



Press Release

Athens, July 22, 2021

Ordinary General Meeting of Shareholders of Alpha Services and Holdings

Alpha Bank takes the lead in the national effort for the transformation and development of the Greek Economy and businesses

Highlights from the Speeches of the Chairman of the BoD, V.T. Rapanos and of the Group CEO, V.E. Psaltis.

Vasileios T. Rapanos: “Alpha Bank responded with great success in the uncertain environment shaped by the pandemic, reaffirming the Bank’s leading position in the growth of the Greek economy”

The Chairman of the Board of Directors, Vasileios T. Rapanos, started today’s address in the Ordinary General Meeting of Shareholders of Alpha Services and Holdings, describing the year 2020 as “*a year like no other, dominated by an unprecedented and acute health, social and economic crisis*” both in Greece and across the world.

However, Mr. Rapanos expressed his view that, besides the negative impact of the pandemic in the recovery of the Greek economy, **the swift reaction of the Government and the fiscal policy measures to support businesses and employment contributed the economy to shrink less than expected.**

“*Particularly impressive*”, Mr. Rapanos continued, “*was The European Union’s response to the pandemic through the adoption of the ‘**Next Generation EU**’ (NGEU) fund in July 2020, a Euro 750 billion Recovery Plan*”, aiming on the one hand, to help relaunch economic activity and on the other hand, to strengthen the resilience of the European economy in the post-Covid era.

“*For Greece, the use of the NGEU funds of Euro 32 billion will be effected through the National Recovery and Resilience Plan ‘Greece 2.0’, which aims at high and sustainable growth, job creation and social cohesion*”, the Chairman of the Board of Directors highlighted, adding that **for the success of this endeavor, the centralized and sound coordination by the executive state is crucial**, while at the same time, it is also a **challenge for the private sector**, which, with properly prepared and targeted investment projects in cutting-edge sectors, will be able to play a leading role in the revival of the Greek entrepreneurship.

Therefore, according to Mr. Rapanos, “***the rapid activation of the National Recovery and Resilience Plan to absorb the capital resources that Greece is entitled to receive from the NGEU can significantly help restore the fiscal balance, so as to ensure the country’s creditworthiness without the need to return to the strict austerity policies of the past that would trap the country in a state of stagnation***”, but “*it should be noted, of course, that the fiscal risks do persist, despite the fact that, in 2020 and 2021, the expansionary policy is a widely applied option*”.



2020, a landmark year for Alpha Bank

Mr. Rapanos pointed out that at Alpha Bank, important steps have been made in the balance sheet clean up from bad loans, with the completion of **Project Galaxy**, as well as with taking new initiatives for **additional transactions amounting to Euro 8.1 billion**, which will **reduce the Non-Performing Exposures ratio to 2%** in 2024. He highlighted also that “**Alpha Bank believes that the Recovery and Resilience Facility represents a growth opportunity for Greek companies and with the aim of ensuring the availability of necessary capital, it made the first growth Share Capital Increase after the 2008 financial crisis, which was successfully completed on June 30, 2021**”.

The Chairman of the Board of Directors pointed out that “*The oversubscription of the issue is undoubtedly a great success and a tangible sign of the confidence of the investors in our Bank*”, adding that based on research published in the latest issue (July 2021) of ‘The Banker’ magazine, our Bank ranked 179th **among the Top 1000 banks of the world**.

Finally, Mr. Rapanos **warmly thanked all the Employees of the Group for their achievements**, despite the adverse conditions caused by the pandemic and the economic crisis, **as well the Customers and the Shareholders** for their understanding, support and trust to Alpha Bank, and assured that “*we will continue to work hard and tirelessly to do justice to the trust all of our partners, Employees, Customers, Shareholders have had in us, contributing substantially to the progress of the Greek economy and to creating a society with equal opportunities for prosperity and dignity for all*”.

Vassilios E. Psaltis: “We envisage Alpha Bank becoming an active force for progress, leading the way in business development and in improving the lives of our fellow citizens”

The **readiness and flexibility** that Alpha Bank demonstrated, throughout 2020, to stand by the Greek society and entrepreneurship, despite the prolonged uncertainty caused by the pandemic, was highlighted in today’s speech in the Ordinary General Meeting of Shareholders, by the **Group’s CEO Vassilios E. Psaltis**, who presented a number of the Bank’s **significant achievements and decisive strategic initiatives that put Alpha Bank in the driving seat of the growth course of the Greek economy**.

Major achievements and strong financial performance

Mr. Psaltis referred to the key milestones that allowed Alpha Bank to leave the legacy of the sovereign debt crisis behind and to transform into a revitalized Bank. Among others, he mentioned the completion of **the Galaxy** landmark transaction which significantly contributed to the clean up of the Bank’s balance sheet, the **progress achieved in Alpha Bank’s corporate transformation**, the **acceleration of its modernization** in order to offer new products and state-of-the-art services to its Customers as well as the **fostering of a new working environment** that rewards the Employees’ productivity, innovation and creativity.



Concerning Alpha Bank's financial performance, he mentioned that in 2020, its **capital base** was reinforced and the Common Equity Tier 1 (CET 1) Ratio stood at 17.3%, while the Total Capital Adequacy (CAD) Ratio was 18.4% at the end of December 2020, providing a buffer of Euro 2 billion over the Bank's Overall Capital Requirement (OCR) of 14%.

"The Bank's capital base was further strengthened by the successful issuance of a TIER II bond of Euro 0.5 billion in February 2020, a move we repeated in the current year with a new issuance of a TIER II bond of Euro 0.5 billion, enabling the Bank to achieve a Total CAD Ratio of 16.9% when taking into account the impact of Project Galaxy", the CEO pointed out, adding that **Non-Performing Exposures** continued to decline in 2020, by Euro 0.6 billion in Greece and by Euro 0.9 billion for the Group. Furthermore, he noted that the Bank delivered **a solid performance with the Net Profit formed to Euro 103.7 million in 2020**, despite the impact of Euro 283 million of Covid-19 related impairments.

Support to businesses and households against the pandemic

Mr. Psaltis described as quite significant the support Alpha Bank offered to the Greek economy throughout 2020, via **performing loans moratoria, both for Businesses and Individuals, which amounted to Euro 5.5 billion** and via **new loan disbursements** mainly towards the manufacturing, trade, transportation, energy and tourism sectors **in Greece amounting to Euro 5.6 billion** and marking **the strongest performance of the Bank since 2008**.

He added that Alpha Bank has been actively offering new "step-up" solutions to those Customers that continue to face temporary difficulties in order to avoid a "cliff effect" on their payments. These measures were also complemented by the successful State subsidy program "**Gefyra**", **with Euro 1.1 billion of loans attributed to Alpha Bank Mortgage Customers enrolled in Q1 2021**.

The first growth-oriented Share Capital Increase in the Greek banking system since 2008

The CEO also referred to the success of the recent Share Capital Increase of Euro 0.8 billion, the first growth-oriented one in the Greek banking system since 2008.

"The capital enhancement is a key part of our new Strategic Plan, which will enable us, for the period 2021-2024, to: take the first mover advantage by consolidating our leading position in business investments and participating fully in the disbursement of EU RRF funds, improve our profitability, achieving a 10% Return on Equity as well as strengthen our sources of revenue through strategic moves, such as our partnership with Generali and the repositioning of our international operations", stressed out Mr. Psaltis to complete that **the Bank's Management and Employees envisage Alpha Bank becoming an active force for progress**, leading the way in business development and in improving the lives of our fellow citizens, **recognizing the demand**, especially of the younger generations, **for sustainability, transparency and robust corporate governance**.



Corporate Responsibility during the pandemic

The Group's CEO also presented the decisive way in which Alpha Bank responded to the **health crisis** challenges, at 2020. As he pointed out, the Bank, aiming to maintain the health of the Customers and Personnel, **activated all the digital networks**, in order that all the individual and corporate customers could carry out transactions quickly and safely, without having to visit the Branch. At the same time, at 2020, the Bank **met the needs for medical and healthcare equipment of the Intensive Care Units of three reference hospitals in Greece** (the Thoracic Diseases General Hospital "Sotiria" in Athens, the University General Hospital of Thessaloniki "AHEPA" and the General University Hospital of Larissa) while sponsored the **Elderly Support Program of Doctors of the World**, which supports vulnerable citizens over the age of 60 living in the wider area of Athens. The program **"Together, for better health"** took place for the eight year. Since the Program's launch to this day, **240,000 items of medical equipment**, appliances and pharmaceutical supplies have been delivered to **64 islands with a total population of 800,000 inhabitants** and millions of visitors each year.

The preservation of Alpha Bank's strong position, was possible thanks to the dedication and professionalism shown by the Employees and the warm support of the Shareholders

Mr. Psaltis, closing his speech, stressed that the Bank will continue with the same dedication and determination *"toward a single goal: the creation of value for our Shareholders, Customers and country"*, while **he didn't miss out to thank Alpha Bank's Employees** for the dedication and professionalism shown despite the adverse conditions caused by the pandemic. Finally, he addressed his **warm thanks to the Shareholders**, highlighted that their strong participation in the Share Capital Increase and the extensive interest by prestigious investors confirmed their confidence in Alpha Bank's Strategic Plan and in the growth prospects for the Greek economy. Mr. Psaltis ended up *"Our Shareholders have put us in the driving seat of the national effort to modernize and grow the Greek economy, better positioning the Bank to achieve our ambitious goals so that soon we can repay them for the trust they placed in us over the crisis years"*.