

The **Risk Management Unit (RMU)** has been established by the Bank with the sole purpose of identifying, monitoring and managing all kinds of risks (market, credit, operating) that the Bank assumes in its activities sectors.

The RMU is responsible for implementing the risk management framework. In addition to the assessment of capital requirements for credit risk, it monitors and assesses all risks to which the Bank is exposed and calculates the respective minimum capital requirements. In the parallel, great significance is ascribed to the assessment of the effectiveness of the management of non-performing loans, the reduction of which is a key priority for the Bank. The Risk Management Unit reports, in respect of matters falling within its powers, to the Management and to the Risk Management Committee and, through the latter, to the BoD. It is also subject to audit by the Internal Audit Unit, which is responsible for the adequacy and effectiveness of the risk management procedures.

The key responsibilities of the Risk Management Unit are the following:

- > It reviews and assesses lending of significant amounts;
- > It uses a specialized credit risk management software, which, among others, provides rankings concerning the credit risk of enterprises to be granted loans;
- > It submits reports to the Management of the Bank, as provided for in the Act 2577/2006 of the Governor of the Bank of Greece; It submits reports to the Bank of Greece;
- > It recommends to the Risk Management Committee the appropriate techniques for risk limitation to the appropriate levels;
- > It prepares the required reports on matters within the scope of its responsibilities, in order to provide adequate information to the Management and the BoD;
- > It Cooperate with the heads of Lending, Financial services, IT, Compliance, of the Network concerning matters falling within the scope of the responsibilities of said departments;
- > It conducts annually, in the context of the ICAAP, stress tests with scenarios adapted to the nature of the Bank's activities for all types of risks and especially for credit, interest rates, liquidity and operating risks. It analyzes the results and recommends the appropriate policies to the Management of the Bank and the Risk Management Committee. In addition, it submits the results to the Bank of Greece;
- > It calculates the capital requirements for covering risks in the context of Pillar I and II and communicates the results to the Management of the Bank and the Risk Management Committee.