

STAFF REMUNERATION POLICY

Document History Record

Version	Issue Date	Document Information
1	09/12/2020	BoD meeting 310/12.10.2018 (repealed)
2	21/07/2021	Ordinary General Meeting of Shareholders of 21.07.2021
3	14/10/2021	BoD meeting 373/14.10.2021
4	28/07/2022	Ordinary General Meeting of Shareholders of 28.07.2022
5	22/03/2023	Extraordinary General Meeting of Shareholders of 22.03.2023

More specifically:

- ✚ the Staff Remuneration Policy, with Internal Document Code No P43, as currently in force after being supplemented on the basis of Decision No 334/27.09.2019 of the Board of Directors (BoD) on the framework of benefits and overall professional expenses of Bank executives, was replaced by this Policy.
- ✚ The Bank had adopted a single Remuneration Policy for its members of the Board of Directors (Directors), top and senior executives and other staff. However, in line with the provisions of Law 4548/2018, the Remuneration Policy was amended by a relevant resolution of the Extraordinary General Meeting of Shareholders of 22/03/2023 and was broken down into two separate Policies according to the two Chapters (Chapter I and Chapter II) of the previous Remuneration Policy.
- ✚ Chapter II of the previous Remuneration Policy has remained in force, assigned Internal Document Code No P43B, as a separate Remuneration Policy for the Bank's top and senior executives and other staff and will be updated from time to time in accordance with the regulatory framework in force, without being subject to Articles 110-112 of Law 4548/2018.

The following items have remained in force:

- ✚ BoD Decision No 334/27.09.2019 on the framework of other additional benefits and overall professional expenses of Bank executives, as amended by BoD Decision No 373/14.10.2021.
- ✚ BoD Decision No 373/14.10.2021 on the framework of benefits and overall professional expenses of Bank executives.
- ✚ BoD Decision No 378/24.02.2022 supplementing the Bank's Remuneration Policy as regards adjusting the variable remuneration system of the Bank's Brokerage General Division.

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STAFF REMUNERATION POLICY**1. Introduction – Purpose**

Optima bank SA (hereinafter the “**Bank**”) has adopted a Remuneration Policy for its top and senior executives and employees (hereinafter the “**Policy**”) with a view to laying down the key principles of the remuneration framework applied by the Bank, which are based on its business strategy, objectives, risk tolerance, values and long-term interests, with due account taken of best practices in remuneration issues. The Policy aims to promote the sustainability and long-term operating prospects of the Bank and strengthen transparency.

The Policy is in line with the provisions of Law 4261/2014 transposing Directive 2013/36/EU and of Act No 158/1/10.5.2019 of the Executive Committee of the Bank of Greece adopting the guidelines issued by the European Banking Authority on sound remuneration policies pursuant to Articles 74(3) and 75(2) of Directive 2013/36/EU and disclosures pursuant to Article 450 of Regulation (EU) No 575/2013, Regulation (EU) 2021/923 and Act No 2577/09.03.2006 of the Governor of the Bank of Greece, while also complying with the provisions of Law 4548/2018.

2. Scope

This Policy applies to all types of remuneration for top and senior executives and employees and applies to all Bank workers, depending on the Group of Workers to which they belong (**Staff Remuneration Policy**).

The group of executives and employees covered by the Policy may be extended on the basis of a relevant Bank Management decision. Positions not currently existing in the Bank, such as those of the General Manager or Deputy General Manager, shall be covered by this Policy should they exist in the future.

3. General Principles

This Policy takes into account the following principles:

- it promotes effective risk management and prevents excessive risk-taking;
- it safeguards the interests of the Bank and of its shareholders and workers, creating value for all stakeholders;
- it is clear and transparent;
- it includes measures to prevent conflicts of interests;
- it ensures a set of remunerations that fall within the remuneration framework of the domestic labour market, taking into account the remunerations that apply in the financial sector in general, the conditions of the Greek economy and the banking market, and the best practices at domestic and international levels in terms of remunerations, always in line with the legal provisions in force;
- it takes due account of consistency between remuneration and performance and rewards performance in long term;
- it fosters attracting, incentivising and retaining the most suitable persons as Directors, executives and employees, as per case, in particular those who are exceptionally qualified and/or skilled.

II. Staff Remuneration Policy

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1. General

The Bank aims to provide its executives and employees (hereinafter the “Staff”) with fair and competitive remunerations and benefits, in order to attract executives and employees with a high potential, to incentivise and retain them, complying at the same time with appropriate risk-taking principles and bringing performance evaluation into the equation. Members of the Executive Committee of the Bank, other senior executives, employees and staff of the Bank shall be paid according to the provisions of the legislation in force (including the directives and guidelines of the European Banking Authority) and shall be entitled to benefits, as determined based on the Bank’s policies as in force and in line with market practices.

2. Remuneration

2.1. Fixed remuneration

2.1.1 Fixed Remuneration Principles

They apply to all employees and are based on the following criteria:

- Level of responsibility of the job concerned
- Level of position in corporate hierarchy
- Job specialisation
- Personal growth and development potential
- Performance evaluation
- Labour market value
- Fixed remuneration paid by competitors for similar jobs, duties and competencies
- Collective and company employment contracts (where applicable)
- Labour law.

2.1.2 Determination of Fixed Remuneration

Fixed remuneration is agreed upon at the beginning of the employment relationship and is reviewed whenever market conditions change, always according to the payroll increase plan in force. Recommendations on fixed remuneration are made by the HR Division, based on the principles referred to in Clause 2.1.1.

The final decision on fixed remuneration are made:

- For Members of the Executive Committee (2.3.4.1/A), Heads of Independent Administrative Units (2.3.4.1/C) and Senior Executives and Risk Takers (2.3.4.1/B) following a decision of the CEO, on the basis of due authorisation granted by the Board of Directors.
- For the Special and Ordinary Group of the Non-Designated Staff (2.3.4.2/A and B) following a recommendation from the competent Division Manager to the HR Division and a decision of the CEO.

2.1.3 Adjustments of Fixed Remuneration

Payroll adjustments are made whenever labour market conditions change, provided that the economic environment allows so and the Bank has attained its objectives in the previous year. Proposals for payroll adjustments must:

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- Take account of payroll balancing and internal structure.
- Take account of the inflation index and of Greece's legal framework.
- Be based on indicative criteria such as:
 - effective fulfilment of job requirements;
 - labour market value;
 - potential for growth/development;
 - rewarding effectiveness, behaviours, and attainment of the Bank's strategic goals and objectives.

The decision on the overall percentage of the Bank's payroll adjustments is made after a recommendation is made and a draft of the decision is produced by the HR Division and following approval by the Bank's Remuneration and Nominations Committee.

The decision on payroll adjustments per employee on a case-by-case basis is made following a recommendation from the competent Division Manager to the HR Division and a decision of the CEO on the basis of due authorisation granted by the Board of Directors, within the bounds and in application of the decision of the Remuneration and Nominations Committee of the Bank on the overall percentage of the adjustments to be granted by the Bank.

2.2. Variable Remuneration

"Variable remuneration" means all non-fixed remunerations. Variable remuneration is intended to incentivise executives to attain and exceed their goals and concerns best performing executives in defined areas of Bank activity, in accordance with the respective Bank Management decisions and the applicable policies providing for selective application of the variable remuneration component.

The variable component of overall remuneration is optional, is freely revocable and refers to bonus schemes or other rewards that the Bank may plan and implement from time to time. To pay that remuneration account is taken of whether the targets set for the Bank and each Unit/Division have been attained, as well as of individual performance based on the respective evaluation criteria. Priority is given to balancing the fixed and variable remuneration components, with a view to maintaining market competitiveness, while at the same time minimising the risk taken.

Variable remuneration is broken down into:

2.2.1 Extraordinary normal variable remuneration (normal bonuses)

The decision to pay any extraordinary normal bonuses is always subject to the discretion of the Bank, depending on the financial results and in accordance with the annual targets set, at group and individual levels.

The detailed terms and conditions subject to which such bonuses are to be paid are described at the beginning of each year in a CEO communication, following a decision of the Board of Directors and of the Remuneration and Nominations Committee, linking the expected results to the extraordinary normal bonuses.

2.2.2. Extraordinary *ad hoc* variable remuneration (*ad hoc* bonuses)

Extraordinary *ad hoc* bonuses are related to specific results of particular projects, which were successfully achieved and brought significant revenue to the Bank, and therefore to shareholders, or helped attain specific targets set by the Bank. The bonuses falling under this category should be defined in detail in the recommendations of the competent Heads of Administrative Units to the HR Division, which should in turn make recommendations to the Remuneration and

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Nominations Committee, and should be duly approved by the Board of Directors, which may delegate that authority to the CEO.

2.2.3 Repeated variable remuneration (rebates)

Rebates are essentially intended for first-line employees engaging in the sale of Bank's stock market products. Such rebates are voluntary benefits, which are freely revocable and are approved by the Remuneration and Nominations Committee following a recommendation from the CEO.

2.2.4 Conditions and other criteria subject to which variable remunerations are paid

All types of variable remuneration, as well as the principles according to which they are allocated, are considered and determined after taking into account the employees' performance criteria, as described in the current performance evaluation policy/procedure, and the contribution of the service unit involved to overall Bank results. More specifically, the following factors are taken into account:

- the profits of the Bank;
- the revenue generated by the person and/or the respective service unit;
- the recommendations made by supervisors or senior executives;
- attainment of targets not linked solely to a specific activity/ product/ service;
- appropriate application of the institutional framework and observance of the Bank's Rules of Procedure;
- customer satisfaction, including the absence of any customer complaints/reports.

Performance evaluation is part of a multiannual framework, to ensure that the evaluation process is based on longer-term performance and that the payment of performance-related parts of the remuneration is allocated over a period of time within which it is possible to take due account of the Bank's underlying economic activity cycle and business risks.

2.3. Special conditions**2.3.1. Other conditions for payment of variable remuneration**

Variable remuneration is paid either in cash or as a combination of cash, or equivalent financial or other available instruments, or discretionary pension benefits, subject to the conditions and any restrictions laid down in the legislation in force, and in accordance with a relevant decision made by the Bank Management, following a recommendation of the Remuneration and Nominations Committee.

It is noted that the requirements laid down in points (k) and (l) and in the second sentence of point (n) of Article 86(1) of Law 4261/2014, concerning the allocation of variable components to cash and equivalent financial instruments ratio, the obligation to hold and the obligation to postpone payment, shall not apply if the Bank is not a large institution as defined in Regulation (EU) No 575/2013 [Article 4(1) and (146)], as well as for a member of its staff whose annual variable remuneration does not exceed EUR fifty thousand (50,000) and does not represent more than one third (1/3) of his/her total annual remuneration.

For each individual case of a Staff member falling within the category of Section 2.3.4 below, the variable remuneration shall not exceed 100% of the fixed remuneration. By way of exception, the General Meeting of the Bank may approve a higher maximum fixed-variable remuneration ratio provided that the total amount of variable remuneration does not exceed 200% of the total fixed

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remuneration in each individual case. A potential higher ratio may be approved in accordance with the procedure referred to in Article 86(f)(ii) of Law 4261/2014, as in force.

In the event that malice or other equally serious cause is established, which misled the Bank into approving variable remuneration, the Bank may use all legal means to claim reimbursement of the remuneration from the executive/employee.

Both the payment of variable remuneration over a period of one year and the possibility of reimbursement of the remuneration paid aims to link variable remuneration to long-term performance and not only to performance on annual basis.

2.3.2. Non-payment (Malus) clause

An arrangement that allows the Bank to reduce the value of deferred variable remuneration by up to 100% in case of inadequate results, in particular as regards risk management or other issues affecting its capital base. Such cases may include fraud or loss sustained by the Bank due to gross negligence or malice on the part of the employee and cases where the employee has contributed to the imposition of supervisory sanctions or fines on the Bank.

2.3.3. Clawback clause

An arrangement that allows the Bank to force an employee to reimburse up to 100% of the variable remuneration he/she has received or secured in cases of serious offenses such as fraud, loss sustained by the Bank due to gross negligence or malice, etc.

The total variable remuneration shall be subject to malus or clawback arrangements (as per Sections 2.3.2 and 2.3.3 above) if an employee has been involved in, or was responsible for a behaviour that caused the Bank significant loss, or did not meet the required suitability standards, as laid down in the Code of Conduct and Ethics of the Bank.

2.3.4. Identification of staff members and staff categories having a material impact on the Bank's risk characteristics

The groups of employees and the employees included in those groups are revaluated annually, and any proposed changes are submitted to the Ordinary General Meeting of Shareholders of the Bank by the Remuneration and Nominations Committee for approval.

2.3.4.1 Designated Staff

Under normal circumstances, that staff includes the following:

A. Members of Management

The members of the Executive Committee of the Bank

B. Senior Executives and Risk Takers

B1. The Heads of the following Units/Departments:

- Treasury and Capital Markets
- Fixed Income Sales
- Market Making

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- Accounting and Tax
- Legal
- Human Resources
- Credit
- Business Credit
- Retail Credit
- Recoveries/Collections
- Information Technology
- Digital Operations
- Retail Networks
- Private Banking
- Wholesale Banking
- Large Corporate
- SMEs
- Investment Banking
- Brokerage
- Research
- Members of the Risk Management Committee
- Member of the Assets - Liabilities Committee (ALCO)
- Members of other BoD operational committees

C. Head of administratively independent Units/Departments**C1. The Managers of the following Units/Departments:**

- Regulatory Compliance Division
- Risk Management Division
- Internal Audit Division

2.3.4.2 Non-Designated Staff**(A) Special Group**

Employees who meet the following criteria:

- Undertaking highly specialised jobs
- Having a very high labour market value
- Having very high potential
- Undertaking jobs of critical importance

(B) Ordinary Group

Under normal circumstances, the Group includes all other employees who are not included in the “Non-Designated Staff” category or in “Special Group A” of Non-Designated Staff.

4. Corporate Benefits

Bank Executives and employees are entitled to benefits, as determined on the basis of Bank policies in force and being subject to the applicable legislation.

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Benefits include the basic benefits intended for all Staff (e.g. group health insurance cover, housing loans under favourable terms for Bank employees, etc.).

Executives (and other Staff) may be granted additional personalised benefits, with due account taken of the different hierarchical levels and employees' roles and depending on the level of the job, solely with a view to meeting the operational needs of specific jobs and for as long as Executives are appointed to those jobs. Benefits under this category include, indicatively, the use of a company mobile phone or a company car, coverage of business expenses (fuel, tolls, parking costs, business meals, etc.).

The cost of the benefits is reviewed and updated from time to time by the Remuneration and Nominations Committee and is approved, following a recommendation from the Committee, by the Board of Directors of the Bank, which may authorise the CEO to decide at his absolute discretion whether or not these benefits should be granted to Bank executives and employees, as well as to modify or withdraw them at any time and to extend or limit the group of executives and employees to whom such benefits may be granted.

These benefits are granted at the discretion of the Bank, which reserves the right to modify or withdraw them freely at any time. The Bank reserves the option to provide employee severance plans, subject to special conditions, in accordance with the legislation in force.

5. Procedure to approve the Staff Remuneration Policy

The Staff Remuneration Policy:

- is approved by the Board of Directors of the Bank following a recommendation from the Remuneration and Nominations Committee;
- is reviewed annually by the Remuneration and Nominations Committee, to make sure that it is always in harmony with its principles, legal and regulatory developments, as well as economic and market conditions in the banking sector.

Any management decisions on existing remuneration schemes, including corporate benefits granted, insofar as they remain in force and are not revoked, are an integral part of this Staff Remuneration Policy, as in force from time to time.

This Policy shall enter into force on the date of its approval by the Board of Directors of the Bank.