

**GROUP POLICY: WHISTLEBLOWING**

**1. PURPOSE AND SCOPE OF POLICY**

Bank of Cyprus Group is committed to ethical behaviour and conducts its business fairly and with honesty. To this respect, the Group expects all staff members and management to conduct business with the highest standard of integrity.

Improper, unethical, or inappropriate behaviour within the Group is unacceptable. The Group Whistleblowing Policy (“the Policy”) is expected to encourage all staff members to bring to the notice of the Group any issue involving compromise and/or violation of ethical norms, legal or regulatory provisions and any conduct that may be illegal, unacceptable, or improper including violations of Group policies and procedures. It also aims to ensure that the rights of any person reporting such incidents are respected, and that effective procedures are in place, protect and support anonymity and confidentiality. Adherence to this policy benefits the Group and staff and is a step towards our commitment to protect the Group.

The policy sets forth the principles for management of the information received through whistleblowing. It acts as reminder of everyone’s ethical and moral duty to act appropriately to identify such situations and attempts to remedy them and allay fears of consequences to the whistleblower. Additionally, the policy sets the principles for the protection of employees who report breaches against retaliation, discrimination, or other types of unfair treatment.

This policy aligns with the provisions of the CBC Directive on Governance & Management Arrangements for Credit Institutions and is supported by a detailed procedure (O.E 0128).

The policy applies to the Bank of Cyprus Group and all its operations, Staff, Management Body, and Executive Management.

**2. ABBREVIATIONS**

Within this document, the following abbreviations are used:

Abbreviation	Definition
AC	Audit Committee
CBC	Central Bank of Cyprus
HRD	People and Change Division
IA	Internal Audit

**3. DEFINITION OF TERMS**

For the purposes of this policy, the terms listed below have the following meaning:

**1. Good faith**

It means that the whistle-blower reasonably believes that the disclosure being made is true and is not being made either for personal gain or for any ulterior motive.

**2. Retaliation**

Includes discrimination, reprisal, harassment, or vengeance in any manner. The reporting persons who do suffer retaliation have access to legal remedies and compensation. The appropriate remedy in each case is determined by the kind of retaliation suffered, and the damage caused in such cases is compensated in full accordance with national law. The appropriate remedy could take the form of reinstatement in the events of dismissal, transfer demotion, withholding of training or promotion.

**3. Report**

Means the act of revealing or exposing in detail a violation. Such a report may be attributed to a specific person or remain anonymous, and may be delivered either in written form or verbally.

**4. Whistleblower**

5. Means any person, natural and legal person, who makes a report pursuant to this policy with respect to a violation or potential violation and is protected from any retaliation by the Group. The protection includes employees, self-employed, shareholders, Board members, volunteers, trainees, and those under the supervision of contractors or suppliers, **Whistleblowing**

It means the reporting by staff members when they reasonably suspect misconduct, illegal acts or non-compliance with Group policies, fraud and any other conduct that may be unacceptable or improper. Persons who report violations after their employment has ended or before it begins (e.g., during recruitment).

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#### **4. GENERAL PRINCIPLES**

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The Policy forms an integral part of the Group's effort to ensure that all cases of suspected misconduct, illegal acts, or failure to comply with the rules, regulations and policies of the Group are reported by staff members and managed in a timely and appropriate manner.

This policy is aligned with the Law on the Protection of Persons who report breaches of Law N. 6(I)/2022.

Staff members freely report any violation or suspected violation of any of the Group's regulations, or any incident for which they reasonably suspect has to do with misconduct, fraud, or illegal act. It is not necessary for the reporting employee to have evidence, but only a level of initial reasonable ground certainty that provides sufficient reason to launch an investigation. Staff members, including members of the management body and executive members, are encouraged to voice such concerns anonymously and without fear of repercussions, if they feel uncomfortable following other communication paths.

Group employees who speak up when they have concerns about (unethical, illegal, fraud, non-compliance, and other similar matters are doing the right thing and act in line with the Group's code of conduct. The code of conduct specifically prohibits any actions of retaliation and provides measures for protection against retaliation for persons who report unethical activities.

The Policy's general principles include:

1. Concerns in good faith, about wrongdoing or malpractice are raised in confidence without fear of retaliation, victimization, disadvantage, or dismissal.
2. A climate of accountability is promoted with respect to Group resources, including its employees' proper training on the principles and relevant procedures.
3. Procedures for the reporting of any matters of concern are clearly provided. The persons concerned bypass the main channels for confidential reporting of matters of concern if these are considered inappropriate and instead use the whistleblowing line.

4. Reports are managed in a timely, consistent, confidential, and professional manner.
5. Reported incidents are investigated in the appropriate manner and if confirmed, the Group takes all necessary steps to identify appropriate remedies. In case of eponymous reporting, the Banks procedures is followed.
6. The policy allows and encourages any member of staff, irrespective of the hierarchical level, to provide information confidentially or anonymously in relation to matters of concern, including reporting on issues that may be relevant to the suitability of a person to hold an assessed person position, as these are defined in the Group Suitability policy. Persons reporting incidents through the internal line of reporting can also report them to the designated national authority. According to the relevant law a designated authority exists to receive, give feedback, and follow up on reports, and provides them with adequate resources. The Ministry of Justice and Public Order lists on its website the competent authorities in the Republic whereby external reports may be submitted.

In case a whistleblower who submitted a report to the Bank, falling within the scope of Law N. 6(I)/2022 and N.13 /2024, and for which an investigation was initiated, submits also subsequently a report to an authority outside the Bank, then the internal investigation should stop. For the aforementioned provision to apply, the whistleblower should inform the Bank accordingly about the external report he/she submitted..

Additionally, courts enable whistleblowers to apply for temporary protective measures/temporary orders to prevent and/or stop retaliation, threats, and attempts at retaliation, so as to restore the situation to what it was before the retaliation under private and/or labour law.

7. The appointment of a non-executive director as a Whistleblowing Champion with specific responsibilities. The Whistleblowing Champion is the Chairperson of the Audit Committee.
8. Staff members may report directly to Central Bank of Cyprus (CBC) (as per article 57(1) of the CBC Directive on Governance and Management Arrangements for Credit Institutions.

#### 4.1 Assurance

1. Compliance function needs to ensure that there is an internal alert procedure in place to facilitate the confidential reporting by staff members of concerns, shortcomings, or potential violations in respect of the Group’s policies, legal, regulatory, or business obligations or ethical considerations.
2. The alert procedure needs to ensure the protection of the personal data of both the person who reports the breach and the natural person who is allegedly liable for the breach in accordance with the General Data Protection Regulation EU 2016/679.
3. The Whistleblowing Champion (Chairperson of the Audit Committee) ensures and oversees the integrity, independence and effectiveness of the Group’s policy and procedure on whistleblowing.

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## 5. GOVERNANCE

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### 5.1 Roles and Responsibilities

For this Policy, the following major Roles & Responsibilities have been identified:

<b>Board of Directors</b>	<ul style="list-style-type: none"> <li>• Approves this policy</li> </ul>
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	<ul style="list-style-type: none"> <li>Bears the ultimate responsibility for the effective implementation of this Policy and setting the right tone from the top.</li> </ul>
<b>Audit Committee</b>	<ul style="list-style-type: none"> <li>Reviews and notes of the policy and may provide some recommendations, if any, to the Board which bears responsibility for approval.</li> <li>Make sure that sufficient, dependable, and secure internal procedures are in place to ensure that the BoC Group complies with the policy.</li> <li>Monitors the effective implementation of the Policy via the Control Functions</li> </ul>
<b>Whistleblowing Champion (Chairperson of the Audit Committee)</b>	Ensures and oversees the integrity, independence and effectiveness of the Group's policies and procedures on whistleblowing, including those policies and procedures intended to protect whistle-blowers from being victimized because they have disclosed reportable concerns.
<b>ExCo</b>	<ul style="list-style-type: none"> <li>Reviews the Policy prior to submission to the AC.</li> <li>Ensures that it is effectively embedded throughout the Group's operations.</li> </ul>
<b>Compliance Division</b>	<ul style="list-style-type: none"> <li>Overall responsibility for the drafting and enforcing the policy.</li> <li>Prepares and updates relevant procedures/circulars as required.</li> <li>Organizes and conducts relevant training for all staff.</li> <li>Carries out monitoring reviews to assess the effective implementation of the Policy and recommends corrective action where required.</li> </ul>
<b>Internal Audit Division</b>	<ul style="list-style-type: none"> <li>Responsible for providing independent and objective assurance to the BoD, through the AC, and to management, by assessing the effectiveness of governance, risk management, and control processes related to this policy.</li> <li>Informs AC of its findings and relevant recommendations.</li> <li>Has the main responsibility to assess information received through the Whistleblowing reporting channels and if deemed necessary to fully investigate and report to the AC and/or other reporting lines, if applicable.</li> </ul>
<b>Risk Management Division</b>	<p>Responsible for identifying, analyzing, and mitigating potential risks to ensure stability, security and the risk posture of the Bank.</p> <p>Reviews and assesses the compliance risks addressed in the policy, ensuring that the risks undertaken are within the Bank's risk appetite.</p>
<b>People &amp; Change Division</b>	<ul style="list-style-type: none"> <li>Develops and implements Human Resources (HR) strategies.</li> <li>Takes a leadership role in developing a high-performance culture that enables employees to perform in accordance with the Bank's strategy and objectives.</li> <li>Provides leadership in driving excellence in HR initiatives that support the company's strategic plans and reinforce the Bank's image as an employer of choice.</li> <li>Assess and investigates, if deemed necessary, information regarding misbehaviour and bad management practices that are in breach of the Code of Conduct and Code of Ethics. The results of the investigation are communicated to the responsible director and/or other reporting lines if applicable.</li> <li>Implements procedures whereby a whistle-blower is protected from retaliation and ensure that the basic rights of all staff members implicated in reported incidents are respected and that all investigated and confirmed incidents of</li> </ul>

	improper, unethical, or inappropriate behaviour on the part of members of staff are dealt with in line with the Bank’s disciplinary procedures.
<b>Corporate Affairs Division</b>	Responsible for the implementation of the Group’s corporate affairs strategy for managing the Group’s public image and building relationships with key stakeholders in the external environment.
<b>Operational Risk Management Department</b>	Ensures the development and adoption of procedures and methods for effective management of operational risk and draws up acceptable limits for undertaking operational risk in the Group, with the aim of improving prevention and reduction of operational risks.

## 5.2 Supporting Documentation

All relevant written communication acknowledgements, declarations, and any other material confirming compliance with the Market Abuse Policy are properly maintained and archived.

## 5.3 Reporting

IA reports to the AC the number of disclosures made through the whistleblowing channels and the number of cases completed. Furthermore, IA reports to the AC the findings of the investigation of incidents reported through the whistleblowing channels and any subsequent actions undertaken where deemed appropriate. Compliance Division reports (through the Compliance Annual Report) to the AC and subsequently to CBC on statistics relating to whistleblowing as per the Internal Governance of Credit Institutions Directive of 2021.

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## 6. EXCEPTION APPROVAL PROCESS

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No exceptions can be given from adhering to this policy.

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## 7. IMPLEMENTATION PROCEDURES (KEY PROCESSES)

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Based on the guidelines in this policy, the Group has a comprehensive documented procedure in place for implementing it.

The procedure also acts as an internal alert and:

1. Provides clear rules that ensure confidentiality is guaranteed in all cases in relation to the person who reports the breaches.
2. Provides guidance as to the necessary information to help examine/assess a case.
3. Ensuring that the potential or actual breaches raised are assessed and escalated.
4. Ensure confirmation of receipt is timely sent to staff members that have raised potential or actual breaches (if not anonymous) in accordance with Law N.6(I) 2022.
5. Ensures tracking the outcome.
6. Ensures compliance with Law N.6(I) 2022.
7. Ensures appropriate record keeping.

## **Appendix 1**

### **1. Examples of whistleblowing cases:**

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| <ul style="list-style-type: none"> <li>a. Evidence of possible fraudulent activities (such as Theft, Corruption, Coercion, Collusion, Bribery)</li> <li>b. Finance and accounting concerns</li> <li>c. Insulting Human Behavior and breaches of the Code of Conduct</li> <li>d. Information or asset misuse and access</li> <li>e. Integrity issues</li> <li>f. Conflicts of interest</li> <li>g. Dignity at work (e.g., harassment and bullying)</li> <li>h. Negligence</li> <li>i. Secrecy, data protection, confidentiality issues, security of network and information systems</li> </ul> | <ul style="list-style-type: none"> <li>j. Key omissions of operating, compliance, administrative, credit, and internal control procedures</li> <li>k. Inadequate dual control processes, segregation of duties/4 eyes principle leading to potential misappropriation of assets, misconduct, unacceptable or improper behavior.</li> <li>l. Breach of Competition Law.</li> <li>m. Breach of Consumer Protection Laws.</li> <li>n. Breach of Market Abuse Policy and procedures.</li> <li>o. Health and Safety issues lead to unacceptable or illegal practices.</li> <li>p. Breach of corporate governance principles.</li> <li>q. Environmental and climate related issues.</li> <li>r. Fitness and Probity.</li> </ul> |
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### **2. Investigation and Assessment**

The investigation and assessment results are submitted by the IA Director to the AC and/or other reporting lines as deemed necessary. Cases are evaluated upon receipt and are investigated based on the level of priority assigned to them according to the preliminary evaluation performed.

Records of every report received are maintained in compliance with confidentiality and data privacy rules and stored for no longer than necessary, in accordance with the provisions of Law N.6(I) 2022.

### **3. Remedial, disciplinary, and further actions**

Any recommendation that addresses residual risk pertaining to improving the relevant procedures is communicated to the appropriate divisions. Should the investigation identify specific members of staff as implicated in any breach or inappropriate action then the HRD are informed and determine whether disciplinary procedures are initiated as per the Code of Conduct and Code of Ethics.

Should there be a need to prevent a leak to the media of an incident under investigation, the Corporate Affairs Division is informed.

### **4. Protection**

The Group treats all reports by whistleblowers as confidential to the maximum degree permitted by law. Should there be an overriding reason for identifying or otherwise disclosing the name of the whistleblower (such as required by law), the whistleblower (in case of eponymous disclosure) is informed in advance. Retaliators are disciplined, and, in all cases, maximum protection is afforded by whistleblowers.

The Group also protects people that have been reported from any negative effect, in case the investigation results do not justify taking measures against that person.

## 5. Reporting channels

The 'whistleblowing line' provides staff members with the opportunity to report reasonable concerns or incidents which come to their attention, and which affect or may affect the Group's operations and reputation. All staff members have a duty to report such concerns and incidents in accordance with the relevant provisions of the Code of Conduct and Code of Ethics of the Group and this Policy.

Reporting can be done by phone to the Whistleblowing telephone line (Tel. 22338909) or by letter addressed to "Internal Audit Director, 0230".

Alternatively, a letter may be sent to the "Whistleblowing Champion, 0705".

If someone wants to report something eponymously, it can also be done by email addressed to the IA Director or at a meeting that is arranged with Internal Audit. The team investigating the report may contact staff members to gather any additional information to evaluate the issue.