

PIRAEUS BANK



Athens, 23 September 2019

Announcement

With regards to the announcement made by the European Central Bank (the “ECB”) - Banking Supervision on 23 September 2019 ([link](#)), Piraeus Bank (the “Bank”) informs the investment community that the penalty mentioned refers to a legacy issue of 2015, arising out of a regulatory inspection for breach of own funds prudential requirements.

There is no further impact on the financials of the Bank, as it has already reflected these issues as well as the penalty amount in past financial statements.

Since 2017, Piraeus Bank has undertaken a major restructuring of its top and middle management, an adoption of an adjusted return on capital methodology & process endorsed by its business owners, as well as a revamp of its corporate governance structures, including a thorough review and reinforcement of its internal control framework, policies and processes. In parallel, a complete overhaul of its corporate principles and cultural values has been an ongoing work-in-progress project.

The Bank has undertaken important steps to develop and implement measures to detect and prevent risks. It will continue to make improvements to its procedures and controls that are necessary to ensure compliance with applicable regulations in collaboration with its supervisors and it remains focused on the execution of its ‘Agenda 2023’ strategic roadmap.