

## SUITABILITY POLICY FOR BOARD MEMBERS

### I. Introduction

This Suitability Policy for the members of the Board of Directors (hereinafter the “Policy” or the “Suitability Policy”) is drawn up to ensure the Company’s compliance with the applicable legislative provisions of Law No. 4706/2020, relating to the “Corporate governance of societes anonymes, the modern capital market, transposition in the Greek legislation of Directive (EU) 2017/828 of the European Parliament and of the Council, measures to implement Regulation (EU) No 2017/1131 and other provisions”, the guidelines of Circular No.60 of the Hellenic Capital Market Commission governing the content of the Suitability Policy for the Board of Directors, in accordance with article 3 of Law No. 4706/2020 and the provisions of Decision No. 4/452/01.11.2007, as amended and in force.

### II. General

The Suitability Policy must be clear, adequately documented and governed by the principles of transparency and proportionality.

This Policy is in accordance with the provisions of the Internal Operation Regulation, the Rules of Procedure of the Board of Directors, the Articles of Association and the Corporate Governance Code implemented by the Company and set out taking into account its small size, internal organisation, character, scale and limited complexity of its activities.

The implementation of this Suitability Policy by the Company’s Remuneration and Nomination Committee includes the selection, replacement and term renewal of the Company’s Board members and aims at transparency and efficiency in candidate nominations in the context of assessing the individual and collective suitability of the Board of Directors.

The Suitability Policy takes into account the specific description of responsibilities of each member of the Board of Directors and their participation in any committees, the type of their duties (executive or non-executive member) and their characterization as independent or non-independent member of the Board of Directors, as well as specific incompatible or typical or contractual commitments related to the type of the Company’s activity and/or are specified in the Policy on the Prevention of Conflict of Interests and Corporate Governance Code it implements.

In order to promote corporate interest, the Suitability Policy aims to ensure the quality staffing, efficient operation and fulfilment of the role of the Board of Directors, based on the Company’s overall strategy and medium and long-term business objectives.

### III. Content of the Suitability Policy

#### A. Composition and Term of the Board of Directors

The Board of Directors of the Company has an adequate number of members with an appropriate composition.

# alphatrust andromeda

The Board of Directors of the Company, according to the Articles of Association, consists of five (5) to eleven (11) members.

The Board of Directors consists of executive, non-executive and independent non-executive members.

Independent non-executive members shall not be less than 1/3 of the total number of members of the Board of Directors.

The members of the Board of Directors are elected by the General Meeting of Company shareholders for a three-year term.

## **B. Principles for the selection, replacement and succession of Board members and term renewal of current members**

The Company seeks to staff its Board of Directors with persons of high morality and reputation. Board members must have the skills and experience required based on the duties and role they assume in the Board of Directors, while they must also have sufficient time to perform their duties.

On an ongoing basis, the Company monitors the suitability of Board members, especially for identifying, in the light of any relevant new event, any cases where reassessment of their suitability is deemed necessary.

In particular, a reassessment of suitability will be carried out in the following cases:

- when there are doubts as to the individual suitability of Board member or the suitability of the composition of the body;
- in case of significant impact on the reputation of a Board member,
- in case of any event occurs which may significantly affect the suitability of a Board member, including cases where members do not comply with the Company's Conflict of Interest Policy.

If it is found that one or more suitability criteria, based on this Policy, are no longer met for a Board member, for reasons that said person could not prevent even by means of utmost diligence, the Board of Directors of the Company shall immediately terminate their office and replace it in accordance with the provisions of the Articles of Association and Law No. 4548/2018.

The Remuneration and Nomination Committee evaluates the nominees and currently elected members of the Board of Directors, based on the criteria of this Policy and recommends the most suitable for the position with a documented suitability assessment.

Finally, the Remuneration and Nomination Committee must follow the system of succession adopted by the Board of Directors of the Company, in order to continue the smooth management of its affairs and decision-making after the departure of members of the Board, especially executive and committee members.

## **C. Criteria for assessing the suitability of Board members**

When selecting nominees, renewing terms and replacing members of the Company's BoD, the assessment of individual and collective suitability is taken into account, as well as the recognition and adaptation to the Company's culture, its values, business model and overall strategy.

### *i) Individual Suitability*

# alphatrust andromeda

The individual suitability of BoD members is assessed based on the criteria described below. The criteria apply to all BoD members regardless of their capacity as executive or non-executive members.

## 1. Adequacy of knowledge, skills and experience

BoD members are required to have the knowledge, skills and experience to perform their duties in accordance with their role, position and qualification required. Experience covers both practical and professional experience, as well as the theoretical knowledge acquired.

In this context, the following are considered for the assessment of adequate knowledge and skills:

- a) the role and duties of the position and the qualifications required;
- b) the knowledge and skills acquired through education and training;
- c) the practical and professional experience previously acquired; and
- d) the knowledge and skills acquired and demonstrated by the professional behaviour and course of the BoD member.

In particular, training in finance, economics, law, accounting, auditing, banking, administration, regulatory framework of the financial sector, information technology and quantitative methods can generally be considered as relevant to the corporate purpose of ALPHA TRUST-ANDROMEDA S.A.

In accordance with this Policy, the executive members of the BoD are deemed to have acquired sufficient theoretical and practical training and experience, either when they hold a position of responsibility or through the exercise of a business activity, for at least five years.

Work experience in full-time employment for a period of at least five (5) years or participation in management bodies or/and committees of management bodies of companies in the financial sector for a total period of at least five (5) years, and/or holding a valid recognised certificate of the professional capacity of investment, stock exchange, credit or insurance content are considered, for the purposes of implementation of this Policy, to cover the criterion of adequacy of knowledge, skills and experience.

## 2. Guarantees of morality, reputation, integrity, reliability and solvency

Good reputation, morality, integrity, reliability and solvency of BoD members are criteria of the utmost importance to the Company. The above are determined mainly by the honesty and integrity displayed by the members or nominees.

BoD members are presumed as having good reputation, honesty and integrity, unless there are objective and proven reasons to suggest otherwise.

The main requirement for a member to be elected or remain member of the BoD of the Company is:

- i. that no final administrative and/or judicial decision has been issued against them, especially for violations and offences related to their capacity as BoD members or for non-compliance with the provisions of the Hellenic Capital Market Commission legislation or for fraud or financial crimes in general; and
- ii. that they have not been prosecuted following the submission of a complaint report or indictment by the Hellenic Capital Market Commission in Greece or by another equivalent Authority abroad

# alphatrust andromeda

In order to document that the relevant negative conditions are not met, each nominee submits to the Company a solemn declaration stating that there is no impediment for the reasons of this paragraph, while each member of the Board of Directors undertakes to notify the Company, without delay, of any issuance of a relevant final judgement, decision by a competent authority or prosecution, as per the above.

In addition to the aforementioned declaration, the Company may also require submission of relevant supporting documents, such as a copy of a criminal record or other equivalent document issued by a foreign authority (certificate of criminal record), observing in each case the provisions of the legislation on personal data protection.

When assessing a person's solvency, their economic behaviour in previous years is taken into account.

To meet this condition, each nominee submits to the Company a certificate of non-bankruptcy or equivalent document issued by a foreign authority. Moreover, they submit a statement as to whether any entity owned, managed or in which the relevant member holds a significant share, has been involved as a debtor in insolvency, bankruptcy and liquidation proceedings or similar proceedings.

The Company may determine the content of the solemn declaration which shall include anything that cannot otherwise be substantiated.

## 3 Conflict of interests

BoD members must be fully informed about the Conflict of Interest Policy implemented by the Company.

## 4. Independence of mind

Each BoD member must act with independence of mind. The absence of a conflict of interest does not necessarily mean that members act with independence of mind. All BoD members are required to actively participate in the meetings and to formulate their own correct, objective and independent decisions and judgements when performing their duties.

## 5. Allocation of sufficient time

BoD members must have the time required for performing their duties based on their job description, role and duties.

The amount of sufficient time dedicated is differentiated for members with executive and non-executive powers.

### *ii) Collective Suitability*

Board members must be able to collectively carry out substantial monitoring of the Company's operation and the composition of the Board must contribute to effective management and balanced decision-making.

BoD members collectively must be able to make appropriate decisions taking into account the business model, risk appetite, strategy and markets where the Company operates.

# alphatrust andromeda

In addition, BoD members collectively must be able to substantially monitor and criticize the decisions of executive members.

All areas of knowledge required for the business activities of the Company must be covered by the BoD collectively, with sufficient expertise among its members. The composition of the Board of Directors must include a sufficient number of members with knowledge in each area, in order to discuss about the decisions that must be taken.

## **D. Monitoring and reassessment of individual and collective suitability of Board members - Taking corrective measures**

The assessment of the knowledge, skills and experience of individual Board members in relation to the Company's important business sectors and their risks, provides the opportunity to identify the strengths and weaknesses of the management body and, by extension, allows the evaluation of knowledge, skills and experience at the collective level.

For this purpose, the Remuneration and Nomination Committee assesses the individual and collective suitability of BoD members on an annual basis. An assessment may additionally be carried out by third parties, where appropriate.

The outcome of the reassessment, as well as any recommendations regarding the weaknesses identified, shall be documented and submitted to the Board of Directors.

The outcome of the collective suitability assessment will be reported to the Board of Directors even if no recommendations are made regarding changes in its composition or other measures.

Subsequently, the Board of Directors must take into account the relevant report and decide on any recommendations made by the Remuneration and Nomination Committee, while in case of non-adoption of said recommendations, it shall document the reasons on which this decision is based.

## **E. Diversity criteria for the selection of Board members**

The Company recognises and adopts the benefits of diversification of BoD members and regards it as an indispensable element for maintaining and enhancing its competitiveness and smooth operation, as this feature allows maximum team efficiency, performance and cooperation between members.

The adoption of the principle of diversity allows the expression of different perspectives that reflect the social and business environment in which the Company operates and inspires confidence to the various stakeholders.

### Diversity Policy

The Company implements the following Diversity Policy to promote an appropriate level of diversification in the Board of Directors and an inclusive group of members.

In seeking suitable nominees for appointment to the Board of Directors, the Remuneration and Nomination Committee will evaluate candidates applying merit-based, objective criteria, also taking into account the advantages of diversification in the Board of Directors and specifically considering diversity criteria such as adequate representation per sex of at least 25% of all Board members, non-exclusion due to discrimination based on gender, race, colour, etc., in order to maintain the appropriate range and balance of knowledge, abilities, experience and origin among Board members.

# alphatrust andromeda

As part of the annual assessment of the composition of the Board of Directors for collective suitability, the Remuneration and Nomination Committee shall document that the diversity criteria have been examined and if any diversification objectives or targets have not been met, it should document the relevant reasons and measures that need be taken.

The Board of Directors of the Company reviews the Diversity Policy provisions every three (3) years

## **F. Approval, implementation, monitoring, review and disclosure of the Policy**

This Suitability Policy is in line with the general corporate governance framework, the corporate culture and the risk appetite of the Company.

The Suitability Policy and any amendments thereto are decided by the Board of Directors and submitted for approval to the next General Meeting of the Company.

The Policy and any amendment thereto shall be effective upon its approval by the General Meeting.

The applicable Suitability Policy is posted, updated, on the corporate website <https://www.andromeda.eu/>.

The Company's Board of Directors is responsible for monitoring the implementation and effectiveness of the Policy, however, as regards its practical implementation, its provisions are followed and taken into account by the Company's Remuneration and Nomination Committee, in order to ensure a transparent and effective nomination process for Board members.

## **G. Record-keeping**

The Company's Remuneration and Nomination Committee is responsible for keeping record of documentation of the Suitability Policy implementation and for the transparency required.

The Remuneration and Nomination Committee shall keep records of the suitability assessment outcome, especially of any weaknesses identified in relation to the expected and the actual individual and collective suitability, and of the measures that must be taken to address those weaknesses.

The Board of Directors of the Company keeps a record of the periodic assessments of the Suitability Policy. The above kept records may be either in paper or electronic form.