

## Risk Management Committee

The **Risk Management Committee** has been established by a decision of the Board of Directors of the Cooperative Bank of Epirus and aims at assisting the work of the BoD, by providing expert opinions on the establishment of rules and principles regulating the very significant risk management function, through the development of an internal risk measurement system and the integration of appropriate management policies, in all business decision making procedures.

The Committee comprises three members, is appointed by the BoD and consists of non-executive BoD members. All its members have knowledge of the financial sector and the risk management field.

### Member of the Risk Management Committee

Full Name	Position	Title
Goudinakos	BoD Member/Committee	Non-Executive BoD Member
Efstratios	Chairman	
Kolios Vasileios	BoD Member	Independent, Non-Executive BoD Member
Pantazis Alexandros	BoD Member	Non-Executive BoD Member

The basic competences of the Committee are:

- > To ensure the integrated risk management control, the specialized management thereof and the required coordination of the Bank;
- > The formulation of a strategy for the assumption of all kinds of risks and capital management in a manner that corresponds to the business targets of the Bank;
- > To ensure that the Bank has a well-defined risk management strategy and risk appetite;
- > To supervise the implementation of the strategies for managing capital and liquidity, as well as all other relevant risks of an institution, in order to assess their adequacy in relation to the approved risk appetite strategies;
- > To ensure that all kinds of risks related to the Bank activities are effectively covered;
- > To take care for the development of an internal risk management and measurement system and its integration in the business decision making procedure across all Bank activities;
- > To determine the principles that must govern risk management in respect of identification, estimation, measurement, monitoring, control and handling thereof, consistently with the applicable business strategy at each time and the adequacy of the available resources;
- > To assess every year, on the basis of the annual report of the head of the Risk Management Unit, and the relevant section of the Internal Audit report:
  - > the adequacy and effectiveness of the risk management policy of the Bank and, particularly, the compliance with the specified risk tolerance level;
  - > the appropriateness of the limits, the adequacy of the provisions and, in general, the adequacy of equity in relation to the amount and the nature of the risks assumed.
- > To annually assess the methodologies and the models for the performance of stress tests for the credit risk, the liquidity risk and the operating risk, on the basis of assumptions for macroeconomic factors. To assess the capacity of the Bank to absorb, mainly in terms of capital, the impact from such tests;
- > To assess the recommendations of the internal or external auditors and to monitor the appropriate implementation of the measures that have been adopted;
- > To make proposals and recommend corrective actions to the BoD, if it discovers any failure of implementation of the strategy that has been established for the management of the risks of the Bank or derogations from its implementation;

- > To review annually the applicable Credit Policy at each time and to approve amendments where the modification of the approved risk appetite is requested, as well as of the management policy of non-performing exposures;
- > To ensure appropriate supervision and control mechanisms for monitoring and effectively managing problematic assets;
- > To receive and assess the reports submitted by the Risk Management Unit and to inform the BoD concerning the most significant risks, the outline of risks and exposures of the Bank and to provide assurance for their effective management;
- > To assess annually the effectiveness of the Risk Management Unit of the Bank, as well as the adequacy and appropriateness of its head.