

THE ETHICS COMMITTEE

ECB-PUBLIC

ECB/EC/25/08

To the ECB President

18 March 2025

Subject: Opinion of Ethics Committee on envisaged gainful post-employment activities

Dear Madame Lagarde,

On 26 February 2025, Mr Constantinos Herodotou, former member of the Governing Council and former Governor of the Central Bank of Cyprus, notified the Ethics Committee of his appointment as Chairman of the Board of Directors of Attica Bank in Greece on the same day and requested an opinion on the cooling-off period applicable to him. At the same time, he informed the Ethics Committee that the shareholders and the management of Attica Bank, as well as the concerned national competent authority, the Bank of Greece, had been made aware that he would only be able to commence this role as from 11 April 2025, i.e. one year-after the end of his term as a member of the Governing Council, provided he obtained the necessary approvals from the ECB. This delay in Mr Herodotou's assuming the responsibilities as Chairman of the Board of Directors had also been publicly communicated by Attica Bank.¹

The Ethics Committee notes that as a member of the Governing Council, Mr Herodotou was not actively involved in the supervision of Attica Bank or of its competitors, the more so as the credit institution is only indirectly supervised by the ECB. In line with previous advice, the Ethics Committee observes that the additional responsibilities that come with the role of Chairman of the Board of Directors (compared with that of a member of the Board) do not alter their non-executive nature. Thus, the Ethics Committee considers the respect of a one-year cooling-off period appropriate and would have no objections to Mr Herodotou's taking up the position as of 11 April 2025.

The above assessment applies exclusively to Mr Herodotou's former role as member of the Governing Council and is without prejudice to other rules which may apply to him by virtue of his function at the Central Bank of Cyprus.

Having said that the Ethics Committee notes that the activity had not been notified prior to the appointment and that the formal appointment took place prior to the end of the cooling-off period, though – in substance – the applicable one-year cooling-off period for Governing Council members for engaging in a gainful occupational activity with a credit institution will be respected, given that Mr Herodotou will assume his duties not before 11 April 2025. In this regard, the Ethics Committee equally notes that

¹ <https://www.atticabank.gr/en/group/attica-bank/corporate-governance/board-of-directors/>.

Attica Bank's communication initially² did not clarify that despite Mr Herodotou's appointment as Chairman of the Board of Directors on 26 February 2025, his assumption of duties is delayed, thus unnecessarily generating ambiguity and the appearance that the mandatory one-year cooling-off period might not be respected.

For the sake of good order, the Ethics Committee deems it important to remind Mr Herodotou of the professional secrecy obligations applying beyond his term as member of the Governing Council and to emphasise his duty to notify any potential new gainful occupational activity for the remainder of the two-year period from the end of term (i.e. until 10 April 2026) prior to accepting such new assignment as foreseen by the Single Code.

Finally, the Ethics Committee recalls that, in line with the transparency policy adopted by the Governing Council in July 2020, opinions on post-employment matters are, as a rule, published with a six-month delay, or earlier if deemed appropriate in light of the specific circumstances of each case.

With best regards,

The Chairman of the Ethics Committee (Erkki Liikanen)

² On 6 March 2025, Attica Bank had modified its website but not its press release informing about the new composition of its Board of Directors.