit certain instruments if deemed necessary. This provision shall apply to both deferred and non-deferred variable remuneration.
- There is a restriction from the supervisory authority – NBRM, according to institutional and regulatory framework.
- the financial situation of the Bank is subject to severe problems, and especially where the business continuity seems uncertain.

If the employee leaves the Bank before retirement, any discretionary pension benefits shall be held by the Bank for a period of 5 years, via the deferral procedure described above and in the form of instruments referred to in point chapter 4.3, par. 2 hereinabove.

REMUNERATION	Retention	4.6
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The instruments referred to in chapter 4.3 par. 2 hereinabove shall be subject to an appropriate retention policy designed to align incentives with the longer-term interests and take into consideration performance and performance-linked current and future risks over time.

In case of retiring employee, discretionary pension benefits shall be paid to the employee in the form of instruments referred to in chapter 4.3 par. 2 hereinabove subject to a 5-year retention period.

5. Special Section

1. Remuneration of members of the Supervisory Board and Audit Committee

The Supervisory Board and Audit Committee members' compensation is determined by the Shareholders Assembly, so as to avoid conflicts of interest.

2. Remuneration of members of the Remuneration Committee

The members of the Remuneration Committee are entitled to remuneration for their engagement in the Remuneration Committee proportionally to their time and effort spent as members of the Remuneration Committee. Where the members of the Remuneration Committee are remunerated on the basis of the achievement of targets related to their responsibilities, their remuneration shall not be related to the individual performance of the business areas they monitor. The members of the Remuneration Committee shall not hold other posts or carry out transactions that may be considered incompatible with the Committee's mandate. Membership in the Remuneration Committee of the Bank shall not exclude a member from participating in other Supervisory board Committees.

3. Remuneration of Staff in the Internal Audit Division

The staff of the Internal Audit division shall be independent of the business units they monitor and should have appropriate authorization. Where the staff of the Internal Audit Division is remunerated on the basis of the achievement of targets related to their responsibilities, their remuneration shall not be related to the individual performance of the business areas they monitor.

4. Remuneration of Staff in the Risk Management Division and Compliance Division

Remuneration of Staff in the Risk Management Division and Compliance Division shall be determined and assessed independently in order to avoid conflicts of interest with regard to the business areas they control.

The Remuneration Committee recommends to the Supervisory Board, and directly oversees, their remuneration.

6. Disclosures

This Policy meets the general principles of transparency.

A. Disclosures to the public

Without prejudice to the provisions regarding confidentiality and protection of sensitive personal data, relevant information regarding remuneration policies shall be disclosed in a clear and intelligible manner, such as in the form of a separate Remuneration Policy Report or as a periodic disclosure in the annual financial statements and/or annual report on operations, pursuant to the provisions of the current regulatory framework.

The Bank shall disclose to the public the relevant information regarding remuneration policy and practices, including their regular (at least annual) reviews, for those categories of staff whose professional activities have a material impact on the risk profile of the Bank and in accordance with the domestic regulation.

If applicable, the following information shall be disclosed:

- information concerning the decision-making process used for:
 - i. determining the remuneration policy, including, if applicable, information about the composition and the mandate of the Remuneration Committee;
 - ii. the identity/name of the external consultant who was involved in the design of the Bank's Remuneration Policy, where the services of such external consultant have been used and
 - iii. the role of other relevant stakeholders;
- information on the way in which pay is linked to performance;
- information on how the proportionality principle has been applied;
- the most important design characteristics of the remuneration system, including information on the criteria used for performance measurement and risk adjustment, deferral policy and vesting criteria;
- information on the performance criteria on which the entitlement to shares, options or variable components of remuneration is based;
- the main parameters and rationale for any variable component scheme and any other non-cash benefits;
- aggregate quantitative information on remuneration, broken down by business area;
- aggregate quantitative information on remuneration, broken down by senior management and members of staff whose actions have a material impact on the risk profile of the Bank/Group company, including the following:
 - i. the amounts of remuneration for the financial year, split into fixed and variable remuneration, and the number of beneficiaries;
 - ii. the amounts and forms of variable remuneration, split into cash, shares, share-linked instruments and other types;

- iii. the amounts of outstanding deferred remuneration, split into vested and unvested portions;
- iv. the amounts of deferred remuneration awarded for the financial year, as well as the amounts paid out after adjusting such remuneration in light of actual performance;
- v. new sign-on and severance payments made during the financial year, and the number of beneficiaries of such payments; and
- vi. the amounts of severance payments awarded during the financial year, number of beneficiaries and highest such award to a single person.

Any other disclosure requirements by the local regulations shall be taken into consideration and applied accordingly.

Pursuant to the provisions of the current regulatory framework and taking into account the fact that the Bank is considered significant in terms of its size, internal organization and the nature, scope and the complexity of its activities, the quantitative information referred to in this Section shall also be made available to the public at the level of persons who effectively direct the business of the Bank, in accordance with the domestic regulation.

The Compliance Division is responsible for coordinating the collection of the data required for disclosures from the relevant Bank units.

The Bank's Secretary is responsible for including the information disclosed to the public in the Annual report on operations of the Bank, according to the local regulatory framework.

The Bank provides NBG with any information requested on remuneration in order for NBG to make all necessary disclosures and meet all relevant regulatory reporting requirements.

B. Internal disclosure

The information regarding the Remuneration Policy disclosed internally shall reveal the details that are disclosed to the public.

The Staff members falling within the scope of this Policy know in advance and agree to the provisions of the Policy.

A. Annex – Staff Categories List

This Annex gives a detailed list of the Bank’s staff falling under the scope of this Remuneration Policy.

1. Supervisory Board and Audit Committee members;
2. Board of Directors members - Chief Executive Officer; Chief Retail Officer; Chief Corporate Officer; Chief Risk Officer;
3. Senior Manager for Treasury and Finance, Senior Manager for Operations;
4. Corporate Banking Division Manager;
5. Corporate Banking Division Deputy Manager;
6. Underwriting Division Manager;
7. Underwriting Division Deputy Manager;
8. Product Management and client segment Division Manager;
9. Product Management and client segment Division Deputy Manager;
10. Sale and Branch Network Division Manager;
11. Collection Division Manager;
12. Risk Management Division Manager;
13. Retail Credit Risk Division Manager;
14. Legal Division Manager;
15. Treasury Division Deputy Manager;
16. Workout Division Manager;
17. Internal Audit Division Manager;
18. Compliance Division Manager;
19. Retail Underwriting Department Manager;
20. SBB Clients Segment Businesses Department Manager.