



СТОПАНСКА БАНКА АД - СКОПЈЕ
членка на NBG групацијата

STOPANSKA BANKA AD-SKOPJE

CODE OF ETHICS



Compliance Division

September, 2016

Dear colleagues,

respected clients,

respected stakeholders,

Stopanska Banka AD-Skopje (SB) is committed to conducting business with the highest degree of ethics, integrity and full compliance with the applicable laws and regulations. This Bank has proved its commitment to the ethical standards and responsible practices and it will continue on the same path in the future.

The updated Code of Ethics formalizes this commitment which is part of the everyday culture of all employees of the Bank and is necessary tool that guides the Bank in making sound business decisions and strategy. It is clear that the Code of Ethics goes beyond with just complying with the legislation, and sets higher expectations to all of us to be best professionals we can and to conduct ourselves with integrity that Stopanska Banka and our community deserves.

The implementation of this Code of Ethics does not represent a luxury, but rather a necessity, in order to maintain the reputation, prestige and credibility of our Bank, as well as to prevent potential exposure of the Bank and our colleagues to associated risks. Therefore, it is of utmost importance and top responsibility all of us to understand and follow its principles and refrain from business practices that would jeopardize the reputation of Stopanska Banka.

Stopanska Banka has emphatically expressed its commitment to integrity and preservation of a high level of ethical conduct in all of its activities and shall continue making every effort to ensure that it always remains true to its Principles.

At the end, my mission statement, when I am encouraging my employees is: When you face with a difficult situation – always ask yourself - “What is the right thing to do?”

Sincerely,

Diomidis Nikolettopoulos

Chief Executive Officer,
Chairman of the Board of Directors

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On the basis of Article 46 and 47 of the Statute of Stopanska Banka AD – Skopje (A.D. No.332, dated 27.07.2016 - revised text), on 21.09.2016, the Board of Directors of Stopanska Banka AD – Skopje passed the following:

CODE OF ETHICS

The Code of Ethics (hereinafter "the Code"), sets out clearly the moral principles and values as well as the relevant rules that frame the actions of the staff and the Management. It also provides the necessary guidelines for taking the right decisions in compliance with the corporate governance rules and the legal and regulatory framework.

The Code serves as a valuable point of reference for the officers and staff of Stopanska Banka, contributing substantially to the protection of the interests of employees, customers and shareholders on the basis of clearly stated governance structures, while at the same time observance of the standards set by the Code ensures that the reliability, solvency and reputation the Bank are reinforced.

As such, since it is recognised as core document that takes into consideration the provisions of domestic and international legislation, as well as the ethical and moral values related to the operations of banks in general, it is approved as Code of Ethics of Stopanska banka AD-Skopje (SB /Bank).



I. IMPLEMENTATION OF THE CODE LIES WITH EACH AND EVERY ONE OF US

*The code concerns
BoD members
our staff & every
associate*

The present Code, which has been approved by the relevant Bank bodies, concerns all BoD members, top and senior Management officers and employees of the Bank, under any kind of employment relationship, as well as any third party collaborating with the Bank either within the context of providing services or performing a project (including associates, mediators, agents and any other entity we cooperate with within the context of outsourcing or other kinds of agreements).

Accordingly, although the provisions of the Code overall do not derive from laws, it is up to us to understand its structure and principles and to properly implement such in every aspect of NBG Group's activities.

In addition, the heads of the Bank's Units should in principle make sure that the requirements of the Code are understood and that the principles and values set out therein are properly observed and implemented, while at the same time they should ensure that business procedures and practices set out therein enhance the Code and generate models of professional and business ethics.

*It is up to us to
understand and
observe the Code*

The Bank's employees should demonstrate responsible and ethical behaviour and consistently live up to the spirit and purpose of the present Code, and, in any case, if they have any inquiries regarding the content of the Code, they should address these to the Head of their Unit and/or the Head of the Compliance Division.

*Publication of the
Code -
transparency*

The Code is available in local language and on English on SB website, The Bank thereby seeks to enhance transparency as every interested party has the opportunity to access and assess the core values, rules and principles that govern the operation of the Bank.



II. OUR KEY VALUES AND ETHICAL PRINCIPLES

*Our activities are
customer-oriented
and focus on the*

The Bank and recognizes that the success of our business activity through the years stems largely from the fact that we operate on the basis of principles and values that every employee accepts and adopts. In addition, it is understood that the prestige and reputation of the Bank depends, *inter alia*, on the extent to which the Bank meets the expectations of its social role, by understanding

*protection of our
shareholders'
interests*

the nature and needs of various social groups and seeking to satisfy such needs within a framework governed by long-standing values. A key principle of our philosophy is that every Bank activity should be customer-oriented and at the same time we strongly believe that the satisfaction of our shareholders and the development of a pleasant working environment contribute to the effective provision of services to customers. Overall, within the context of corporate social responsibility the Bank acts in line with the following values and principles of ethics:

1. Integrity and honesty

Integrity & Honesty

The Bank has expressed its commitment to observe integrity and high ethical standards in all operations. Integrity lies at the core of every professional relationship and for this reason employees' conduct should be impeccable in every way.

2. Respect and sincerity for our customers

*Respect and
sincerity for our
customers*

The Bank follows business practices that are governed by high ethical standards and which ensure that their relationship with the customers are governed by respect, sincerity, reliability, honesty, consistency, equal treatment, objectivity and impartiality.

Trust, the advancement of customers' interests and satisfaction of their needs are key targets of every activity and action on SB's part.

At every stage of the business relationship we provide our customers with accurate, full and timely information on our products and the expected benefits as well as possible risks, taking into account more specific needs after we have reviewed their profile and expectations.

3. Top quality staff and top quality services

*Top quality staff,
top quality services*

The development of high calibre staff and provision of top quality products and services to our customers remain a priority for Stopanska Banka . The creation of competitive "value for money", in line with the market conditions at any given time, aims primarily at satisfying customers and building a relationship of trust and cooperation.

The Bank provides for the proper training of staff and the existence of the appropriate technological infrastructure to ensure the continuous enhancement of quality customer service.

The key to top quality services for our customers is professionalism.

*Fostering team
spirit and acting
proactively, we*

*stay ahead of
developments*

4. Team spirit

Across the entire spectrum of our operations it is evident that we can achieve better results by working in teams than by working individually. Without restricting the independence of employees and by defining roles and responsibilities, we foster team spirit in our business activities and seek to exchange views and knowledge as well as to use different perspectives for achieving the same goal.

*Social
Responsibility
through the
promotion of
human values*

5. Acting proactively, we keep ahead of developments

Through experience and team spirit we endeavour to keep ahead of developments in our business area prudently and consistently. Our Bank's personnel is able to propose new ideas, backed by substantiation, which shall be reviewed and assessed by the relevant department.

6. Transparency in our relationships

The Bank's relationships with all transacting parties are governed by transparency, as part of SB's efforts to provide accurate, fair, timely, regular, reliable and accessible information relating to issues of concern (such as governance structures and policies, financial results, quantitative and qualitative issues relating to employees and other associates, contractual terms etc.). The timely published financial statements contain a reliable and periodic presentation of the overall financial situation of the Bank supported by the provision of adequate information relating to the Bank's performance and its prospects.

*Effective corporate
governance
framework*

7. Corporate Commitment

Our Bank is committed to achieving the results with positive impact on all stakeholders, i.e. shareholders, customers, employees and society in general.

8. High level of Corporate Governance and Compliance

Our Bank operates within an effective corporate governance framework through the establishment of a single system of entitlements, procedures and controls, in line with the provisions of relevant domestic regulation, European and International legal and regulatory frameworks, as well as international best practices, while seeking to protect the interests of all stakeholders in corporate governance.

*Social responsibility
through the
promotion of
human values*

The Bank's key priority is the creation of value for shareholders in combination with the implementation of socially responsible practices, actions and initiatives.

9. Corporate Social Responsibility

The Bank aspires to abide by a high level of social responsibility, adhering to and promoting human values as well as social, intellectual and cultural values of the countries where the Bank is active. The Bank ensures that its social action

*Enhancing
environmental
awareness*

is always in line with the interests of its shareholders. Within this context, SB adopts a Corporate Social Responsibility (CSR) Policy which is implemented by the Bank and which defines the relevant actions to be taken by the Bank.

It is a common belief that respect for the environment and the implementation of a relevant realistic Environmental Policy comprise a fundamental principal for proper corporate behaviour and the contribution of businesses to sustainable growth and the alleviation of problems deriving from climate change.

The Bank systematically implements policies that have been developed for the purposes of sustainable growth and the protection of the environment, enhancing the environmental awareness of its staff and, indirectly, its shareholders and their clientele. They monitor and constantly improve the Environmental Management System in line with international standards, observe the relevant legal framework, set targets on the basis of the respective criteria, assess the impact of their activities on the environment, and keep up-to-date as regards international trends. The Environmental Management Program focuses on saving natural resources, the rationalization of commuting for professional purposes, the efficient management of waste materials, the implementation of environmental criteria to supplies, and the implementation of rules for the analysis and evaluation of environmental risks in financing procedures.



III. VALUE & RESPECT FOR CUSTOMERS

The Bank's principal concern is to respect and protect the relationship with its customers.

■ **Our priority: to serve our customers**

*Our priority:
To provide top
quality services to
our customers and
meet their needs*

The Bank's activities are customer-focused. Services should be offered to all transacting parties in an equally complete, careful and proper manner. The Bank ensures that all customers are treated equally and that their interests are equally protected.

Within this context, the Bank provides for the development and provision of services and products on the basis of common characteristics that define customer groups and thereby averts any kind of discriminatory treatment of customers. The terms which are included in the products / services are clear, comprehensible and fair.

Accordingly, the necessary measures are taken both regarding the physical protection of customers during their presence in the Bank's premises, as well

as the safeguarding and security of their assets (safe-deposit box content and other).

Within the context of customer service our employees understand that they should:

- ✓ observe the applicable legal and regulatory obligations by implementing the relevant codes of ethics without deviations
- ✓ have as main priority to advance the interests of their customers
- ✓ inform customers clearly, responsibly and patiently regarding the services offered by the Bank, as well as the suggested actions, as the case may be, for the proper performance of their transactions
- ✓ do their best to ensure the completeness and accuracy of the data/information provided to customers, Supervisory, Independent and other Authorities
- ✓ demonstrate sensitivity in facilitating individuals with special needs or individuals that need special treatment

▪ **Observe confidentiality and banking secrecy**

The Bank takes every measure to ensure confidentiality of information, commit to protecting confidential information regarding customers and transacting parties and to using such only for the purpose they are initially provided.

To observe confidentiality and banking secrecy in our customers' transactions

Considered as "confidential" is information that comes to the attention of employees, whether directly or indirectly, during the course of their work and which can concern the Bank and the Group (including various documents, details and data, methods and procedures adopted by the Bank for the design, development and promotion of the Bank's products and services, financial data, cases), customers (including transactions, financial status, personal data protected by relevant domestic and international regulation, laws and bylaws deriving from Banking Law, Law on personal data protection etc., as amended) and other associated individuals (including mediators, related representatives, providers within the context of outsourcing).

Every piece of confidential information is treated with the appropriate secrecy and all laws and rules related to professional and banking secrecy must be strictly observed.

As part of the effort to ensure the security and protection of privacy of staff, associates and any third parties, unauthorised use of videos, sound recordings or other form of recording or data storage is forbidden.

Accordingly, the Bank has introduced procedures and implemented systems which enable the controlled flow of information so that:

- ✓ information is disclosed to the competent individuals and only insofar as is deemed necessary within the context of exercising their duties. In the event that the Bank needs to enable access to such Confidential

Information to a larger number of individuals, within the context of project assignments by order of and for the account of the Bank, every measure shall be taken, including the execution of a relevant confidentiality agreement, to ensure that the parties involved in each project are made aware of the confidential nature and the restrictions on the use of such information,

- ✓ access to classified information by unauthorized employees and/or officers is prevented.

Special attention should be drawn during the execution of banking transactions, so as to comply with the provisions of the applicable law on the secrecy of bank deposits. All forms of deposits are confidential and, as a result, details of deposits are only given to the beneficiaries of the accounts and, exceptionally, to third parties following the lifting of banking secrecy rules and provided that the appropriate conditions expressly apply.

The said obligation concerning the confidentiality of data excludes cases in which the provision of data is required by the Internal Audit Division for the purposes of audit and/or investigation or by the Compliance Division and/ or Supervisory or other competent Authorities. In such case, before the provision of any data or information, the Compliance Division must have been previously notified in writing.

- **Protection of Personal Data of our staff, customers and shareholders**

The Bank recognizes and attaches particular importance to the obligation of the Bank to comply with applicable legislation on the protection of individuals from processing of personal data, and has adopted a Personal Data Protection Policy

To protect the data of SB staff, customers, shareholders and third parties

Within this context, SB collects and manages specific information which concerns staff, shareholders, customers who maintain any kind of business relationship with SB, individuals that cooperate with SB, and third parties within the framework of any other relationship, other than the aforementioned.

Specifically, the said information:

- ✓ is collected in an ethical and lawful manner,
- ✓ is collected for specific, explicit and legal purposes,
- ✓ is kept securely and only for the time period provided for the fulfilment of the purposes of collection and processing.

Accordingly, the Bank has introduced procedures and implemented systems which enable the controlled flow of information so that:

- ✓ it is disclosed to the competent individuals and only to the extent deemed necessary within the context of their duties. In the event that the Bank needs to enable access to Confidential Information to a larger

number of individuals, every measure shall be taken, including the execution of a relevant confidentiality agreement, to ensure that the third parties to whom such information is exceptionally disclosed are made aware of the confidential nature and the restrictions on the use of such information,

- ✓ access to classified information by unauthorized personnel shall be prevented

Our employees understand that they shall:

- ✓ protect information of confidential nature which is related to the staff, customers and shareholders,
- ✓ use confidential information only for the purposes it was initially collected,
- ✓ ensure only authorized access to office equipment (computers, telephones, fax and other devices) even when their desk is left unattended for just a few minutes,
- ✓ safeguard their codes of access to the Bank's systems and under no circumstances disclose them to third parties,
- ✓ observe confidentiality with regard to transactions and operations of the Bank and take every measure in order to protect the Bank's interests, property or securities entrusted to the same,
- ✓ not disclose customer details to third parties, even if such are requested by the customer's family environment, unless there is a relevant authorization,
- ✓ not discuss customer cases and details loudly in customer reception and waiting areas and transaction spaces,
- ✓ not use confidential information related to customers in an improper manner,
- ✓ ensure that no information, documents, files, printouts, etc. remain exposed to unauthorized access on their desk or counters, and that the said confidential information is completely safe when their desks are left unattended (for example, locked in drawers),
- ✓ ensure that customers have no visual contact with the screens of computers used to support various transactions. Ensure that no business data are displayed on the screen when the workstation is left unattended, even for a few minutes,
- ✓ ensure that any confidential document that needs to be disposed of is destroyed beyond recovery, in line with the relevant circulars for the safe destruction of documents containing personal data,

- ✓ consult with the SB Compliance Division if any third party discloses by mistake any kind of confidential information that has not been requested,
- ✓ ensure that the customer's - individual's consent has been obtained when necessary for the collection, maintenance and processing of personal data,
- ✓ inform the customers - individuals about their rights to obtain information, to access and to object,
- ✓ not forward information and advertising material regarding services and products offered if the customer - individual does not consent thereto,
- ✓ not process data of relatives or third parties without their prior consent (for example, regarding the review of their creditworthiness),
- ✓ not process personal and sensitive data of customers outside the Bank's network (for example, on personal computers),
- ✓ deliver all information that includes personal and sensitive data of customers to their superior officers when their cooperation with the Bank ends,
- ✓ observe secrecy and protect confidentiality of all data or information related to the Bank and its customers against intentional or unintentional disclosure to unauthorized individuals even following the termination of their access to such information and/or the termination of their employment contract with the Bank.

■ **Advertising**

Within the context of open and transparent communication with their customers, the Bank shall ensure that all advertisements are in line with the applicable legal provisions, decent in terms of prevailing moral attitudes, true, clear, and without exaggeration.

The main purpose of the Bank's advertising campaign is to provide objective information regarding our services and products. Accordingly, advertising material shall be sincere, shall not generate misleading impressions about particularly favourable terms, conditions and benefits, and shall be in plain and intelligible language. The advertising shall not be offensive to prevailing moral values, and shall not take advantage of the public's ignorance or fear; it shall not refer to the competition in a disparaging or libellous manner, and shall not imitate third parties' advertisements. SB shall not promote the business practices with untrue, inaccurate or misleading information.

It is not permitted to forward advertising to customers who have stated in writing, either at the time their relationship with the bank began or subsequently, that they do not wish to receive such advertising. The Bank fully

*To place emphasis
on advertising*

complies with the regulatory framework relating to the promotion of sales of goods and services.

■ **Management of customer complaints**

As part of our endeavour to effectively manage issues related to customer complaints, enhance the products and services we offer and achieve out-of-court settlement of any disputes, the Bank has adopted a Clients' Complaint Handling Policy. Every verbal or written complaint and suggestion or comment related to our products and services is subject to immediate investigation and reply so as to establish a spirit of trust and to deal in a timely manner with problems of customers and transacting parties with the Bank.

To manage customer complaints efficiently aiming at their prompt resolution and the improvement of our services

Within this context, all employees shall:

- ✓ investigate any complaints and deal with customer reports duly and without discrimination,
- ✓ be attentive to any customer complaints in a polite and understanding manner,
- ✓ make every possible effort to immediately settle complaints and meet customer needs,
- ✓ not argue with the customer, but provide appropriate and sufficient explanations,
- ✓ maintain a low profile and soothe the customer so as to avoid making the wrong impression that might have a negative effect on the reputation of the Bank and the Group,
- ✓ not take customer dissatisfaction personally,
- ✓ give guidance to the customer about how to file a complaint to the appropriate Sector of the Bank in the event that the customer has a complaint.

■ **Adherence to AML/CFT provisions**

The Bank acknowledges the need to adopt and implement effective measures regarding AML/CFT. Such actions are contrary to the principles and values that govern our business activity and, as a result, in order to deal with AML/CFT issues, our Bank:

- ✓ has adopted a Policy on AML/CFT - Policy on the Acceptance of New Customers
- ✓ publishes the necessary instructions and guidelines according to applicable legislative and regulatory requirements and makes sure that they are kept up-to-date

To observe legal provisions regarding anti-money laundering and the countering of financing of terrorism

- ✓ establishes effective IT systems in order to trace, monitor and assess transactions and customers of high risk
- ✓ cooperates and exchanges information with the Supervisory and Independent Authorities and the appropriate state bodies
- ✓ does not carry out transactions the legality of which is questionable or transactions with individuals or legal persons/entities, when this is prohibited under provisions of supervisory, judicial and other Authorities
- ✓ provides the staff with access to continuous training for the prevention and handling of the said matters and fully complies with the relevant laws and regulatory decisions



IV. TRUST IN OUR STAFF

Our Bank is committed to providing the best possible working conditions, recognizing the contribution of employees to achieving our goals.

■ **The Bank constantly aims at ensuring equal treatment of all staff members**

The Bank:

We provide for continuous staff development and training

- ✓ has developed a meritocratic system for the assessment of performance, promotions and remuneration of staff,
- ✓ provides pleasant and safe working conditions, respecting the balance between work and personal life, and ensuring that equal opportunities are provided to employees,
- ✓ believes in the constant improvement of the staff's skills and holds significant training and educational programs for the staff's professional development. Within this context, SB covers the expenses of staff enabling their participation in training courses in the Country and abroad

The Bank's philosophy is founded on respect for each employee's personality. The protection of human dignity is fundamental and, as a result, SB constantly seeks to develop a harmonious working environment. To this effect, the Bank:

- ✓ Rejects any kind of social exclusion.
- ✓ Provides equal opportunities for promotion and professional career development regardless of gender, age, religion, nationality.

- ✓ Implements a meritocratic system to assess the performance, promotion and remuneration of staff.
- ✓ Designs and implements actions, development and incentive systems aiming at the recruitment, selection and further leverage of human resources.
- ✓ Invests in the staff's training through the use of modern methods as well as the staff's development through a training plan tailored to the needs of each job position, so as to ensure that the full potential of employees is exploited and that they can adapt in a timely and smooth manner to the ever increasing requirements for new knowledge, skills and specializations in a rapidly changing business environment.
- ✓ Does not use any kind of forced labor.
- ✓ Does not accept any kind of offensive behavior against one's personality (for example, moral, sexual or other kind of harassment, intimidation, persecution and other) or unfair treatment due to nationality, race, gender, family status, religious or political views or physical disabilities.

It is noted that the Bank's Management reserves the right to refuse to employ any individual who has been convicted for a criminal offence on the basis of a final and irrevocable court judgement or has been fired by another financial organization due to a serious infringement of terms similar to those included in the Bank's Code of Ethics.

▪ **We provide a safe working environment**

Health and safety in the workplace remain a priority both for the Bank and the Group in order to ensure a safe working environment, enhance the quality of employees' professional life, and prevent any associated risks.

Within this context, the Bank carries out regular controls to ensure the adequacy and appropriateness of existing health and safety standards in the workplace while it has also developed plans for handling emergencies.

Furthermore, the Bank is committed to:

- ✓ complying with the regulatory provisions on matters of health and safety
- ✓ providing a safe and healthy working environment for the entire staff through the implementation of programs for the prevention of occupational risk
- ✓ providing a protective infrastructure and equipment as well as techniques for handling emergency situations

We place emphasis on the safety of our working environment

- ✓ trains employees as regards response actions, especially in case of natural disasters, and prepares proactive action plans for the purposes of fire safety and crisis management
- ✓ consults with the staff on issues related to health and safety in the workplace
- ✓ prepares plans and actions aiming both at the prevention of occupational risk and the support of employees in cases of violent incidents (robberies and verbal / physical abuse).

▪ **We aim to maintain a high standard of professional conduct**

Within the context of customer service, the SB's employees at all levels of responsibility and job position shall observe the following professional conduct rules and shall:

We treat our customers with respect and professionalism

- ✓ Use the formal mode of address with customers, in a calm and polite manner.
- ✓ Aim at fast customer service.
- ✓ Provide accurate, clear information to customers on issues concerning the protection and advancement of their financial and property interests.
- ✓ Make every possible effort to resolve any misunderstandings or disputes that may arise during transactions with customers. If such resolution is not possible, notify customers about internal Bank procedures with regard to filing suggestions or complaints.
- ✓ Treat customers impartially and objectively and avoid discriminating between customers (for example, on the basis of gender, nationality, religious views, financial status and other).
- ✓ Not occupy themselves with personal affairs in the presence of customers.
- ✓ Not use social media to disclose sensitive issues related to the Bank or make negative comments about colleagues, customers, suppliers and others.
- ✓ Not smoke in the Bank premises as prescribed by the relevant regulation and internal acts.
- ✓ Not consume alcohol or other substances in the workplace.
- ✓ Dress smartly in the workplace and avoid outfits that do not conform with their professional status.
- ✓ Adjust to the real conditions imposed by the needs of their job.

- ✓ Maintain a good team spirit with their colleagues so as to enable more effective performance of the tasks assigned to them.
- ✓ Not act in a manner that may be deemed hostile, malicious, offensive, humiliating or disparaging towards their colleagues.
- ✓ Comply with the applicable legislative and regulatory framework and the Bank's relevant guidelines.

▪ **We protect the Bank's assets**

The Bank's staff shall protect SB as well as Group's assets from damage or unauthorized use.

Every employee, within the context of his/her duties/authorities, shall:

- ✓ Consider carefully every purchase, sale or transaction for the account of the Bank, impartially, protecting their interests.
- ✓ Ensure full transparency in the selection of goods and services, protecting the Bank reputation and acting in line with the relevant procedures set out in the Regulations, Circulars and Relevant Guidelines.
- ✓ Not use the Bank's assets and equipment for personal purposes.
- ✓ Not install or use software, apart from those installed by the service, in line with the Bank's IT system security requirements.
- ✓ Use the Internet for work purposes and within the context of the employee's duties, without compromising the security of the Bank's system. Accordingly, the staff's access to social media from the Bank's systems is accordingly prevented, unless prior written authorization is granted by the competent security officer.
- ✓ Ensure that the IT equipment (computers, telephones, fax and other devices) is used only by authorized individuals, even when their desk is left unattended for just a few minutes.
- ✓ Safeguard his/her access codes to the Bank's systems and under no circumstances disclose such codes to others.
- ✓ Observe confidentiality with regard to transactions and operations of the Bank and take every measure to protect the Bank's interests, property or securities entrusted to the same,

We protect the Bank's assets by all means

Intellectual Property Rights such as trademarks, domain names, logos, circulars, Policies, procedures, databases, the Bank's Publications and other are included in the Bank's assets that must be protected from unauthorized use or damage.

Every employee shall:

- ✓ Ensure that any use of the trademark and company symbols and signs as well as other intellectual property rights of the Bank comply with the

relevant procedures set out in the Regulations, Circulars and Relevant Guidelines.

- ✓ Not permit the use of the Bank's brand name or trademark and company signs and symbols, without prior authorization by the appropriate Division.
- ✓ Report to the Compliance Division any suspicions of improper use of the Bank's intellectual property rights.

▪ **We reject any act of bribery**

The Bank takes every measure to prevent and deter actions related to bribery. To this effect, the Bank has adopted an Anti-bribery Policy, aiming at:

We abstain from any act of bribery

- ✓ Adopting clear-cut principles and rules for the prevention of bribery.
- ✓ Raising the awareness of the Bank's staff in order to enable the staff to recognize and deter or prevent actions related to bribery.
- ✓ Encouraging the reporting of suspicions by creating internal communication channels to ensure the protection of individuals and confidentiality, in line with the Whistleblowing Policy implemented by the Bank.
- ✓ Enhancing the prompt adoption of measures against individuals involved in bribery, considering that the Bank shows zero tolerance to corruption.

Bribery is the offer, promise, concession, submission of a request or acceptance of a privilege in exchange for an action considered illegal, immoral or abusive.

All Bank officers, employees and associates are responsible for the prevention, deterrence and reporting of such cases.

As part of the effort to protect the Bank's reputation, every employee shall:

- ✓ Not accept gifts in the form of cash (regardless of amount) or goods (trips, hotel accommodation, significant discounts for purchases of goods and other). Promotional low-value gifts, such as stationery bearing a corporate logo, symbolic gifts for Christmas, Easter or name-day, considered traditionally and socially acceptable are excluded. In any case, the gift value should not exceed €250 or the equivalent in another currency. If the gift is of higher value and the customer insists, the employee shall accept the gift but is obliged to immediately report it to the Head of the Unit.
- ✓ Not offer or promise a financial or other benefit to any individual in order to tempt the latter to act irregularly or to reward the same for an irregular action/activity.

- ✓ Not seek to secure any type of benefit or advantage by taking advantage of his/her SB employee capacity inside or outside the Bank.
- ✓ Ask for the approval of the Head of the Division to invite a customer to lunch/dinner or to attend sports or art events.

The prohibition of bribery applies to Bank employees as well as to associates and providers who have been assigned with activities within the context of an outsourcing agreement. If there is suspicion that the above rules are not met, a report should be submitted to the Compliance Division.

■ **We take the appropriate measures to Prevent Conflict of Interest**

The Bank places emphasis and takes the appropriate measure to handle cases that may cause or lead to conflict of interest within the context of the services offered.

Such cases may occur in the event of divergence between:

- ✓ the interests of the Bank, and the other parties involved (customers, shareholders, employees and other),
- ✓ the interests of the Bank,
- ✓ the interests of the members of the same team (such as existing or potential customers),

Within the context of preventing real or potential cases of conflict of interest, the Bank takes the following measures:

- ✓ Develops policies and procedures for the detection and handling of the said situations. Has adopted: (i) the Policy for the Prevention of Conflicts of Interest for senior executives of the Bank to control and manage real or potential conflicts of interests between the same and the top/ senior executive officers as well as with(ii) the Conflicts of Interest Policy that sets out the framework for the prevention, detection and management of conflict of interest between the Bank and its customers, as well as among the customers themselves during the provision of investment and ancillary services. Adopts rules governed by transparency and based on objective criteria.
- ✓ Implements mechanisms and control systems for the prevention and management of any losses.

We take every measure to prevent conflict of interests

Discloses to the customer in a clear manner the general nature of conflict of interests and its causes, before undertaking the provision of investment and ancillary services.

Within the context of preventing conflict of interests each employee shall:

- ✓ Immediately report any own interest or relatives' interest which may lead to a conflict with SB interests or prevent the employee from duly performing his/her duties. In such cases, the employee shall not

consider his/her personal interests, financial or other, as more important than the customer's or the Bank's interests.

- ✓ Disclose any relationship with colleagues or customers in order to avoid potential conflict of interest
- ✓ Not establish common or mutual financial interests with customers and associates of SB, as such a practice creates risk of conflict of duties and may carry disciplinary or legal sanctions. Not borrow funds from or lend funds to Bank customers.
- ✓ Not mediate in any purchase/sale, transfer or in any financial or other transaction, in general, between customers of SB, even where relatives thereof are involved, or promote banking or other business in favour of businesses other than those of SB.
- ✓ Treat all customers equitably, avoiding partial treatment in favour of certain customers or inhibiting others' business with the Bank without objective justification.
- ✓ Not offer services or products (such as accounting and management) other than those of SB and NBG to customers, the Bank's associates or third parties, with or without remuneration, without prior authorization from appropriate service channels, to avoid potential conflicts of interest.
- ✓ Not participate in committees or Boards of Directors of the Bank's customers, associates or third parties, with or without remuneration, without prior authorization from appropriate service channels, to avoid potential conflicts of interest.
- ✓ Not purchase articles from SB customers at lower than market rates, and not enter into financial obligations (such as installments, bills of exchange) he/she will be subsequently unable to honor.
- ✓ Not abuse the special favourable terms that the Bank provides to its Staff with regard to certain kinds of transactions and accounts (such as loan facilities and other) and not use these favorable terms irregularly for the benefit of third parties who are not eligible.
- ✓ Not seek the contribution of customers to any kind of event apart from those that are held as part of the SB/ sponsorship program.
- ✓ Not undertake obligations either directly or as guarantors, if they cannot meet the corresponding requirements on the basis of their income or assets.
- ✓ Not seek to secure any type of benefit or advantage for himself/herself or family members by taking advantage of his/her SB employee capacity.

▪ **We are committed to preventing the exploitation of inside information**

We protect all internal or privileged information within the context of our responsibilities

In addition, within the context of preventing the use of confidential information employees shall:

- ✓ Not perform transactions including the buying and selling or selling and repurchase of the same financial instrument (intraday share, derivative and corporate bond transactions), because transactions by members of staff must be of an investment and not speculative nature.
- ✓ Not perform stock market transactions using SB/ shares or other SB share-related instruments or securities, if they have access to privileged information.
- ✓ Not perform transactions on financial instruments of listed companies in any regulated market for a period of 30 days before the day the quarterly financial statements are announced and/or the date an ordinary or extraordinary general meeting is held, if they exercise management or supervisory duties.
- ✓ Not carry out treasury trading on the Bank's or the NBG Group companies' portfolio and they shall report on a quarterly basis any personal transactions carried out within the specific time period, if they hold the position of trader.
- ✓ Comply with all the relevant laws and regulations, if they are involved in analyses or underwriting. If they are involved in the design and sale of a new issue of financial instruments, they shall not subscribe for this issue or trade on the specific securities or other related securities throughout the sensitive period.

▪ **We contact Media representatives in line with the applicable procedures**

We communicate with the Media on the basis of instructions and not on our own initiative

Only authorized staff of the Bank may contact media representatives, authorize or send letters or other similar announcements for publication to the media on behalf or in the name of the Bank.

Accordingly, employees shall avoid verbally addressing the media as representatives of the Bank, being interviewed or writing articles and making publications, announcements and in general statements (written /oral) related to the Bank and its activities without prior authorization by the Board of Directors of SB.



V. ASSOCIATES/THIRD PARTIES

Transparency and regulatory compliance in our relationships with third parties

■ We foster transparent and regulatory acceptable business relationships

The Bank recognizes that the competitiveness and success of an organization are the products of team work and also require the contribution of third parties such as associates, suppliers, investors and others. As part of their corporate culture/practice, the Bank respects the rights, and protects and ensures equal treatment of all bodies cooperating with the Bank.

The decisions to select these associates are taken on the basis of strict but fair criteria, observing the applicable legislative and regulatory provisions and requirements. The Bank's business relationships are founded on key criteria including reliability, integrity, honesty, impartiality, high quality of products and services, price policies, consistency and prudence in the management of a business.

The Bank acknowledges that its financial and social performance may be affected by the practices of its associates and accordingly requires that they respect its Principles and Values, comply with such, and adopt respective policies and procedures of their own.

On entering business agreements with third parties, the Bank shall ensure:

- ✓ Adherence to the current Code of Conduct
- ✓ Assessment of the experience, reputation and overall status of the third parties -associates.
- ✓ Understanding of the services provided by third parties as well as of the payment and remuneration methods thereof.
- ✓ Assessment of potential business relationships with third parties.
- ✓ Development of a procedure for the monitoring of transactions and the overall activity of the third party.
- ✓ Full transparency in the selection of its associates, on the basis of strict and objective criteria, in line with the Regulations for procurements and Technical Projects of the Bank
- ✓ Equal opportunities for all parties interested in doing business with the Bank.
- ✓ Adherence to the terms of contracts entered with its associates - third parties and timely resolution of any dispute with such.



VI. OUR BANK'S SHAREHOLDERS

■ We render value to our shareholders

We respect our shareholders

The Bank make investment choices, on the basis of prudent business decisions, that are made with due flexibility and financial integrity in order to achieve the best possible returns and thereby protect Shareholders' interests.

The Bank adopts practices that secure a high level of corporate governance, structures and policies that generate solid standards of professional conduct and business ethics and facilitate the smooth operation of the market and reinforce Shareholders' trust.

SB has set up a Shareholder service which is responsible for promptly, accurately and fairly informing Shareholders of their rights and how they can exercise such on the basis of the legal framework and the Bank's Articles of Association. The Bank's first priority is to make sure that Shareholders are fully and timely informed not only regarding their obligations but also their entitlements.

Specifically, the Bank:

- ✓ Aims at the growth of profitability and the improvement of the Bank's returns to the benefit of those that trust the Bank by investing in its share.
- ✓ Seeks to provide to investors accurate, full and timely information regarding the financial situation and the financial results of the Bank
- ✓ Protects the Bank's assets by investing in the areas of its business and by endeavouring to contain the Bank's operating costs.
- ✓ Designs clear reporting, supervisory and control lines, and makes sure that the Bank's bodies do not act without due controls, as part of the effort to ensure transparency for its Shareholders.
- ✓ Facilitates the Shareholders' participation in the General Meetings.
- ✓ Makes sure that Shareholders are sufficiently informed about the purposes of decision making by the General Meeting.
- ✓ Presents to the Shareholders the Annual Corporate Governance Report, which includes a relevant Corporate Governance Statement.

▪ **We adopt an effective Corporate Governance environment**

Our Bank:

- ✓ SBhas introduced a Corporate Governance Code, which can be viewed on the Bank's website and sets out in detail SB's corporate governance structure and policy, fosters continuity, consistency and efficiency in the modus operandi of the Supervisory Board, Board of Directors, and generally the governance of the Bank.
- ✓ Provides for the development of the appropriate infrastructure that will enable the implementation of corporate governance principles, including: management bodies with clear and discrete roles, authorities and obligations, an internal control system, and two-way communication both within the organization and outside it.
- ✓ Abides by the guidelines of European, international and national supervisory authorities by introducing the appropriate procedures for the effective operation of the Internal Control System and keeping its staff updated.

Complies with and implements current legislative and regulatory provisions at a national and relevant international level. The Bank's business strategy remains strictly within the limits set by law.

▪ **We implement an effective Internal Control System (ICS)**

The Bank's Internal Control System comprises a cluster of appropriate, sufficient and effective control mechanisms and procedures which serve to ensure adherence to internal procedures and obligations deriving from the applicable legislative and regulatory framework as well as the consistent implementation of business policy.

ICS's smooth operation, supervision and assessment within the Bank is based on three key functions, i.e.: the internal audit function, the risk management function and the compliance function.

The role of ICS is vital as it comprises a cluster of control mechanisms and procedures that governs every activity and action on a continuous basis.

The successful and effective operation of ICS ensures:

- ✓ consistent implementation of the business strategy,
- ✓ identification and management of all types of assumed risks within the context of the Bank's activities,
- ✓ fullness and reliability of financial and business information,
- ✓ compliance with the legislative and regulatory framework, internal rules, regulations, approved policies and procedures,
- ✓ prevention of misconduct and detection of irregularities.

effective Internal Control System through the development of solid operations of Regulatory Compliance, Risk Management and Internal Control

- ✓ development of a system of control mechanisms adapted to the scope and complexity of their operations as well as the synergies across the relevant Management Units.
- ✓ assessment of the system's adequacy and efficiency by external auditors.
- ✓ detailed recording of procedures related to the operation of the system and the Business Units supporting it.
- ✓ the launching of green banking products and services.



VII. CONTRIBUTION TO SOCIETY - RESPECT FOR THE ENVIRONMENT

The NBG Group's and the Bank's (which is a member of NBG Group) Corporate Social Responsibility framework sets out the following values:

Respect for human rights:

Full compliance with the decisions that prohibit transactions with countries, businesses or individuals that aid and abet violence and terrorism.

Respect for the environment:

The adoption and implementation of specific environment-related policies constitute an integral part of responsible corporate behavior.

Contributing to society:

The Group supports efforts to deal with international problems related to social and economic growth and contributes to the social cohesion and growth of countries where it is active.

Contribution to the arts, culture and education:

Through the enhancement and promotion of cultural values and actions in the field of art and education of every country where they are active.

Independence:

The Bank's Corporate Social Action is independent of individual customer, shareholder or third-party interests, subsidies or any kind of direct/indirect support for political organizations and parties, while any related financing should be in line with the applicable legislative and regulatory framework

Development of environmental awareness

Accordingly, our Group:

- ✓ Contributes to the highlighting of the national heritage and undertakes the funding of culture-related projects and events.
- ✓ Enhances programs that promote sports.
- ✓ In general, supports the work of recognized social bodies and organizations of public life.
- ✓ Supports research programs and programs for the development and creation of structures that aim at the improvement of quality of life.
- ✓ Operates on terms that do not compromise the immediate or longer-term competitiveness of the Bank and the Group.

Encourages social, intellectual and artistic life and provides for the protection and promotion of the cultural heritage of Greece and of the countries where it is active.

Moreover, in the context of environmental responsibility, the Bank and the Group companies:

- ✓ Stand by their commitment to be environmentally responsible corporate citizens and undertake initiatives against climate change.
- ✓ Encourage recycling and energy saving as well as programs designed to make savings of raw materials.
- ✓ Implement environmental risk assessment models in investment and credit processes.
- ✓ Support actions for the protection and preservation of the natural environment.
- ✓ Inform and raise the awareness of employees and customers.
- ✓ Assess suppliers on the basis of environmental criteria.



VIII. IMPLEMENTATION - REVIEW OF THE CODE

■ We implement every principle of the Code

Every employee of the Bank shall respect and duly observe this Code. All employees, regardless of grade and/or position or form of service provided,

undertake the responsibility to prevent actions which may not be in line with the Bank's commitments within the context of this Code.

There are various ways in which employees can make inquiries regarding the implementation of the Code or report possible misconduct without the risk of incurring sanctions as a result of making such reports:

- ✓ Employees are entitled to express their concerns and report Code-related issues to their superior officers. All senior management officers are duty bound to oversee the proper implementation and to provide guidance regarding how to handle any kind of breach of the Code.
- ✓ Employees shall immediately report to the Compliance Division any issue/information relating to possible breach of the principle of zero tolerance of bribery and corruption, as per the Whistleblowing Policy which has been approved by the Supervisory Board.

The Bank reviews the submitted reports, adopts corrective measures and if it is found that a breach of this kind has occurred, the Bank imposes penalties subject to the current Internal Labour Regulation.

It is noted that the Bank takes every measure to protect the identity of any employee who may report in good faith a possible violation of the said Code.

Code violations are reviewed in combination with the Labour Regulation and may lead to disciplinary sanctions in accordance with the Bank's established procedures.

■ Revision of the Code

The Board of Directors reviews the Code pursuant to proposal by the Compliance Division, whenever such is required, or at least every three years in order to ensure that it is appropriate vis-à-vis the principles adopted and the rules implemented by our Group and, in the event that its revision is deemed necessary, a relevant proposal is forwarded to the Supervisory Board of SB.

The code may be revised if:

- new rules and principles and/or significant changes are introduced in the legislative and regulatory framework governing the operation of credit institutions and financial organizations or
- new international best practices are adopted regarding the banking or the broader financial sector.

In the event that the Code is modified, the Bank and the Group companies provide for the prompt disclosure of the revised Code to the staff in any way the Bank sees fit (for example, via Intranet - training processes/courses).

Final provisions:

This Code is prepared in compliance with the Code of good practice of banks and savings houses signed between the Banking Association and the Ministry of Economy on 15.03.2013.

This Code shall come into force on the date it is passed and shall be verified by the Supervisory Board of SB. By entering into force of this Code the Code of Ethics of Stopanska Banka AD – Skopje (No. 01-2580/1 dated 15.11.2013) cease to be valid.

BoD No.01-831/1

21.09.2016 ,Skopje

Supervisory Board No.2682,29.09.2016