Business Review
2022

ALPHA
SERVICES AND HOLDINGS

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The Board of Directors of Alpha Bank
Vasileios T. Rapanos, Vassilios E. Psaltis, Jean L. Cheval, Spyros N. Filaretos, Elanor R. Hardwick, Aspasia F. Palimeri, Carolyn G. Dittmeier, Efthimios O. Vidalis, Johannes Herman Frederik G. Umbgrove, Richard R. Gildea, Elli M. Andriopoulou, Dimitris C. Tsitsiragos and Shahzad A. Shahbaz.

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Brief History

Alpha Bank has been highly active for almost 140 years. The Bank goes back to the **J.F. Costopoulos Commercial Firm**, which, shortly after its foundation in 1879, in Kalamata, became involved with banking. 1916 was a landmark year, as John F. Costopoulos, with the collaboration of the Popular Bank, founded the J.F. Costopoulos Bank in the form of a limited partnership, always based in Kalamata. In 1918, it became the **Bank of Kalamata**, operating as a Public Limited Company.

In 1924, the Bank of Kalamata merged with the banking department of the J.F. Costopoulos commercial firm, thereby creating **Banque de Crédit Commercial Hellénique**, which was based in Athens and developed a regional network of branches in Southern Peloponnese. During the years of economic reconstruction that followed the Second World War, Banque de Crédit Commercial Hellénique, which in 1947 was renamed **Commercial Credit Bank**, was the only Bank of its scope that was able to overcome the difficult circumstances of that period and develop a national network of branches. Since the 1970s, **Credit Bank**, as it was renamed in 1972, had been a leader in the modernization of the Greek banking system, while after the deregulation of the late 1980s, it had already established for itself the profile of a banking Group able to provide a wide range of innovative financial services.

In 1999, **Alpha Credit Bank** –a name adopted in 1994– acquired 51% of the shares of the Ionian Bank, thus performing the largest privatization ever carried out in Greece. The merger of the two financial institutions was completed in 2000, while the new, enlarged Bank was named **Alpha Bank**.

On February 1, 2013, pursuant to the acquisition agreement of October 16, 2012, the entire share capital of Emporiki Bank was transferred by Crédit Agricole to Alpha Bank, while the legal merger of Emporiki Bank was completed by absorption on June 28, 2013.

The successful acquisition of Emporiki Bank in 2013 was followed by the acquisition of Citibank’s Greek Retail Banking operations, which was completed in September 2014.

Nowadays, with consistency and credibility, the Alpha Bank Group supports individual and business Customers, contributing to the country's economic recovery.

Key Indicators

(in Euro million)		GROUP OF ALPHA SERVICES AND HOLDINGS Change %	2022	2021
Balance sheet[1]	Total Assets	6,4%	78.019	73.356
	Loans and Advances to Customers, before allowance for impairment losses	2,2%	39.843	38.987
	Allowance for impairment losses	-47,3%	-1.095	-2.077
	Due to Customers	7,0%	50.246	46.970
	Total Equity	3,2%	6.277	6.080
Income statement[1]	Total Income[2]	-1079,4%	2.282	-233
	Total expenses before impairment losses and provisions to cover credit risk	-14,7%	-1.082	-1.269
	Profit before Taxes and Impairment losses & provisions to cover credit risk	**-179,9%**	**1.200**	**-1.502**
	Impairment losses and provisions to cover credit risk	-61,0%	-559	-1.433
	Profit for the year after income tax	**-113,7%**	**398**	**-2.906**
	Profit (loss) adjusted for gains less losses on derecognition of non-performing exposures and one-off results	**30,0%**	**429**	**330**
Indices	Net Interest Margin [3]			1,9%
	Total Capital Adequacy Ratio		16,2%	16,0%
	TIER I Capital Adequacy Ratio		13,2%	13,2%
Other information	Branches[4]		417	484
	Number of Employees		8.460	8.939

1The Consolidated Balance Sheet and the Consolidated Income Statement of the comparative year has been restated.
2 The share of profit/(loss) of associates and joint ventures is included and Gains Less Losses on Derecognition of Financial assets measured at amortized cost.
3 The ratio is calculated based on NII divided by the average interest bearing assets.
4 Includes branches of Alpha Bank Albania classified as discontinued operation as at 31.12.2021

Letter from the Chairman

Vasileios T. Rapanos
Chair of the BoD of Alpha Bank

Dear Shareholders,

In recent years, both the Greek economy and the Greek banks have suffered heavy external and successive blows: first it was the pandemic and then the energy crisis. In both cases, they managed to show their great resilience. In addition, 2022 was a period of great uncertainties due to high inflation and rising interest rates.

I identify the changing monetary policy globally as one of the most important elements that emerged in recent years and define a new reality. Indeed, the war in Ukraine and the provision of budget aids during the pandemic at global level have led to strong and persistent inflationary pressures which, in their turn, have caused the reasonable reaction of most central banks.

Inflation, while having substantially declined since autumn 2022, is still high both in the Eurozone and in Greece. The decline in inflation is expected to continue as energy prices ease. The gradual balancing of excess demand and supply, which followed the restart of the economy after the pandemic, has been an important contributor to this decline in inflation. The raise of the key interest rates by the ECB aimed at de-escalating inflation and affected the financing conditions for businesses and households.

Dear Shareholders,

The recent turmoil in the banking sector, with the rescue of Credit Suisse by UBS in Switzerland and the collapse of Silicon Valley Bank and Signature Bank in the USA, has caused significant concern in the markets. An important lesson learnt is that the banking system faces risks when, after a prolonged period of low interest rates, inflation rises sharply and monetary policy tightens, as a result thereof. This banking turmoil also taught us that the supervisory framework needs further improvements at prudential level. These developments also highlighted the role of uncontrolled and superficial circulation of rumours and misinformation, which is accelerated on social media and creates conditions of panic among investors. All Stakeholders, i.e. Regulatory Authorities, the State, banks as well as the Media should properly inform but also “educate” our fellow citizens so that they assess events with composure and are not swayed by irresponsible dissemination of information.

The Greek banking system is now quite resilient, as yesterday’s crises have become today’s lessons. Greek banks showed a significant improvement in their balance sheets, with the Non-Performing Loans ratio decreased to a single-digit level, i.e. 8.7% (as of December 2022), after many years. 2022 also saw a rise in the Net Interest Income, as a result of higher interest rates and the decreasing cost of risk. It is noteworthy that the Greek banking system is marked by satisfactory capital adequacy and improved liquidity.

Greek banks are now shielded against potential turmoil, as they have a broad loan and deposit base, without heavy reliance on a single sector of the economy, and as they operate in a modern and reliable risk management and compliance framework. The regulatory framework has become extremely strict: banks must follow very specific guidelines and constantly undergo stress tests regarding their balance sheet structure, liquidity and deposit outflows, interest rate risk and capital quality.

Dear Shareholders,

European commercial banks have started to increase lending interest rates to households since the beginning of 2022, at rates much more pronounced than those of Greek banks. As a result, the difference in borrowing costs against the Eurozone average has been eliminated. It is therefore reasonable to expect that under these circumstances, there will be a limitation in credit expansion, mainly due to a lower demand for loan funds, on the basis of current credit criteria. This is linked to a rise in the costs of servicing the debt obligations of both the business sector and households, which is a factor inhibiting demand. In addition, uncertainty and persistent inflationary pressures may also squeeze the supply of loans from banks, due to the tightening of their credit criteria. At the same time, recent developments in the banking system have initiated a new debate on the issues of prudential banking supervision.

Nonetheless, this trend of slowing credit expansion could be significantly softened, even reversed in the case of Greece, through three main factors that are rather idiosyncratic.

First, the Greek economy is the recipient of significant stimulus packages, all targeting different and complementary parts of the value chain. The Recovery and Resilience Facility is the key instrument, with total funds of Euro 31 billion until the end of 2027, of which Euro 13 billion in loans, which are expected to mobilize almost twice as much investment, through leverage from the banking system, supporting future credit expansion.

Secondly, the strengthening of the existing trend of attracting Foreign Direct Investment is visible and is expected to increase with the implementation of the reforms announced by the government. Greek banks, now having high levels of liquidity and profitability, are better off to support new financial investment projects.

Thirdly, after many years, Greece is one step away from obtaining investment grade, as the country's fiscal situation is better than that of most countries currently having it.

Dear Shareholders,

The recovery of the investment grade will be a turning point for Greek economy, not only because it repositions the country as an investment destination for long-term return funds, but also because it creates particularly favorable liquidity conditions for the Greek State, banks, insurance funds and, above all, for households and businesses. Upgrading the credit rating of the Greek State will reduce the cost of raising funds for Greek financial institutions. Cheaper borrowing for banks will also be passed through to businesses and households, reducing borrowing costs for them as well and significantly softening the impact of the ECB's contractionary monetary policy.

Investment grade may be a milestone, but it is not a panacea for limiting country risk. Let us learn from the mistakes of the past. Loose fiscal policy during crises should be gradually reduced as the economy recovers, giving way once again to fiscal prudence and discipline. The main priorities of economic policy in the post-election setting should focus on further increasing the country's GDP, so that it returns to the pre-2008 levels, while continuing to de-escalate the public debt-to-GDP ratio. At the same time, limiting the very high current account deficit, which is only partly a result of rising energy prices, should be a priority.

It is important that the new government sets as its priority the promotion of reforms, in order to address the chronic structural weaknesses of the Greek economy. These weaknesses are well known: bureaucracy, delays in the administration of justice, widespread tax evasion, the need for additional basic infrastructure as well as the existence of distortions in some goods and services markets. What must be understood is that it is not enough to legislate a reform in order for it to be implemented. Many ambitious reforms have failed because the public administration lacked the capacity to implement them. A critical element is, therefore, the efficacy of the State's operation, which can and must be improved through systematic planning and investments both in physical and human capital. Another element necessary for the long-term performance of structural changes concerns the two-way relationship between State and citizen. It is now time for the State to start trusting citizens. In the medium term, this could lead to the citizens also trusting the State. Greece is now a developed country and the State must stop legislating on the assumption that all citizens have an inherent tendency to be lawbreakers, untrustworthy or tax evaders.

Dear Shareholders,

Further to the role it plays in the growth trajectory of the Greek economy, the banking system has incorporated the environmental, social, and corporate governance criteria, now known as ESG criteria, into credit assessment, in compliance with the European Green Deal. Our country assumed the obligation to gradually reduce greenhouse gas emissions and to reach zero emissions by 2050. The banking sector will also play an advisory role to businesses, so that their actions reduce the environmental footprint of investment. Greece, however, is dominated by micro-enterprises, while large enterprises do not exceed 500 in number. This significantly different composition of entrepreneurship in Greece, which is one of our structural problems over the years, should not hinder the green transition and, in general, sustainable development. Instead, it should be seen as an opportunity. Alpha Bank's commitment to sustainability and to a positive impact on the communities where it is active has been reconfirmed in 2022, through the numerous awards and recognition we have received as well as through our participation in all relevant international Indices.

Dear Shareholders,

2022 was a year of transformation and significant achievements for Alpha Bank, with significant progress made in achieving the goals set in our Strategic Plan. Our methodical and coordinated actions resulted in a single-digit Non-Performing-Exposures ratio of 7.8% and in strong organic profitability. This effort was combined with the acceleration of the Transformation Program, which focused on the Bank's digitization and the automation of processes. The achievement of our strategic goals was sealed by a strong financial performance approaching Euro 400 million in profits after tax for the full year, translating into a Return on Tangible Equity of 7%, up from 4% in 2021. During 2022, Alpha Bank regained its leading position in the financing of entrepreneurship in Greece, increasing the portfolio of Performing Loans by 10% year-on-year, as a result of a net credit expansion of Euro 2.6 billion to enterprises. Furthermore, a series of initiatives to be further presented by our CEO will help us significantly improve our performance in a range of indicators that show the soundness of the Bank. We have also continued to actively support local communities in order for them to respond to the adverse economic conditions, providing them with the necessary resources that ensure equal access of vulnerable social groups to Health, high-quality Education, Art and Culture.

For 2023, our priority is to achieve high growth rates and create value, by means of detecting early the Bank's most profitable business areas and allocating our funds respectively. We estimate that the updated strategy will increase the Net Normalized Profits and will pave the way for the resumption of dividend payments to our Shareholders.

Last year, the Board of Directors was particularly active as 18 meetings were held and the average participation rate of its Members reached 96%. Its Committees were equally active: the Audit Committee held 13 meetings with a participation rate of 98%; the Risk Management Committee held 12 meetings with a participation rate of 100%; the Remuneration Committee held 11 meetings with a participation rate of 100%; and the Corporate Governance, Sustainability and Nominations Committee held 12 meetings with a participation rate of 95%.

The assessment which was externally facilitated reconfirmed the significant progress made in the Bank's Corporate Governance in recent years. Still, some weaknesses and delays have been identified. A special remediation plan has already been drawn up and is currently being implemented. It is also worth noting that the representation of women on the Board of Directors has increased. Already four of the Non-Executive Members of the Board of Directors are women and this number will increase to five, following today's election of new Members. At this point, I wish to publicly express my thanks to the departing Members of the Board of Directors, namely Messrs. Richard R. Gildea and Shahzad A. Shahbaz, who spent many years on the Board and provided valuable services to the Bank.

Dear Shareholders,

In conclusion, I would like to state that, at Alpha Bank, we are satisfied with the significant progress already made and we firmly believe that, despite the crises, we have ultimately emerged stronger and have managed to enter into a stable trajectory of sustainable growth and generation of value for our Shareholders, whom I would like to thank for their active support. I would also like to make a special mention to Alpha Bank's Employees and the high level of willingness, fervor, dedication and hard work they demonstrated during the energy crisis and general uncertainty. It is with optimism that we continue our efforts to become a better Bank that will reward our Shareholders and will also serve the goals of economic development and social prosperity.

Vasileios T. Rapanos

Letter from the Chief Executive Officer

Vassilios E. Psaltis
CEO of Alpha Bank

Dear Shareholders,

This is the fifth time that I am addressing the Annual General Meeting of Alpha Bank from the position of CEO of our Bank and I must tell you that I do so with great confidence and optimism for the future, but also with pride for our achievements so far.

In recent years we have managed to implement an extremely challenging plan, under the heavy legacy of ten years of financial crisis. We have succeeded in turning the page so that Alpha Bank may once again fulfill its fundamental role: to support Greek businesses, to take the lead in the recovery and transformation of the Greek Economy and to create value for its Shareholders.

We have reached this goal with the hard work of all of the Bank's people, under adverse conditions, in an extremely uncertain environment of unprecedented challenges: the pandemic and the global economic recession that ensued, the first war of the 21st century in Europe, geopolitical tensions, soaring energy costs, inflation and the new economic slowdown that followed.

Let us see very briefly what we have achieved so far:

- We have reduced the Non-Performing Exposures (NPEs) by almost Euro 23 billion and have achieved our goal of a single digit NPEs ratio already since the second quarter of 2022, six months sooner than planned.
- We have reorganized and relaunched our business model by means of a Share Capital Increase completed in 2021, which was made possible thanks to the trust and support of our Shareholders. It was the first real growth-oriented capital increase of any Greek bank in recent years and it was used to finance our expansion, not to cover losses. Taking advantage of our high expertise in Wholesale Banking, we achieved the highest credit expansion in the Greek banking system in 2022.
- We have proceeded with strategic business development partnerships, such as the cooperation with Nexi in the payments sector and with Generali in the bancassurance sector, and with the largest real estate transaction in Greece.
- With regard to Retail Banking, we have adopted a leaner and digitally-oriented operating model. We optimized our Network and strengthened our alternative channels, by injecting Euro 80 million per year on average in IT and digital technology. Finally, our transformation strategy was not limited to our structures and processes but extended to our philosophy and corporate culture. Building on our history and competitive edge, we are creating a new Bank that is going to be more efficient, standing on the side of citizens and entrepreneurs, a true driver of progress and sustainable development for the economy and society as a whole.

As a result of these changes, over the past four years:

- We have laid the foundations for strong profitability, achieving a return on regulatory capital employed of over 15% with regard to our Greek operations.
- At the end of 2022, our market share in Large and Medium-sized Enterprises lending was approximately 26% while our market share in Assets that Customers have placed in Mutual Funds stood at 30%.
- We continued our efforts and made the Retail Banking Network even more efficient, which resulted in making it the most productive network in Greece, while maintaining our market share in key sectors and products, expanding our digital skills.
- Lastly, on the international stage, we moved up a gear in Romania achieving strong growth, in line with or even exceeding the prevailing market trends.

Dear Shareholders,

Being the oldest private bank in Greece and having as its main mission to create value for its Shareholders, the Bank constantly operates with a business mindset and has set its eyes on the future.

The pursuit of progress both for the Bank and for our Customers is reflected in the long-term partnerships we have built with the business world and our private Customers.

We are a leader in business credit, maintaining a leading position in the financing of outward-looking sectors, such as Tourism and Shipping. We maintain a strong footprint in Retail Banking, serving more than 3.5 million Customers in the country.

We value the strong bonds we have built with our Customers! The average length of our banking relationship with them exceeds 20 years, while at least a third of the dynamic private and small business segments in our country choose Alpha Bank as their primary bank.

Therefore, we may claim, that we are the most trusted Bank in Greece.

Based on this foundation but also on a plan, on strategic thinking and on consistency and with even greater determination, we are now moving into a new era of growth and high value creation rates for our Shareholders.

A few weeks ago, we presented our new Strategic Plan for the period up to 2025. Our Plan is based on six main axes that redefine our Group's strategy in the market. Specifically, the following are planned:

- Strengthening digital services and focusing on high-value Retail operations;
- Reforming the service model in order to further enhance our operations in Wealth Management;
- Capitalizing on our leading position in Wholesale Banking, with the aim of supporting the growth prospects of entrepreneurship and strengthening the profitability of our Group;
- Improving the profitability performance of the Group's international operations;
- Fully adopting and utilizing the Environmental, Social and Governance (ESG) criteria as a catalyst for value creation; and
- Maintaining the resilience of our balance sheet.

The latter is achieved by identifying the impact of adverse macroeconomic scenarios, under which the Bank proves its resilience. This is particularly important in this period since we are in an international upward phase of interest rates and there are still significant risks of volatility in international markets as well as of a potential decline in both credit demand and real estate prices.

In June we announced our new Strategic Plan, which was very warmly received by the international investment community. Having spoken to a large number of investors in more than 50 meetings held in the meantime around the world, I can assure you that the interest they expressed was clear. In this context and given the Government's commitment to the disinvestment of the Hellenic Financial Stability Fund from the Greek banks, we are very well-positioned to accelerate this process for Alpha Bank, which will be well embraced by the market.

Our new strategy for each business segment ensures the clear and realistic goals presented:

- In the first half of 2023, we have already completed significant actions towards the implementation of our Plan, through the enhancement of liquidity and capital adequacy ratios. We chose the best of times and proceeded with issuances of Additional Tier 1 (AT 1) Bond Loans as well as of senior preferred bond loans, while recently we have proceeded with a synthetic securitization of performing assets. With these actions we have ensured that we will exceed our capital adequacy targets already in the second quarter of 2023, having generated total **regulatory capital of approximately Euro 1 billion** in only six months!
- In parallel, the Voluntary Separation Scheme launched at the beginning of the year led to cost reduction and helped us prepare the redefinition of the Retail Operating Model.

Dear Shareholders, the year 2022 ended with the Return on Tangible Equity (RoTE) standing at 7.6%. In March, on the occasion of the announcement of the Results, the profitability target was set at 9%, which was revised upward to 10% when we announced our new Strategic Plan in early June.

Today, I am pleased to announce that the progress we have made together with the favorable macroeconomic environment allow us to further revise our target and we now expect that our profitability will reach approximately 11%, already from this year.

Dear Shareholders,

The Greek Economy, just like Alpha Bank, showed resilience during the successive crises.

The Chair highlighted earlier the new stable macroeconomic environment that emerges from reaching the investment grade and the deepening of political stability. Both the banks and the economy have returned to an environment of normality and stable growth.

I would like to dwell, at this point, on a phrase associated with development: the creation of value for Society and our Shareholders, by relaunching our dividend policy.

In the previous years, our actions with regard to this field were also based on a Plan. As we were achieving normality by returning to core banking operations and creating value, we would make sure to return a dividend to our Stakeholders: our Customers and our Staff. We upgraded the quality of our services and customer experience and, at the same time, we set a career framework that supports the expectations of our Employees and allows us to attract new talent.

At this final stage of our Strategic Plan for Growth and Normality, the commitment to creating value for our Shareholders is a core element!

We have already expressed our ambition to resume dividend payments, starting from the 2023 profits, an ambition which has already been reflected in our results by the **forecast for a dividend payment standing at 30**

basis points or approximately 20% on the profits, pending the relevant discussions with the regulatory authorities.

Until 2025, we expect an average annual increase in profits, which is to exceed 20% in comparison with the corresponding levels of 2022, leading our profitability above 12% and generating total net profits approaching Euro 2 billion within the three-year period of our Plan. Taking into account the combination with the absorption of the Deferred Tax Assets (DTAs), we are expecting an increase of our regulatory capital by Euro 2.3 billion. A part of this capital, i.e. an amount of approximately Euro 900 million, will be used to finance our organic growth during this period. The bulk of this amount, however, i.e. around Euro 1.4 billion, **will help us exceed significantly** the minimum capital limits considered necessary by the Management for the Bank's operation.

Thus, I should note, that based on our Plan, **we have every intention, in consultation with the Regulators, of further increasing the capital that will be returned to our Shareholders, in recognition of those who trusted our effort and Purpose.**

Besides, today we also ask your approval with regard to a **Share Buyback Program**, which in two years and subject to the approval of the regulatory authorities could reach 1.5% of our share capital and the price per share could even stand at **Euro 3**.

Dear Shareholders,

All that I have described is not piecemeal pursuits or occasional achievements. It serves a philosophy and a purpose.

As Alpha Bank, we must stand by our Customers, recognize and trust their abilities and goals and support them to fulfill their plans through new opportunities and partnerships.

This goal is today reflected in Alpha Bank's new Purpose, which we define as follows: **"We support Progress both in life and entrepreneurship for a better Tomorrow."**

All our priorities now stem from this Purpose.

Designing experiences – and not just banking products – for our Customers is now based on a deeper understanding of their real needs and expectations. We stand by the side of Greek entrepreneurs and individuals, by providing financial products and specialized advice, to help them take advantage of the opportunities that arise or manage any difficulties. We want our Customers to grow with us in economies and societies characterized by sustainable and inclusive progress.

On the subject of sustainability, the banking system must play an important role in our country's transition to a sustainable economy, by providing the necessary financing for critical investments which are going to shield Greek businesses against the risks of climate change, to improve their competitiveness and to help them accelerate the green transition.

In this context, we have laid the foundations for the full integration of sustainability into the Bank's operating model, its strategy, culture and daily operations. In 2022, the Bank implemented the Climate and ESG Risk Management Framework and launched the Sustainable Financing Framework. With our new Strategic Plan for 2023-2025 we aim to allocate Euro 3 billion to sustainable financing, of which Euro 1 billion to investment in Renewable Energy Sources (RES). We are the first Greek Bank to participate in the Net Zero Banking Alliance initiative of the United Nations while, supported by our in-house

ESG Academy, we train our Staff to provide expertise and advisory support to our Customers.

We ensure strong and transparent Corporate Governance, by safeguarding the independence of our Board of Directors. I would like to take this opportunity to thank warmly the Members of the Board of Directors for their tireless efforts and the strong support they provide to our Management Team.

We also want to be at the forefront of supporting diversity and inclusion and are committed to maintaining our industry-leading 40% female representation in the Management and on the Board of Directors.

Our Corporate Responsibility Programs, with a long history of social contribution, are currently aligned with the Society's current needs and expectations. Our strategic goals are equal access for all to critical sectors, such as Health and Education, Culture and the Arts, the enhancement of citizens' skills in the new trends for the economy and sustainability as well as the protection of the Environment.

As concerns the Environment, we develop a range of preventive actions, but we are also present when needed to deal with emergencies. Some days ago, a delegation of our Management Team traveled to Rhodes, currently suffering from the consequences of a fire, in order to assist in the immediate relief of the victims and, mainly, in order to plan, together with our Customers, the local government and civil society solutions for the restoration of property and the regeneration of the natural environment.

Our flagship program, "Together, for better Health" had a multiplier effect by generating in the last year alone a more than 10-fold Social Return on Investment, as for every Euro 1 invested in the Program, the value returned to society amounted to Euro 10.65.

The Program is currently being strengthened – a few days ago, at a meeting with local government representatives, we announced its expansion to the administrative region of Eastern Macedonia and Thrace.

Lastly, in the field of culture, I could not help but mention the exhibition organized for the 50th anniversary of Alpha Bank Numismatic Collection "THE OTHER SIDE OF THE COIN", which is hosted at the Museum of the Basil & Elise Goulandris Foundation and will soon travel to Romania as well.

Our role as a social and economic partner also means that we must take advantage of all our resources and technological infrastructure in order to contribute to the financial prosperity of the society through, among others, the direct access to special funding programs of the State. Our Bank plays a main role in the new Co-financed State Housing Program "My Home" supporting young people aged 25 to 39 to purchase their own home as well as in financial aid programs through several forms of passes (Freedom/Tourism/Fuel/Market pass) introduced by the Government in the last years. Alpha Bank issued more than 1.2 million cards in the context of the abovementioned programs, proving this way its capacity to take immediate action and capitalize on its digital infrastructure achieving by far the largest market share versus the other banks.

Dear Shareholders,

The success of the Bank's Transformation Program that will lead us back to profitability would not have been possible without the decisive contribution of all Alpha Bank's people.

Our Human Resources (HR) strategy is based on three pillars:

1. Empowering our business transformation by enhancing skills and creating new roles, attracting and developing talent

and strengthening a culture of high performance.

2. Enhancing skills and allowing continuous development, by investing in constant learning, creating flexible career paths and succession plans.

3. Finally – and most importantly – building a strong Employee Value Proposition (EVP).

We aspire to remain an employer of choice and we will achieve this based on Alpha Bank's timeless values and on our enriched culture, further focusing on elements such as flexibility, diversity and inclusion.

In addition, we create the most modern banking space in Greece, a point of reference and meeting for the people of the economy, entrepreneurship and culture in the heart of Athens!

Dear Shareholders,

In 1981, Yannis Costopoulos laid the foundations for the construction of the emblematic complex on Stadiou Street, which became Alpha Bank's headquarters. Four decades later, we honor the vision of Yannis Costopoulos, who wished that our Main Building is, in his own words, "state of the art". The Alpha Bank complex is overhauled to become – in 1.5 years – the most modern workplace of the banking industry in Greece, but also a new important landmark in order for the Athens historical center to become a place of economic and commercial activity as well as of high-quality residences.

Dear Shareholders,

Our successes in recent years and the positive economic climate in our country should not lead us to complacency. We are likely to continue to experience a sequence of crises and upheavals, with geopolitical tensions and recessionary disruptions.

We must proceed with caution, a clear plan and preparedness for corrective actions and adjustments.

Despite the volatile global environment, I am confident that we are entering an era of sustained and sustainable growth for our Group.

We are determined to honor our history as the only company listed on the Athens Stock Exchange distributing dividends to its Shareholders continuously for almost 60 years, from the end of World War II and up to the onset of the financial crisis. Building on the Bank's legacy and competitive edge, but also on the dynamism of the economies of the countries where we are present, we are confident that our new Strategic Plan will allow us to reward your trust.

Our Management Team has proven its ability to deliver on every commitment we have made, even in times of unprecedented challenges. We move forward with greater determination. Through strategic thinking, teamwork and consistency, we are shaping the new Alpha Bank that will be proud of its rich history and the critical role it plays in fostering economic growth and social progress.

Vassilios E. Psaltis

Alpha Bank's Share and Shareholder Structure

Share

Alpha Services and Holdings S.A. (former "Alpha Bank S.A.") has been listed on the Athens Stock Exchange since 1925 and is consistently classed as one of the largest companies in terms of market capitalization. At the end of December 2022, the capitalization of Alpha Services and Holdings S.A. stood at Euro 2,348 million and represented 4.89% and 26.94% of the capitalization of the Athens Stock Exchange General Index and Banking Index companies respectively, while the participation of its share in the FTSE/Athex Large Cap Index was 7.71%.

In addition to the Greek stock exchange, the share is also traded over-the-counter on the New York exchange in the form of American Depository Receipts (ADRs). The share is included in international indexes such as the FTSE All-World Index, the FTSE Med 100 Index, the FTSE4Good Emerging Index and the MSCI Global Standard.

The share's daily trading volume for 2022 amounted to an average of 8,341,881 shares per session, decreased by 11% versus the previous year, with an average daily value of transactions of Euro 8,684,108.

Share information for Alpha Services and Holdings S.A.

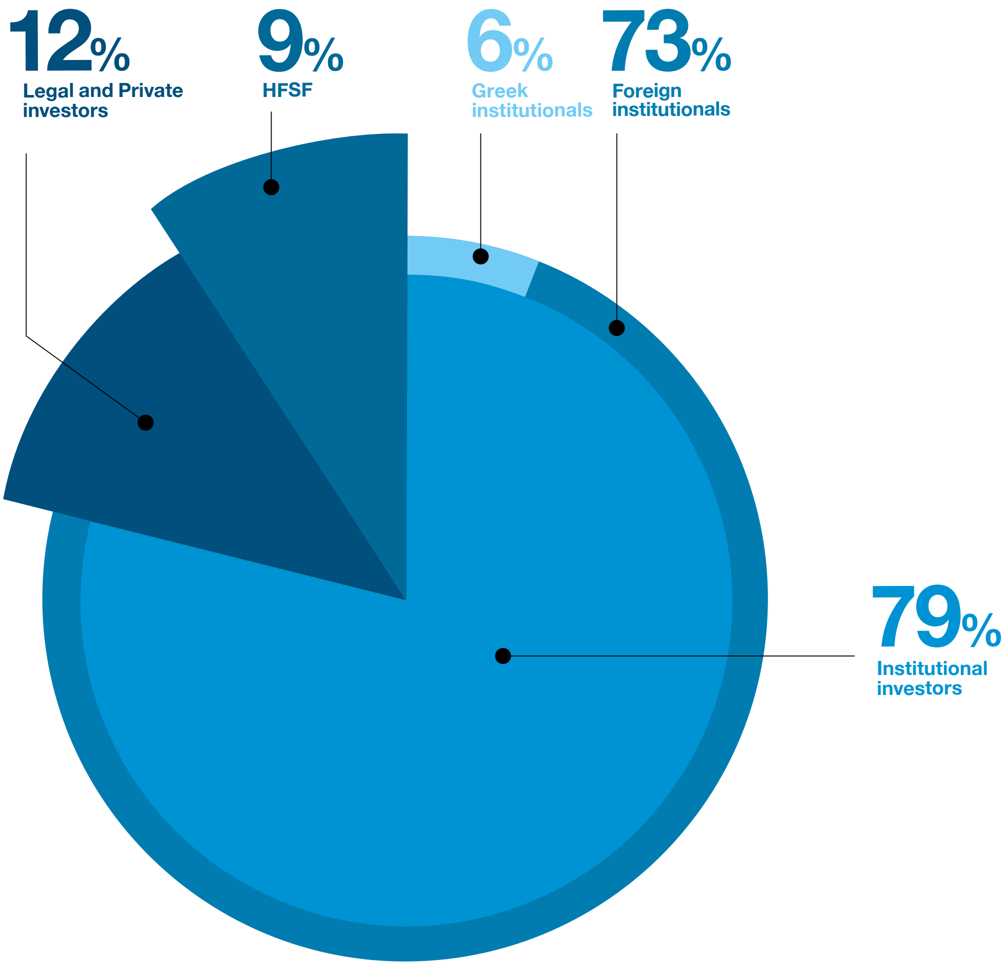
	2022	2021
Closing Price (year end, in Euro)	1.00	1.08
Highest Price (period, in Euro)	1.43	1.35
Lowest price (period, in Euro)	0.73	0.72
Market Cap (year end, in billion Euro)	2.3	2.5
Share's average daily trading volume	8,341,881	9,385,487
Average daily value of transactions (in Euro)	8,684,108	9,932,558

Shareholder Structure

On 31.12.2022, the share capital of Alpha Services and Holdings S.A. stood at Euro 680,980,257.4 divided into 2,348,207,784 common, nominal, paperless shares with voting rights, of a nominal value of Euro 0.29 each, which are listed for trading on the Securities Market of the Athens Stock Exchange ("ATHEX"), of which 211,138,299 are owned by the HFSF (9% of the share capital).

The shares in circulation on 31.12.2022 were held by approximately 109,000 Individual and Institutional Investors.

The breakdown of the shareholders of Alpha Services and Holdings S.A. 31.12.2022 was, for descriptive (non-regulatory) purposes, as follows:



Key events in 2022

The key corporate events of strategic importance for the Bank in 2022 are the following:

- On 24.1.2022, Alpha Group Jersey, a subsidiary of Alpha Services and Holdings S.A., resolved to redeem in full the entire outstanding nominal amount of its Euro 600,000 Series B CMS-Linked Non-cumulative Guaranteed Non-voting Preferred Securities (ISIN: DE000A0DX3M2) (the "Preferred Securities"), which have the benefit of a subordinated guarantee of Alpha Services and Holdings S.A., on the Preferred Dividend Payment Date falling on 18.02.2022 (subject to the terms of the Preferred Securities set out in Alpha Group Jersey's Articles of Association and the Law) at the Redemption Price.
- On 10.2.2022, is the first trading day on the Athens Exchange of the 1,430,168 new, common, registered, dematerialized shares of Alpha Services and Holdings S.A., derived from the recent increase of its share capital by the amount of Euro 429.05 thousand due to the exercise of the Stock Options Rights by eighty eight (88) Beneficiaries - Material Risk Takers (MRTs) of the Company and its Affiliated Companies, at an offer price of Euro 0.30 per share, pursuant to the resolution of the Ordinary General Meeting of Shareholders of July 31, 2020 and to the relevant resolutions of the Board of Directors of the Company dated December 30, 2020, December 16, 2021 and January 28, 2022.
- On 12.2.2022, Alpha Services and Holdings S.A. (together with its subsidiaries, the "Alpha Bank Group" or the "Group") reached an agreement with an affiliate of Cerberus Capital Management L.P. ("Cerberus") for the disposal of a portfolio of non-performing loans and real estate properties in Cyprus, of a total book value of Euro 2,400,000 (the "Portfolio"). The disposal of the Portfolio will be carried out by Alpha International Holdings Single-Member S.A., a 100% (indirect) subsidiary of the Group.
- On 11.3.2022, the transfer of part of the portfolio of non-performing loans by the Bank's subsidiary, Alpha Bank Cyprus Ltd, to the Group's subsidiary, Alpha Credit Acquisition Company Limited, was completed.
- On 24.3.2022, the disposal of a Portfolio of Non-Performing and Unsecured Retail Loans of an owed balance totaling Euro 2.1 billion and of total value before impairment amounting to Euro 1.3 billion ("Project Orbit") to Hoist Finance AB (publ), was completed.
- On 30.6.2022, Alpha Services and Holdings S.A. successfully concluded the Synthetic Securitization of a Euro 650,000 portfolio of performing SME and Corporate loans ("Project Tokyo") with the European Investment Bank Group.
- On 30.6.2022, the Bank's subsidiary Alpha Payments and Services Single Member S.A, proceeded to a share capital increase, due to the completion of the carving out of the merchant acquiring business unit of "ALPHA BANK SOCIETE ANONYME", by way of a spin-off, and its contribution to Alpha Payments and Services Single Member S.A., in the amount of Euro 61,364.47, with the issuance of six million one hundred and thirty six thousand four hundred and forty seven (6,136,447) new common registered shares, with a nominal value of ten Euro (Euro 10.00) and an issue price of fifty Euro (Euro 50.00) per share, respectively, and crediting the difference between the nominal value and the issue price of the mew shares, in the amount of Euro 245,457.88 in total, to the "shares issuance above par" special reserve account of Alpha Payments and Services Single Member S.A. Also on the same day, the Bank's subsidiary, Alpha Services and Payments Single Member S.A. was renamed Nexi Payments Hellas SA.
- On 30.6.2022, the sale of 51% of Alpha Services and Payments Single Member S.A. to Nexi was completed for a price of Euro 156,900, in the context of the closing of the "Prometheus" transaction, which concerns the establishment of a strategic partnership with Nexi S.p.A. ("Nexi") in the merchant acquiring business unit of Alpha Bank S.A. in Greece ("Merchant Acquiring Business Unit") via, inter alia: (i) the transfer of the Merchant Acquiring Business Unit by Alpha Bank, by way of a spin-off, to the newly established company Nexi Payments

Greece ("NewCo"), (ii) the sale to Nexi of a 51% stake in NewCo, and (iii) the signing by the parties of a long-term marketing and distribution agreement, which will provide NewCo with access to Alpha Bank's network, for the purpose of distributing merchant acquiring products and services to Alpha Bank's corporate Customers in Greece. On 29.7.2022, the sale to Nexi of an additional 39.01% stake in NewCo was completed.

- On 15.7.2022, Alpha Services & Holdings S.A. proceeded to the share capital increase of its subsidiary company Galaxy Mezz Ltd, via: (a) the contribution in kind of 44% of the mezzanine and subordinated notes of the Galaxy and Cosmos securitizations, which it held following the completion of the respective transactions, of a value of Euro 22.5 million and (b) a cash injection in the amount of Euro 894 thousand against the issuance of common shares.
- On 18.7.2022, the sale of the entirety of the shares of Alpha Bank Albania by the Group subsidiary, Alpha International Holdings Single Member S.A., to OTP Bank Plc, was completed in the context of Project Riviera, for a price of Euro 55 million.
- On 21.7.2022, Alpha Bank entered into a binding agreement with Hoist Finance AB (publ) for Project Light, involving the disposal of a Portfolio of Non-Performing and Unsecured Loans of an owed balance totaling Euro 0.4 billion and of total book value before impairment amounting to Euro 0.2 billion, with 30.9.2021 as the reference date.
- On 21.10.2022, the Bank concluded the issuance of a Euro 400,000 Senior Preferred Bond with a maturity period of 3 years.
- On 7.11.2022, the Bank completed the disposal of a Portfolio of Non-Performing and Unsecured Loans of an owed balance totaling Euro 0.4 billion and of a total book value amounting to Euro 0.2 billion, with 30.9.2021 as the reference date, to Hoist Finance AB (publ).
- On 24.11.2022 the Share Capital Increase of Alpha Bank S.A. by the amount of Euro 90,000, contributed in cash by its shareholders Alpha Services and Holdings S.A. and Alpha Life Insurance Company S.A., and the issuance of 90,000 shares of a nominal value of ten Euro (Euro 0.10) each and an issue price of one Euro (Euro 1.00) each was completed. Following the share capital increase, the Share Capital of Alpha Bank S.A. amounts to Euro 5,197,999,246.1.
- The Extraordinary General Meeting of the Shareholders, which took place on 7.12.2022, resolved (a) to decrease the share capital of the Bank by the amount of five hundred nineteen million seven hundred ninety-nine thousand nine hundred twenty-four Euro and sixty-one Cents (Euro 519,799. 924.61), by decreasing the nominal value of its shares from Euro 0.10 to Euro 0.09 per share, in order to form an equal amount of special reserve as per article 31 par. 2 of Law 4548/2018, and (b) the corresponding amendment of article 5 of the Bank's Articles of Association. The Extraordinary General Meeting also resolved to offset the "Retained Earnings" account, as per the approved Financial Statements of 31.12.2021, following the resolution of the Ordinary General Meeting of the Shareholders, dated 31.8.2021, regarding the distribution of profits in the amount of Euro (minus) - 274,160,207.14, against an equal part of the Special Reserve of 31 par. 2 of Law 4548/2018, such offsetting to take place, subject to the provisions of article 30 par. 2 and par. 3 of Law 4548/2018, after the following: (a) the completion of the share capital decrease and the formation of an equal amount of special reserve as per article 31 par. 2 of Law 4548/2018, (b) the amendment of article 5 of the Bank's Articles of Association, and (c) the registration in the General Commercial Register (G.E.MH.) of the relevant approval resolutions.
- On 7.12.2022 Alpha Bank successfully completed the pricing of the issuance of Euro 450 million fixed rate reset senior preferred notes, due to mature in 2027. The New Notes were issued with a call option at 3.5 years, a coupon rate of 7.5% and a yield of 7.75%.

Investor Day 2023

Alpha Bank's **Strategic Plan for the period 2023-2025** and the Bank's new Purpose were presented to investors and analysts by the Group's Management team at the **Investor Day** held on June 7, 2023. During the presentation of the new Strategic Plan, t**he Group's CEO, Mr. Vassilios Psaltis**, described what the Bank has achieved until today, in terms of cleaning up its balance sheet and strengthening its capital and customer base, as well in terms of adopting a leaner and digitally oriented operating model, along with the major steps taken to modernize the Group's culture and corporate governance, so as to ensure alignment with the best international practices.

Alpha Bank: Strategic Plan 2023 –2025

Our Goals

Growth

- Increase of earnings per share (EPS) by >20% on an annual basis (CAGR), to >€0.3 by 2025
- Increase of revenues by c.5% on an annual basis (CAGR), to €2,3 bn by 2025

Profitability

- Return on Total Equity (RoTE)[1] >12% το 2025, on the back of higher profitability and improved capital allocation
- Increase of Net Interest Income by c. 9% on an annual basis (CAGR)
- Decrease of cost by c. 3% on an annual basis (CAGR)
- Decrease of Cost-to-Income ratio by c.14 percentage points, to c.40% in 2025 (Greece< 35%)
- Further decrease of Credit Risk Cost to < 70 basis points
- Return on CET1 Capital (RoCET[2]) at Group level >16% by 2025 (relative to 10% in 2022)

1 Based on normalized profit after tax, after deduction of AT1 coupon payments and excluding CET1 capital above 13%.

2 Return on FL CET1 employed capital at 13% Management target.

Management of Regulatory Capital

- Strong regulatory capital generation of €23bn
- Increase of Tangible Book Value at Group level to >€7bn in 2025
- Release of capital from NPEs and other non-interest-bearing assets, to be directed to profit-generating activities
- Increase of the FL CET1 ratio to c.16% in 2025

Creation of Value for the Shareholders

- €1.4bn above the CET1[3] Management target – allowing the distribution of dividends to the Shareholders[4]
- Organic capital generation of €2.3bn and creation of value for the Shareholders
- Provision for the payment of a dividend of 30 bps on the average annual Risk-Weighted Assets (RWA)[5]

Responsible Banking for Sustainable Development

- The first Greek bank to participate in the UN-backed Net Zero Banking Alliance
- €3bn of sustainable financings for 2023-2025[6]
- Comprehensive ESG strategy, supported by measurable Key Performance Indicators (KPIs), incorporated in the remuneration framework

3 Including accrued dividends, subject to regulatory approval and the fulfilment of business plan targets.
4 Subject to approval by the regulatory authorities and the Shareholders.
5 Starting with the profit for 2023.
6 Refers to new disbursements.

Building the new Alpha Bank – leveraging our strengths and guided by our new Purpose

Our purpose

Enabling Progress in life and business for a better Tomorrow

Our promise to Customers
The experience we provide

Personalized

Deep **understanding of our Customers' needs**, ensuring a tailored service experience

Empowering

Provision of expert advisory services and tools to empower Customers

Convenient

Easy and effortless service, keeping the human touch at the heart of all our interactions

Holistic

Connecting our Customers with a complete system of solutions to meet all their needs

Strategic Pillars

The Bank's new Strategic Plan comprises **6 strategic pillars** for increasing profitability Group-wide, which are summarized as follows:

1 Boost digital and focus on high-value segments in Retail Banking

~16 pps
Cost-to-Income Ratio 2022 – 2025 decrease

2 Revamp service model to increase penetration in Wealth Management

+13%
Asset Management balances[1] 2022 – 2025 CAGR

3 Consolidate leadership in Wholesale

~4%
Total Revenues 2022 – 2025 CAGR

4 Improve return on deployed capital in International

+15%
Total Revenues 2022 – 2025 CAGR

5 Maintain the resilience of our balance sheet

~4%
NPE Ratio in 2025

6 Leverage ESG for value creations

€3bn
Sustainable Disbursements3 2022 – 2025

Strengthen the Human Resources of the Bank while also **expanding** digital technology and data analytics

The Alpha Blueprint: Achievements so far and next objectives of Alpha Bank’s Transformation Program

3 Pillars

The Program is based **3 Pillars**

- Customer-centric Growth
- Operational Model Improvement
- Strengthening Organizational Effectiveness

3 Phases

The Program consists of **3 Phases**

Scoping & preparation launch

from April to July 2020

Bottom-up planning & design

completed in May 2021

Implementation & Value capture

Launched in June 2021, with ~90% of all initiatives (IT & non-IT) completed by the end of the year

Alpha Bank's Transformation Program is changing the whole Bank and has already delivered substantial benefits

Key Program figures

workstreams >20	initiatives >100
thematic areas 7	participating colleagues >200

3 impacts

The Program delivered impact for the Bank in 3 ways:

1 Changed the way the Bank works and delivers change

2 Delivered tangible commercial impact and reinforced customer-centricity

3 Significantly improved operational efficiency

Raised
level of ambition

Prioritized
resources based on what drives impact

Removed
legacy silos

Won
the hearts and minds of our People

	Where we started	Where we are today
Retail	**Branch** used as the default channel	**>95%** of Branch transactions already in **digital channels** **~20%** of unit sales through digital in 2023, on track to **30%** by 2025
	Manual underwriting for all credit decisions	**~55%** of unsecured consumer credit and c.**35%** of mortgage credit decisioning done automatically
Wholesale	**Limited digital offering f**or our business customers	**>30** new digital services and products for business customers, of which **15 already** launched **26k** Wholesale and Small Business clients trained and migrated on digital solutions
	Significant Relationship Managers **time spent on admin** activities	**>15%** increase in Relationship Managers commercial time through reduction of admin activities
	No dedicated strategy to manage **loss making customers**	**Tailored approach to turn- around** loss-making customers leading **to >€8mn economic value** improvement (coupled with other Wholesale initiatives)

	Where we started	Where we are today
FTE efficiencies	**Manual** data processing and handover between teams	**20% efficiency in FTE** from central operations streamlining through integrations and optimizations **>300 FTE capacity freed-up** from the Branch Network through digital
G&A	**Rigid cost structure** with few optimization measures identified	**> €12mn** of savings in IT costs **> €23mn** of savings in other G&A
IT op model	**Legacy** ways of working between IT and Business	New **IT operating model** in place
Operational enablers	**Multiple** different approaches to address operational needs (e.g., variety of bespoke tools in operation, similar activities performed by different teams etc.)	**Standardized** approach across functions to address operational needs (e.g., adoption of single platforms for specific needs, consolidation of activities in one place)

7 Thematic areas

1 Retail Customer-Centric Transformation

2 Growth & Innovation and Customer Experience improvement

3 Wholesale Customer-Centric Transformation

4 Lending Transformation

5 Core technology Transformation

6 Productivity Transformation

7 People and Culture

Key goals

Shift to a **segment-based strategy** and value proposition, tailored to our Customers' needs, elevating Customer Experience. Deliver a best-in-class **Customer Experience.**

Deliver **digital products** and services, develop digital **sales** & advanced analytics capabilities. Enhance Branch **Network productivity** and expand **digital capabilities.**

Shift to a segment-based strategy while improving RMs' productivity and focusing on **capital profitability.** Upgrade the Bank's **digital** product **offering** to increase efficiency and enhance Customer Experience.

Revamp retail and wholesale **lending** processes, **leveraging digital t**echnology, with an aim to offer a winning Customer Experience.

Revamp central functions **processes**, introducing automations, integrations and centralizations. Rationalize **third-party spend** and strengthen Procurement operating model.

Use modern delivery techniques to increase **flexibility and quality** (e.g., DevOps). Enhance **collaboration** between BUs and IT. Reduce **IT costs** for both "Run the Bank" and "Change the Bank".

Deliver a new **performance management** framework, build a new **talent** management framework, and establish Alpha Bank as a preferred employer in Greece. Deploy change priorities aligned with the Bank's **purpose and values** and instill the required behavioral changes.

The Transformation agenda going forward

Retail

Support the **migration of the core offering** to digital

Support automation and digitization of Branch processes to boost staff productivity

Wealth

Enhanced the technology structure and business architecture of our **wealth platform**

Build new **offshore wealth** management offering

Wholesale

More airtime with **customers**, less time dealing with paperwork

Reinforce **non-lending offering** to grow related **fee income**

Cost efficiency

Increase efficiency in our central operations teams

Support **structural changes to Business Units operating model** to capture synergies and optimize cost base

ESG and Sustainability

Goals

Full adoption & leverage of ESG criteria as a catalyst for value creation

- Scaling up of the Bank's sustainable financing strategy, to take full advantage of the existing strong market dynamics and uphold its firm commitments on ESG issues.
- The goal is to provide €3bn in sustainable financings over the next three years, **with Alpha Bank being the first Greek bank to participate in the United Nations NetZero Banking Alliance,** while also aiming to align its portfolio with the goals of the Paris Agreement on climate change.
- Integration of ESG criteria in the Remuneration Framework and the Risk Management Framework, as well as full integration of the sustainable financing strategy throughout the Bank's business and operational model.

Alpha Bank has laid the foundations for fully integrating sustainability into its operational model.

2019

Alpha Bank gradually integrates the **ESG criteria** into its strategy, corporate culture and daily operations.

2021

1st UNEP FI report & targets disclosure

ESG Governance at Board & Executive level

2022

Alpha Bank begins to implement the **Climate Risk Management Framework** and launches the **Sustainable Financing Framework,** which has helped **double the green loans' share of new disbursements.**

2023

Alpha Bank is the **first Greek bank** to participate in the Unitied Nations **NetZero Banking Alliance,** affirming its commitment to achieving zero greenhouse gas emissions by 2050.

2025

Alpha Bank aims to complete the integration of the Sustainability principles into the its business and operational model and to **upgrade its sustainable financing strategy,** so as to fully **leverage its potential for value creation.**

Impact-focused ESG strategy

Our Commitments	**Support an Environ-mentally sustainable economy**	**Foster healthy economies and societal progress**	**Ensure robust and transparent governance**
Our Targets	**€3bn** Total sustainable disbursements in 2023-2025	**>40%** Maintain >40% female representation in managerial positions	**40%** Female representation in Non-Executive Board Members
	Net Zero Greenhouse gas emissions by 2050	**+20%** Increase in young people employment by 2025	**Independent Members** Represent the majority in Board and Committees
	Zero Financing To selected activities	**Limited Financing** To activities affecting health and well-being	**ESG criteria** incorporated in the Group's Remuneration and Risk Management Frameworks
Sustainable Development Goals			

2022: Achievements

Through our comprehensive ESG strategy, we have achieved progress and growth, integrated sustainability in our activities and ultimately created value for our Shareholders and for society. Aiming to reinforce transparency, we set targets, track our ESG performance and are rated by external agencies.

With our sights set on a sustainable future, we are standing by our society and aim at effective corporate governance.

1 Environment

50%

Reduction of Scope 1 and 2 emissions, based on GHG, relative to 2019

>€21m

Total new loans for the purchase of electric and hybrid vehicles

€636m

Total new financings for RES projects

40%

Reduction of vehicle fuel consumption

2 Society

62%

Female employees at Group level

81%

Branches accessible by PwD at Group level

45%

Women in Managerial Roles at Group level

33

Training hours, by employee, at Group level

3 Corporate Governance

31%

Female representation in Management

100%

The Chairs of all Board Committees are Independent Directors

62%

Percentage of Independent Non-Executive Directors

2

Women as Chairs of Board Committees

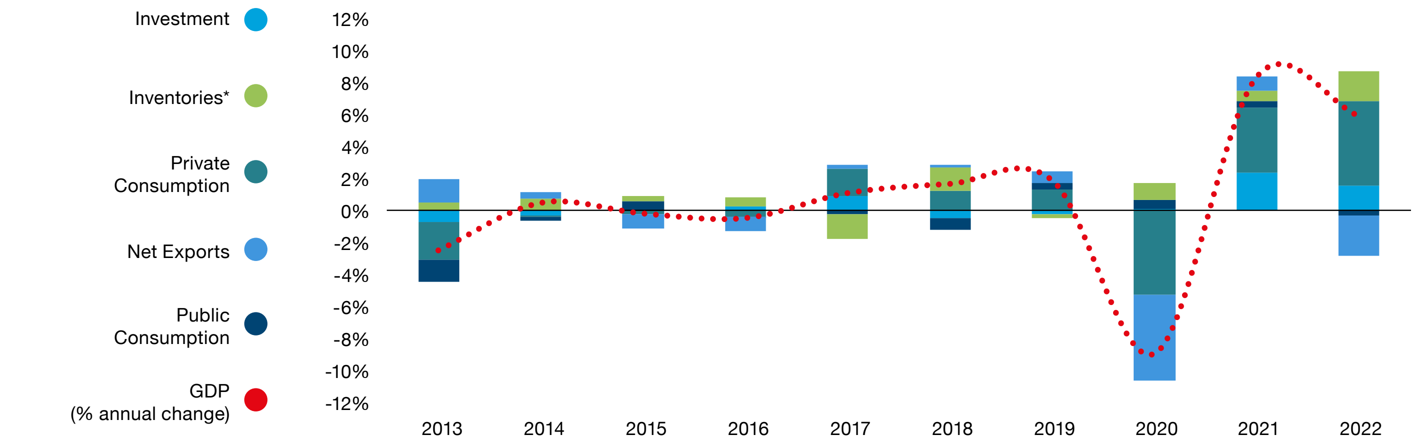
1

The Greek and the International Economy in 2022 and the Outlook for 2023

The Greek economy

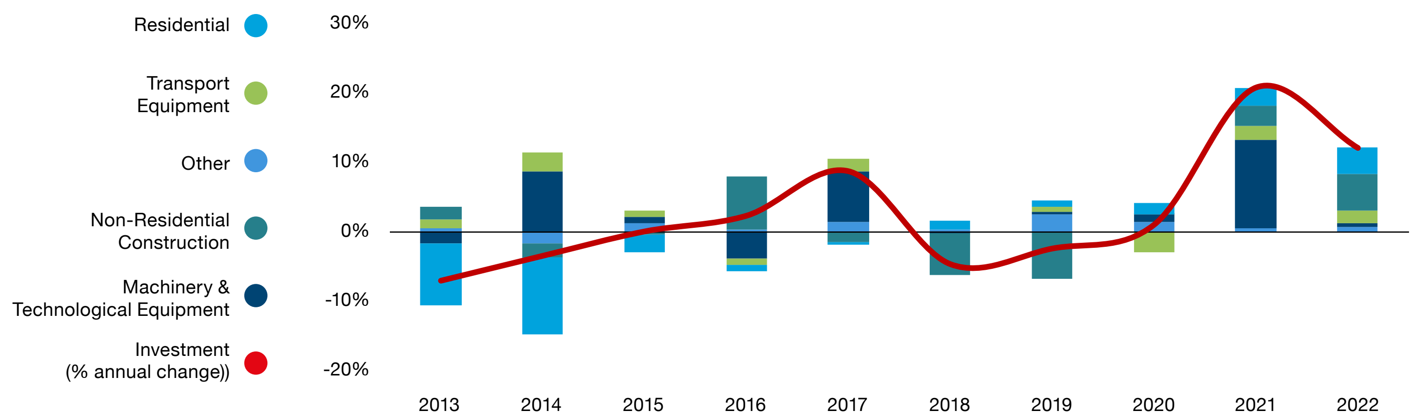
The recovery of domestic economic activity continued, in 2022, as GDP at constant prices expanded by 5.9%, compared to an increase of 8.4%, in 2021. Growth was driven by private consumption which rose by 7.8% adding 5.3 percentage points (pps) to overall output growth (Graph 1). Several factors contributed to this, such as the high propensity to consume in the post-pandemic era, the accumulation of savings during the pandemic, the notable growth in employment and the fiscal measures adopted to shield households against the rising energy costs. Inventories (including statistical differences) increased significantly during the previous year and recorded the second largest positive contribution to GDP growth (1.9 pps). Gross fixed capital formation increased by 11.7%, in 2022, contributing 1.5 pps to GDP growth. All categories increased, with residential and non-residential construction making the largest contribution to investment growth (Graph 2).

Graph 1. GDP contributions from the demand side



Source: ELSTAT *Including Statistical Discrepancies

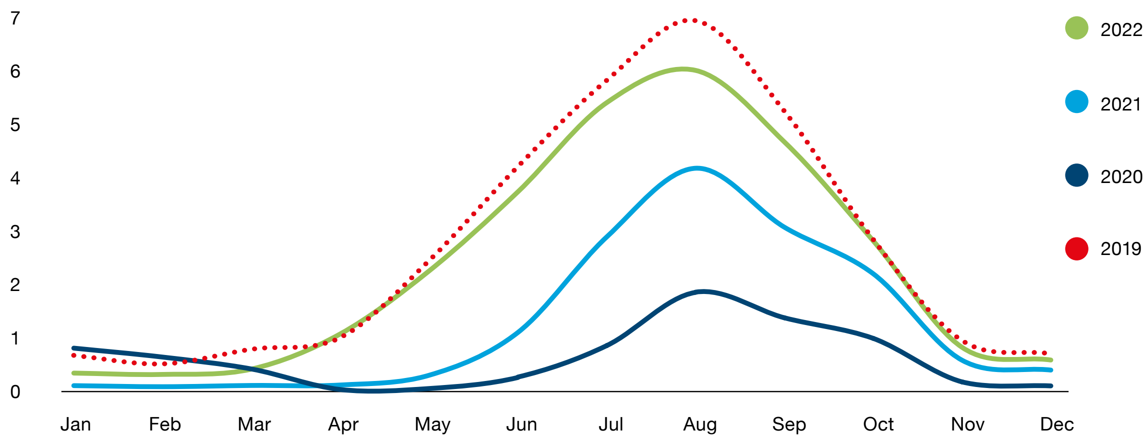
Graph 2. Contributions of investment components



Source: ELSTAT

In contrast, net exports weighed down the overall growth figure, subtracting 2.5 pps, as the rise in imports (10.2%), primarily of goods, was higher than the rise in exports (4.9%). More specifically, exports of goods increased marginally by 0.4%, while exports of services rose by 9.9%, mainly due to the high performance of tourism, which almost reached the 2019 levels in terms of arrivals (Graph 3). Imports of goods increased by 11.2% and imports of services by 7.2%. The rise in imports of goods is largely attributed to energy prices which increased sharply, in 2022, as Greece is a net importer of energy. However, it is also linked to the upsurge in investment, which concerns capital equipment, but also to the rise of imported consumer goods, which historically record an increase in Greece in times of economic expansion.

Graph 3. Tourist arrivals in 2019-2022



Source: Bank of Greece

In addition, the contribution of public consumption was negative by 0.3 pps, despite the fiscal interventions adopted by the Greek government against the rising energy costs, due to the phasing out of the pandemic-related fiscal measures implemented in 2021 (base effects). Solid growth dynamics, in 2022, supported by strong performance in tourism, the substantial rise in Foreign Direct Investment and the continued decline in unemployment, reflect the resilience of the Greek economy against the adverse external developments following the war in Ukraine, supply chain disruptions and inflationary pressures.

In 2022, Greece tapped successfully the international debt capital markets, raising in total Euro 8.3 billion, through the issuance of a new 10-year Greek Government Bond (GGB), in January and a new 5-year GGB, in July, as well as the re-opening of existing GGBs, in April, May, July, October and November. Borrowing costs, however, have risen worldwide, due to the elevated uncertainty stemming from the adverse effects of inflation. The spread of the 10-year GGB compared to the respective German GB, increased to 205 basis points (bps), on 31 December 2022, compared to 152 bps, in December 2021.

In April 2022 and January 2023, Standard & Poor's and Fitch upgraded Greece's sovereign credit rating by one notch, from BB to BB+ with a stable outlook (one scale below investment grade). In addition, the Athens Stock Exchange General Index recorded an increase, in 2022, by 4.1%.

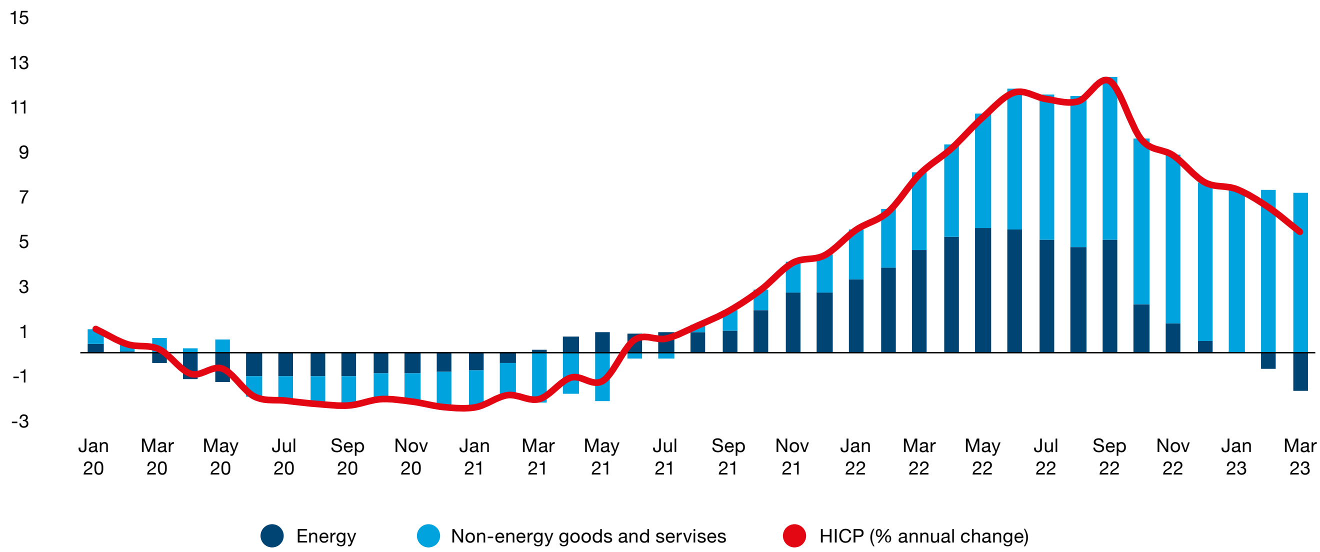
Fiscal support to households and businesses remained in place, in 2022, primarily to mitigate the negative impact of the rising energy costs and the inflationary pressures. According to the 2023 State Budget (November 2022), the interventions against the negative consequences of the energy crisis amounted to Euro 10.7 billion, in 2022, of which Euro 8.1 billion were related to electricity and natural gas consumption subsidy schemes. The total fiscal cost of these interventions, in 2022, amounted to Euro 4.8 billion, while Euro 5.9 billion were financed by the Energy Transition Fund.

Greece's primary balance, according to the European System of Accounts (ESA) methodology, was in deficit by 5% of GDP, in 2021, whereas according to the preliminary data (April 2023), it was in marginal surplus, in 2022 (0.1%). Based on the 2023 State Budget forecast, Greece will record a primary surplus of 0.7% of GDP, in 2023. Furthermore, the General Government Debt-to-GDP ratio is estimated at 171.3%, in 2022, from 194.6%, in 2021, and is expected to decline further to 159.3%, in 2023 (Governor's Annual Report, Bank of Greece, April 2023).

The Economic Sentiment Indicator (ESI), which is a leading indicator of economic activity, dropped to 103.8 units, in December, from 113.9 units, in February, due to the increased uncertainty arising from the Russian invasion of Ukraine, remaining however, above the European Union average (95.6 units).

Residential property prices continued to trend upwards, in 2022, by 11.1%. According to the latest available (provisional) data by the Bank of Greece, nominal house prices remained on an upward trajectory, in Q4 2022, rising by 12.2% y-o-y from 11.7% y-o-y, in the previous quarter, 10.4% y-o-y, in Q2 2022, and 9.9% y-o-y, in Q1 2022. House prices in Athens led the way, increasing by 13%, in 2022, followed by Thessaloniki (11.8%), other big cities (10%)

Graph 4. Contributions to HICP inflation: Energy and non-energy goods



Source: Eurostat, Alpha Bank Research Calculations and other areas (7.4%). Moreover, the increase in house prices of new apartments (11.8%), i.e., up to 5 years old, outpaced the rise in house prices of old apartments (10.5%), i.e., those over 5 years old.

Inflation, as measured using the Harmonized Index of Consumer Prices (HICP), remained on an upward trend in the first two months of 2022 and accelerated after the outburst of the war (Graph 4). The HICP rose, on average, by 9.3%, in 2022, compared to an increase of 0.6%, in 2021, mainly due to the rising energy prices globally, given that Greece is a net importer of energy, to supply chain disruptions and to shortages in raw materials. Harmonized inflation is expected to reach 4.5% in 2023, according to the European Commission (European Economic Forecast, Winter 2023).

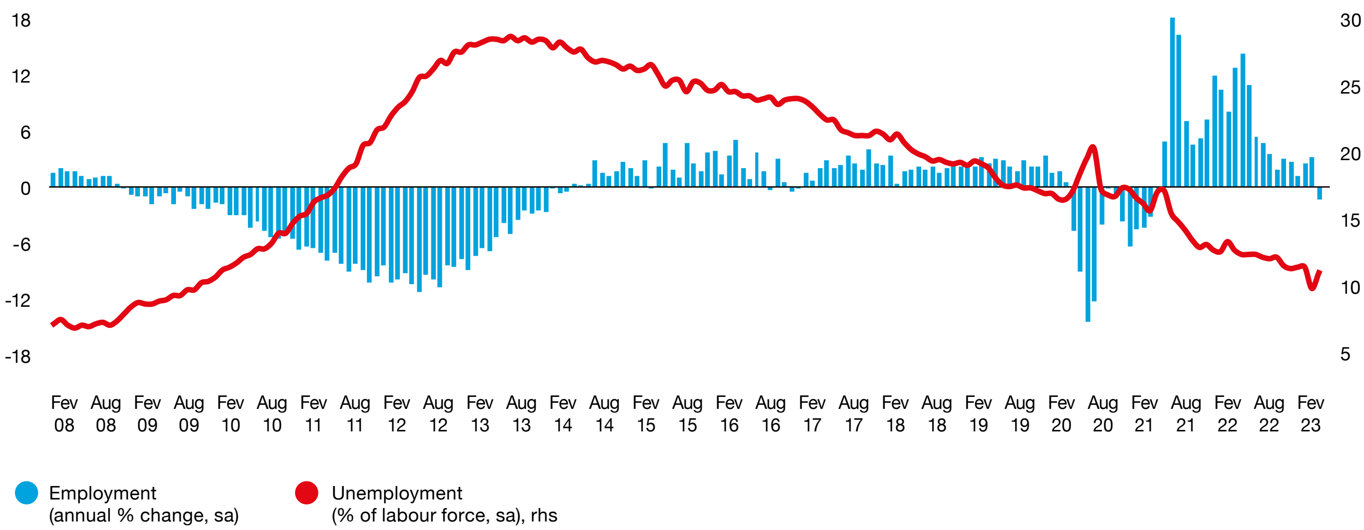
Labor market conditions continued to improve, in 2022, as the unemployment rate was equal to 12.4%, on average, compared to 14.7%, in 2021 (Graph 5). Employment grew by 5.4%, in 2022, whereas the unemployed persons and the people outside the labor force decreased by 13.6% and 4.6%, respectively.

TThe current account balance recorded a deficit of Euro 20.1 billion, in 2022, compared to Euro 12.3 billion, in 2021. The increase in the current account deficit was a result of the increase of the trade balance deficit (by Euro 12.3 billion) and, to a lesser extent, the decrease in the surplus of primary and secondary income balances (by Euro 2.1 billion in total), which were partly offset by a Euro 6.6 billion rise in the services' balance surplus.

According to the Governor's Annual Report (Bank of Greece, April 2023), Greek banks, in 2022, recorded profits, mainly due to lower credit risk provisioning, the decrease in operating expenses and the increase in operating income, primarily from non-interest-bearing operations. The Total Capital ratio (TCR) for the Greek banks, on a consolidated basis, stood at 17.5%, in December 2022, whereas the corresponding Common Equity Tier 1 (CET1) ratio reached 14.5%.

The system-wide private sector's deposits amounted to Euro 188.7 billion, in December 2022, of which Euro 141.3 billion were households' deposits and Euro 47.4 billion

Graph 5. Unemployment rate on a declining trajectory, the increase in employment



Source: ELSTAT

deposits of corporates. Net inflow of deposits by the private sector reached Euro 8.6 billion in 2022, mainly due to the increase of households' deposits (Euro 6 billion), which in turn is related to the significant employment gains (mainly in retail trade and tourism) and fiscal support to deal with the negative impact of the energy crisis. Total deposits in the banking system (private sector deposits and General Government deposits) amounted to Euro 196.7 billion, in December 2022, recording an annual increase of 4.5%.

The outstanding amount of total credit to the private sector in the domestic banking system amounted to Euro 115.5 billion, at the end of December 2022, while the annual rate of change (Bank of Greece data) stood at 6.3%. In particular, the annual rate of credit to non-financial corporations stood at 11.8%, in December 2022.

According to the latest data of the Bank of Greece, the Non-Performing Loans (NPLs) in the domestic banking system, at the end of December 2022, amounted to Euro 13.2 billion, reduced by Euro 5.2 billion compared to December 2021. The total NPL ratio reached 8.7%, at the end of December 2022, whereas the NPL ratio for the business portfolio (7.6%) was lower compared to the mortgage (10.5%) and consumer loans portfolios (18.1%).

The prospects of the Greek economy in 2023

GDP growth is expected to slow down, in 2023, due to the adverse effects of inflationary pressures on the purchasing power of households and, therefore, on private consumption and exports of services. The absorption of the Recovery and Resilience Facility (RRF) funds, along with the implementation of the Public Investment Budget (PIB) and the increased Foreign Direct Investment (FDI) flows, are expected to support real GDP growth, in 2023. According to the economic forecasts by the Bank of Greece (Governor's Annual Report, April 2023) and the International Monetary Fund (World Economic Outlook, April 2023), real GDP growth is estimated at 2.2% and 2.6% respectively, in 2023.

The rising contribution of investment to the future growth mix is reflected by: (i) the strong upward dynamics in FDI, which reached a new record level, in 2022 (2021: Euro 5.35 billion or 2.9% of GDP, 2022: Euro 7.22 billion or 3.5% of GDP), (ii) the expected sizeable injection of investment, in 2023, via the Public Investment Budget (PIB) and the Recovery and Resilience Facility (RRF), of Euro 15.3 billion in total, according to the 2023 State Budget, (iii) the prudent adjustment of labor cost in the current inflationary environment, which will enable businesses to tackle the negative impact of the energy crisis, and (iv) the expected de-escalation of the debt-to-GDP ratio, which will compress sovereign risk and increase business confidence.

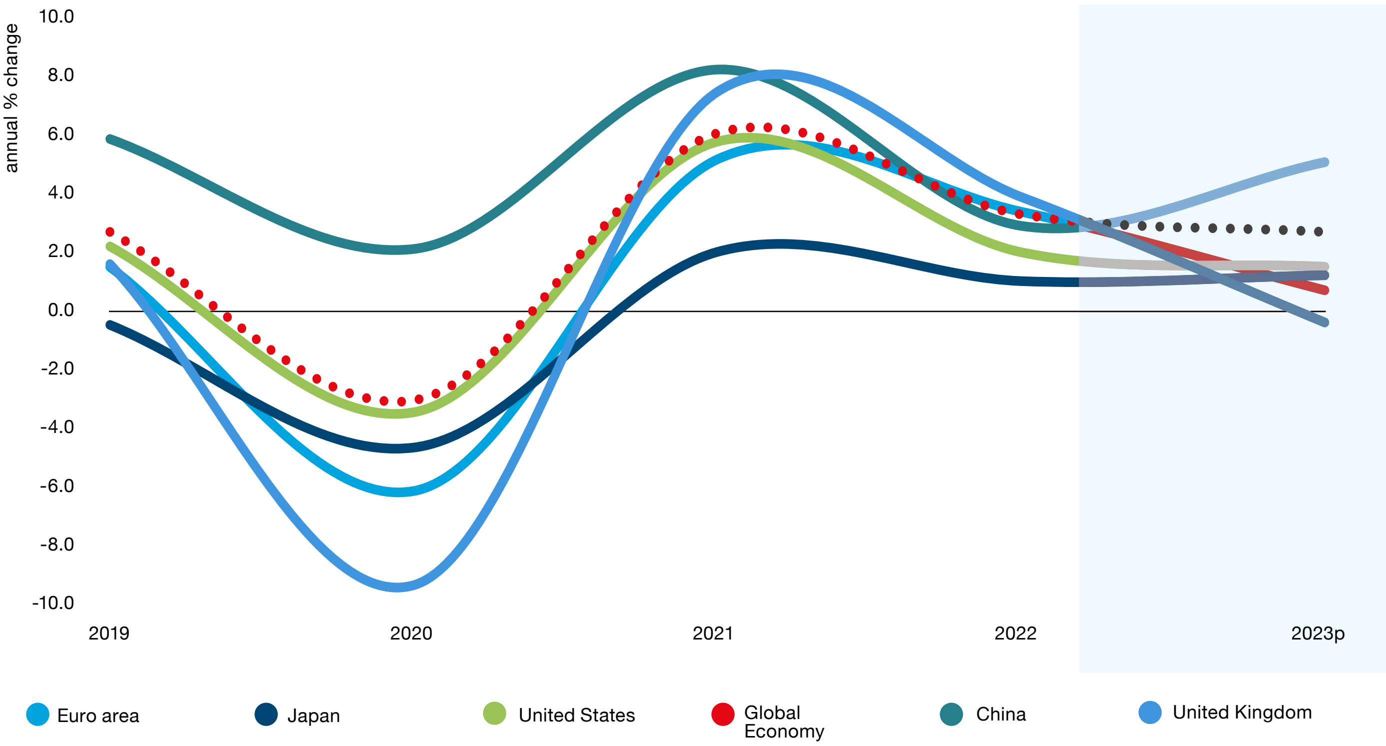
Downside risks to the 2023 domestic growth outlook are primarily related to the heightened uncertainty associated with the continuation of the war in Ukraine and, therefore, the adverse effects of potentially higher energy costs on households' disposable income, to the rising borrowing cost and its implications on debt sustainability, to the restrictive monetary policy, to the risks arising from delays in the absorption of the RRF funds and in the program's implementation and, finally, to possible delays in the implementation of reforms.

The international economy

In 2022, the Russian invasion of Ukraine, the strong inflationary pressures, China's zero COVID-19 policy, the energy crisis and the disruptions in the supply chain were the most significant challenges that the global economy was faced with. The United States of America (USA), China and the Eurozone, i.e., the countries which contribute most to the growth of the world economy, showed signs of slowing down, following the rapid recovery recorded in 2021.

More specifically, the growth rate of the global economy, in 2022, stood at 3.4%, compared to 6.3%, in 2021 (International Monetary Fund, World Economic Outlook, April 2023), reflecting the impact of the Russian invasion of Ukraine, the decline in real wages due to high inflation, the tightening of monetary policy and the disruptions caused to China's economic activity from the ongoing lockdowns and the wave of COVID-19 infections that hit the country (Graph 6).

Graph 6. GDP Growth Rates of selected countries



Source: IMF staff estimates

In 2023, the global economy is expected to slow down, as tight monetary policy, which is necessary to tame inflation, is expected to continue. The significant rise in borrowing costs has already increased the cost of living for households and expenses for businesses. According to the latest forecasts of the International Monetary Fund (World Economic Outlook, April 2023), global GDP growth, in 2023, is forecast at 2.8%, close to pre-pandemic levels. Supply chain disruptions are gradually smoothed out, while China's full reopening should support growth, to some extent, in 2023.

However, the growth benefits are expected to be short-term. In contrast, the impact of tighter financial conditions is likely to be felt almost throughout the global economy and particularly so on corporate investment. The disruption from the war in Ukraine is also likely to continue to weigh on global activity, both directly and indirectly, through uncertainty, food security and energy security risks, and significant changes taking place in commodity markets, as price caps and Western embargoes on Russian energy production come into full effect (Graph 7).

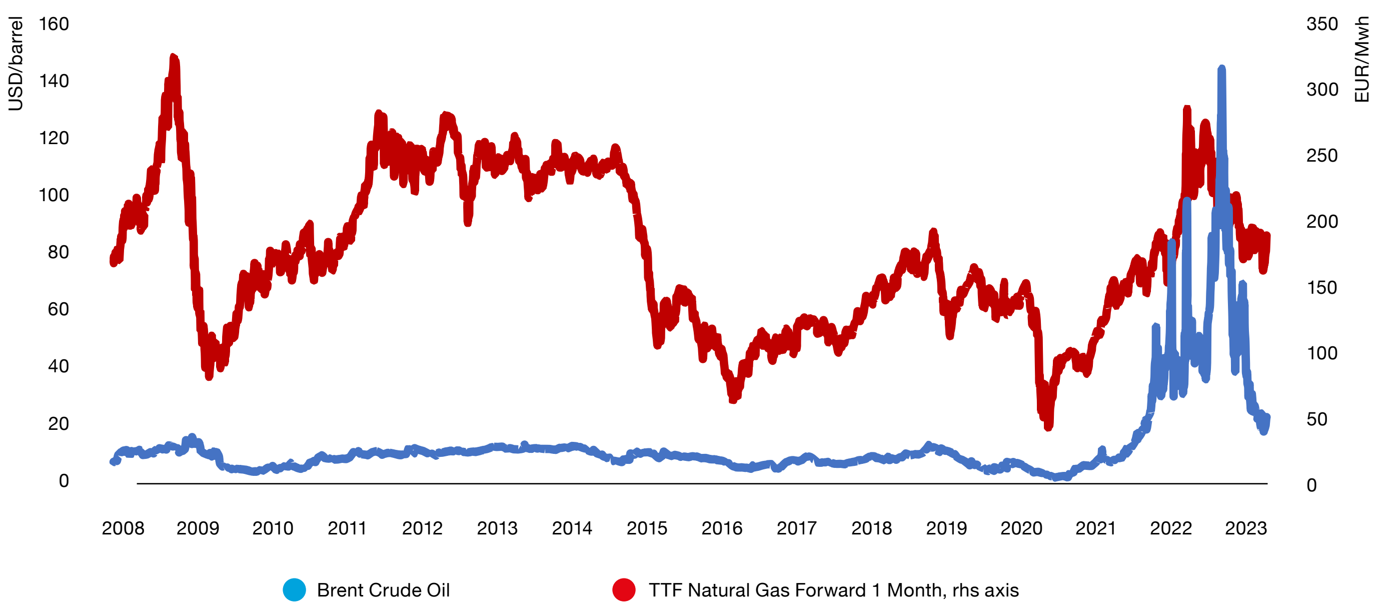
Global inflation increased rapidly, in 2022, reaching 8.7%, mainly as a result of imbalances between supply and demand, resulting in higher prices of goods and energy products. In 2023, inflation is expected to start moderating gradually, as the rapid and concerted monetary policy tightening, in place since the previous year, continues. However, core inflation remains high, driven by strong increases in services' prices and higher profit margins in some sectors. According to the latest International Monetary Fund (IMF) projections, global inflation based on the Consumer Price Index (CPI) is estimated at 7%, in 2023 (World Economic Outlook, April 2023), and is expected to remain above central bank targets until the second half of 2024 in most countries.

The combination of high inflation, low growth and excessive levels of sovereign and household debt could pose significant risks to the global economy. In addition, other sources of uncertainty, which may affect the global economy, are the following:

Firstly, the ongoing geopolitical tensions which maintain at high levels the uncertainty regarding the course of the war in Ukraine and its consequences for the global economy. Additional risks related to the war are the further deterioration of food security in emerging and developing economies and the increasing fragmentation of global value chains.

Secondly, the uncertain path and duration

Graph 7. Energy prices in deceleration



Source: Bloomberg

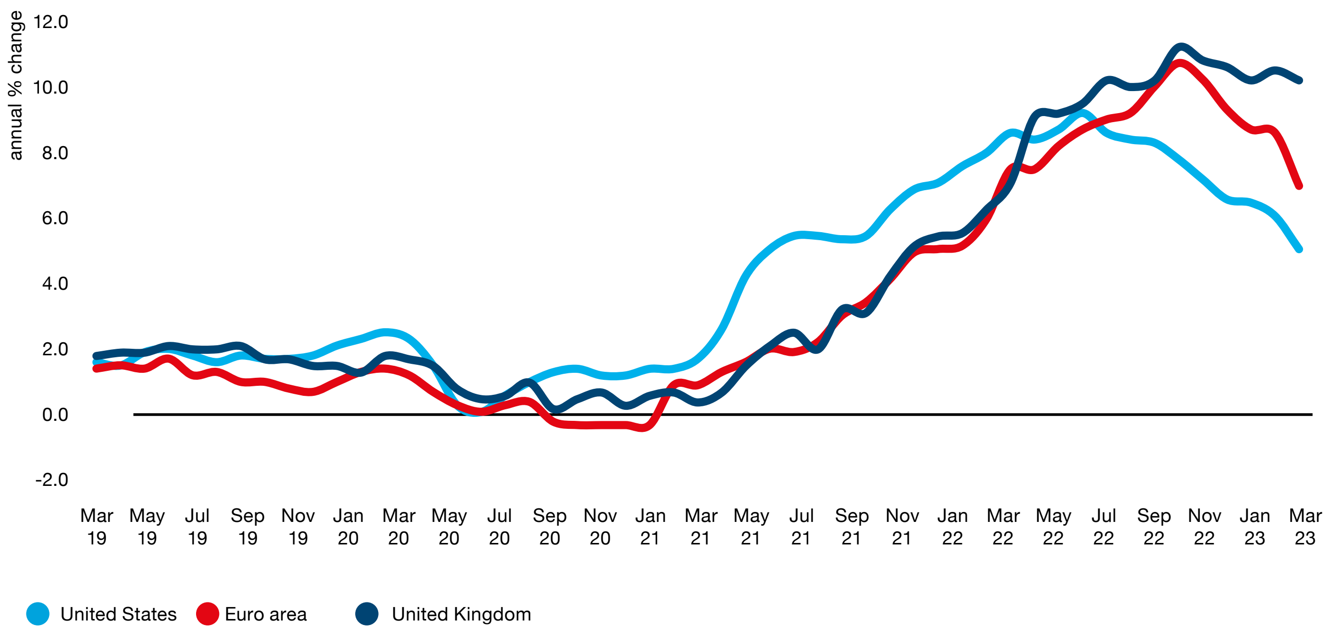
of the monetary policy required to bring inflation down. The continued increases in costs and profit margins, as well as the upward trend in medium and long-term inflation expectations, may force central banks to keep key policy rates higher for longer, causing greater volatility in international financial markets.

Thirdly, challenges remain in ensuring adequate storage levels of natural gas for the 2023-2024 winter. Supply from Russia, in 2023, is likely to be minimal, in comparison with the first months of 2022, and a possible recovery of demand in China could increase competition for the limited global supply of liquefied natural gas (LNG). This could push up energy prices again, leading to a renewed rise in consumer prices and to further economic slowdown.

In 2022, economic growth in the USA slowed down to 2.1%, from 5.9% in 2021 (IMF, World Economic Outlook, April 2023). Growth in private consumption and private domestic investment were the catalysts for GDP growth. According to the IMF (World Economic Outlook, April 2023), US GDP is forecast to grow by 1.6%, in 2023. US policymakers have to address both inflationary pressures and current shocks to the US financial system, which undoubtedly tests the strength of the economy. Moreover, the US labor market remains resilient, despite the prolonged high inflation and the historically tight monetary policy. The unemployment rate remains in a narrow range between 3.5% and 3.7%, as of March 2022.

After a long period of stability in prices, high inflation has returned in the USA. To tame inflation, the Federal Reserve Bank (FED) proceeded to seven consecutive increases of its key policy rate, by 425 basis points, to a range between 4.25% and 4.50% in 2022, while, in 2023, the key interest rate has already been raised by 50 basis points. Inflationary pressures (CPI) moderated in the second half of 2022, declining from a high of 9.1%, in June, to 6.5%, in December 2022. However, the de-escalation is slow (Graph 8), while the recent turmoil in the banking sector may worsen growth prospects.

Graph 8. Inflationary pressures ease slightly (Consumer Price Index)



Source: Bloomberg

In China, GDP growth contracted to 3.0%, in 2022, from 8.4%, in 2021, as the zero-tolerance policy on COVID-19, pressure on the real estate market and slowing global demand severely affected its course. In 2023, GDP is expected to grow by 5.2%, according to the IMF (World Economic Outlook, April 2023). The recovery of the Chinese economy is expected to make an important contribution to the growth of the global economy, in 2023.

In Japan, GDP grew by 1.1%, in 2022, compared to a 2.1% increase, in 2021, but remained below pre-pandemic levels. GDP is expected to grow by 1.3%, in 2023 (IMF, World Economic Outlook, April 2023), with structural challenges remaining in place as regards a more sustainable growth.

Economic growth in the euro area stood at 3.5%, in 2022, compared to 5.4%, in 2021 (IMF, World Economic Outlook, April 2023). As energy supply reaches satisfactory levels and energy prices gradually decrease, the energy market is expected to continue to normalize and real incomes to improve. With external demand also strengthening and provided that current financial market disturbances subside, economic growth is expected to recover from mid-2023 onwards, supported by a relatively robust labor market. However, the expected further increases in interest rates will increasingly affect the real economy, with additional dampening effects stemming from tighter credit conditions. This factor, along with the gradual withdrawal of fiscal support, is expected to weigh on economic growth over the medium term. Overall, annual average real GDP growth is expected to decelerate to 0.8% (IMF, World Economic Outlook, April 2023).

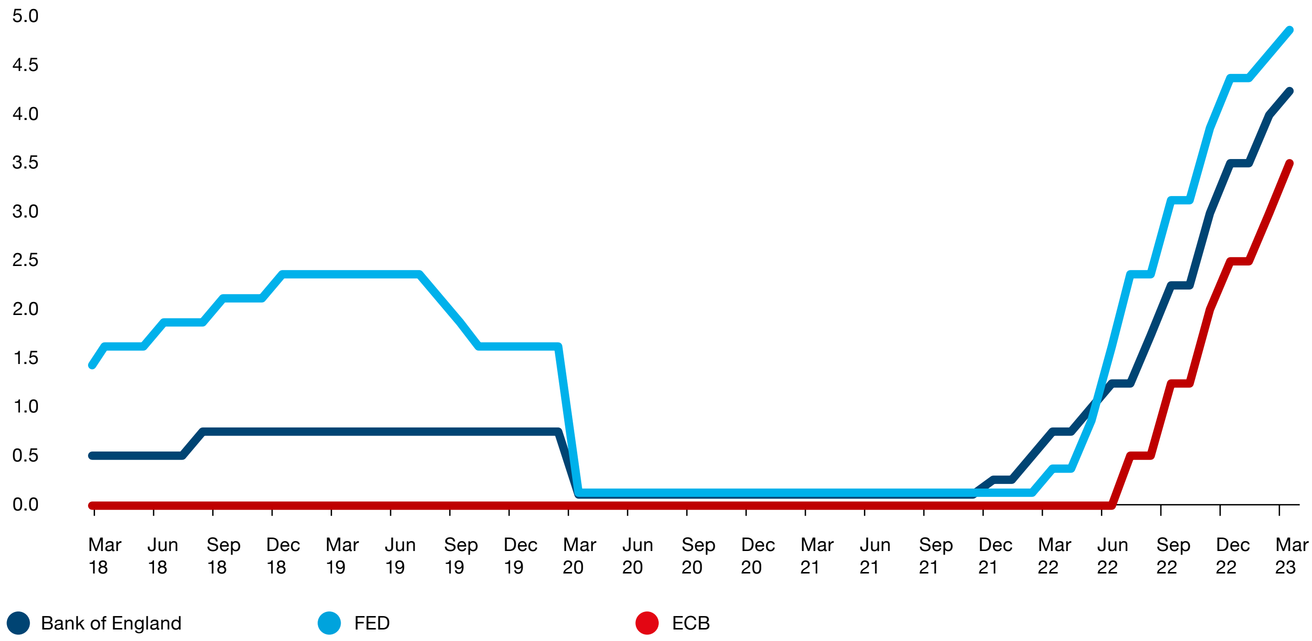
At its meeting in March 2023, the European Central Bank raised its key interest rates by 50 basis points and is expected to raise them further due to the upward revision of the inflation outlook (Graph 9). Harmonized inflation (HCPI) in the euro area stood at 9.2%, in December 2022.

The United Kingdom's GDP increased by 4%, in 2022, while the IMF (World Economic Outlook, April 2023) estimates that GDP is expected to contract by 0.3%, in 2023, as increased energy costs for households and higher interest rates are expected to weaken domestic demand. The Bank of England raised its key interest rate nine times, between December 2021 and December 2022, to 3.5%. The decision was catalytically affected by the sharp rise in inflation, due to high energy prices. Inflation (CPI) in the United Kingdom stood at 10.5% year-on-year, in December 2022, and 9.1%, on average, in 2022.

In 2022, the GDP of Cyprus grew by 5.6%. However, the economy is expected to be negatively affected by the deterioration of the external environment. The IMF (World Economic Outlook, April 2023) estimates that GDP will grow by 2.5%, in 2023. Harmonized inflation (HCPI) stood at 8.1%, in 2022, from 2.3%, in 2021, while according to the IMF, it is expected to decelerate to 3.9%, in 2023.

Finally, Romania's GDP grew by 4.8%, in 2022, with private consumption and investment being the main drivers of growth. According to the IMF (World Economic Outlook, April 2023), GDP is forecast to grow by 2.4%, in 2023, as investment is expected to support economic activity, driven by European Union capital inflows, particularly from the Recovery and Resilience Facility (RRF). Harmonized inflation (HCPI) stood at 12%, in 2022, while, according to the European Commission (Winter 2023 Economic Forecast), it is expected to stand at 9.7%, in 2023.

Graph 9. Central Banks Policy Interest Rates



Source:BIS

2

Business Units

The Alpha Bank group is one of the leading financial Groups in Greece and offers a wide range of quality financial products and services to individuals and businesses in the domestic and international market.

On 31.12.2022, the market share in deposits stood at 22.0%. It is worth noting that the Group also has an extensive loan portfolio that covers all key activity sectors of the Greek Economy. On 31.12.2022, the market share in domestic business loans stood at 22.7%, thus making the Group one of the market leaders in terms of Greek enterprises' financing.

The Group offers a wide range of financial products and services, encompassing retail banking, medium-sized enterprises' and large corporations' banking, asset management and private banking, the distribution of insurance products, factoring, leasing, investment banking, brokerage and real estate management.

The Retail Banking Business Unit covers all Individuals-Customers of the Group, self-employed professionals and small as well as very small enterprises. The Wholesale Banking Business Unit includes partnering medium-sized enterprises and large corporations, enterprises with multinational activities and shipping companies.

In 2022, Group loans amounted to Euro 39.9 billion, out of which 64% were wholesale loans, 23% mortgage loans, 6% small business loans, 4% consumer loans and 3% credit cards.

In 2022, new loan disbursements in Greece increased to Euro 8.6 billion versus Euro 5.4 billion in 2021, out of which 94% concerned business loans and 6% concerned loans to individuals. New business loan disbursements were mainly allocated to sectors such as transportation-shipping, energy, trade, manufacturing, and hotels-tourism.

The Alpha Bank Group is present in Southeastern Europe via the Group Companies that operate in Cyprus and Romania. Moreover, the Group is present in Luxembourg through the Luxembourg Branch and in the United Kingdom through Alpha Bank London.

With regard to the entire banking system, the balance of loans to the private sector stood at Euro 115.5 billion at the end of 2022, with a positive annual growth rate of 6.3%. With respect to the total credit to the private sector, 62% concerned corporate loans, 26% mortgage loans, 8% consumer loans and 4% loans to self-employed professionals, farmers and individual businesses.

Specifically, the balance of loans to businesses increased by 12.3%, on an annual basis, and stood at Euro 72 billion in December 2022, while credit to non-financial corporations increased by 11.8%, on an annual basis.

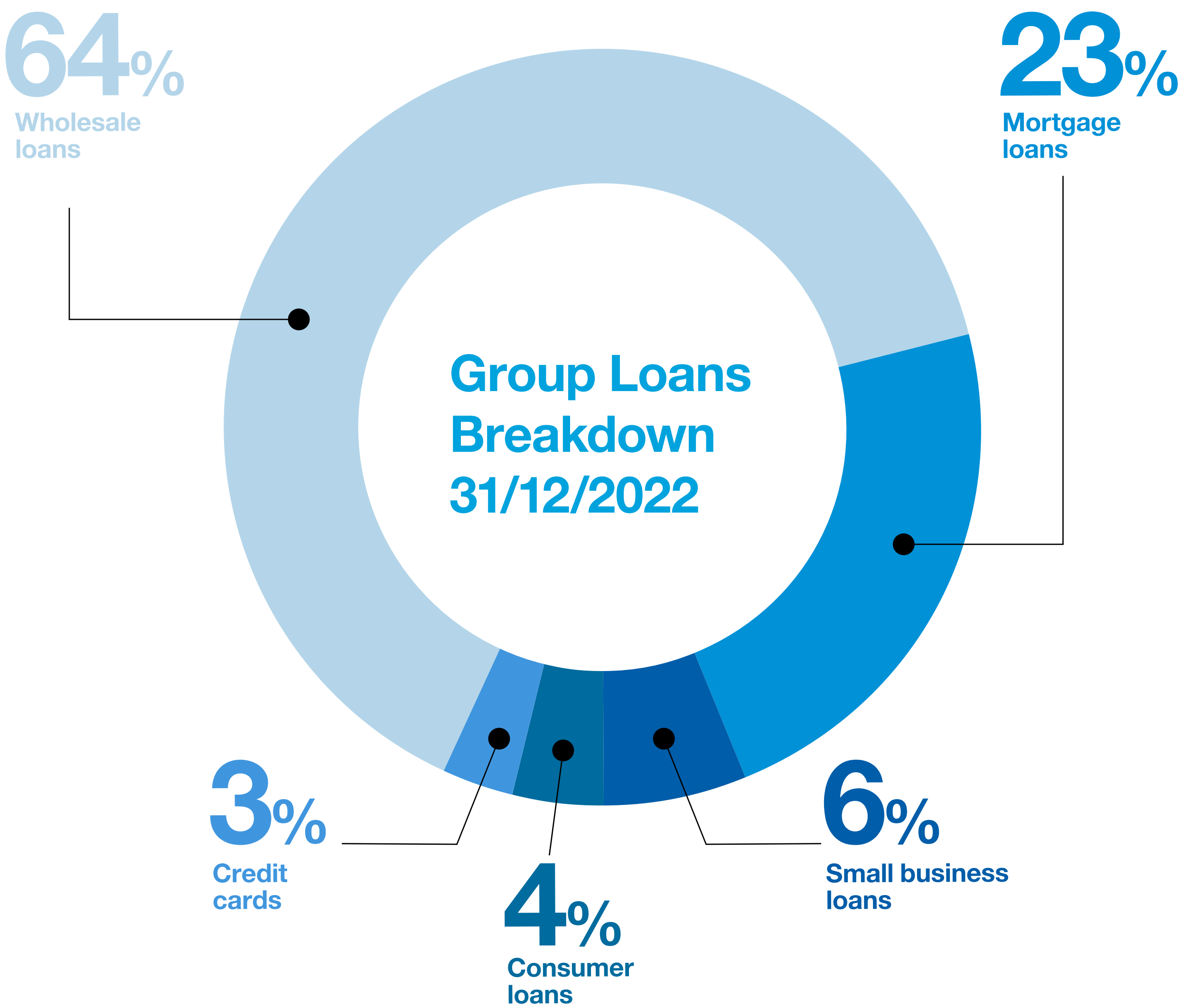
With regard to the evolution of loans to households, the negative annual growth rate stood at 2.5% in December 2022. Regarding each category of credit to households, mortgage loans decreased by 3.6% on an annual basis in December 2022, while consumer loans increased by 1.2% on an annual basis.

Finally, the negative annual growth rate of credit to self-employed professionals, farmers and individual businesses stood at 0.9% in December 2022.

New loan Disbursements (Greece)

Amounts in Euro million

	2021				2022			
	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022
Individuals	60	122	107	133	109	146	118	149
Businesses	1,055	1,049	1,431	1,452	2,252	1,766	1,861	2,174
Total	**1,115**	**1,171**	**1,537**	**1,585**	**2,360**	**1,912**	**1,979**	**2,323**



Retail Banking

Housing loans and consumer loans

During 2022, households faced a series of objective difficulties, both socially and financially, as this was a year of instability and uncertainty at global level.

The factors that affected the Greek economy were primarily the international energy crisis due to the war in Ukraine and, secondarily, the consequent high inflation rates. Furthermore, despite the relaxation of the public heath restrictions and protection measures, the unprecedented conditions brought about by the COVID-19 pandemic continued to have a negative effect on the economy.

Alpha Bank, demonstrating once again its increased social awareness, continued the series of actions to relieve the affected households from the consequences of the adverse global macroeconomic environment.

The state subsidy program "Gefyra" for supporting households affected by the COVID-19 pandemic, which Alpha Bank participated in, ended on 30.6.2022. The program provided state support in the form of subsidy, for a specific period of time, of the repayment instalments for loans secured by the borrower's main residence as collateral. Customer applications for inclusion in the program, submitted via the relevant online platform, stood at over 110,000.

The Greek Mortgage Loans market in 2022 closed with disbursements of c. Euro 1.2 billion, representing an increase of 37% on an annual basis. Alpha Bank's new disbursements increased by 24% compared to the production in 2021. During Q4 2022, demand showed signs of slowing down, mainly due to the gradual increase of interest rates.

Alpha Bank remains steadily and consistently on the side of households, continuing to offer competitive interest rates despite their back-to-back increases in the interbank market.

It is worth noting that Customer interest shows signs of shifting to fixed rates, which offer protection against possible Euribor fluctuations in the future. Indicative of this shift is that approximately 80% of the new loans in 2022 were disbursed at a fixed interest rate.

At the same time, given the Customers' positive feedback, the offer of the special privileges for the acquisition of a first residence was extended for the whole year. Thus, Alpha Bank continued to reward Customers who acquire their first residence with financing from the Bank, by offering particularly favorable terms, as well as insurance covers for the needs of all family members and Bonus point rewards.

Additionally, as part of the efforts for automation and digital transformation, the project for redesigning the housing loan approval process is in progress, aimed at improving customer service levels and the overall Customer Experience.

In the Consumer Loans sector, 2022 ended with disbursements standing at over Euro 210 million, registering an increase of 20% from 2021.

Key to this significant increase was the launch of the new consumer loan product "My Alpha Quick Loan" through the Bank's digital channels, which was accompanied by an advertising campaign, as well as the systematic training and further mobilization of the Branch Network Officers.

In an environment of rising interest rates, all consumer loan products of the Bank are offered at a fixed interest rate throughout the term of the loan, thus enhancing the Customers' sense of security in knowing that their financial planning will not be disrupted. Additionally, in 2022, despite the upward trend in interbank market interest rates, the Bank maintained unchanged its lending rates for new Consumer Loans.

Moreover, in the context of the European Requirements for Sustainability and Green Growth, the Bank continues to support and enhance its wide range of green loans, under the "Alpha Green Solutions" umbrella, which aim to meet needs such as the purchase or construction of energy efficient, sustainable new homes, the upgrading of the energy efficiency of existing ones and the purchase of an electric or hybrid car/bicycle, on particularly favorable terms.

For yet another year, in 2022 the Bank participated actively in state programs aimed at reducing the energy footprint, such as the “Exoikonomo 2021” program, the "Recycle-Change appliance" program and the “e-Astypalea” action. As the only bank present on the island of Astypalea, Alpha Bank is an key member of the local community, contributing to the authorities’ initiatives for creating a clean-mobility model island. For its participation in this action, the Bank received two gold awards at the “Hellenic Responsible Business Awards 2022”, in the “Responsible Product/Affinity Marketing/Cause-Related Marketing” and “Sustainable Cities and Communities” categories, as well as a silver award at the “Environmental Awards 2022”.

Finally, in 2022, the Bank maintained its strong market share in Consumer Loans offered through partnering merchants active in the car sales and other durable goods sectors, strengthening its sales team with new executives and leveraging its existing wide network of partners.

Cards

In 2022, the recovery of the economic climate and consumer behavior was disrupted by the energy crisis and the further rise in inflation brought about by the war in Ukraine. Amidst this turbulent market environment, Alpha Bank cards maintained their strong position in the Greek market. Continuing the upward trend of recent years and driven by the extraordinary, increased consumer needs, turnover in 2022 increased by 20% compared to 2021, representing a significant share of the card market, which for credit cards in particular stood at 39%.

An important contribution to the preservation of the Alpha Bank cards’ strong position came from the immediate response to the new environment by the Bank, which proceeded to selectively increase credit card limits of Euro 80 million for approximately 60,000 Customers, in March 2022. Additionally, cardholders were offered the option of paying energy bills, regardless of their amount, in six interest-free installments (December 2022).

In tandem with the above developments, the “Fuel Pass” state initiative (April 2022), involving the subsidization of payments for fuel was announced, followed by the “Tourism Pass for all” initiative (July 2022), aimed at strengthening domestic tourism by subsidizing accommodations throughout Greece. In the context of its strategy to provide innovative products and support the state’s initiatives to strengthen the economy, Alpha Bank responded immediately and became the only systemic bank to participate in those programs. The process for obtaining the Fuel Pass Visa and Tourism Pass for all Visa cards, through which the above financial aids were paid to the beneficiaries, was very simple: On the day after the beneficiary's request was submitted on the platform of the Ministry of Digital Governance, the Bank advised beneficiaries about how to log in to myAlpha Mobile, where they would find their card, which would be ready for them to use immediately for purchases in physical stores, after adding it to the digital wallets available by the Bank, as well as for online purchases. More than 530,000 beneficiaries chose Alpha Bank for benefiting from the “Fuel Pass” program and 140,000 beneficiaries for taking advantage of the “Tourism Pass for all” initiative.

In the merchant acquiring segment, there were significant developments during 2022. In particular, the Bank's merchant acquiring business entered a new era with the conclusion of a strategic partnership between the Bank and Nexi S.p.A. (“Nexi”), a leader in the European payments market.

Alpha Bank transferred its merchant acquiring

Business Unit, through a spin-off, to the newly established company Nexi Payments Greece. The transaction was completed in the middle of the year.

The conclusion of Alpha Bank's agreement with Nexi S.p.A., a leading European company in the payments sector and in the provision of innovative solutions, signals the intention of the two companies to join forces, in order to change the solutions provided to merchants in Greece and to mark the beginning of a new era in digital payments.

The turnover in the merchant acquiring segment stood at particularly high levels throughout 2022, continuing the upward trend of recent years. More specifically, the annual turnover was 26% higher than that of 2021, while the turnover of foreign cards increased by nearly 60%, reflecting the very significant increase in tourist volumes in the country. The new company, Nexi Payment Greece, closed the year with a share of 25%, the largest in the market, while it is the leader in the settlement of foreign card transactions with a share of nearly 47%.

Following the advent of the critical first quarter of 2022, the Bank, taking advantage of the gradual recovery of travel volumes, proceeded to a series of communication and promotional activities for the Aegean Bonus Visa product line, which has been developed in exclusive cooperation with AEGEAN and was commercially launched in 2021. Specifically, from March to May 2022, extensive advertising was carried out with the campaign “Aegean Bonus Visa cards bring you closer to your favorite destinations”, which contributed significantly to the growth of the Aegean Bonus Visa portfolio and put it at the forefront of co-branded payment cards in Greece. Moreover, during the same period, a Branch sales rally was carried out to boost the sales of new Aegean Bonus Visa credit cards and reward the Branch Network Officers. In tandem with the new products' promotion, a massive upgrade of the older Aegean Bonus Visa product to the new credit card products was performed, which was particularly well received by the cardholders. There was also remarkable consumer response, from both existing and new Aegean Bonus Visa cardholders, to the Grand Competition organized by the Bank (October-December 2022), offering rich travel packages as prizes. In summary, all of the above activities helped achieve a portfolio increase by approximately 10% and a transaction volume increase by approximately 60% during the year.

Maintaining its strong position in the field of innovation and digital payments is an ongoing goal for Alpha Bank, which was the first bank to launch Apple Pay (2020) and Google Pay (2021) in the Greek market. In the same spirit, Alpha Bank was again the first, among the country's systemic banks, to launch in the Greek market Xiaomi Pay for Mastercard cards, in June 2022. Through Xiaomi's innovative service, Alpha Bank cardholders and users of Xiaomi wearables such as smartwatches and fitness trackers, can make quick and easy contactless payments in physical stores.

Responding to the growing needs of modern Greek businesses for higher efficiency, speed in procedures and a smooth transition to the digital age, Alpha Bank presented, in December 2022, bizpay – the only integrated solution for the exclusively digital management of corporate expenses, offered by a Greek bank. The bizpay solution offers reloadable prepaid Visa cards to meet the daily needs of every business: general purpose bizpay, travel expenses bizpay and food expenses bizpay. The bizpay cards are loaded and un-loaded exclusively by the business, through myAlpha Web for Business. Moreover, with the bizpay app for Android and iOS devices, which is available free of charge, bizpay cardholders (employees and business partners) monitor their transactions and the available balance of their card, while they also submit the required supporting documents (receipts or invoices) digitally, as simple photos. Through the combined use of the bizpay app and myAlpha

Web for Business, the bizpay solution saves time for businesses and helps reduce in-house bureaucracy. At the same time, the food expenses card can replace the meal vouchers that many businesses offer to their employees as a performance reward. Finally, the reduction of the volume of various printed forms (receipts, invoices, etc.), facilitates the implementation of environmentally sustainable policies and allows companies to continue to operate effectively with a more positive environmental footprint. The commercial launch of the innovative bizpay solution was accompanied by extensive advertising.

At the same time, during 2022, Alpha Bank carried out significant promotional activities to support the sales of Energy Mastercard cards, which offered cardholders a 5% reward on the value of their purchases at the partner Shell stations for vehicle fuel and heating oil payments (February and December). In order to increase the sales of Affinity Mastercard cards and strengthen the cooperation with the ZARA Group stores, two promotional activities were carried out (Spring/Easter and Christmas 2022), during which Affinity Mastercard cardholders earned 5% on the value of their purchases at the physical and online Zara, Zara Home, Bershka, Massimo Dutti, Pull and Bear, Stradivarius and Oysho stores, while they also participated in draws for Zara gift vouchers worth Euro 100 each. The promotions of Affinity Mastercard cards were supported by radio and digital communication.

During 2022, the Bonus program maintained its momentum, showing an increase in the total number of Customers (+6%) and in the number of redeemers (+4%). The number of redemptions remained stable (at nearly 2 million redemptions), as a result of a well-planned annual action plan, maintaining the balance in redemption offers, but also in extra Bonus points collection promos, which meet the needs and wishes of the Bank's Customers. The development of the new Bonus App e-Coupons functionality, offered to Customers an additional redemption channel, which was extremenly well received and contributed significantly to increasing Customer engagement. In 2022, over 20,000 e-Coupon redemptions were made. The goal for 2023 is to further develop the new feature and to add more merchants, with even stronger redemption offers, giving Customers the opportunity to make redemptions more often and with fewer points.

In July 2022, the Bank upgraded the Alpha alerts service, in order to promptly inform Customers about the transactions that they make, so as to avoid cases of fraud, by introducing the sending of messages as Push Notifications to debit card Customers who are myAlpha Mobile subscribers and have activated the Push Notifications service on their mobile devices. These Customers have the possibility to receive, via Push Notifications, informative messages about their transactions as well as for other categories, such as the activation of their card, the management of their cards, etc. These particular messages are kept on the Customer's device for a period of 6 months. It is also worth noting that the upgrade to the Alpha alerts Service had a positive impact also on the reduction of the Bank's operating cost.

For 2023, our priority is to further develop card sales through digital channels and, in particular, to offer the possibility of issuing a credit card using the myAlpha Mobile Service, offering online and immediate response to our Customers' requests. At the same time, the effort to develop innovative solutions in the digital payments area will be continued, so that our Customers can reap the maximum benefits in terms of security and speed in their purchases, while also being supported in their effort to reduce their environmental footprint. Finally, the development of innovative products is planned to cover all the life stages of our Customers, such as families with children, thus offering competitive advantages to the Bank.

Customer Experience

The improvement of Customer Experience and its consolidation as a competitive advantage of the Bank is a strategic priority that aims to create long-term relationships with our Customers, foster loyalty and enhance the value they receive.

To this end, the Bank is implementing an action plan to ensure that our Customers receive the best experience in any interaction they have with us, as part of a wider change of culture.

In 2022, the development of Customer Experience Management was implemented systematically, aiming for a unified, high-level Customer Experience based on the following axes:

—Customer Experience Measurement and Insights

We designed and implemented a systematic measurement of Customer Experience at key “moments of truth” and “touchpoints”, which provided meaningful insights regarding Customer expectations and needs.

We monitor the Bank’s performance in this area, using appropriate Customer Experience metrics such as the Net Promoter Score (NPS), Customer Effort Score (CES) and Customer Satisfaction (CSAT), to highlight areas in which we are challenged and thus require implementation of corrective actions.

The synthesis of all available Customer feedback yields Customer Insights and identifies opportunities for improvement in all areas of the Bank’s operation. The resulting improvement actions are part of the “Voice of the Customer” program, ensuring maximum Customer feedback in every new design of a service or product by the Bank.

—Action Plan Development and Implementation

The Customers’ comments and suggestions are the primary means of understanding the points that negatively impact the Customers’ relationship with the Bank and the overall journey which defines their experience.

Monitoring and improvement of Customer Experience metrics is a core objective, ensuring that the redesign of experiences aligns with Customer expectations and translates them into corrective actions, where needed.

—Customer Experience Interventions

The conclusions of the measurements are incorporated into the design of new products and services, ensuring that the needs of the Customers related to the specific products and services have been analyzed and any failures have been resolved.

In the context of the implementation of the Customer Experience journeys “I lost my card" and "Complaints", we conducted interdepartmental workshops, as part of the interventions’ plan to reduce complaints in areas that create dissatisfaction with Customer Experience and to create new business models and practices that improve the Customer’s experience.

The deep understanding of the points that negatively affect the Bank's relationship with the Customer, highlighted further actions to be implemented to improve Customer Satisfaction by focusing on prevention, communication, empathy and care, and close loop relationship actions.

—Customer-Centric Culture Development and Enhancement

Providing a superior Customer Experience and achieving our goal can only be realized by mobilizing the entire ecosystem of the Bank, to the benefit of Customers, Employees and the Organization, with the creation and strengthening of our Customer-centric culture as a key starting point.

Customer Experience has taken on the role of catalyst for enabling implementation of this Customer-centric culture, working closely with all Units of the Bank and focusing on initiatives for the adoption of a shared attitude, which places the Customer at the heart of all our decisions.

In this context:

- NPS has been included in the Bank's target-setting framework, with a view to rewarding Staff in connection with their customer-centric behavior.
- In the context of the Customer Experience Academy, we created new training programs to empower Staff with Customer-centric skills, including a positive approach attitude, active listening, team collaboration and innovation.
- We organized co-creation workshops with emphasis on Communication issues and we developed guides with best practices and examples of handling Customer cases.
- We strengthened internal communications to support the dissemination of the Customer Experience principles and methodology, through newsletters, how-to-guides incorporating the Customer Experience Principles & Guidelines.

Deposit products

2022 was marked by the significant rise of inflation as a result of the energy crisis, which was aggravated by the war between Russia and Ukraine. The negative developments prompted the immediate and dynamic reaction of central banks, which proceeded to regular and drastic increases of their key reference rates.

At the domestic level, the banking system's liquidity increased significantly despite the adverse international conditions. In total, inflows of Euro 8.8 billion were recorded in 2022, versus an increase of Euro 16.8 billion in the previous year. Most of the increase recorded in 2022, namely Euro 6.2 billion, resulted from Individuals' deposits, while corporate deposits increased by Euro 2.6 billion.

Alpha Bank deposit balances increased significantly during 2022. In a challenging period for the international financial system, the Bank managed to absorb a significant percentage of market inflows, increasing its share of Customer deposits compared to the competition.

The constant strengthening of Bank's liquidity reflects the long-standing trust of its Customers in it. Its strong capital position, its long-term and stable presence in the Greek banking system, combined with the high level of service provided, are important factors enhancing its Customers' trust.

Alpha Bank offers to its Customers comprehensive and high-value options in terms of deposit products, which are constantly expanding and adapting to market trends. In this context, the Bank, in response to the significant increases in interbank interest rates that occurred throughout the year, developed the "Alpha Progress Plus" line of term deposit products, featuring a tiered interest rate, preferential average return, low initial deposit amount and flexibility in case of liquidity needs, as early withdrawal is available without penalty.

In terms of adapting to current market trends, the Bank's strategic choice to offer products and services that do not require Customers to visit a Branch, has led to a comprehensive range of options in deposit accounts, term deposits and deposit services, which are available via the myAlpha Web and myAlpha Mobile services, as well as via the Retail Onboarding service.

Regarding deposit interest rates, Alpha Bank, having evaluated the significant increases in the Eurosystem's reference rates, as these took place during 2022, proceeded to targeted interest rate increases in Q4 2022, thereby meeting its depositors' needs.

Bancassurance

The Bancassurance industry remained stable relative to 2021, with Alpha Bank increasing its market share by 1% and also achieving a

4% increase in insurance revenues, mainly through the creation of new insurance products adapted to the needs of its Customers and to market conditions.

In the General and Health Insurance sectors,, Alpha Bank, in collaboration with Generali Hellas, focuses on upgrading the level of service and developing Customer Experience, enriching with additional functionalities the alternative service channels available to our Customers. Seeking to establish itself in the Bancassurance sector in Greece, Alpha Bank builds on the innovative ideas of Generali Group and is initiating the expansion of digital sales, by bringing 20% of its products into the digital world. The Health and Property sectors remained two of the priority pillars for 2022, while the Business sector is being enriched with additional products, thus making available a holistic proposition to entrepreneurs. This proposition was completed with the addition of “Business Value”, a new group life and health insurance product.

In the area of pension-saving programs, Alpha Bank, in cooperation with AlphaLife, continued its upward trend, launching two new Unit Linked program issues, “Alpha Evolution ESG 95 I” and “Alpha Evolution ESG 95 II”, in July and December respectively. These are insurance-based investment products with lump-sum payment, which achieve returns by investing the insurance premium in a structured Mutual Fund under management by Alpha Asset Management. As they respond to the current conditions in the market, the Unit Linked products were particularly well-received by our Customers and were established in the product offering of the company, which nevertheless continued to offer the classic savings plans, being the only company to provide this option to its Customers in 2022.

Wholesale Banking

Small business loans

Initiatives for small businesses

In 2022, Alpha Bank implemented an integrated strategic framework to support entrepreneurship and enhance the competitiveness of Small Businesses, promoting modern solutions focused both on meeting the daily needs of Small Businesses and on strengthening their growth prospects.

At the end of 2022, the total balance of loans to Small Businesses (with credit limits up to Euro 1 million) stood at Euro 2.3 billion.

Alpha Bank Gold Business Banking

In 2022, Alpha Bank continued to successfully develop the “Alpha Bank Gold Business Banking” Service, in order to provide immediate and uninterrupted banking advisory services to the Service’s Businesses-members. The total portfolio of the Gold Business Customers increased by 20% compared to 2021.

The daily contacts of the Gold Business Banking specialized Branch RMs with businesses, strengthened by the extended usage of the digital communication channels (with nearly 500k messages sent in 2022 via email, SMS, Viber, etc.), helped create the best possible Customer Experience, building on advisory support and guidance and contributing to the successful implementation of the Customers’ business plans and the sustainable growth of their businesses.

Financial instruments in cooperation with national and European institutions addressed to small and medium-sized enterprises (SMEs)

Alpha Bank supports Greek entrepreneurship in practice, providing liquidity to Small and Medium-Sized Enterprises in order to enhance their competitiveness in the Greek and international markets.

More specifically, in 2022, as business activity began to gradually recover in the post-COVID era, Alpha Bank continued to stand on the side of businesses, deploying State and European financial instruments, in cooperation with the Hellenic Development Bank (HDB) and the European Investment Fund (EIF), in order to enhance their liquidity and help them smoothly adapt to new challenges after the COVID-19 pandemic.

— Action "Business Financing - Entrepreneurship Fund II" (TEPIX II)

In May 2021, the Bank, in order to further support businesses, made available again the Sub-Program (1) of the Action "Business Financing - Entrepreneurship Fund I" and the financing of investment plans in cooperation with the HDB, which continued throughout 2022. The Program involves the provision of loan financing for investment purposes to SMEs, for the implementation of new projects, enhancing the country's investment activity, with 40% interest-free financing due to the capital injection of Entrepreneurship Fund II (TEPIX II).

Until 31.12.2022, total disbursements amounted to Euro 30.15 million.

— "COVID-19 Business Guarantee Fund"

On 30.6.2022, the Bank's participation in the "COVID-19 Business Guarantee Fund" - Phase III program of the HDB ended. The Fund was created to support entrepreneurship and meet the increased liquidity needs of businesses due to the COVID-19 pandemic.

In particular, Phase III of the program was addressed to Micro-Enterprises which did not receive support under Phase I or Phase II of the COVID-19 Business Guarantee Fund, based on an agreement with the HDB signed in May 2021 for the Bank's participation in Phase III of the Fund, which concerned exclusively Micro-Enterprises and involved working capital financing with an 80% Guarantee from the HDB.

Until the completion of the disposition on 30.6.2022, Alpha Bank proceeded with disbursements of a total amount of Euro 23.15 million through the Program (Phase III).

— "Action of the Development Fund of Western Macedonia (TADYM)"

In June 2021, the Bank participated in another initiative of the HDB, addressed to Small and Micro-Enterprises operating in the Region of Western Macedonia (Florina, Kozani, Kastoria and Grevena) and affected by the COVID-19 pandemic. The "Western Macedonia Development Fund (TADYM)" provides financing to cover operational needs and expenses related to the transactional circle of the company, with 100% interest subsidy for the first two years and a 40% interest rate reduction throughout the duration of the loan, due to the interest-free capital injection by the HDB.

The Program was made available until May 2022 and total disbursements by the Fund amounted to Euro 3.17 million.

— "HDB-TMEDE Loan Guarantee Fund for Businesses"

In October 2021, a new Support Fund was added to the financial instruments and the Bank's partnerships with the HDB. The "HDB-TMEDE Business Guarantee Fund" is addressed to Small and Medium Enterprises of the engineering design and construction sector, which have undertaken the execution of a project and/or a study of a public project. Businesses may receive working capital financing of up to Euro 200 thousand, with an 80% Guarantee from the HDB.

After 30.6.2022 and following relevant amendments to the Program's institutional framework, the Program's availability was extended into 2022, incorporating businesses with eligible NACE codes and those wishing to undertake or having already undertaken the execution of a project and/or study of public interest, regardless of the stage of execution of the project or study, due to the force majeure conditions and the energy crisis caused by

Russia's invasion of Ukraine.

Until 31.12.2022, total disbursements amounted to Euro 2.49 million.

— "Innovation Guarantee Fund"

In September 2022, the Bank's financial tools were enriched with the "Innovation Guarantee Fund" Program, in order to strengthen the competitiveness of innovative newly established and existing Micro, Small and Medium-Sized Enterprises (SMEs), through the implementation of innovative investment projects aimed at:

- Product Innovation: creation and introduction to the market of a new or significantly improved product (good/service).
- Process Innovation: implementation of a new or significantly improved production process, distribution method, etc.
- Organizational Innovation: application of a new organizational method in the business practices of the company, in the organization of work or in the company's cooperative relations.
- Marketing Innovation: implementation of a new marketing strategy that requires significant changes in the design, packaging, positioning, promoting, and/or pricing of the product.

Interested companies that can document their innovative nature by satisfying one of the twelve innovation criteria set by the program, along with the other Eligibility Criteria, will have the opportunity to:

- Finance fixed and working capital expenses (connected exclusively to the innovative investment plan) on preferential terms, due to the guarantee provided at a rate of 80% on the loan capital
- Receive a grant of up to 20% on the disbursed loan, conditional on fulfilling specific Innovation Criteria and ESG Criteria, in the form of a reduction of the loan capital owed.

— "COSME (LGF) - Direct Guarantee" and "COSME COVID-19 Sub-Window"

In 2022, the availability of the "COSME (LGF) - Direct Guarantee" Guarantee Program for SMEs, with the Guarantee of the EIF, ended. The Bank provided increased liquidity to eligible SMEs, with reduced collateral requirements and favorable pricing. Within the framework of "COSME (LGF) - Direct Guarantee", throughout 2021, working capital financing arrangements of up to Euro 150 thousand were included in the COSME COVID-19 Sub-Program with an 80% Guarantee from the EIF.

Since the launch of the Fund's availability in April 2017 and until 31.12.2022, Alpha Bank provided eligible businesses with over Euro 742 million in financing under the Fund.

— "EaSI Microfinance Guarantee Facility"

As of November 2020 and throughout 2022, the Bank has made available the "EaSI Microfinance Guarantee Facility", addressed to Micro-Enterprises (with a turnover under Euro 2 million and with less than 10 employees), providing financing up to Euro 25 thousand without receiving additional collateral, due to the Guarantee provided by the EIF.

In addition, EaSI Microfinance provides, optionally, specialized advisory guidance, whereas Alpha Bank in collaboration with the "Perrotis College" of the American Agricultural School, offers numerous educational and vocational training programs, together with specialized support in agri-food entrepreneurship (process optimization, sales development, production improvement, development of new products and services, processing, standardization, rational resource management, etc.).

By 31.12.2022, total disbursements amounted to Euro 20.0 million.

— "Pan-European (Capped and Uncapped) Guarantee Funds"

In tandem with providing financing solutions to businesses for dealing with the negative effects of the pandemic, Alpha Bank, in cooperation with the European Investment Fund, launched in 2022 two new Guarantee Programs through the "Pan European Guarantee Fund". The new programs focused on key sectors of activity for the Greek economy and aimed to provide liquidity to SMEs that invest in their development through the implementation of new investment plans for the production or development of new, improved products, for adapting substantially differentiated processes or services, for increasing their productivity and competitiveness and, finally, for reducing their energy footprint.

By 31.12.2022, total disbursements amounted to Euro 495.35 million.

Through all the above financial instruments, Alpha Bank provides financing to eligible SMEs and contributes to the implementation of their investment and development plans to meet their working capital and credit requirement needs, with preferential pricing conditions. The Bank's objective is to strengthen quality entrepreneurship and enhance the competitiveness and extroversion of businesses, with emphasis on innovation and on the increase of domestic added value.

Alpha Agricultural Entrepreneurship

During 2022, Alpha Bank continued to strongly support the development of the primary sector through the "Alpha Agricultural Entrepreneurship" line of products, fully responding to challenges and opportunities by actively supporting entrepreneurship across the agri-food chain.

In 2022, the financing of Small Businesses operating in the agricultural sector (farmers and agricultural businesses) amounted to 3.6% of the total financing provided by the Bank to Small Businesses.

Alpha Bank, throughout the past year, continued to provide valuable assistance to the agri-food sector, supporting the production of agricultural products and the continuous upgrade of the level of food safety and quality, as well as the expansion of the export activity of primary sector companies.

Moreover, joining forces with the "Perrotis College" of the American Farm School, Alpha Bank enhances the competitiveness of agri-food businesses by providing specialized advisory services.

For the 8th consecutive year, the "Flexible Contractual Entrepreneurship Programs" operate successfully and constitute the most integrated banking programs regarding mediation and targeted funding both for individual farmers (farmers and stock breeders) and for processing/export/commercial enterprises associated with primary production. This type of financing constitutes a comprehensive proposal for servicing the agri-food sector and contributes to the creation of partnerships between farmers-producers and businesses-buyers involved in agricultural production, while at the same time it contributes to the rationalization of agricultural production, the modernization of the transaction cycle and the creation of an extended network of agribusiness enterprises, etc., thus strengthening the development of local markets.

With the "Flexible Contractual Entrepreneurship Programs", farmers/producers can cover high production costs when they really need to do so, and are also able to negotiate better purchase prices via a direct payback and improve the quality and quantity of their production, ensuring its disposal at a pre-agreed price. Buyers, for their part, secure the liquidity that they need, in order to purchase the required agricultural production and to pay farmers on time, building in this way healthy partnerships with the producers.

At the same time, farmers/producers can

expand to new markets by attracting new producers to the above-mentioned scheme.

A clear demonstration of the successful operation of these programs is the increase in the number of partner businesses, farmers and commercial agricultural supply enterprises that participate in the programs from all over the country.

Alpha Bank, in collaboration with the Ministry of Rural Development and Food, promoted for yet another year "Agro-Carta", an additional financing tool that enhanced the liquidity of a considerable number of farmers during the cultivation period of 2022, providing them with the opportunity to make advance payments on part of the agricultural aid (Basic and Green Subsidy) in order to meet their short-term working capital needs.

Farmers can use their cards for the following:

- Purchases of agricultural supplies (seeds, pesticides, feeding stuffs, etc.) and fuels.
- Payment of bills for irrigation fees, agricultural tariff electricity, etc.
- Payment of social security contributions [Greek Agricultural Insurance Organization (ELGA), Unified Social Security Institution (EFKA)], State and issuance of an insurance coupon for land workers.
- Coverage of fees for the submission of Applications for Agricultural Aid.
- Cash withdrawals (up to a specified amount).

Alpha Bank, seeking to meet agricultural needs with the best possible solutions, offers specialized financial solutions for the acquisition and modernization of the fixed assets of modern agricultural enterprises/ farms.

In 2022, Alpha Bank, in collaboration with businesses under the responsibility of the Wholesale Banking Business Unit, which are also leaders in the domestic agricultural machinery sector, provided specialized financing solutions that cover requirements in fixed assets (such as tractors, agricultural vehicles, etc.), in connection with the implementation of investments that have been included in Actions under the Rural Development Program or they have not been included in any development program.

These financing tools provide suitable repayment terms, considering the farmers actual needs based on the capacity of their farm holdings, as well as the seasonality of their cash flows depending on the cultivation period. With these programs, Alpha Bank provides support to farmers for renewing their agricultural equipment and for modernizing their agricultural and livestock raising farms, as well as for adopting the best cultivation practices and infrastructure.

In addition to funding, Alpha Bank supports farmers and agricultural companies in various ways, by offering, as part of the "Alpha Agricultural Entrepreneurship" line of products, the following:

- The deposit account "Alpha Premier Farmers", with a favorable interest rate for farmers who had declared this account as the one to be credited with their agricultural subsidy payments for 2022.
- A full set of specialized Agricultural Insurance Programs (insurance of crop production, agricultural vehicles, greenhouses, etc.) to manage many risks associated with the farm, ensuring its sustainability and development.

Green solutions for small businesses

In 2022, Alpha Bank adopted actions for environmental sustainability, social responsibility, and corporate governance. In this context, the Bank developed products focused on the protection of the environment and on tackling climate change as part of its efforts to integrate the ESG (Environmental, Social and Corporate Governance) criteria in its operations.

In line with the objective "A Clean Planet for all", the Bank offers the green product "Alpha

Photovoltaic", addressed to Small Businesses wishing to invest in the construction of Photovoltaic (PV) Stations with a power output up to 1 MW, to support Electric Power generation and sale. Alpha Bank's total funding for investments in small PV parks in 2022 amounted to Euro 4.1 million.

Ecosystem of Partnerships

Alpha Bank also offers a full package of services across all green entrepreneurship sectors, covering sustainable investments, through the Ecosystem of Partnerships (specialist consultants, suppliers and PV Station construction contractors).

—Indicative services provided

- Advice and know-how related to the investment's return
- Design/study of the installation area and equipment
- Economic viability of the project
- Formalities
- Project implementation

—Benefits

- Complete view of the investment and of the Internal Rate of Return (IRR)
- Comprehensive investment planning, from the design/study stage to the implementation of the project
- One-stop-shop solutions, at no extra charge
- Fast and flexible procedures
- Assurance of the implementation of profitable investments

Other activities

The promotion of the "Alpha in Business" line of financing products to Small Businesses continued during 2022, with the Bank responding effectively to new applications for financing short-term working capital and/or investments in business premises and equipment.

Additionally, the "Alpha Smart Hospitality" Service promotes sustainable development, supporting with financial resources the targeted development of Greek entrepreneurship, providing methodical, substantial and comprehensive planning, in alignment with sustainability requirements and taking into account the available resources and goals of each individual business and the emerging trends in the hospitality sector.

With the "Alpha Smart Hospitality" Service the Bank provides a complete package of high added value services:

- Banking consulting and technical support at all stages of the investment, through the Bank's specialized Ecosystem of Partnerships.
- Smart solutions for energy upgrades and digital transformation, which optimize the financial management of the business
- Choice of the most appropriate development financing tool, depending on the investment plan and the expectations of the business owner.

With the "Alpha Smart Hospitality" Service, the Bank supports effectively the plans of businesses for enhancing their productivity and innovative capacity, for integrating digital technologies and green development practices, as well as for strengthening their extroversion.

Large corporations finance

2022 was essentially the first post-pandemic period, which nevertheless was affected by the geopolitical tensions and the war in Ukraine. The armed conflict and the consequent economic sanctions have exacerbated the already strong inflationary pressures through further rises in energy prices and a new wave of medium-term price increases in metal commodities and basic consumer goods, notably in the food supply chain, resulting to rising prices and interest rates.

In this macroeconomic environment, Alpha Bank continued to support its Customers, meeting their financial needs in a timely and effective manner, in line with the relevant credit criteria and the regulatory framework. Taking advantage of its available product offering and strong liquidity, the Bank submitted proposals to its Customers on a regular basis for the financing of increased working capital needs while, at the same time, it continued to support the businesses' investment plans under preparation with appropriate structured financial proposals, either on a bilateral or on a syndicated basis, focusing on investments that reduce the environmental footprint of companies and contribute to sustainable development within the framework of the ESG principles.

Moreover, in an environment of increased financial volatility, the Bank presented its Customers with proposals on hedging strategies and products, designed to mitigate the risks from the rising interest rates, as well as energy costs.

It is noted that the Bank was actively engaged in supporting its corporate Customers with advisory services and co-financing loans under the Recovery and Resiliency Facility (RRF), thus strengthening their capacity for implementing investment plans and developing their business.

At the end of 2022, the total balance of the Division's loans to large corporations amounted to Euro 3.9 billion, whilst the respective balance of letters of guarantee and letters of credit stood at Euro 1.9 billion, signaling its determination to support the growth of the Greek economy by financing the Greek enterprises.

As a result of the above, Alpha Bank was able to sustain the high quality of its loan portfolio and its satisfactory profitability. For the Bank, the increase in the income from fees and commissions from ancillary business and in the net interest income from asset-liability management, remain core strategic choices for its growth.

For 2023, the Bank's main objectives are the following:

- The provision of high-quality services that will consistently improve profitability, in tandem with the effective management of its portfolio and the mitigation of credit and operational risks.
- The selective expansion of its portfolio with Customers with acceptable credit risk profile and strong growth potential, focusing on Customers active in export-oriented sectors, in development projects and in projects which actively contribute to the reduction of their environmental footprint.
- The optimal utilization of the funds under the RRF, as well as under State and other guarantee or co-financing programs (e.g., in cooperation with EIB, EBRD) for financing private investments, which Greek enterprises need in order to proceed with their business transformation and be able to cope with the current and future economic challenges.

Hospitality and island enterprises finance

In 2022, tourism rebounded to pre-pandemic levels (far outstripping initial expectations), impacting positively on the Customers under management by the Hospitality and Island Enterprises Division, whose majority managed to recoup their 2019 sales figures and, in certain cases, to even exceed them, on the back of the successful completion of their investment plans. These developments helped maintain operating profitability high levels, despite the adverse effect of rising operating costs (on account of the increases in raw materials and fuel prices, as well as in labor costs).

Throughout 2022, the Division monitored closely the Customers' needs, so as to be able to proactively address the emerging investment needs of both new and existing

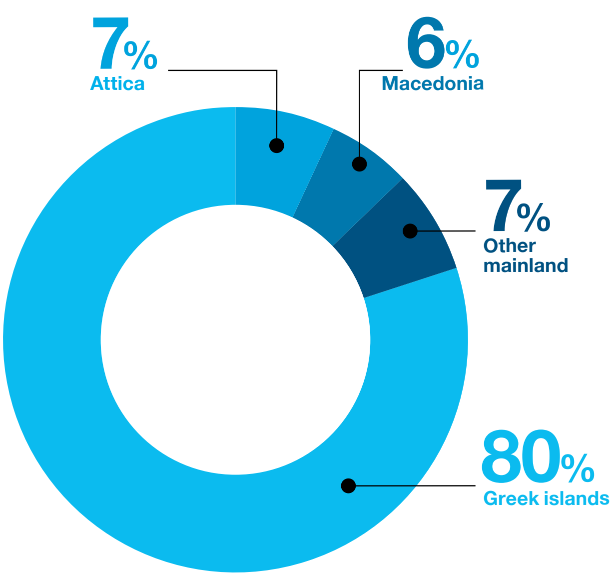
Customers. More specifically, as of the second half of 2022, the Hospitality and Island Enterprprises Division informed all Customers about the opportunities opened up by the Recovery and Resilience Facility (RRF), so these could be leveraged for securing funding for mature investments, while in the last quarter of the year the Division's efforts also focused on increasing approvals for investments that would apply for funding under the new Development Law 4887/2022.

From the second half of 2022 onwards, the rising interest rates, coupled with the anchoring of deposit rates at particularly low levels, led to a surge in repayments by Customers with increased liquidity, which thus reduced their bank borrowing levels. Added pressure from competition was also recorded and accordingly, in order to remain competitive and maintain its market position, the Division proceeded to a judicious reduction of its Customers' lending rate margins.

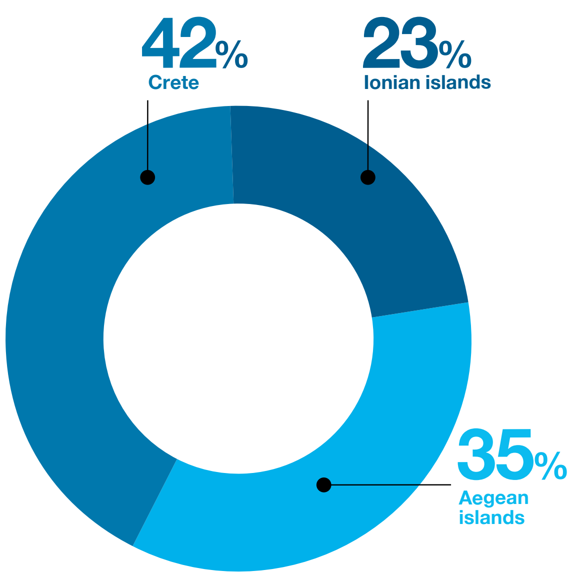
On 31.12.2022, the total credit balances under management by the Hospitality and Island Enterprises Division's stood at approximately Euro 2.2 billion, including letters of guarantee, letters of credit and lending to Division's Customers by the Bank's subsidiaries in Greece and abroad, while new business loans amounted to approximately Euro 630 million. The high annual rates that the Division maintained in terms of new financings, is proof of the tangible support it provides to its Customers for strengthening their liquidity and implementing their investment plans, so as to contribute to the further growth of the tourism sector and to enhance its already positive prospects.

The graphs that follow present the geographical distribution of the Division's Customers:

Distribution of credit balances in regions (%)



Distribution of credit balances in the Greek islands (%)



According to the latest estimates, 2023 is expected to be a new record year for the Greek tourism sector.

The Hospitality and Island Enterprises Division continues to monitor the needs of the business active in the sector as well as the overall situation in the market, offering targeted solutions that draw on the Bank's existing financing products, as well as on new financing products that combine funding by the RRF, the new Development Law or other initiatives supported by supranational organizations (EIB, EIF, etc.).

Moreover, steps are being taken to maintain and increase the deposits of the Division's Customers with the Bank, by offering higher interest rates for term deposits, taking always into account the Euribor increases. Finally, the Division aims to expand the use of alternative channels for its Customers' transactions, by improving service quality in this area.

Shipping finance

The Bank has been successfully involved in shipping finance for over 25 years, providing also specialized products and services (fund transfers, branch operations, hedging solutions, etc.) to Greek-owned ocean-going shipping companies and coastal shipping companies.

Alpha Bank remains one of the main lenders of Greek shipping, as during 2022, approximately Euro 1.2 billion of new loans were provided to existing and new Customers. On 31.12.2022, the shipping loans portfolio stood at almost Euro 3 billion, out of which approximately 42% concerned financings of bulk carriers, 39% of tankers, 10% of container carriers and 9% of LNG carriers and coastal shipping.

Despite the fluctuations in the freight markets and the world economy, Greek shipowners continue to demonstrate their commitment and strong position in the shipping industry. Bank lending remains the primary means of raising funds and the Bank will continue to aim for the best possible response to its Customers' needs.

Leasing

The total interest income for the Group Company Alpha Leasing stood, in 2022, at Euro 9.5 million, down by 19.2% compared to 2021 (Euro 12.3 million), mainly due to the selective deleveraging of the balance sheet and the settlement of debts related to existing leasing contracts. Nevertheless, the production of new contracts stood at Euro 59.7 million, versus Euro 83.1 million at the end of the previous year. The portfolio of accounts receivable from leasing agreements prior to impairment amounted to Euro 531.0 million versus Euro 585.5 million at the end of 2021.

Maintaining a strong coverage ratio led to a further increase in provisions for the impairment of bad debts by Euro 53.6 million (2021: Euro 23.1 million). Thus, total provisions were further strengthened, standing at the end of 2022 at Euro 270.7 million and accounting for 51.0% of the portfolio versus 34.4% in 2021 (Euro 217.1 million). Maintaining adequate provisions for credit risk and ensuring solid capital adequacy remain the Company's primary objectives, in order to effectively cope with the crisis. Alpha Leasing's strong capital base ranks it first in the leasing sector.

In this environment, the Company continued to actively manage its leasing contracts portfolio in 2022, focusing on finding solutions to immediately address the financial difficulties that Customers face through debt restructurings and settlements, while also obtaining additional collateral in order to protect the Shareholders' interests and the viability of its Customers' businesses. In addition, organizational, procedural and regulatory changes were introduced and promotional activities were carried out, despite the Company's intent to selectively acquire new business.

Drawing on the experience gained over the previous years, while at the same time applying a prudent pricing policy, Alpha Leasing supports its Customers by providing credit facilities to sectors of the economy with significant growth prospects in the coming years and by developing solutions to help Customers who experience difficulties in servicing their debts.

Factoring

ABC Factors has been a member of the Factors Chain International (FCI) since 1995 and of the International Trade & Forfaiting Association (ITFA) since 2006, regarding forfaiting services. In addition, in 2009 it became a founding member of the Hellenic Factors Association (HFA).

The main developments that had a major impact on the Company's activities during 2022 were the following:

- The increased uncertainty about the prospects of the world economy, due to the armed conflict between Russia and Ukraine.
- The consequent increase in energy prices, as well as the cost of raw materials.
- The increase in reference interest rates as a result of the inflationary crisis.
- The planning and implementation of the acquisition, by Alpha Bank, of the portfolio of companies financed through the discounting of their commercial receivables from credit cards.
- The extension of the strategic cooperation with the European Bank for Reconstruction and Development (EBRD) for a credit line of an additional Euro 20 million, in order to provide liquidity to SMEs.
- The project for the installation of the ABC FACTORS e-services platform, in the context of the Company's digital transformation, as part of the Group's transformation program:
  - Completion of the project stage concerning the upgrade of the existing core system of the Company (Proxima).
  - Completion of the functionality tests of the ABC FACTORS e-services platform and of the onboarding module.
- The installation and configuration of the GALAXY accounting software (SINGULAR), replacing the Commpak Win accounting software (SINGULAR), to enable the automatic extraction of tax files, and its interface with the platform of the Independent Authority for Public Revenue (my Data).

The Company's turnover (volume of factored receivables) increased by 43.27% in 2022 compared to 2021 and stood at Euro 6,705,404,642.36 (88% domestic, 12% international), sustaining the Company's dominant position in the Greek factoring services market.

During 2022, the average balance of discounted receivables increased by 45.18% compared to 2021, while the total balance of advances to Customers before impairment as at 31.12.2022 stood at Euro 722,492,587.55, increased by 23.51% compared to 31.12.2021.

The Company maintained its profitability in 2022, with earnings before tax standing at Euro 10,688,500.10, increased by 3.68% compared to 2021.

Non-performing receivables from Customers on 31.12.2022 remained stable compared to 2021 and stood at Euro 5,426,456.79.

Following the implementation of the Company's "Impairment Policy for Receivables from Customers" and the implementation of the new International Financial Reporting Standard (IFRS) 9 "Financial Instruments" (Regulation 2016/2067/22/22.11.2016), the percentage of impaired advances to Customers stood at 0.75% of the total balance of advances to Customers through receivables discounting as at 31.12.2022 (Euro 5,401,750.74).

The Company has established a framework of thorough and prudent management of all kinds of risks, in line with the best supervisory practices. This framework is based on the common European legislation and the current system of common banking rules, principles and standards, is improving continuously over time so as to be applied in a coherent and effective way in the daily conduct of the Company's activities and is enhancing the effectiveness of its corporate governance.

During 2022, the Company took all necessary and appropriate measures in order to protect itself against all types of financial risks. The main objective of the Company during 2022 was to maintain the high quality of its internal corporate governance and to ensure its compliance within the regulatory and supervisory provisions on risk management.

Having as its main objective the implementation and continuous improvement of this framework, the Company placed great emphasis on minimizing its exposure to market risk (interest rate risk), credit and operational risk, as well as to liquidity risk and cash flow risk, all of which are monitored by the relevant competent Units.

The capital adequacy of the Company is supervised by the Central Bank of Greece, in accordance with the Bank of Greece's Executive Committee Acts 193/1&2/ 27.09.2021, to which the required data are submitted in accordance with the Bank of Greece Governor's Acts 2651/20.01.2012.

The Company offers the following services:

- Domestic Factoring with Recourse
- Domestic Factoring without Recourse
- Reverse Factoring
- Invoice Discounting
- Accounts Receivables Control, Management and Collection
- Import Factoring
- Export Factoring
- Forfaiting

Prospects for the Company

The growth rate of the Greek economy is expected to slow down in 2023 compared to 2022, given the geopolitical developments, the cost of energy –albeit at lower price levels– and the increases in product prices as well as in reference interest rates. The hike in reference interest rates in particular, pushes the cost of financing upwards and might lead to a slowdown in economic activity, while it also gives rise to pressure for the de-escalation of spreads, mainly from Corporate Customers.

However, the positive developments that occurred in 2022, such as the improvement in tourism receipts, the resilience of the labor market, the attraction of investments in Greece by large foreign companies and the upgrade of the credit rating of Greek sovereign bonds, in combination with the decreasing dependence of the Greek economy on Russian natural gas and the proportionally high inflow of funds from the Recovery and Resilience Facility (RRF), act as safeguards which could help avoid negative macroeconomic scenarios and a recession in the economy.

In this environment, the Company has set the following main objectives in order to strengthen its financial position:

- Further increase of both its market share and its sustained high profitability, taking advantage of market conditions and of the continuously growing acceptance of factoring.
- Providing tailored products to Customers, acting as a reliable advisor and partner supporting their business plans.
- Emphasis on further promoting tailored Supply Chain Finance services (reverse factoring, non-recourse factoring, forfaiting), in order to satisfy the multiple needs of the trading parties active in the physical supply chain.
- Expanding to sectors of the economy with prospects of growth, such as telecommunications, energy and to sectors dependent on the current crisis (where the Company has developed specialized

"products"), to the trade of raw materials and the provision of services to industrial and manufacturing units.

- Further growth regarding credit card's receivables installment discounting services.
- Extension of the strategic cooperation with the European Bank for Reconstruction and Development (EBRD) for a credit line of an additional Euro 10 million, with the aim of providing liquidity to SMEs.
- Upgrading the Customer experience by fully automating the services offered, on the back of the completed and fully operational digital transformations (ABC FACTORS e-services).
- Ongoing improvement of the management of all types of risk, utilizing the new digitalized technologies (ABC FACTORS e-services Platform) and procedures, in accordance with the best international practices.
- Achieving economies of scale, as a result of the digitalization of the Company's internal processes and of its transactions with Customers.

Investment Banking and Treasury Management

Personal banking

The Alpha Bank Gold Personal Banking Service is addressed to Customers with significant available deposits and investments and offers personalized service by certified Relationship Managers with investment expertise, and certified by the Bank of Greece to respond responsibly to their role. At the same time, the Service offers its Customers a series of high value-added services and exclusive privileges related to available products and services, speed of service, pricing and reward programs.

2022 was a year of significant challenges, characterized by geopolitical events such as the war in Ukraine, the ensuing energy crisis and the high inflation. These events caused uncertainty in the portfolios of the Alpha Bank Gold Personal Banking Service Customers and highlighted the need for information and regular communication. We responded to this need by increasing the frequency of Relationship Managers' meetings with our Customers, implementing any necessary adjustments to their investment portfolios and introducing a series of innovative products, aiming at capital protection combined with returns that potentially exceed those of deposits.

At the same time, responding to the need of a part of our Customers for regular income, in an environment of low interest rates, we expanded our offering of Mutual Funds with the possibility for regular cash payments, while we also provided the possibility of direct participation in new corporate bond loan issues using the Electronic Book Building (EBB) service of the Athens Exchange. We also continued to inform our Customers about the most important developments in the financial markets and the economic events affecting investment portfolios, by means of the quarterly and ad hoc reports prepared by the Bank's team of experienced Analysts and Portfolio Managers.

In 2022, we continued with the implementation of the projects for the digital upgrade of Alpha Bank Gold Personal Banking investment services, with a view to providing secure execution of transactions where and when this best serves the Customer. For this purpose, we have designed the e-Consent digital functionality that allows Alpha Bank Gold Personal Banking Service Customers to remotely manage the investment transactions of their portfolio.

In addition, focusing on maintaining the high level of service enjoyed by our Customers, we proceeded to introduce new inclusion criteria for the Gold Personal Banking Service.

The provision of high-quality training to our Relationship Managers so as to ensure their ability to actively support the financial planning needs of our Customers remains one of our main concerns and, in this respect we designed and implemented a comprehensive training program. To keep Relationship Managers of the Alpha Bank Gold Service up to date on recent developments in the global financial markets, as well as the domestic market, regular meetings were held in cooperation with the relevant Divisions of the Bank, the Group Company Alpha Asset Management MFMC and partner investment Firms abroad. Moreover, as part of the Bank's internal training program, induction seminars were held for approximately 50 new Gold Relationship Managers, together with a series of trainings in new products and services, the regulatory framework, sales techniques and Customer Relationship management skills.

As a result of the above, the main profitability driver for 2022 was commission income from the sales and management of mutual funds and bancassurance products, with mortgage loan disbursements to affluent Customers also making a significant contribution. On an annual basis, Alpha Bank was ranked 1st in terms of net sales of mutual funds in the domestic market, with the contribution of the Alpha Bank Gold Personal Banking Service being decisive for this success. This result was achieved thanks to the emphasis placed on customer-centricity, as evidenced by the high levels of Customer satisfaction during a particularly challenging year.

In light of the above and maintaining a consistent focus on the achievement of the Bank's Business Plan, the objectives for 2023 are the following:

- Redesigning the framework for providing investment products and services and upgrading the supporting infrastructure.
- Development of new functionalities in the digital service channels.
- Targeting the core Clientele of the Affluent Customers segment, in order to provide them with specialized solutions for wealth portfolio management.
- Provision of innovative investment and bancassurance products, compatible with the requirements of the current economic environment.
- Commercial repositioning of the Alpha Bank Gold Personal Banking Service, based on the new data that have emerged in the post-pandemic era.
- Implementation of an action plan for the optimization of the Affluent Customers segment, transferring Customers who do not meet the conditions for continued membership of the Alpha Bank Gold Personal Banking service to the Mass Retail Customer Segment.
- Sustainable and profitable growth model with high levels of Customer satisfaction.
- Continuous vocational training for Relationship Managers.

Mutual funds

Assets under Management - Market share

2022 was marked by the war in Ukraine, the consequent aggravation of the energy crisis and the sharp rise in inflation. This uncertain geopolitical and economic environment at the international level, affected the global capital markets and the institutional asset management industry. Alpha Mutual Funds' assets under management decreased slightly by 1.8% and stood at Euro 2,312 million on 31.12.2022, compared to Euro 2,355 million on 31.12.2021. This decrease was due to the notable negative valuation effect that occurred in the majority of the capital markets, which was partially offset by inflows to the Alpha Mutual Funds.

Alpha Asset Management MFMC was ranked 1st among its peers in terms of mutual fund net sales, with a sales volume of Euro 171 million. In addition, the Company's market share in the mutual fund sector recorded a marginal improvement and reached 21.24% compared to 21.17% in 2021. In the institutional portfolios management sector, the assets under management decreased by 5.7% and stood at Euro 694 million on 31.12.2022.

The total assets of mutual funds and institutional portfolios under management by the Company stand at Euro 3,006 million.

Revenues and Profitability

The Company's revenues from commissions and fees pertaining to the management of mutual funds and institutional portfolios, excluding outperformance fees, amounted to Euro 29.06 million, increased by 15% compared to 2021 (Euro 25.26 million). A contribution to the Company's revenue improvement came from the increase in the average assets of the mutual funds under management, mainly due to the positive impact of the high starting asset base in 2022 compared to 2021. A significant contribution to the total commissions and fees of the Company came from the outperformance fees (non-recurring income), which amounted to Euro 2.55 million. The total revenues from commissions and fees as of 31.12.2022 stood at Euro 31.61 million versus Euro 31.81 million as of 31.12.2021.

Profit before income tax amounted to Euro 12.12 million in 2022 compared to Euro 7.96 million in 2021, while operating profit before taxes, excluding other provisions and outperformance fees, amounted to Euro 10.48 million, recording an increase of approximately 29% compared to the same period of the year ended December 31, 2021 (Euro 8.13 million).

Main actions of the Company

- Three new Structured funds were established, of which two were distributed in the form of Bancassurance products in cooperation with AlphaLife. A total of Euro 174 million in assets were raised, exceeding the target of Euro 110 million.
- The introduction of the new "Distribution" share class of mutual funds was successfully launched, raising assets of Euro 150 million. The "Distribution" share class offers unitholders regular quarterly cash payments.
- Applications were submitted to the Hellenic Capital Market Commission for the establishment of two new mutual funds, namely the Alpha Target Maturity I 2028 Bond Fund and the Alpha Eurozone Money Market Standard Variable Nav Fund.
- Regarding the institutional portfolio management services, one new institutional portfolio management mandate became operational and two new institutional Customers signed management agreements.
- Consultations were held with the Hellenic Capital Market Commission, the Bank of Greece and the European Central Bank, to promote the application for the extension of the Company's license to include the management of Alternative Investment Funds (AIFs).
- The portfolio management of Fund of Funds portfolios was integrated into the International Investment and Institutional Portfolio Management Section.
- Assignment of ESG (Environmental, Social and Governance) Officer role to a Company Executive, to strengthen the integration of sustainability criteria into the investment process.
- The Company's Personnel was strengthened with new Executives in the areas of Portfolio Management, Sustainable Investment, and Operations and Sales.

Alpha Mutual Funds and Returns

The Alpha Mutual Funds recorded returns that confirm their long-standing presence at the top of the performance rankings, as well as the high level of the Company's Executives, with international recognition. The confidence of investors is evidenced by the fact that

Alpha Mutual Fund Returns		2022	3-year	5-year
Greek Investments	Alpha Aggressive Strategy Greek Equity Fund Classic	2.8%	11.3%	31.0%
	Alpha Greek Balanced Fund Classic	-6.7%	1.6%	26.0%
	Alpha Blue Chips Greek Equity Fund Classic	3.8%	8.6%	25.5%
	Alpha Greek Bond Fund Classic	-16.9%	-7.9%	23.3%
	Alpha Greek Corporate Bond Fund Classic	-7.3%	-2.4%	7.8%
International Investments	Alpha Global Blue Chips Equity Fund Classic	-7.9%	29.9%	59.3%
	Alpha Cosmos Stars USA Equity Fund of Funds Classic	-12.2%	26.9%	58.7%
	Alpha Global Allocation Balanced Fund Classic	-9.0%	10.2%	25.1%
	Alpha Cosmos Stars Europe Equity Fund of Funds Classic	-16.5%	2.3%	7.0%
	Alpha Cosmos Stars Silk Route Asia Equity Fund of Funds Classic	-15.4%	0.2%	4.2%
	Alpha (LUX) Global Themes FoFs EUR	-16.2%	15.1%	-

Source: Hellenic Fund and Asset Management Association, with returns dated 31.12.2022

in 2022, they realized net sales of Euro 242 million in the Alpha Global Allocation Balanced Fund, the largest fund in the Greek market, with assets of Euro 720 million. The Alpha Global Allocation Balanced Fund is ranked by the Morningstar rating agency among the top funds worldwide (rated among 2,300 funds of similar investment policy) and is steadily enjoying the highest distinction (5 stars) over time, in recognition of its consistent returns in relation to the investment risk undertaken, which stand at +10.23% and +25.05% over a 3-year and 5-year period, respectively.

Over the last thirteen years, Alpha Mutual Funds have been assessed by the Morningstar international rating agency and have consistently received excellent ratings of their risk/return ratios. The relevant information is available on the Alpha Asset Management MFMC website (www.alphamutual.gr).

Prospects and goals for 2023

In 2023, the course of the domestic mutual fund market is expected to be affected by the growth prospects of the Greek economy, and also by to the expected significant inflow of funds from the European Recovery and Resilience Facility (RRF). At the same time, developments in the international environment regarding the effects of strong inflationary pressures and the monetary policy to be adopted by the central banks, will play an important role in the demand for investment products. In this environment, the Alpha Mutual Funds sales target is increased at all Alpha Bank distribution networks.

The Company's main objectives are the following:

- Consistent execution of the budget for 2023.
- Regular promotion of Alpha Mutual Funds with continuous product presentations and updates on market developments to the sales Personnel of Alpha Bank's network all over Greece.
- Continuous streamlining and enhancement of the product mix, including:
  - Distribution of two new mutual funds, namely the Alpha Target Maturity I 2028

Bond Fund and the Alpha Eurozone Money Market Standard Variable Nav Fund.

- Distribution of new structured mutual funds in cooperation with AlphaLife.
- Development of indicative discretionary management portfolios for bundles of Alpha Mutual Funds.
- Creation of mutual funds investing in Greece and targeting Golden Visa Customers.
- Distribution of Alpha Mutual Funds domiciled in Greece to the Cypriot market.

- Increased promotional activities for the Company and its products.
- Full integration of ESG (Environmental, Social and Governance) criteria in the investment policy of the Mutual Funds.
- Increasing the funds under management of institutional portfolios and expanding the Company's presence in the Cypriot institutional market.
- Obtaining the license to manage Alternative Investment Funds (AIFs) and assessing the necessary infrastructure and resources that will lead to a new niche growth sector.

Private Banking

Alpha Bank was named "Best Private Bank in Greece" for the fifth consecutive year at the "Global Private Banking Awards 2022" by the internationally acclaimed publications "Professional Wealth Management (PWM)" and "The Banker" of the Financial Times Group.

This distinction is a recognition of the high quality of Alpha Bank's Private Banking services (Alpha Private Bank), which consistently enjoy the trust of the Bank's Customers as they are fully aligned with their individual goals and needs at every important moment of their lives. Furthermore, it highlights Alpha Bank's commitment to deliver excel in providing high quality and personalized service, by adopting cutting-edge technologies and constantly upgrading its Wealth Management operations. Our Customers' trust in us is also reflected in the results of the relevant Customer satisfaction survey, with our NPS score reaching a very high level and with a positive evaluation by our Customers when compared with Private Banking Units abroad.

It is worth noting that the Bank has been providing comprehensive portfolio management and banking services to high-net-worth Customers (Private Banking) since 1993. These services are provided through Market Areas in Athens, Thessaloniki, Patras and Heraklion, Crete, staffed by specialized and certified investment advisors.

Our Private Banking Customers have at their disposal a flexible series of services, which can also be combined to ensure the broadest possible coverage of their investment needs:

- GEM Portfolio Management Services: The Bank assumes discretionary management of the Customer's portfolio.
- Portfolio Advisory Service: The Bank provides active management advice regarding the entire portfolio, whilst Customers may follow it at their discretion.
- Transactional Advisory Service: The Bank provides advice related to particular transactions, whilst Customers may follow it at their discretion.
- Execution only: The Bank executes the orders given by Customers wishing to manage their portfolios themselves.

In line with the Group's corporate culture and in full compliance with the Markets in Financial Instruments Directive (MiFID), the services are provided after considering the amount to be invested, with a minimum portfolio size of Euro 300,000, as well as the Customer's investment goals (capital preservation, maximization of capital gain, volatility tolerance), based on time horizon, investment experience and known or estimated future cash flows, in consideration of the applicable tax framework at the Customer's country of residence.

In addition, the Private Banking Division's cooperation with the UK-based Group Company Alpha Bank London Ltd, as well as with Société Générale Private Banking in Luxembourg, has resulted in a contemporary open-architecture structure, allowing Customers to also receive Services from their Private Banker in Greece with execution and safekeeping abroad.

Furthermore, as part of offering an enhanced Customer experience, our Private Banking Customers have at their disposal the exclusive Alpha Private Bank Phone Service. Our qualified team provides swift and secure banking services remotely during extended working hours.

2022 was a particularly challenging year and our efforts focused on the following priorities:

1. Upgrading the Customer Experience

In the context of upgrading our Customers' experience, we have introduced digital tools and remote capabilities in our service model, enabling our Private Bankers to focus on strengthening the relationship with the Customer. In particular:

- We introduced remote working using portable devices (tablets), a possibility that had been launched for the first time before the pandemic, in the provision of immediate and personalized investment services. These devices, equipped with all necessary applications, offer a completely functional mobile office for the Private Banker.
- We introduced front-line digital tools, such as our dynamic advisory tool, which was enhanced with functionalities that ensure compliance with regulations, internal controls for monitoring portfolio risk, etc.
- We streamlined processes and developed automations supporting the swift and paperless completion of tasks.
- We made full use of the Bank's digital channels to provide Customers with timely regular and ad hoc updates.

Moreover, we collaborated effectively with the Portfolio Counselors of the Investment Portfolios Management Division. These Executives provide specialized investment support and, jointly with the Private Banker, deliver personalized asset management solutions, taking into account the Bank's market view.

2. Increasing Assets under Management

The immediate adjustment to the challenges of 2022 strengthened the trust of existing Customers and supported the development of new relationships, thus leading to inflows that were comparable to those of 2021 and, despite the negative market developments, ultimately resulted in a 3% increase in total assets under management.

More specifically:

- The dynamic promotion of the GEM Portfolio Management Service and the simultaneous effort to retain existing Customers resulted in an increase of 8% in new assets under management of this Service.
- The assets under Advisory management (Discretionary, Portfolio Advisory, Transactional Advisory) came close to 88% of the total assets under management. The Advisory Services were upgraded as the InvestoR electronic platform was enhanced with new functionalities ensuring flexibility and automations in the advisory selling process of investment products, as well as full compliance with the MiFID II Regulatory Directive.

Moreover, the adverse conditions in the economic environment in 2022 did not affect the Private Banking Division's loans portfolio, as it further developed, responding to the relevant Customer needs

3. Fees and Commissions

The regular contact with Customers and the promotion of products adjusted to the new conditions, helped increase transaction activity (+30% ytd) and resulted in the following:

- The income of the Private Banking Division grew by 7% compared to 2021.
- The Return on Assets under Management reached 1.13% (excluding cash and product cost).

4. Operating costs

Operating costs remained at the same level, while operational risk was reduced. At the same time, quality was assured by the Market Areas Compliance Support Unit, established within the Private Banking Division, which has successfully assumed the centralized management of the supporting and auditing functions of the Market Areas.

Furthermore, the use of Key Risk Indicators (KRIs) in the monitoring and evaluation process of our Private Bankers further reinforced our target for the substantial reduction of operating costs and for ensuring the quality of our Services.

5. Customer events

In 2022, as we entered the post-pandemic era, the Private Banking Division gradually re-incorporated in-person (live) events in its program while continuing to use digital tools for video calls targeting specific Customer groups, as well as one-on-one video calls.

The Private Banking Division constitutes a point of reference as regards the domestic Advisory Services and Portfolio Management market, remaining strongly focused on innovation and committed to a Customer-centric approach.

In line with the above, the Division's objectives for 2023 are the following:

- Digital transformation and redesign of the offering range, focusing on Customer Experience. The deployment of digital technologies is already in progress, aiming at a new, simplified, more effective operating model for the provision of investment services, fully compliant with the MiFID II Regulatory Directive. In this way, we are not only focusing on further improving the level of Customer service but also on improving the efficiency and effectiveness of our operations. Once this program is completed, we shall be able to provide our services more quickly and in paperless fashion, thus leaving our green footprint.
- Continuation of the rationalization of the Bank's Clientele and reinforcement of synergies with all Divisions of the Bank, to enhance the experience of existing Private Banking Customers and to recommend the Private Banking Services to eligible Customers of the Bank who currently do not benefit from such services.
- Further attraction of Customers with portfolios stationed abroad, by providing advisory services through Alpha Private Bank in Greece and custody abroad.
- Focus on GEM Portfolio Management Services, with the aim for GEM portfolios to account for at least 40% of the assets under management within the next three years.
- Introduction of innovative loan solutions/ products for Customers with GEM Portfolio Management Agreements.

Corporate Finance

The Corporate Finance Division includes the Investment Banking activities, which focus on capital raising for private companies through Capital Markets transactions and the provision of financial advisory services in Mergers & Acquisitions (M&A) in the private sector, as well as in privatizations, advising either the Hellenic Republic acting as seller (Hellenic Republic Asset Development Fund - HRADF), or bidders.

The Corporate Finance Division also includes Real Estate Investments activities.

Real Estate Investments undertakes the management and operation of real estate assets acquired as a result of the enforcement of the respective securities under loan facility agreements of the Bank or the Group's Companies. The aim of the Real Estate Investments Team's management is to safeguard and maximize the recovery value of those assets, as well as to secure their efficient and risk-fenced management through the establishment of Special Purpose Vehicle Companies (SPVs). It also acts in close collaboration with Alpha Astika Akinita S.A. (AAA), as well as with its subsidiaries in Southeastern Europe and other external partners.

During 2022, the Bank continued to provide financial advisory services in complex landmark privatization projects. Specifically, in the context of the tender procedure for the upgrade and operation of Egnatia Motorway through a concession agreement, for which the Bank has undertaken the role of exclusive financial advisor to HRADF, the Bank continued to provide advisory services to HRADF with the aim of finalizing the contractual documents of the transaction, whose total value amounts to approximately Euro 1.5 billion. Furthermore, during the current year, the Bank continued to provide financial advisory services to HelleniQ Energy S.A. (former "Hellenic Petroleum S.A.") with respect to the privatization of DEPA Infrastructure S.A., completed in September 2022 for a total transaction price of Euro 733 million, as well as of DEPA Commercial S.A. Additionally, the Bank acts as buy-side financial advisor to a Greek listed company for a cross-border acquisition, in the context of the privatization of the targeted company, as well as buy-side financial advisor to a consortium participating in the tender procedure of HRADF for the Attica Ring Road concession.

The Bank also completed landmark M&A transactions for large Customers in the private sector. More specifically, Alpha Bank acted as buy-side financial advisor to a major energy group for a contemplated transaction in the electricity and renewable energy sector, as well as sell-side financial advisor to a food sector company for a contemplated disposal of certain assets. In the context of the Skyline transaction, it continued to provide financial advisory services to the Group for the formation of a consortium in the Greek real estate market, by supporting the implementation of the tender procedure and the assessment of the binding offers submitted, that led to the announcement of the "Dimand S.A. - Premia Properties REIC" consortium as the preferred investor. In addition, the Bank acts as joint exclusive financial advisor to the listed companies BriQ Properties REIC ("BriQ"), Intercontinental International REIC ("ICI") and Ajolico Trading Limited, main shareholder of ICI, for the merger via absorption of ICI by BriQ. The entity to result from the merger will manage a portfolio of real estate assets with a total value of approximately Euro 250 million.

In the capital markets sector, the Bank was highly active in 2022, undertaking a role both in share capital increases and corporate bond issuances of both listed and non-listed companies, as well as in public offers. For yet another year, Alpha Bank was actively involved in the issuance and listing on ATHEX of corporate bonds by Premia Properties S.A. (Euro 100 million), SafeBulkers Participations Plc. (Euro 100 million), Lamda Development S.A. (Euro 230 million) and CPLP Shipping Holdings Plc (Euro 100 million). It also acted as issue advisor and co-lead underwriter for the Initial Public Offering (IPO) by Dimand S.A. of its shares on the Athens Exchange, a transaction which raised Euro 113 million. The admission to trading of Dimand's shares on the Athens Exchange was the first truly large listing of a company since 2015. Continuing its dynamic role in the capital markets transactions, the Bank also undertook the role of the issue advisor and co-lead underwriter for the IPO by Optima Bank S.A. of its shares on the Athens Exchange, which is expected to be completed within 2023.

Additionally, during 2022, the Bank undertook the role of Financial Advisor to P.G. Nikas S.A., to support the company's Board of Directors in drawing up and issuing its reasoned opinion in connection with the mandatory public offer submitted by Cryred Investments Limited. It also undertook the role of Advisor to IDEAL Holdings S.A. for the company's share capital increase, in order to implement the Public Offer for the acquisition of the shares of BYTE Computers. It also acted as Advisor to Allianz SE for the voluntary public offer submitted for the acquisition of the entirety of the shares of European Reliance S.A., as well as to Mr. Georgios Gerardos for the voluntary public offer submitted for the acquisition of the shares of PLAISIO COMPUTERS S.A.

In addition to the above, the Bank continues to provide advisory services to companies listed on ATHEX in connection with the implementation of capital market transactions, which are expected to be completed in 2023.

With regard to real estate investment activities, in 2022 the Corporate Finance Division proceeded to the sale of real estate assets under management in Romania with a total transaction value of Euro 8.8 million, while it also continued to manage the real estate assets under its supervision in Greece, Romania and Bulgaria, aiming to their maturity and subsequent disinvestment. More specifically, it concluded the following transactions:

- Sale of a commercial real estate asset in Bistrita, Romania, for a total price of Euro 2.6 million.
- Sale of a commercial real estate asset in Baia Mare, Romania, for a total price of Euro 3.1 million.
- Sale of an SPV holding a shopping center in Romania, for a total price of Euro 3.1 million.

In 2022, the Corporate Finance Division successfully continued its activities as the Investment Banking Advisory and Real Estate Management arm of the Bank and expects further improvement of its market positioning in 2023, taking advantage of the various prospects that develop in its areas of activity.

Treasury

2022 was marked by the outbreak of the war between Russia and Ukraine, which signaled the beginning of a new period of increased volatility in the financial markets.

Despite the volatile environment, Alpha Bank's liquidity position improved, because of deposit inflows and of the wholesale bond issuance transactions it carried out in the international markets. At the same time, the Bank maintained its Euro 13 billion participation in the Eurosystem's third series of Targeted Longer-Term Refinancing Operations (TLTRO III). Financing through Eurosystem's credit operations requires the availability of equivalent eligible collateral. The management of the relevant collateral acquired through the purchase of securities, as well as through reverse repurchase agreements (reverse repos) proved to be particularly effective throughout 2022. Having achieved the leverage target of financing the Greek economy (set out under the TLTRO III operation), the Bank benefited from negative borrowing rates until November 2022 (in particular, from the borrowing rate of -1% until June 2022). Concurrently, the Bank managed to take advantage of special conditions in the repurchase agreements (repos) market, further contributing to the strengthening of net interest income.

The outbreak of the war affected the primary bond market, mainly for sub-investment grade issuers, whose issuance activity remained subdued for most of the year. In the last quarter, the investors' risk appetite improved, along with their increased liquidity position and the Bank was able to successfully conclude two bond issuances and one liability management transaction. In October 2022, the Bank completed the first Greek bond issuance since the outbreak of the war. Capitalizing on its strong Customer base, the Bank completed the issuance of a Euro 400 million senior preferred bond, with a three-year tenor, callable in the second year, and a 7% coupon.

In December 2022, the Bank's second issuance of fixed rate reset senior preferred notes took place, for a total amount of Euro 450 million, maturing at 4.5 years, callable at 3.5 years, with a 7.5% coupon. Demand, mainly from foreign investors, reached Euro 1 billion, exceeding the initial target of Euro 300 million. In parallel, the Bank addressed a tender offer for its Euro 400 million fixed rate senior preferred notes, maturing in February 2023, on a voluntary basis, allowing investors to transfer their positions to the new notes.

Both transactions demonstrate the flexibility and ability of the Bank to take advantage of the opportunities in the capital markets, implement the MREL strategy efficiently, while improving its funding profile, in a demanding economic environment.

The gradual exit, during 2022, from the public health crisis, allowed physical meetings with correspondent banks and in-person attendance at major conferences to resume, on top of the virtual meetings. Indicatively, the Bank participated in the annual meeting of the European Bank for Reconstruction and Development (EBRD 2022 Annual Meeting, Marrakesh), where it was presented with an award for the green trade related transaction of 2021 (Deal of the Year 2021-Green Trade). The Bank also attended the annual SIBOS networking event of the SWIFT Organization (SIBOS 2022, Amsterdam), during which a series of meetings with correspondent banks were held, in order to enhance the cooperation in the areas of payments and trade transactions and increase the related commissions.

Global bond markets encountered significant challenges during 2022, arising from the central banks' efforts to contain inflation. The Russia-Ukraine conflict and the prolonged energy crisis, coupled with the problems of China-related supply disruptions, put a significant upward pressure on prices, leading central banks to prioritize lower consumer prices over economic growth and financial market stability.

In such an environment, the Greek capital markets were volatile but recorded strong investor demand for domestic securities. Significant new projects due to the Public Investment Program and the EU's Recovery and Resilience Facility (RRF) provided the Greek economy with resilience to external shocks and adverse developments. As a result of the gradual recovery of the Greek economy, accompanied by the prospect of rating upgrades from major rating agencies to investment grade status, a significant credit tightening of Greek government bonds occurred versus the other European countries.

Throughout the year, Alpha Bank was actively engaged in market making activities for both Greek sovereign and corporate bonds. As far as the primary marked is concerned, the Bank participated in all issues of the Greek Public Debt Management Agency, with elevated bids for its own portfolio and for satisfying numerous mandates of its Clientele. Additionally, in July 2022, the Bank acted as Joint Lead Manager for the successful issuance of a 5-year floating rate note. In the secondary sovereign bonds market, the Bank continued its strong presence on the Electronic Secondary Securities Market (HDAT) and was ranked 3rd in the HDAT secondary market trading.

The Bank also continued to be active in all major fixed income markets, through a diversified investment portfolio. The fixed income portfolio recorded a net increase of over Euro 2.5 billion, with a significant focus on issuers that do not negatively affect the Banks' liquidity ratios and, at the same time, have very low capital requirements.

Finally, significant financial gains were achieved in the derivatives markets, mainly through interest rate transactions, as a result of the exceptionally high increase in the Euro interest rates. These transactions are conducted within predetermined market risk limits established by the Bank and monitored by the Market and Operational Risk Management Division.

Structured finance

Alpha Bank is a leader in the Greek structured finance market, offering financing solutions on a bilateral or syndicated basis, as well as related advisory services in the project finance area, regarding the implementation of large-scale projects in the infrastructure sector (self-financed motorways, airports, etc.), energy distribution networks (natural gas, electricity, etc.) and in power generation (renewable energy sources, cogeneration units, conventional thermal power stations). It is also active in the Greek, Cypriot and Romanian real estate finance market, specializing in arranging and extending facilities for the acquisition and development of income producing real estate properties such as commercial centers, offices, warehouses, logistic parks, hotels, residential complexes, and other special-purpose facilities.

In 2022, the Structured Finance Division was actively involved in arranging new structured financings on a syndicated or a bilateral basis, jointly with other commercial banks, in infrastructure and commercial real estate projects, marinas, waste management, energy distribution networks and power generation from renewable energy sources, thus affirming the Bank's dominant position in this sector.

The Division's loan book increased by approximately Euro 1.55 billion compared to 2021, rising to approximately Euro 3.74 billion for 2022. Indicatively, the following important transactions were completed within 2022:

- **Infrastructure Sector:**

— Refinancing of Greece's 14 Regional Airports: arrangement and underwriting of loans amounting to Euro 960 million.

— Refinancing of the Athens International Airport: joint arrangement with the other three systemic banks of a total debt amount of Euro 1,136.5 million.

— Arrangement of the Euro 630 million financing of Olympia Motorway for the purpose of the construction of a new motorway section from Patras to Pyrgos, which started within the year.

- **Energy Sector:**

— Financing of the acquisition of the minority interest in the Hellenic Electricity Distribution Network Operator (HEDNO) S.A., with the preferred investor being a 100% subsidiary of Macquarie Asset Management, with financing from the Bank amounting to Euro 507 million for the payment of the purchase price of shares totaling Euro 2.1 billion, including net borrowing of Euro 0.8 billion.

— Provision of financing to subsidiary companies of the RWE-PPC Renewables consortium for the development of photovoltaic parks with a total installed capacity of 210 MW. It is noted that this financing was one of the first financings of Renewable Energy Sources (RES) in which part of the total investment was covered through Recovery and Resilience Fund (RRF) funds.

— Participation in syndicated financing of Euro 430 million of the RES portfolio of Enel Green Power Hellas.

— During 2022, total disbursements to the RES sector amounted to Euro 238 million and to the energy distribution networks sector to Euro 507 million, while the Division has developed strong relationships with major groups active in the renewable energy sector (such as Macquarie, Aquila, RWE, EDPR, MORE, ENEL, Valorem).

- **Commercial Real Estate Sector:**

— Arrangement and underwriting of Euro 171 million of financing for the acquisition by the Hines/Henderson Park consortium of the Out of the Blue Capsis Elite Resort 5-star hotel complex (located in Aghia Pelagia, Heraklion, Crete) and for its subsequent renovation and repositioning on the market as a 5-star Resort with a capacity of 815 rooms.

- Arrangement and underwriting of Euro 194.6 million of financing for the acquisition by Goldman Sachs Asset Management of a complex of three hotel units in Kallithea, Halkidiki, with a total capacity of 1,049 rooms and for its subsequent renovation and repositioning on the market as a 5-star Resort with a capacity of approximately 1,000 rooms.
- Joint arrangement and participation in a syndicated loan, together with Bank of America, Merrill Lynch and Deutsche Bank, of Euro 175 million to the Italian Picasso Real Estate Investment Fund, for refinancing its existing debt obligations, which related to the acquisition of its portfolio, consisting of 25 properties in various Italian cities with a total surface of 174,511 sq.m.

In the advisory services sector, the Structured Finance Division acts as financial advisor in the two most important motorway concession tender procedures in the Greek market.

In particular, the Division acts as Exclusive Advisor to the Hellenic Republic Asset Development Fund (HRADF) for the privatization of the Egnatia Odos motorway through a concession agreement. During 2021, the preferred bidder for the project was selected. The concession fee offered was the highest fee ever offered in a similar tender procedure launched by HRADF. The completion of this transaction is expected within 2023.

At the same time, the Division is currently advising one of the eight schemes that have pre-qualified as eligible candidates for the concession of the Attiki Odos motorway, a privatization which is expected to be the largest concession of an operational motorway in terms of concession fees offered.

On the basis of existing mandates for the arrangement of financing for various projects, the volume and the performance of the loan portfolio are expected to increase in the following years, driven primarily by projects in the renewable energy sector, PPPs and the development of commercial real estate properties.

› Brokerage services

The domestic stock market recorded positive returns in contrast to the main foreign markets for 2022 (+4% for the ASE General Index versus -13% for the Stoxx 600 and -19% for the S&P 500, based on Refinitiv Eikon data as of 31 December 2022).

Market expectations remain positive for 2023, as a result of the improving recovery prospects for the Greek economy and the reduction in inflationary pressures, coupled with increasing interest in listed companies from foreign investment portfolios stemming from:

a. expectations for an upgrade of Greece's credit rating to investment grade status later this year,

b. the clean-up of the banks' balance sheets and their return to high profitability levels, partly due to the increase in interest rates,

c. the announcement of the plan of the Hellenic Financial Stability Fund (HFSF) to gradually disinvest from banks,

d. the expected listing of new companies on the Athens Exchange.

In retrospect, the Greek stock market outperformed the main stock market indices in 2022: Greece (ATHEX GI) +4.1%, compared to Germany (DAX 40) -12.3%, the UK (FTSE 100) +0.9%, France (CAC 40) -9.5% and the USA (S&P 500) -19.4%, with all changes in local currency.

The ATHEX General Index recorded its yearly high on February 11, 2022 (971.09 points) and its yearly low on July 6, 2022 (779.20 points).

According to the Athens Exchange (Monthly

Statistical Bulletin, Axia Numbers for December 2022), at the end of December 2022, domestic investors held 36.4% of the total capitalization (compared to 37.6% at the end of December 2021) and foreign investors held 63.6% of the total capitalization (compared to 62.5% at the end of December 2021).

Total market capitalization for 2022 (as of 31 December 2022) stood at Euro 65.8 billion, compared to Euro 61 billion for 2021 (as of 31 December 2021). The average daily trading value for 2022 was Euro 73.7 million, compared to Euro 71.3 million for 2021.

The Bank is active in the field of brokerage services through the Group Company Alpha Finance Investment Services S.A. In 2022, the Company held the fifth position in the ranking of the Athens Exchange Members, with a market share of 6.18%. The Company's revenues from fees and commission in 2022 amounted to Euro 9.79 million, compared to Euro 11.11 million in the previous year. Revenues in 2021 had been boosted by participation fees in ATHEX IPOs, which were negatively affected the following year due to the high volatility in the markets and the rise in interest rates. The Company's profitability continued in 2022 with net profit before income tax amounting to Euro 1.36 million (2021: Euro 2.46 million). The Company provides the following comprehensive investment services:

- Trading in the joint Athens and Cyprus Stock Exchange equities and Exchange Traded Funds (ETFs) platform, and access to the Athens Exchange Derivatives Market.
- ALPHATRADE: Provision of a complete range of online services accessible via the Company's website at www.alphafinance.gr, the mobile applications for iOS and Android-based device, and the automated Interactive Voice Response system.
- Trading in the international equities and derivatives markets via agents, as well as via the "Alpha Global Trading" web-based service.
- Market Making: Alpha Finance provides Market Making services in equities, derivatives and indices (ETFs). Its operational model is based on cutting-edge technology and a high degree of automation.
- Financial Analyses: The Financial Analysis Department provides the Company's institutional and retail Customers with comprehensive information both on a daily basis, covering the most important news affecting companies and the market, as well as on a regular basis, through reports focusing on specific companies or industries and market strategy.
- Institutional Sales/Trading: The department covers Alpha Finance's local and international institutional Customers. It aligns the brokerage services and acts as a point of reference with a main objective to maximize market share and commission revenue. The department executes institutional customer orders in equity cash, listed corporate bonds and derivatives' markets.
- Trade Clearing and Custody Services: Integrated trade clearing and custody services for the domestic and the international equities and derivatives markets.

For 2023, the main strategic goals for Alpha Finance are to meet its profitability and organic growth targets, focusing on further attracting foreign and domestic institutional investors, as well as expanding the services provided to private Customers.

Southeastern Europe

Cyprus

Alpha Bank started operations in Cyprus in 1998 with the acquisition of Lombard Natwest Bank Ltd, a subsidiary of the NatWest Group in Cyprus. Through gradual equity purchases, Alpha Bank acquired full control of the acquired bank, which was later renamed Alpha Bank Cyprus Ltd. At the end of 2022, the Bank had a network of 12 Branches and 417 Employees.

With regard to the management of non-performing loans, in March 2022 the Group sold its held-for-sale loan portfolio to a Group company in Cyprus, for a total price of Euro 133 million. This was followed, in December 2022, by the sale of recovered properties and subsidiary companies which held properties, for a total price of Euro 18.5 million, to a newly established Group company. The gross book value of NPEs at the end of 2022 amounted to Euro 51 million, with the NPE ratio remaining low at 5%.

In the first quarter of 2022, the preparations for receiving and processing the applications for housing loans in the framework of the Government's Interest Subsidy Programs for Housing and Business Loans, were completed. To boost the sales of housing and consumer loans, the Bank launched the promotional campaign "Alpha Drive Home", which remained in effect from January 2022 to June 2022. In September 2022, "Alpha Housing - IKEA Store Offer", a new successful promotional campaign was announced, to further strengthen the sales of housing loans.

With regard to consumer loans, the "Alpha Car" product was modified with the introduction of a lower contribution, while cooperation with merchants, for referring to the Bank Customers for financing their purchases using the "Alpha Personal Loan" product, was continued.

As regards deposit interest rates, the Bank announced the termination of negative interest rates on legal entities' deposit accounts, as of November 2022.

As part of the actions towards achieving the goal of increasing production and commissions in the Bancassurance sector, the Bank has added to its portfolio the new product "Alpha Content Coverage". Additionally, cooperation with the Wholesale Division and the International Banking Division was expanded, for promoting bancassurance products to their Customers.

In January 2022, Mutual Fund products were made available to Alpha Gold Segment Retail and Corporate Customers and, later in the year, their availability was extended to the Gold Customers of the International Banking Division. The Mutual Funds are managed by internationally recognized Mutual Fund Management companies, with extensive experience in investments. Using the Alpha Bank Gold Personal Banking Service, Customers can choose from a wide range of investment categories, such as Equity Funds, Balanced Funds, Bond Funds and Funds of Funds. Alpha Bank only provides order reception and transmission services through its Alpha Bank Gold Personal Banking Service.

Implementing its plan for further digitalization of its services, the Bank has created a Digital Branch, for remotely serving new and existing Customers. With the launch of the operation of the Digital Branch, the new service "Alpha Easy 2 Open" was also made available to Customers, allowing them to remotely establish their banking relationship with the Bank.

In the cards sector, the implementation of the Apple Pay, Google Pay and Garmin Pay digital wallets for debit and credit cards has been completed.

In 2022, Alpha Bank's communication policy remained outward-looking and dynamic. The Bank's products and services were promoted through advertising campaigns on major channels and stations, using digital actions, online advertisements on selected websites, informative posts on the Bank's official website, one-way stickers on Branch windows, banners and videos screened by the Bank's ATMs. Promotional activities were also carried out for the Cashback Program and the Mastercard Cards.

In 2022, the Bank's Operations Division took significant steps to improve productivity. To this end, the automated document production mechanism was upgraded and improvements were made to the retail banking workflow and the overdue debts restructuring workflow. Moreover, the new Customer Relationship Management (CRM) platform was implemented, risk data analyses were performed, a data mart was implemented for the Risk Division and a new reporting platform was also implemented.

At the same time, the Bank's Operations Division implemented initiatives to improve the quality of the digital services provided to Customers. A new electronic banking platform was launched and web banking services were redesigned, with a new format and renewed content, a revamped appearance, a clearer and more user-friendly navigation functionaility, additional features, and a more dynamic approach. The new commercial name "Alpha 360" was introduced and promoted by means of an advertising campaign for all digital banking channels (Alpha 360 Web, Alpha 360 Mobile, etc.), with the aim of showcasing the Bank's new digital identity and the new comprehensive banking experience that its digital banking channels offer to its Customers.

Regarding the IT infrastructure, additional central infrastructures were created to enable the rapid deployment and support of new systems and services. The virtualization infrastructure was also upgraded and this technology was expanded to the majority of the central systems housed in the Bank's data centers. Finally, the first phase of the Azure DevOps services, whose aim is to upgrade the systems development framework, was implemented.

For 2002, the pre-tax profits of Alpha Bank Cyprus Ltd amounted to Euro 7.06 million, with taxes totaling Euro 523 thousand. The Bank's capital adequacy was high, with a Common Equity Tier 1 ratio of 15.1%, a Tier 1 Capital ratio of 20.9% and a Total Capital ratio of 20.9% using transitional arrangements. At the end of 2022, deposits stood at Euro 2.43 billion, while gross loans stood at Euro 1.04 billion. With regard to global geopolitical developments, the Bank has no significant exposure to Russia, Ukraine and Belarus. At the end of 2022, the assets under exposure to these countries represented only 0.3% of total assets, while the deposits under exposure to the same countries represented only 2% of total deposits.

Romania

Alpha Bank has been present in Romania since 1994 and is the first foreign bank to operate in the country. At the end of 2022, it had a Network of 133 Branches and 1,990 Employees.

In 2022, the Bank recorded an increase in loans to businesses, as well as in mortgages, consumer loans and card balances. At the end of 2022, gross loans amounted to Euro 3,015 million.

During the year, the Bank continued to offer the Mobexpert Premium Co-branded credit card. Moreover, in the context of the Alpha Gold Program, investment products were launched, supported by a new dedicated platform.

With regard to the digital transformation of the Bank, in 2022 the automation of the Contact Center continued and the Retail Digital Onboarding was launched, together with the SBB Business Platform which is related to small business lending and the Mortgage Center of Excellence, which concerns mortgage loans.

In 2022, the Bank's deposit base was further strengthened by attracting deposits from both businesses and individuals. At the end of 2022, deposits stood at Euro 3,026 million.

At the end of December 2022, the Bank presented sound liquidity position, with its Liquidity Ratio standing at 31.5%.

Other activities

› Real Estate Management

Alpha Astika Akinita S.A.

The main activity of Alpha Astika Akinita S.A., a Company of the Alpha Bank Group, is the management and operation of real estate owned by Alpha Astika Akinita S.A. or third parties, the provision of advisory services on related matters, the provision of real estate and brokerage services, the real estate, as well as plant and machinery valuations for the Alpha Bank Group and for third parties, and the participation in businesses having the same or similar purposes.

Alpha Astika Akinita S.A., acting as a real estate consultant, has expanded its operations by undertaking the management of the largest part of the Group's real estate portfolio in Greece and by coordinating the Group's real estate activities abroad, while it has created data bases for all the real estate properties owned, leased or rented by the Group and located in Southeastern Europe.

During 2022, the Company implemented most of its announced strategic plans for its transformation into a company with the sole purpose of providing third-party real estate management and operation services. In this context, Alpha Astika Akinita acquired the real estate management services business of Alpha Real Estate Management and Investments S.A., a Company of the Alpha Bank Group, while it also completed a significant part of the negotiation for the transfer of all real estate properties under its ownership, thus declassifying them from investment properties to assets held for sale, in the context of the Skyline Transaction.

Alpha Astika Akinita S.A., after several years of remarkable growth and increase in its production turnover and profitability, and as a result of the successful integration of the services segment of Alpha Real Estate Management and Investments S.A., which contributed significantly to its strengthening both in the field of real estate management and in the field of investment evaluation (asset underwriting), now possesses, in addition to significant funds available, a team of fully-qualified, specialized Personnel with extensive expertise.

In 2022, Alpha Astika Akinita S.A. had a 100% participation in the following Companies of the Group: Alpha Real Estate Bulgaria E.O.O.D., Chardash Trading E.O.O.D. (until 23.12.2022), Alpha Real Estate Services S.R.L. and Alpha Real Estate Services L.L.C.

The total consolidated assets of Alpha Astika Akinita stood at Euro 104 million for 2022, compared to Euro 144 million in 2021, decreased by 27.7%. Cash and cash equivalents pf the Company amounted to Euro 50.7 million in 2022, versus Euro 76.4 million in 2021. In 2022, consolidated earnings before tax amounted to Euro 6.3 million, against Euro 1.9 million in 2021. Operating Revenues for 2022 amounted to Euro 16.1 million, compared to Euro 13.2 million in 2021.

In the context of rationalizing the relevant profitability ratios of equity, Alpha Astika Akinita adjusted its capital structure by proceeding, pursuant to the resolution of the Ordinary General Meeting of the Shareholders dated 09.9.2022, to the distribution to its shareholders of dividend totaling Euro 47.9 million, i.e., Euro 3.22 per share.

These elements, combined with the Company's zero borrowing, allow it to successfully face the challenges of the market by expanding the range of real estate consulting services it provides, as well as to become actively involved in major real estate market projects, aiming at the significant, continuous and healthy expansion of its operations in the relevant real estate services market.

It is estimated that in 2023, the Company will complete the transfer of the real estate assets it owns in the context of the

Skyline transaction, as well as its business transformation into a company with the sole purpose of providing third-party real estate management and operation services, concentrating its activity in one of its existing activities, namely:

- management and operation of its Customers' real estate assets
- management of purchases/sales and leases /rents of real estate
- tax and insurance issues related to real estate
- organization and testing of valuations and certifications of projects
- project management of large-scale projects
- provision of advisory services on the issues mentioned above.

Venture capital

For the fiscal year ended December 31, 2022, Alpha Ventures and Alpha Ventures Capital Management presented the following results:

- Alpha Ventures reported pre-tax losses of Euro 0.280 million, which mainly concern its operating expenses, since for the year ended the main investment activity of the Company was carried out through its subsidiary Ionian Equity Participation.
- Alpha Ventures Capital Management reported losses of Euro 0.04 million, which is mainly due to the expenses incurred for the management of the ALPHA TANEO AKES mutual fund, which in the stage of liquidating its investments.

In 2022, the investment activity of Alpha Ventures and Alpha Ventures Capital Management focused on the effective management and liquidation of their investment portfolio under direct or indirect management. Despite the difficult macroeconomic environment, disinvestments continued, with inflows from investment liquidations in 2022, amounting to Euro 11.0 million, while new capital provided to portfolio companies in the direct or indirect management portfolio amounted to Euro 1.3 million. It is noted that the new investments are made based on the new investment strategy concerning the Group's Private Equity, which is supervised by the Strategy and Investments Division.

Based on the new strategy, for 2023 our investment policy will focus on the following axes:

- Continuation of the efforts for smooth liquidation of the historical portfolio. Due to the current economic environment, delays from original planning may occur.
- Search for new investments, mainly in third-party Venture Capital Mutual Funds (AKES) in the context of the implementation of the new strategy.

3

Operating Segment and Geographical Sector Analysis

A. Analysis by operating segment

Amounts in Euro million

	1.1.2022 – 31.12.2022						
	Retail Banking Customers	**Medium & Large Companies**	**Asset Management & Treasury**	**International Operations**	**Non-Performing Exposures**	**Other / Elimination Center**	**Group**
Net interest income	437.2	517.1	94.0	173.5	108.5	(7.3)	1,323.0
Net fee and commission income	130.2	131.6	80.8	43.1	9.8	0.5	396.0
Other income	200.4	159.0	167.9	20.7	(1.6)	19.9	566.3
Total income	**767.8**	**807.7**	**342.7**	**237.3**	**116.7**	**13.1**	**2,285.3**
Of which income between operating segment	20.5	20.8	14.3	(5.0)	(19.2)	(31.4)	-
Total expenses	**(435.4)**	**(155.2)**	**(83.3)**	**(181.0)**	**(191.9)**	**(35.4)**	**(1,082.2)**
Impairment losses and provisions to cover credit risk and other related expenses	(75.0)	(9.7)		5.7	(482.2)	(0.1)	(561.3)
Impairment losses on other financial instruments	0.8		3.7	(2.1)			2.4
Profit/(Losses) before income tax from continued operations	**258.2**	**642.8**	**263.1**	**59.9**	**(557.4)**	**(22.4)**	**644.2**
Income tax							(263.6)
Profit/(Losses) after income tax from continued operations							**380.6**
Profit/(Losses) after income tax from discontinued operations				17.4			17.4
Profit/(Losses) after income tax							**398.0**
Assets 31.12.2022	12,680.4	21,238.0	27,694.6	7,545.9	4,912.9	3,946.9	78,018.7
Liabilities 31.12.2022	32,855.3	8,719.6	21,675.7	7,023.4	1,092.0	375.2	71,741.2
Capital expenditure	59.0	15.7	8.4	31.3	35.2	7.8	157.4
Depreciation and Amortization	(74.5)	(26.7)	(13.0)	(19.2)	(13.3)	(9.8)	(156.5)
Investments in associates and joint ventures						98.7	98.7

Information based on new operating areas as changed in the third quarter of 2022.

Amounts in Euro million

	1.1.2021 – 31.12.2021 as restated						
	Retail Banking Customers	**Medium & Large Companies**	**Asset Management & Treasury**	**International Operations**	**Non-Performing Exposures**	**Other / Elimination Center**	**Group**
Net interest income	399.3	447.5	87.9	148.5	297.1	(4.4)	1,375.9
Net fee and commission income	134.9	120.2	90.2	39.4	10.6	0.3	395.6
Other income	15.2	21.8	142.2	18.3	(2.231.6)	35.9	(1,998.2)
Total income	**549.4**	**589.5**	**320.3**	**206.2**	**(1,923,9)**	**31.8**	**(226.7)**
Of which income between operating segment	10.9	26.9	3.3	4.5	(26.9)	(18.7)	-
Total expenses (excluding expenses for separation schemes	**(467.8)**	**(179.6)**	**(112.5)**	**(168.4)**	**(219.9)**	**(23.1)**	**(1,171.3)**
Impairment losses and provisions to cover credit risk and other related expenses	(74.5)	54.8		(17.4)	(1,373,9)	(1.0)	(1,412.0)
Impairment losses on other financial instruments	(1.2)		(19.8)				(21.0)
Expenses for separation schemes	(83.8)	(8.8)	(3.8)		(1.3)		(97.7)
Profit/(Losses) before income tax from continued operations	**(77.9)**	**455.9**	**184.2**	**20.4**	**(3,519.0)**	**7.7**	**(2,928.7)**
Income tax							55.7
Profit/(Losses) after income tax from continued operations							**(2,873.0)**
Profit/(Losses) after income tax from discontinued operations				(33.1)			(33.1)
Profit/(Losses) after income tax							**(2,906.1)**
Assets 31.12.2021	13,379.2	18,523.3	24,872.4	7,734.5	5,889.7	2,956.9	73,356.0
Liabilities 31.12.2021	31,221.4	7,930.6	18,995.5	7,425.9	1,332.1	370.9	67,276.4
Capital expenditure	67.2	17.5	7.9	9.9	32.8	7.7	143.0
Depreciation and Amortization	(77.3)	(25.1)	(12.4)	(19.0)	(16.3)	(7.0)	(157.1)
Investments in associates and joint ventures						68.3	68.3

Information on comparative period restated based on new operating areas as changed in the third quarter of 2022.

A. Analysis by operating segment

Amounts in Euro million

1.1.2021 – 31.12.2021 as restated

	Retail Banking	Corporate Banking	Asset Management / Insurance	Investment Banking / Treasury	South-Eastern Europe	Other / Elimination Center	Group
Net interest income	508.8	464.3	13.6	210.0	173.8	5.4	1,375.9
Net fee and commission income	135.7	111.5	78.0	33.6	36.7	0.1	395.6
Other income	17.8	(48.0)	11.0	153.7	2.9	(2,135.6)	(1,998.2)
Total income	**662.3**	**527.8**	**102.6**	**397.3**	**213.4**	**(2,130.1)**	**(226.7)**
Total expenses (excluding expenses for separation schemes)	**(533.2)**	**(171.5)**	**(41.3)**	**(34.4)**	**(260.3)**	**(130.6)**	**(1,171.3)**
Impairment losses and provisions to cover credit risk and other related expenses	(846.8)	(88.6)		1.0	(476.6)	(1.0)	(1,412.0)
Impairment losses on other financial instruments			(1.2)	(19.8)			(21.0)
Expenses for separation schemes						(97.7)	(97.7)
Profit/(Losses) before income tax from continued operations	**(717.7)**	**267.7**	**60.1**	**344.1**	**(523.5)**	**(2,359.4)**	**(2,928.7)**
Income tax							55.8
Profit/(Losses) after income tax from continued operations							**(2,872.9)**
Profit/(Losses) after income tax from discontinued operations					(33.1)		(33.1)
Profit/(Losses) after income tax							**(2,906.0)**
Assets 31.12.2021	15,374.1	15,190.2	1,612.2	22,450.8	8,466.8	10,261.9	73,356.0
Liabilities 31.12.2021	31,063.1	8,807.4	2,597.3	18,016.3	6,394.4	397.9	67,276.4
Capital expenditure	66.5	27.6	3.8	4.0	31.8	9.2	142.9
Depreciation and Amortization	(81.9)	(31.7)	(5.4)	(4.9)	(23.6)	(9.6)	(157.1)
Investments in associates and joint ventures						68.3	

Information on comparative period restated based on previous operating areas.

B. Analysis by geographical sector

Amounts in Euro million

1.1.2022 – 31.12.2022

	Greece	Other countries	Group
Net interest income	1,126.8	196.2	1,323.0
Net fee and commission income	353.0	43.0	396.0
Other income	552.5	13.8	566.3
Total income	**2,032.3**	**253.0**	**2.285.3**
Total expenses	**(838.1)**	**(244.1)**	**(1,082.2)**
Impairment losses and provisions to cover credit risk and related expenses	(547.8)	(13.5)	(561.3)
Impairment losses on other financial instruments	4.5	(2.1)	2.4
Profit/(Losses) before income tax from continued operations	**650.9**	**(6.7)**	**644.2**
Income tax			(263.6)
Profit/(Losses) before income tax from continued operations			**380.6**
Profit/(Losses) before income tax from discontinued operations		17.4	17.4
Profit/(Losses) after income tax			**398.0**
Non-current assets - 31.12.2022	1,049.0	199.9	1,248.9

1.1.2021 – 31.12.2021 as restated

	Greece	Other countries	Group
Net interest income	1,213.7	162.2	1,375.9
Net fee and commission income	356.2	39.4	395.6
Other income	(2,001.0)	2.8	(1,998.2)
Total income	**(431.1)**	**204.4**	**(226.7)**
Total expenses (excluding provision for separation scheme)	**(911.8)**	**(259.5)**	**(1,171.3)**
Impairment losses and provisions to cover credit risk and related expenses	(935.5)	(476.5)	(1,412.0)
Impairment losses on other financial instruments	(21.1)		(21.1)
Expenses for separation schemes	(97.7)		(97.7)
Profit/(Losses) before income tax from continued operations	**(2,397.2)**	**(531.6)**	**(2,928.8)**
Income tax			55.8
Profit/(Losses) after income tax from continued operations			**(2,873.0)**
Profit/(Losses) from discontinued operations		(33.1)	(33.1)
Profit/(Losses) after income tax			**(2,906.1)**
Non-current assets - 31.12.2021	1,423.9	217.5	1,641.4

4

Digital Networks
Digital Transformation
and Innovation Activities

In line with "the alpha blueprint", the new Transformation Program, Alpha Bank continues its transition to the customer-centric service model at a steady pace, incorporating services tailored to the Customers' fast-changing needs.

The main and continuous goal of the Program remains to provide the best Customer Experience through the enhancement of the Bank's digital channels, the development of innovative digital infrastructure technologies and the creation of new Customer Journeys.

In this context, in 2022 the Bank continued to support the daily transaction needs of Customers via digital channels (e-Banking for Individuals and Businesses, ATM Network and Automatic Payment Systems), enhancing existing functionalities but also developing new ones, making digital networks the main service and sales channels.

Digital channels

Customers continued to choose the Bank's digital channels for their transactions, as evidenced by the fact that 95% of them were carried out digitally, with only 5% carried out at the Tellers of the Bank's Branch Network. In fact, both the number and the value of transactions via the digital channels recorded an increase of 15% and 21% respectively, compared to 2021.

The registrations of new users to the e-Banking service also increased in 2022, with 1 in 3 new subscribers completing their registration exclusively remotely, via myAlpha Mobile.

In 2022, Customers continued to show their preference for the Bank's online products. Specifically, 64% of consumer loans, 42% of term deposits, 29% of debit cards and 59% of prepaid cards were acquired via myAlpha Web and myAlpha Mobile.

During the year, more functionalities and improvements became available in the myAlpha Web for Individuals platform, such as the upgrade of the subscriber KYC ("Know Your Customer") information update via the digital public services portal (www.gov.gr) without the need to visit a Branch, the ability to add and activate inactive accounts, as well as the possibility of issuing the new Aegean Bonus debit card. Moreover, the automatic activation of Push Notifications was implemented in myAlpha Mobile, to enable easier and faster approval of online transactions by all users of the mobile app, as also was the ability for all myAlpha Web users to view and manage all mobile devices connected to their e-Banking subscription, which was also made available in the myAlpha Web environment.

At the same time, to deal with the increased incidents of online fraud, a series of actions were implemented, with the aim of informing Customers as promptly and effectively as possible. Specifically, the activation of a second confirmation code (OTP) mechanism was implemented for high-risk transactions carried out via e-Banking, while the deactivation/locking of e-Banking subscriptions and the cancellation of scheduled post-dated transactions, was also implemented for activation in case of suspicions of online fraud. In addition, as of June 2022, the users of myAlpha Mobile app can receive informative Push Notifications regarding changes to the security settings of their e-Banking subscription (i.e., change Username/Password or add/delete a paired device).

Similarly, new features have been added to myAlpha Web for Business, such as the increase in the number of mass transfers and the possibility to carry out and save mass payments, the ability to create xml files for mass transfers, the increase of the transaction limit to Euro 500,000 without currency conversion, the possibility to make urgent transfers in Greece and abroad (without currency conversion) and to also include the option "OUR" for transfer charges, as well as the notification of the expiry of legalization documents, sent by email Alerts to the Legal Representatives and the users of the company subscription, to ensure that Customers are notified and begin in time the renewal process for their company’s legalization documents.

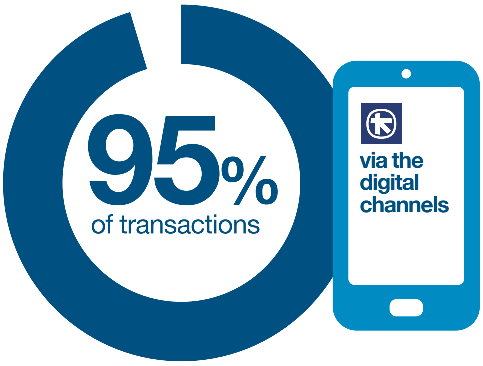
Moreover, the business loan payment options were expanded (with the ability to pay any amount to interdependent accounts, to pay overdue debts from disputed accounts and to display the next three repayment instalments), while the registration of post-dated orders in foreign currency and the new online currency conversion service “WEB FX” for businesses were also added. At the same time, enhancing the security of digital business transactions was given priority and, as was also the case in the e-Banking for Individuals, a second confirmation code (OTP) was introduced in carrying out high-risk transactions via e-Banking for Business.

In December 2022, the new innovative service "bizpay" for the management of business expenses was made available to the public. Alpha Bank is the first Greek bank to provide such a service on the market. The bizpay service consists of the mobile bizpay app, which is the pillar of the service and, together with the bizpay cards and the management tool available via myAlpha Web for Business, they provide an integrated solution for easy logging, monitoring and management of the corporate expenses of every business.

In 2022, Customers showed a clear preference for myAlpha Mobile, with subscribers carrying out transactions via their mobile phone outnumbering those carrying them out via myAlpha Web. In fact, 8 out of 10 active Customers with e-Banking credentials used myAlpha Mobile on a monthly basis, while the number and the value of transactions via the app recorded an increase of 35% and 36% respectively.

As far as the Bank’s ATM Network is concerned, during the first half of 2022, the deposit and payment service was enhanced with the option to accept banknote deposits in bundles, which resulted in an increase of 8.4% in the volume of deposit and cash payment transactions, compared to 2021.

At the same time, voice-guided transactions for people with vision impairments was extended to 300 ATMs of the Bank’s Network, allowing even more people to withdraw cash and make balance enquiries by simply connecting their



15% increase
in the number of transactions via the digital channels compared to 2021

21% increase
in the value of transactions via the digital channels compared to 2021

bizpay
BY ALPHA BANK

A new innovative service for the management of business expenses

Alpha Bank is the first Greek bank to provide such a service on the market headphones to the corresponding ATM jack.

Regarding the network of Automatic Payment Systems (APS), at the end of 2022, 96% of the Branches in the Network had at least one APS available, used to carry out deposit and payment transactions both in cash and by debiting an Alpha Bank card.

Other digital solutions and services

Existing Alpha Bank Customers, as well as new Fuel Pass, Fuel Pass II and Tourism Pass beneficiaries chose Alpha Bank for obtaining the state's financial support to address the increase in fuel costs and to support domestic tourism businesses, using the myAlpha Mobile App. In fact, new e-Banking subscriptions as a result of the Passes increased by 50% compared to 2021.

The Digital Business Onboarding service continued its upward trend in 2022, with particularly high acceptance, as approximately 1 in 2 companies that started their cooperation with Alpha Bank chose the digital service channel for this purpose.

The digital wallets (Apple Pay, Google Pay, myAlpha Wallet, Garmin Pay and Xiaomi Pay) offered by Alpha Bank to its Customers, continued their upward course in 2022, recording a significant increase, with the number of registered cards in myAlpha Wallet, Apple Play and Google Pay exceeding 560,000, 775,000 and 527,000 respectively by the end of the year. Moreover, the usage of the above digital wallets by Alpha Bank Customers is steadily growing and in 2022 it recorded a significant increase for yet another year.

In 2022, the Bank continued to improve the already available functionality of issuing Approved Electronic Signatures for its Customers and Staff, in accordance with European Regulation 910/2014 (eIDAS), via myAlpha Web and myAlpha Mobile for Individuals, as well as well as via myAlpha Web for Business, thus allowing the remote signing of documents by all its Customers and laying the foundations for a new era of remote service experience.

Digital innovation

In 2022, the Bank actively continued to pursue the development of an open innovation ecosystem, aspiring to identify and help establish some of its future innovation partners, thus contributing to the creation of value-added services for its Customers.

The third edition of FinQuest by Alpha Bank, the Bank's international innovation competition, was launched in December 2021 in search of innovative B2B and B2C solutions, at prototype stage or already on the market, which make use of open data to improve the experience of our Customers or to serve our partners and leverage data analytics that offer an integrated ESG profiling of medium-sized or even larger companies.

More than 60 entries from 19 different countries were submitted to the competition, which were assessed by experienced Bank Executive, to arrive at those that qualified for the Accelerator stage. In the Accelerator that followed, the finalists attended workshops to further strengthen their proposals, especially regarding their ESG and Open Banking components, while they also participated in mentoring sessions with Bank executives and consultants from the market, to help them align their proposal to the demands of the Bank and the market.

In September 2022, the competition concluded with the Pitch Event, at which the teams presented their proposals before a Judging Committee, competing not only for a cash prize but also for the possibility of a future cooperation with the Bank.

The criteria used to decide the winners were the extent to which they successfully address the challenges related to financial services, the innovations that they introduce, their diversification from the domestic and international market and the competition, the ease of implementation, as well as the value that they create for the banking industry and for the Customers.

Distinctions

In the first half of 2022, Alpha Bank was honored with seven distinctions, in recognition of the digital innovation applied in its products and services as well as in the initiatives to upgrade its IT systems, contributing to the transformation of the Greek banking sector and creating tangible benefits for its Customers, both Individuals and Businesses.

In particular, the Bank garnered the following

seven awards at the **"Digital Finance Awards":**

- **Two Gold awards** for the Digital Business Onboarding service and the Core Banking Private Cloud & Containerization project, in the categories "Best Customer Experience/ Customer Loyalty Initiative" and "Best Core Banking System Project", respectively.
- **Four Silver awards** for myAlpha for Individuals, myAlpha Wallet, the opening of a first account with the Bank using myAlpha Mobile and the Digital Business Onboarding, in the categories "Best Internet Banking", "Best Wallet", "Best Digital Product Launch" and "Best Corporate Financing Digital Initiative", respectively.
- **Bronze award** for the Retail and Business Onboarding services, in the category "Best Operations / Business Process / Agile / Development Project".

In the second half of 2022, Alpha Bank was honored with **three distinctions** at the **"Mobile Excellence Awards",** in recognition of the digital innovations it introduces in the digital products and services offered via its mobile apps.

In particular, the Bank received the following awards:

- **Gold award** for the online consumer loan myAlpha Quick Loan via myAlpha Mobile and myAlpha Web, in the category "Best Customer Experience / Customer Loyalty Initiative".
- **Silver award** for the online consumer loan myAlpha Quick Loan via myAlpha Mobile, in the category "Integration of Mobile in a Multi-Channel & Omni-Channel Strategy".
- **Bronze award** for the Bonus app, in the category "Use of Mobile for Customer Loyalty".

Moreover, in 2022 Alpha Bank also garnered **two distinctions** for the FinQuest by Alpha Bank competition. In particular, Alpha Bank received the following awards:

- Silver award for supporting entrepreneurship and ESG, at the **"Hellenic Responsible Business Awards 2022".**
- **Silver award** for the FinQuest Pitch Event, at the **"Event Awards 2022".**

DIGITAL FINANCE AWARDS 2022

2

Digital Business Onboarding
Best Customer Experience / Customer Loyalty Initiative

Core Banking Private Cloud & Containerization
Best Core Banking System Project

4

- **myAlpha Web for Individuals**
- **myAlpha Wallet**
- **myAlpha Mobile app (opening of a first account)**
- **Digital Business Onboarding**

Best Internet Banking, Best Wallet, Best Digital Product Launch, Best Corporate Financing Digital Initiative respectively

1

Retail and Business Onboarding
Best Operations / Business Process / Agile / Development Project

MOBILE EXCELLENCE awards'22

1

myAlpha Quick Loan
myAlpha Mobile, myAlpha Web
Best Customer Experience / Customer Loyalty Initiative

1

myAlpha Quick Loan
myAlpha Mobile
Integration of Mobile in a Multi-Channel & Omni-Channel Strategy

1

Bonus app
Use of Mobile for Customer Loyalty

5

Operational Systems and Distribution Channels

Operational systems and IT projects

A. Summary

The IT Units are responsible for the design, implementation, development, maintenance and support of the IT Infrastructure, Data and S/W solutions on a Group Level, in line with the Bank's Business Plan, Operational Model and IT Strategy, as well as with the Supervisory Framework.

For the reference year the IT Units:

- Delivered 65 projects, 11 of which were initiated in 2022.
- Engaged in 137 projects, which were initiated and/or completed within 2022.
- Managed and fulfilled 48,143 IT Demands, submitted within 2022 in various categories.

Within the above, the IT Units supported various initiatives in alignment with the Bank's Strategy and needs, while they also executed IT Projects related to:

- The Bank's Transformation Program, under the Digitalization and Automation/ Operational efficiency Pillars.
- Loans Restructuring and Disposal of Non-Performing Loans.
- Risk Management and Regulatory Compliance.
- IT Strategic Initiatives.
- Pure IT and Infrastructure Projects and Legacy Replacements
- Prometheus & Optimus:
  - Carve-out of the Bank's Merchant Acquiring activities/Units, by way of a spin-off, to the new entity NEXI Payment Greece (a joint venture between Alpha Bank and Nexi).
  - Migration to new PowerCard Suite (NEXI), for supporting the Bank's issuing activities
- BAU Projects – Run the Bank Activities.

The IT Units, in collaboration with the Training Unit, scheduled 97 programs with a total of 2,985.75 hours of IT Staff training.

In terms of Regulatory, Certification and Audit, the IT Units supported:

- Internal IT Audit Missions and External ones such as the Annual CPA.
- Supervisory Engagements such as SSM BCBS 239, ITRQ, OSIs.
- ISO Certifications (9001, 20000, 27001, 22301).

B. Strategic IT Projects

i. The Legacy Renovation Program (2021-2023), which consists of the following projects:

a. Migration of the Fund Transfer services to CBS (2021-2022). [Completed]

b. Upgrade of Operational Reporting Services (2021-2022), which included the migration of the Legacy Report Printing System (SEK) [Completed], as well as the Branch Report Distribution System (AEKY). [Ongoing]

c. Replacement (migration to CBS ESB) of Legacy Enterprise Service Bus (2021-2023). Red Hat Fuse has been implemented servicing the Core Banking main architecture (Branches, etc.).
Red Hat Fuse forms a foundation and serves as a main integration tool, as new applications and services are deployed with the use of this standard tool.

d. Redesign and modernization of all Batch programs (2021-2023). [Ongoing]

e. Migration to CBS of the Financial and Accounting Transactions (2021-2022). [Completed]

ii. Private Cloud & Containers Architecture (2021-2022). Introduction of a PaaS (Platform as a Service) platform which homogenized technological infrastructures, offering a unified way of operation in IT. This platform (Red Hat OpenShift) allows the optimal utilization of the resources, thus contributing significantly to the creation of a computing cloud within the Bank (private cloud). On this platform, applications run in the form of containers. [Completed]

iii. Modernization of e-banking EDG project (2021-2025). Implementation of an innovative delivery infrastructure for all digital channels of Alpha Bank. The project follows the design principles of CBS, the Domain Driven Design (DDD) principles and the best practices from the microservices model. This layer is built on top of the OpenShift infrastructure. [Ongoing]

During 2022, the EDG Core Platform was delivered to production along with several microservices, such as Customers, Cards, UsersProfile, TransferLimits, Accounts & Notification services.

C. IT Functional Areas sample activities for the reference year

IT Units are organized in Functional/ Technical Areas and support IT Project Delivery (Functional, Software, Infrastructure-wise), as listed below:

- Core Banking Software
- Business Services and User Interface Software
- Treasury Management
- Risk Management
- Investment Products
- Business Intelligence, CRM and MIS
- e-Banking and Intranet Applications
- Deposit Products
- Financial Services
- Administrative Services
- Customer Information
- Non-Performing Loans and Workflow
- Lending Products
- Payment Systems
- Individuals Banking
- Data Management and Data Quality Control
- System Administration
- End User Infrastructure Services
- IT Operations Coordination
- Data Centers and Computer Rooms Services
- IT Service Management
- IT Solutions Architecture
- Service Desk
- Business Data Management Framework Design and Implementation
- Business Data Architecture
- Business Data Quality Management

The main IT Projects and related activities during 2022 are listed below:

- New e-Banking infrastructure [In progress]

Web banking was redesigned with a microservices cloud native approach. The common architectural elements, introduced by the Core Banking System and the Private Cloud, are being utilized, thus aligning in a uniform IT landscape both Core Banking and Web Banking. The new Core Platform was delivered to production along with several microservices, such as Customers, Cards, Users Profile, Transfer Limits, Accounts & Notification services.

- Legacy Revamp – Batch Redesign [In progress]

Batch Programs Redesign for the

Unisys Mainframe, in line with the new Architecture & Technologies used in CBS.

- Private Cloud & Containers @ Alpha Bank [Completed]

Introduction of the PaaS platform (Private Cloud & Containers), which is based on Red Hat OpenShift for the homogenization of the technological infrastructures and offers a unified way of operation in IT. The CBS Application was containerized in microservices and deployed to the PaaS to improve performance, efficiency (resource allocation) and adaptability, by transforming the Core Banking application to a Cloud native solution.

- Legacy Revamp – Redesign FinCon Transactions [Completed]

Financial and Accounting Transactions were migrated to the CBS Platform, therefore unifying the technical environment for the accounting suite of the Branches & Divisions.

- Odissy Decommission [In progress]

In the context of the CBS transformation project and given the modernization of the architecture, the services managed by the Odissy infrastructure are replaced by corresponding services of the CBS infrastructure.

- WS3 – Digitalization of Credit Decisioning (FICO Blaze Advisor) [In progress]

Implementation of a new application (FICO Blaze Advisor) that accommodates the requirement for an automated credit decisioning process, according to the specifications of the Bank's Credit Decisioning Framework redesign project. In 2022, activities in the areas of Cards, Consumer products and Mortgage products were implemented, whilst for 2023 SBL is to be implemented.

- WS3 – Retail Credit Customer Journey (RICO) [In progress]

Redesign of the Retail Credit Customer Journey, implemented in 2022 for Consumer Loans and scheduled to be implemented for Cards in 2023. Involves the implementation of a FileNet platform, in order to support the submission of applications for personal loans and credit cards via digital channels, such as the Customer's mobile phone.

The project includes:

- Interfaces (web services) with the Digital platform, to receive applications and send replies with the approval status (Approve/Reject). In addition, services were developed to receive the Customer's request for disbursement and to receive the digitally signed contract.
- Interfaces (web services) with the Hraklis/SIA platform, for submitting applications for approval and receiving the approval decisions.
- Interface with the My-Alpha Documents platform, for archiving the contracts that are digitally signed by the Customer.
- Changes in the Workflow System, for supporting applications submitted via the digital channels

- WS22 – E-Wealth Services through myAlphaMobile and myAlphaWeb [In progress]

Revamping of the Wealth Management system offering new functionalities via the e-Banking and mobile Banking Architecture and focusing on Private and Gold Customers for the current phase.

- WS6 – AWBB eLG [In progress]

The project deliverable is a new service in myAlpha Web, for the issuing and management of letters of Guarantee for Corporates in a fully digital way.

- WS2 – Remote Customer Collaboration Platform [Completed]

The goal of the project was the development of a platform allowing remote servicing of Customers. Using the implemented platform, the Bank's Relationship Managers may perform remotely a number of activities, such as appointment booking, sales and administration tasks.

- WS6 – AWBB – FX Transactions via AWB [Completed]

Development of a new service (Web FX), in the Bank's myAlpha Web for Business, allowing Customers to execute Spot FX Transactions in real time.

- WS10 – Workflow Digitization – Automation for managing AAA and Legal Activities [In progress]

Document Digitalization for supporting the Technical and Legal Activities and Reassessments for Alpha Astika Akinita S.A.

- WS6 – MyAlpha Documents - Phases A, B [Completed]

A new solution was developed, supporting the exchange of digitally signed documents available in all digital channels, i.e. myAlphaWeb for Individuals, myAlphaMobile and myAlphaWeb for Business. A repository was created based on e-File (FileNet), allowing Customers to exchange digitally signed documents with the Bank, minimizing the need to visit the Bank's Branches.

- WS6 – MyAlpha Documents - Phase C [In progress]

A new functionality was added to the solution, allowing Customers to initiate the process for digitally signing documents and to also sign the documents concerned.

- Real-Time Contextual Marketing [Completed]

The project delivered advanced communication capabilities with the Customers via Push Notifications, using the IBM Watson Marketing Automation in the Web Banking app. The solution focuses on the Customers' profile instead of using email and SMS notifications.

- WS1 – CRM Campaign Connectivity to Mobile apps and e-Banking [In progress]

Enhancements to the Real Time Contextual Marketing system and interconnection of the Unica & Real-Time Campaign with the Bank's mobile apps, for in-app messaging functionality in the myAlpha Mobile app, Push Notifications in the Bonus app and banner-type functionality in Web Banking. Effectively upgrading of digital capabilities for campaigns addressed to the Bank's Customers.

- Procurement of Approved Electronic Signatures (SLC) [Completed]

The goal of the project was to support the Bank's digital initiatives by deploying a solution supporting the use of short-term electronic signatures from Providers such as Adacom and Byte.

- Luminous [In progress]

Carrying out of company transactions without the physical presence of the company's legal representatives. Modifications will be required to CDI and FileNet, so that the digital copies of the companies' contractual documents are posted and become accessible to the responsible Branch Officers.

- WS10 – SIGLO Automation / Integration with Workflow [In progress]

Back Office automation, via the Integration of Loans Platform (Siglo) with the Bank's Workflow System, for loan origination and collateral management for the RB Portfolios (SB, ML).

- Low Code / No Code Workflow Tool [Completed]

Deployment of IBM Business Automation Workflow, for the implementation of workflows and case management regarding the automation of low and medium-complexity Business Processes. This Platform is designed to reduce implementation lead time, allowing to Citizen Developers (non-IT) to automate a number of activities, such as screen design and workflow human steps setup.

- WS2 – e-Signature in CBS money transactions [Completed]

As part of the Bank’s eSignature wider project, electronic handwritten signature was integrated to CBS for money transactions.

- WS5 – Wholesale RM Database [Completed]

Implementation of a Wholesale data structure for Corporate Customers, to support Business Center activities.

- WS1 – EPM Hyperion Planning Enhancements [In progress]

The goal of the project is to further support the MIS Unit’s activities with enhancements to EPM Hyperion Planning, such as data model tuning, interfacing Hyperion Planning with EVA for Businesses-Customers Clients, tuning of the budget data collection process, etc. As part of the project, the software will also be upgraded to a later release.

- Automation of Wholesale Banking Credit Procedures - Phase B [Completed]

Upgrading workflow functionality for the loan origination process of Wholesale Banking. The new functionality was developed on the Bank’s FileNet Platform.

- WS6 – Initiative Swift Services [In progress]

The project capitalizes on the SWIFTnet FileAct functionality to support the exchange of files between the Bank and Corporate Customers. In addition, a Back Service will be developed to support subscription-based cash management services.

- WS7 – Wholesale Common Platform [In progress]

Development of an application to support Relationship Managers in their collaboration with the Customers. The application includes three modules: Share of Wallet, Opportunity Identification and Account Planning.

- WS1 – Customer Special Terms Packaging & Infrastructure [In progress]

Development of a Grouping Function (Products & Services) to be provided to Retail Customers as a service under a subscription scheme, which will be available via all the Bank’s channels.

- WS6 – AMP Integration with Alpha Web Banking - Phase A: Connect AWB to xPayment System [Completed]

Provision of as-is functionality of xPay Web Client (AMP), via the Alpha Bank Web Environment.

- Automated Regression Testing (ART) [In progress]

The scope of the project includes:

— Installation of Microfocus UFT, which is the platform selected for Automated Regression Testing.

— Implementation of 300 scenarios for myAlpha Web, 300 scenarios for myAlpha Mobile and 600 scenarios for the Core Banking System (CBS).

— Training of the Bank’s personnel in the creation of scenarios.

- Routing cards’ SMS Messages from SIA to the AB Gateway via API [Completed]

The infrastructure serves the routing of message received from SIA. Specifically, it affects all messages categories (transaction messages, OTP, PIN by SMS, etc.), which instead of being routed directly to the providers, are routed to the Bank’s gateway, for determining the provider to be used.

- ORBIT Migration [Completed]

Support of the completion of the Project Orbit transaction, which concerns the disposal of a Portfolio of Retail Unsecured Non-Performing Loans.

- Project LIGHT [Completed]

Supporting the NPEs sale activities for the Light Portfolio of Non-Performing Loans.

- LHS Cosmos/Orbit [In progress]

Production of historical loan statements for supporting the sale of the Cosmos & Orbit Portfolios.

- WS10 – CFP Legalizations [Completed]

Improvements in the Legalization Process

- WS7 – AWBB Mass Payments & Transfers [Completed]

The project delivered enhancements in myAlpha Web for Business and, in particular, the ability to schedule mass transfers and/or payments.

- WS6 – AWBB Urgent Valeur Web Functionality [Completed]

Extra functionality was delivered for prioritizing transfers via myAlpha Web for Business.

- Improving Transactions' Records [Completed]

Affects Mass Payments and the Bank's myAlpha Web for Business, where improvements were delivered for Transactions' Records.

- WS7 – AWBB Business Card Connected Accounts – Accounts Limits [In progress]

Improvement in Limits Handling for ATM business debit and addition of new features to the Depo Card in myAlphaWeb for Business.

- Wholesale Banking – Credit Workflow Automation - Phase 3 [In progress]

Implementations in the Bank's Workflow Platform for improving the end-to-end Loan Origination Process for Business Centers and, specifically, for Wholesale Banking Customers (SMEs).

- WS1 – AWB for Individuals' requests for Certificates/Letters [In progress]

Upgrade of the functionality of myAlpha Web for Individuals, so that the Customer may digitally request and receive various documents/certificates.

- WS7 – myAlphaWeb Multiple Deposit Transaction [In progress]

Upgrading the functionality of myAlpha Web for Businesses by implementing the capability for Multiple Deposits.

- WS6 – AWBB Foreign Remittances Enrichment [In progress]

New functionality was developed in myAlpha Web for Business, allowing emergency prioritization of transfers.

- WS6 – AWBB e-term Deposits [Completed]

The functionality for transfers in FX via myAlpha Web for Business was upgraded, allowing higher limits and Customer notifications.

- WS6 – AWBB Imports Transaction Suite [In progress]

Upgrade of myAlpha Web for Business functionality for imports in Euro & FX.

- PCS Application Servers Upgrade [In progress]

Upgrade of the application servers for PCS SICAV, e-Legal, Corporate actions, Regulatory reporting, AdHoc, eMortages. Specifically, server O/S and databases are scheduled to be upgraded.

- KTP Upgrade [In progress]

Upgrade of the Treasury Back Office application (KTP) and migration of the system infrastructure from Solaris to Linux.

- Actimize Upgrade [In progress]

Upgrade of the Actimize application following a like-for-like approach, from a functional point of view.

- i-docs Upgrade v9.0 [In progress]

Upgrade of the statements management system to a newer version, thus making available new enhanced functionalities of the solution.

- Stop Payments – New CBS Transaction for All Channels [Completed]

Harmonization with the SCT and SCT INT Rulebook, for the possibility of using the FRAD code in Request for Recall requests to Third Banks.

- Credit Risk Solution [In progress]

The project involves the replacement of Moody's RiskAnalyst (EoL) and Unisystem's ABRS applications (Legacy) by Moody's CreditLens. CreditLens is a specialized credit risk management software/platform, which was selected in order to enhance the Bank's credit risk practices, as well as to achieve compliance with the European regulation (IRB, Basel) in the area of Commercial Lending Credit Rating. The first phase of the project was completed with the replacement of RiskAnalyst.

- Credit Risk Models & Stress Tests [In progress]

Design and development of credit risk models in the Bank's Infrastructure (IBM SPSS). The models are used in activities such as impairment scenarios, IFRS9, ICAAP and EBA Stress Test (Solvency & Climate), etc.

- Revision of the ECB Regulation on Payment Statistics – New Bluebook [In progress]

Development of the solution for quarterly and six-monthly reports, in accordance with the relevant Regulation.

- LCR / NSFR [Completed]

Delivery of the IT solution for effectively supporting LCR / NSFR requirements, in accordance with the relevant Regulation.

- SSM OSI Loan Tapes Standardization [Completed]

Delivery of a standardized approach for the production of Loan Tapes, in the context of on-site inspections for Credit Risk. The solution is built on the Bank's DWH, with the addition of a data dictionary, automated rules for adhering to the requested format, embedding requested validation rules, etc.

- Migration of FIN Cross-border Payment Messages to xml ISO20022 [In progress]

Support of the migration from the MT Standard to the new technical format according to ISO 20022 for Swift messages, which is also linked to Target2 & T2Securities Platforms.

- Electronic Books – Creation of Documents for Legal Entities [In progress]

Development of a solution to support the requirements of Tax Authorities for uploading information about legal entities (VAT info, expenses, income, etc.) to the myData platform.

- Collective ECL Engine Integration in SPSS [Completed]

The project delivered a solution in SPSS, to replace the LIC custom application which was used to calculate ECL (Expected Credit Loss).

- A2 DATAMART KRIS [Completed]

Delivered a solution that relied on the Bank's DWH, to support Key Risk Indicators (KRIs) for the Bank's Branches, as well as the Bank's Operational Risk Process, in an effective way.

- Customer Screening Tool [Completed]

In accordance with the requirements of the Regulatory Compliance Division, a solution was developed to support questionnaires/evaluations regarding the Bank's Customers.

- Systemic Checks to Minimize Gaps in KYC [Completed]

In accordance to the AML Framework, an ongoing process is in place for validating/ identifying Customer data. To further enhance this process, a solution was developed in the Bank's Customer database.

- SRD II Compliance [In progress]

In accordance to Regulation (EU) 909/2014 (CSDR) and the SRD II Directive, there is a need to support ISO 200022, therefore a solution is being developed to support the relevant technical standards.

- Written Off Balance Allocation DWH [Completed]

A solution was developed to support the calculation of NPE Prudential Backstop and FINREP, by splitting write-offs accounts in two categories (full and partial) and further splitting partial to non-written off (On Balance).

- EFDP – Enterprise Fraud Detection Prevention - Phase 2 [Completed]

The project delivered enhancements to the Fraud Detection and Prevention system, drawing on data from multiple systems and enabling the Key Indicators (KIs) and the Profiles management functionalities.

- T2-T2S Consolidation [In progress]

In accordance with the ECB Regulation for consolidating payments platform (Target2) and securities platform (Target2 Securities or T2S), a number of deployments are necessary, such as the new technical format (ISO 20022), the new liquidity system (CLM), the use of MCA (Main Cash Account) with multiple Dedicated Cash Accounts (DCAs) in T2S and TIPS, and the use of ESMIG (Eurosystem Single Market Infrastructure Gateway).

- GDPR Data Retention and Deletion [Completed]

The deliverable fulfilled the need to delete Personal Data in cases of rejected applications for lending. Specifically, a solution was developed to delete personal data for cases exceeding the five-year retention policy in the Workflow, Hraklis, CMS and DwH platforms.

- Development of Critical Data KPIs [Completed]

The project delivered a solution for Critical Data KPIs in the Credit Risk area, providing coverage for the involved source systems, in line with the Bank's Data Governance Framework.

- Calculation of capital requirements under Regulation (EU) 575/2013 - CRR framework: Regulatory requirements and reporting engine (Risk Authority) [Completed]

Adoption of the CRR Quick fix Regulation, adoption of CRD-V Directive - CRR II Regulation. Procurement of a new capital adequacy calculator application/engine. Interconnection of the new application with the Bank's main and secondary systems, databases, external files and also with the supervisory (regulatory) Data Mart (which is already in the implementation phase).

- Operational Risk Management Solution – RSA Archer (GRC) [Completed]

The project concerns the procurement of a unified Operational Risk Management System which will replace the existing OneSumX system.

- SIA Cards Processing (Issuing & ATM/ APS Acquiring) [In progress]

Migration from NEXI's Card Management System to new NEXI's PowerCard Suite.

- Prometheus (Merchant Acquiring) [Completed]

Carve-out of the Bank's merchant Acquiring activities/Units, by way of a spin-off, to NEXI Payment Greece (a joint venture between Alpha Bank and Nexi).

In addition to the infrastructure deliverables embedded in other projects, several targeted activities and projects have been delivered or are in progress, to support the Infrastructure of the Bank, such as:

- Upgrade Veeam v9.5.4 to v11
- Upgrade of peripherals
- O365 backup
- vSphere upgrades
- IBM servers' replacement
- Fujitsu Scanners replacement
- Netscaller Citrix SDX Vbranch replacement
- Dell ECS archive storage capacity expansion
- Netezza 3000 replacement with CP4D
- Workspace Optimization – Flexible Working – Free Seating

D. IT Service Management

Alpha Bank IT operates under certified Management Systems for IT Service Management (ISO20000), Quality Management (ISO9001 for all IT Divisions), Business Continuity (ISO22301) and Information Security (ISO27001). All Management Systems include Policies, Procedures, Role and Responsibility matrices and are subject to internal and/or external audits, at least annually. The continuous improvement process utilizes internal reviews, industry best practices and changes to the regulatory and legal environment, in order to adjust policies, guidelines, standards, and procedures.

In line with the adoption of the IT Service Management System processes, the Service Demands of the Business Units and the Branch Network are directly supported by the Microfocus Service Management tool that is used by all IT Divisions. In addition, the Project Management Division has installed and configured the Microfocus Project & Portfolio Management (PPM) tool for managing major IT projects.

In 2022, the IT Divisions processed 48,143 requests submitted by the Bank's Business Units concerning system improvements, troubleshooting and requests for information, while they also initiated and/or completed 137 major projects.

Regarding the Group Companies, a total of 5,168 requests concerning changes, improvements and troubleshooting were submitted and 27 major projects were completed

Business continuity

A. Certification of Critical Business Sectors

Constant upgrade is key for Business Continuity Management. In 2022, Alpha Bank S.A. and the following Group Companies renewed their existing ISO 22301 (Business Continuity Management System) certification:

— Alpha Bank S.A. (Sectors/Activities certified: Information Technology and Back Office Operations, Treasury Management, Cyber Security & Information Security, Organization)

— Alpha Bank Romania S.A. (Sectors/Activities certified: Information Technology and Back Office Operations, Treasury Management, Organization, Cards, Alternative Networks)

— Alpha Leasing S.A. (all activities)

— Alpha Supporting Services S.A. (all activities)

The audit carried out by the TÜV Austria Certification Body confirmed the full compliance with the said Standard and the high level of awareness and training of the Personnel, with regard to the business continuity procedures.

It should be noted that, in line with best practices and methodologies, Alpha Bank has developed a uniform Business Continuity Management Framework, which applies to the entire Group and has obtained the ISO 22301 Group Certificate. The Framework is reviewed and updated annually in order to remain valid and efficient, and every year extensive functional tests and tabletop exercises take place.

B. ISO 22316

Furthermore, Alpha Bank became the first bank in Greece receiving an ISO 22316 Organizational Resilience confirmation. The ISO 22316 confirms that the Bank is fully prepared and has established the necessary governance procedures that enhance its governance structure, so as to be able to foresee and respond effectively to threats and opportunities arising from sudden or gradual changes in the internal and external business environment, ensuring its smooth operation.

C. Functional Tests and Exercises

To ensure the effective implementation of the Business Continuity Plan (BCP), 55 Functional Tests and 30 Exercises (Orientation & Tabletop) have been conducted by Alpha Bank Group (Alpha Bank S.A. and the Group Companies) during 2022. The purpose of the BCP Tests and Exercises is to inform and familiarize Personnel with recovery procedures, to validate recovery infrastructure, as well as to develop skills, knowledge and team spirit, all of which are necessary for the effective implementation of the Plan in the event of an emergency.

D. Training

Business Continuity Management (BCM) Training Programs were carried out, attended by 49 Officers from 29 Business Units of Alpha Bank S.A. and leading to the acquisition of the following certifications from the Business Continuity Management (BCM) Institute:

- Business Continuity Certified Planner (40 Officers)
- Business Continuity Certified Lead Auditor (9 Officers)

Branch Network

Alpha Bank is active in the Greek and the international banking markets through a total of 431 Branches and Customer Service Units. At the end of 2022, the Alpha Bank Branch Network in Greece numbered 270 Branches. The number of Branches in Greece was reduced by 29 Units compared to 31.12.2021, as a result of the merger of Branches. In addition, 14 Customer Service Units were in operation in Greece at the end of 2022, consisting of seven Business Centers and seven Market Areas (former Alpha Private Bank Centers).

Correspondingly, the Alpha Bank Group's International Network numbered 147 Branches, at the end of 2022, being present in Cyprus (Alpha Bank Cyprus Ltd: 12), Romania (Alpha Bank Romania S.A.: 133) and Luxembourg (Luxembourg Branch), as well as in London, through Alpha Bank London.

With a strong presence in both urban areas and the wider region, the Group's extensive Network allows the Bank to adapt to the ever-changing market conditions, to improve its Customer reach and to cater to the Customers' needs.

6

Risk Management

The Alpha Bank Group is committed to applying the best practices and standards of Corporate Governance in every aspect of its business, including Risk Management

Risk Management is essential to promote the Group's strategic, business and financial objectives, and forms an integral part of the business strategy-setting process, including the business planning process and the risk appetite policy, as it defines the maximum acceptable risk appetite regarding each type of risk. In the pursuit of its strategic business goals, the Alpha Bank Group adjusts the Risk Management framework regularly, to take into account new regulatory requirements, to improve the efficiency of its business activities and to ensure that Risk Management and the corresponding regulatory risk reports always comply with the relevant regulatory guidelines as well as with the principles of corporate governance.

The key risk categories for Alpha Bank include the following:

- Credit Risk
- Market Risk
- Liquidity Risk
- Counterparty and Country Risk
- Climate Risk
- Operational Risk.

It is also noted that, in line with the guidelines from various sources (e.g., the EBA 2021 report on the management and supervision of ESG risks for credit institutions and investment companies, and the European Commission study, published in 2021, on the "Development of tools and mechanisms for the integration of ESG factors into the EU banking prudential framework and into banks' business strategies and investment policies"), the Bank considers Climate and Environmental Risk as cross-sectoral risks and has incorporated relevant provisions into the existing financial and non-financial risk categories.

To ensure that the impact of the aforementioned risks on the Bank's and the Group's financial results, long-term strategic goals and reputation is minimized, the Group has developed mechanisms and procedures for the timely identification, measurement, monitoring and mitigation of risks as well as for the assessment of their potential impact on the achievement of the objectives set.

Throughout 2022, the main objective of the Risk Management Unit was to adapt the Group's risk profile to its risk strategy, while maintaining a solid capital and liquidity position, against the backdrop of changing economic conditions, especially due to the energy crisis and the rise in interest rates, as well as to the continuously evolving regulatory environment.

The Bank regularly monitors the concentration of its exposure in climate-sensitive sectors and areas of its loan portfolio. In this context, it conducted a top-down Credit Risk materiality assessment to identify the industries and regions where its exposures are most sensitive to climate-related risks.

It is noted that during 2022, the Bank participated in the climate risk stress exercise as well as in the ECB's thematic exercise regarding climate-related risks, environmental risk management strategies, governance and risk management frameworks. In addition, the Bank, acknowledging the potential implications of climate change in economic activity, which in turn affects the financial system, launched in May 2021 a comprehensive action plan to address supervisory expectations for climate, environmental, social and governance risk management, accompanied by a specific implementation plan.

The Bank's and the Group's business model and operations are regulated and supervised by the relevant authorities in each of the countries where they conduct business. The European Central Bank and the Bank of Greece, as the Greek authority in charge that participates in the Single Supervisory Mechanism (SSM), act as the Bank's and the Group's primary supervisors, to monitor the latter's compliance with the Greek and the European banking legislations, with the supervisory regulations as well as with the Basel III (CRR/CRD) framework.

Risk Appetite Framework

The Group's strategy for risk management and risk undertaking, applied to all of the Bank Units' and Group Companies' activities, is aligned with international practices as well as with the current legislation and the regulatory and supervisory rules, while it continuously evolves through the development of a single risk management culture, which is shared across the Bank and the Group.

The Group defines its risk management strategy through: (a) the determination of the extent to which the Bank is willing to undertake risks (risk appetite), (b) the assessment of potential impacts of activities in the development strategy by defining the risk management limits, so that the relevant decisions combine the anticipated profitability with the potential losses, and (c) the development of appropriate procedures for the implementation of this strategy through a mechanism which allocates risk management responsibilities and accountability between the Bank Units.

The Group's risk strategy and risk management framework are organized according to the principles of three lines of defense, which have a decisive role in its effective operation.

In particular:

- The Business Units of Retail, Wholesale, and Wealth Banking and Non-Performing Exposures Remedial Management constitute the first line of defense and risk "ownership", which identifies and manages the risks that arise when conducting banking business.
- The Risk Management and Control Units and the Compliance Unit, which are independent from each other as well as from the first line of defense, constitute the second line of defense. Their functioning is complementary to the conduct of banking business by the first line and its purpose is to ensure the objectivity in the decision-making process, to measure the effectiveness of these decisions in terms of risk conditions, to ensure compliance with the existing legislative and institutional framework by monitoring the internal regulations and ethical standards, as well as to present the aggregated view and assessment of the Bank's and the Group's total exposure to risk, based on established guidelines.
- Internal audit constitutes the third line of defense. As an independent function, it reports to the Audit Committee of the Board of Directors and audits the activities of the Bank and the Group, including the Risk Management function.

Risk Management Governance

The Bank's Board of Directors ensures the Group's proper operation and organization.

In accordance with the Corporate Governance Code, the Board of Directors is responsible for the approval of the risk strategy and the risk appetite of the Bank and the Group and the regular monitoring of their implementation, with the support of the Risk Management Committee.

Based on each risk appetite that it defines, the Board of Directors ensures that the levels of risk are well understood and communicated throughout the Group.

The Board of Directors determines the risks that the Group may assume, the size of such risks, the limits on the Group's significant business operations and the basic principles for the calculation and measurement of these risks.

The Risk Management Committee convenes at least once a month and recommends the Board of Directors the approval of the Group's risk profile as well as the strategy on risk undertaking and risk and capital management. In accordance with the institutional framework, the Committee, taking into account the Bank's and the Group's business strategy and the sufficiency of the technical and human resources available, evaluates the adequacy and effectiveness of the risk management policies and procedures of the Bank and the Group, in terms of:

- the undertaking, monitoring and management of risks (market, credit, interest rate, liquidity, operational, concentration, climate and other substantial risks) per category of transactions and Customers and per risk level (i.e., country, profession, activity)
- the determination of the applicable maximum risk appetite on an aggregate basis for each type of risk and the further allocation of each of these limits per country, sector, currency, Business Unit, Large Exposures, etc.
- the effective and timely formulation, proposal for approval to the Board of Directors and execution of the NPLs/NPEs strategy, taking into account their paramount importance as one of the single largest asset sources where a multitude of risk factors are combined.
- the establishment of stop-loss limits or other corrective actions.

Furthermore, the Committee reviews and assesses the methodologies and models applied regarding the measurement of risks undertaken and ensures communication between the Internal Auditor, the External Auditors, the Supervisory Authorities, the Audit Committee and the Board of Directors on risk management issues.

The General Manager and Chief Risk Officer supervises the Group's Risk Management Business Unit and reports on a regular basis and ad hoc to the Assets-Liabilities Management Committee (ALCo), the Credit Risk Committee, the Operational Risk Committee and Internal Control, the Executive Committee (ExCo), the Risk Management Committee and the Board of Directors of the Bank.

Organizational Structure

The following Risk Management Divisions operate within the Group, under the supervision of the General Manager and Chief Risk Officer, with the responsibility of implementing and monitoring the risk management framework, according to the directions of the Risk Management Committee:

- Chief Risk Control Officer
  - Credit Risk Policy and Control Division
  - Credit Risk Methodologies Division
  - Credit Risk Cost Assessment Division
  - Climate and ESG Risk Management Functional Area
  - Market and Operational Risk Division
- Chief Credit Officer

  - Wholesale Credit Division
  - Credit Workout Division
  - Retail Credit Division
- Credit Risk Data and Analysis Division
  - Credit Risk Data Management Division
  - Credit Risk Analysis Division
- Risk Models Validation Division
- Compliance Division

In addition, the Group has appointed Risk and Credit Managers in the countries where it operates, who are responsible for ensuring compliance with the local supervisory rules and regulations.

Credit Risk

Credit Risk arises from a borrower's or counterparty's potential inability to fulfil their obligations to the Group due to the worsening of their creditworthiness, particularly within a deteriorating credit and macroeconomic environment.

Credit Risk management is conducted under the supervision of the Group's General Manager and Chief Risk Officer, by the Divisions that are responsible for setting the Group-wide credit risk appetite and policies, reviewing the approval and follow-up processes in the Business Units, conducting the quarterly process of calculating the impairment of credit exposures and monitoring and submitting regulatory and internal reports on the Group's consolidated credit portfolio, including the determination of portfolio limits for specific industries and countries. Dedicated Sections develop credit rating and evaluation models in order to ensure that they are available for day-to-day credit processing by the Business Units and that they meet all regulatory and institutional requirements. The independent Risk Models Validation Division is responsible for validating the credit risk, market risk, interest rate risk, liquidity and operational risk models and methodologies.

Credit Risk Management Framework

The Alpha Bank Group has set a clear Credit Risk undertaking and management strategy that, in line with its business goals, reflects the risk tolerance and the profitability levels the Group expects to achieve with regard to the risks undertaken.

The Credit Risk Management Framework evolves according to the following objectives:

- The independence of the Credit Risk Management operations from the risk undertaking activities and from the Officers in charge.
- The complete and timely support of Business Units during the decision-making process.
- The continuous and regular monitoring of the loan portfolio, in accordance with the Group's policies and procedures that ensure a sound credit approval process.
- The monitoring of the Credit Risk profile in accordance with the credit risk appetite, which encompasses credit quality (expected loss) and credit risk concentration (limits on single names, industries and geographical regions).
- The enforcement of a controls framework that ensures that Credit Risk undertaking is based on sound Credit Risk Management principles and well-defined, rigid credit standards.
- The accurate identification, assessment and measurement of the Credit Risk undertaken across the Bank and the Group, at both individual credit and lending portfolio levels.
- The approval of every new credit facility and every material change of an existing credit facility (such as its tenor, collateral

structure or major covenants) by the appropriate authority level which is well-defined.

- The assignment of the credit approval authority to the Credit Committees in charge, which consist of Executives from both Business Units and Credit Units, with sufficient knowledge and experience in the application of the Bank's internal policies and procedures.
- The measurement and assessment of the risks from all credit exposures of the Bank and the Group Companies to businesses or consolidated business groups, as well as to their proprietors, in line with regulatory requirements.

The aforementioned objectives are achieved through a continuously evolving framework of methodologies and systems that measure and monitor Credit Risk, using a series of Credit Risk approval, Credit Risk concentration analysis and review, early warning for excessive risk undertaking and problem debt management processes. This framework is readjusted regularly to the challenges of the prevailing economic circumstances and to the nature and scope of the Group's business activities.

Main actions for reinforcing the Risk Management Framework

In particular, to further reinforce and improve the Risk Management Framework the following actions have been implemented during 2022:

Actions addressing Climate Risk-Related issues

- Update of the Bank's Risk Inventory, in order to include in its Risk Registry the dimension of risks related to the climate. The main climate risk transmission channels in the area of risk management include transition risk (e.g., the risk of any negative economic impact on the organization arising from the current or future effects of the transition to an environmentally sustainable economy on counterparties or on their invested assets) and the physical risk (e.g. the risk of any negative financial impact on the Organization, resulting from the current or future impacts of the physical impacts of environmental factors on counterparties or on their invested assets) .
- Materiality assessment analysis, to identify the sectors that are most sensitive to climate-related risks. In line with the guidelines from various sources (e.g., ECB, EBA, European Commission), the Bank considers the risks related to climate and environment (Climate and Environmental - C&E) as a single cross-cutting risk, incorporating such risks as drivers of existing financial and non-financial risk in the Risk Management Framework. Therefore, the materiality assessment analysis covered all key aspects of risk (i.e., Credit Risk / Operational Risk / Market Risk / Liquidity Risk / Reputational Risk and Business/ Strategic Risk).
- In this context, the Bank conducted a transition risk assessment exercise on its Non-Financial Corporations (NFC) portfolio, based on the Climate Policy Relevant Sectors (CPRS) perimeter, to determine its exposure by sector and the allocation of the portfolio to potentially high risk of transition. In addition to the materiality assessment performed by the Bank in its non-financial corporations (NFC) portfolio, the Bank recognizes the importance of C&E risk in the retail portfolio, in terms of the energy efficiency of its real estate collaterals. In this context, the Bank is working to integrate information about the Energy Performance Certificate (EPC) of the relevant properties in the credit decision-making process. At the same

time, the Bank has developed a model for matching the energy efficiency rating with the EPCs of the properties included in its portfolio or used as collateral for existing assets. By using this model, the Bank managed to derive an estimate of the distribution of EPCs in the above properties' perimeter.

- The Bank completed the process of assessing the significance of physical risk in the loan portfolio. In this context, the Bank has defined a methodology based on sensitivity and exposure analysis for obtaining the vulnerability to natural risk factors. The vulnerability assessment aims to identify potential risks and is the basis for the risk assessment decision, while it is also aligned with the Invest EU methodology ("Technical guidance on the climate proofing of infrastructure in the period 2021-2027") and the ECB's "Good practices for climate-related and environmental risk management: Observations from the 2022 thematic review"). The analysis is applied to the corporate portfolio by NACE sector (22 NACE codes) at country level, while for real estate collateral, the analysis is applied at the climate zone level by region, based on the location of the property. The vulnerability analysis combines the result of the sensitivity and exposure analysis, by categorizing the physical climate risk as "high", "medium" or "low".

- Regarding Operational Risk, although historical data do not reflect significant losses from ESG-related events, the Bank introduced several improvements to better manage, monitor and mitigate ESG-related risks, essentially recognizing that there are potentially significant ESG factors that could lead to operational risk in the future. This is mainly based on a conservative forward-looking view (i.e., future ESG-related losses may be larger compared to historical ones), as such events may have a significant impact on reputation in the future, due to changing expectations of the Customers and of the wider society, regarding ESG issues.

- Regarding legal risks in particular, the Bank is in the process of introducing improvements to better identify, manage, mitigate and monitor legal risks arising from ESG-related factors. Emphasis is placed on ESG-related legal risk due to questionable activities of Customers and third parties (through improvements in the debtor assessment process), as well as internal procedures established to prevent "greenwashing" (through the introduction of internal controls for the detection of sustainable financings and their designation as such).

- Regarding Market Risk, based on the preliminary assessment of the Bank's bond portfolio in accordance with the Climate Policy Relevant Sectors (CPRS) methodology, also taking into account the average remaining duration of the perimeter sensitive to ESG factors, in order to identify the portfolio's sensitivity to environmental risks expected to materialize in the long term, there is limited potential effect from climate-related and other ESG factors. The Bank also proceeded to assess the importance of Physical Risk for the Business Portfolio. The Bank's exposure to physical risk can be considered negligible due to its small size.

- Regarding the importance of Liquidity Risk, there does not seem to be a significant effect from factors related to the climate or from other ESG factors. Liquidity is affected by the composition of the buffer, which consists mainly of government rather than corporate bonds, which are affected by ESG factors, as described above in the Market Risk section. Deposits are the main source of funding, consisting mainly of retail Customers, while corporate Customers are a relatively smaller part of the Bank's funding position, thus limiting exposure to ESG risks.

- Reputational Risk is considered to arise as a result of the manifestation of other types of risk (i.e., by second-order effect), while it is possible, in the future, to give rise to other types of risk (e.g. liquidity outflows, due to an adverse impact on reputation). In this sense, a separate assessment of the importance of factors related to ESG issues is not required. The materiality assessment for other types of risk is sufficient to cover potential one-off acute events with reputational impact (e.g., within Operational Risk), as well as more long-term effects on commercial value that could arise in the context of Strategic Risk. Additionally, to achieve efficient and effective monitoring of Reputational Risk, the Bank intends to develop a document on the overall Reputational Risk Management Framework. This framework will include all Reputational Risk aspects and factors, including factors related to ESG issues. The specific project is scheduled for completion by the end of the first semester of 2023.

- Business Risk includes the risk of possible (internal or external) adverse events that negatively affect an institution's ability to achieve its goals and, consequently, negatively affect profits (profit and loss account) and, through the latter, solvency. Strategic Risk can be defined as the effect on capital resulting from adverse business decisions, inappropriate implementation of those decisions or failure to respond to political, fiscal, regulatory, economic, cultural, market or industry changes. The importance of ESG factors for Business and Strategic Risk is reflected by the inability to take into account the increasing ESG factors, taking into account both idiosyncratic (strategic) and systemic (business) components. In this context, the Bank recognizes that ESG factors could have a significant impact related to Business and Strategic Risk, identifying as key factors the possible change in consumer preferences, behavior/demand patterns, market sentiment, as well as the possible change in the competitive landscape, which might lead to losses in terms of market share for the Bank and to a negative impact on its revenues and profitability, due to ESG issues.

- Based on the result of the materiality assessment exercise, for debtors falling within the ESG-sensitive perimeter, borrower-level assessment questionnaires have been developed with the aim of capturing and evaluating the borrowers' profile from the point of view of environmental, social and governance-related criteria.

- Development of criteria for the evaluation of each financing transaction applied for, in addition to the assessment at the obligor level, including alignment with specific criteria as defined in the Bank's Sustainable Financing Framework, in order to identify and capture sustainable activities, as well as the particular characteristics of the transactions.

- In alignment with the European Central Bank's expectations and in the context of the Action Plan submitted to the European Central Bank in May 2021, the Group has integrated into its Risk Appetite Framework the following:
  - Has integrated Climate Risks into its overall Risk Management Framework.
  - Has enhanced its due diligence process with respect to the assessment of its Customers' ESG/ climate risk profile, through the collection of relevant information.
  - Finances the green/sustainable transition of its counterparties, both in

the short term and in the long term.

- To the extent possible, it has started collecting EPC rating certificates from its Customers, in order to monitor the energy efficiency class of its exposures secured by real estate.

In addition to the qualitative statements, the Bank has introduced a set of quantitative statements, which will be enhanced as the available data points and the level of detail develop further.

Energy and Inflationary Crisis

The Group monitors closely the evolving energy crisis and the impact on inflation due to the war in Ukraine, as well as the rise in interest rates, and assesses their impact on its business activity, financial position and profitability.

As the crisis evolves and facts change, the Group may proceed to appropriate adjustments to its strategy, business plan and financing plan on a case-by-case basis, while it may also consider additional measures to limit the impact of the energy and inflationary crisis, in addition to discussed in the following, if this is deemed necessary.

In this respect, the Group carried out the following:

- In order to assess the crisis in the sectors of the economy, an assessment was carried out of how each sector of the economy is affected, based on expert judgement, taking into account:
  - the cost of raw materials
  - the cost of production
  - the cost of transport and
  - the possibility of passing on the cost increase to the final consumer.
- An analysis of the impact on Credit Risk parameters was performed.
- Adaptation to the credit granting policy and procedures: Special instructions were given to the Business Units and Credit Units.
- An assessment was performed of the following: creditor assessment process with indications of Insolvency to Pay (UTP), credit rating downgrades, Stage 2 triggers, calculation of impairments of exposures classified in Stage 3 based on an individual assessment (Stage 3 Individual impairment).
- Interest rates stress exercise, to better evaluate Wholesale Banking and Retail Banking requests.

Moreover, during 2022, the following actions have been implemented:

- Continuous strengthening of the second line of defense control mechanisms, in order to ensure compliance with Credit Risks Policies at Bank and Group level.
- Update of the sectoral analyses regarding the impact of the energy and inflationary crisis on the sectors of the Greek economy. The update took into account new data that became available, as well as the communications with the Businesses-Customers active in the individual sectors of the Greek economy.

Other actions and Projects

- Update of the Credit Policy Manuals for Wholesale Banking and Retail Banking in Greece and abroad, taking into account the macroeconomic conditions, as well as the Group's business strategy.
- Development of a specific Credit Policy defining the criteria and conditions for the evaluation of new financings to businesses under the Recovery and Resilience Facility (RRF). Completion of the project for the digital transformation and automation of the approval process via all Consumer Credit and Mortgage Credit product distribution channels of the Bank.

- Completion of the business specifications in the framework of the project for the digitalization and automation of the approval process for Wholesale Credit products (under the responsibility of the Retail Banking Business Unit) of the Bank.
- Update of the Credit Risk Early Warning Policy, by including additional triggers related to energy crisis assessment and leveraged finance monitoring.
- Update of the Group's Collateral Policy, regarding the enhancement of the process of annual valuations with the use of indicators.
- Update of the Concentration Risk and Credit Threshold Policy, to ensure that it is consistent with the business strategy. Update of the Group Credit Risk models development framework, to ensure its alignment at all times with the applicable regulatory expectations and international practices.
- Development and update of the Credit Risk models in order to ensure the accuracy of the estimations and their consistency with the current regulatory requirements.
- Development of new scorecards, simplified (sector agnostic) and sectoral (full-blown), for environmental risks, differentiated by business sector and by company size (sales cycle), as well as of scorecards for governance and social risks.
- Conduct of periodic stress tests, as a tool for assessing the impact of various macroeconomic scenarios on business strategy formulation, business decisions and the Group's capital position. Stress tests are conducted in accordance with the requirements of the supervisory framework and constitute a key component of the Group's Credit Risk management strategy.
- Validation of the Credit Risk models based on the approved annual plan and the principles of the relevant framework. Additionally, the reliability of the models used in the approval process (Customer Scores) was evaluated.
- Development of alternative methodologies (challenger models) for models used in the estimation of expected loss.
- Development of a methodology for validating criteria for a significant increase in Credit Risk.
- In the context of continuous research and development, the methodologies for validating Environmental Risk models were studied. The research team used the "agile" methodology.
- Continuous validation of risk models, to ensure their accuracy, reliability, stability and predictability. More specifically:
    - Validation of the model related to Market Risk and coverage of issues arising during audits.
    - Validation of the assumptions and methodologies related to Liquidity Risk and used in the Internal Liquidity Adequacy Assessment Process (ILAAP).
    - Validation of the Bank's Operational Risk Model used in the Internal Capital Adequacy Assessment Process (ICAAP), in accordance with Pillar II.
- Development of a new infrastructure for calculating expected Credit Risk loss, to optimize operational processes.

Finally, in order to enhance and develop the internal Credit Risk Management system, the following actions are in progress:

- Continuous upgrading of the Credit Risk Datamarts, with the aim of improving data quality, solving operational issues that are identified, creating/introducing new fields and algorithms.

- Continuous strengthening of the control and monitoring mechanism of new financings for the entire Retail Banking and Wholesale Banking portfolios and, in particular, of the automatic decision-making mechanism for Retail Banking (THALIS).
- Continuous reconfiguration of databases for performing statistical tests of the Group Credit Risk rating models.
- Upgrade and automation of the aforementioned process in relation to the Wholesale and Retail Banking Credit, using specialized statistical software.
- Reinforcing the completeness and quality control mechanism of crucial fields in Wholesale and Retail Credit for monitoring, measuring and controlling credit risk
- Project for the replacement of the Group Companies' current Credit Rating Systems.

Loans and advances to Customers

At the end of 2022, the Non-Performing Exposures (NPEs) of the Group reached Euro 3.1 billion and the Non-Performing Exposures Ratio stood at 7.8%, compared to Euro 5.1 billion and 13.1% respectively at the end of 2021, as a result of the completion of the Light transaction and the transfer to "Held for Sale" of the portfolios for the Bank (Hermes/Solar) and for Alpha Leasing.

At the end of 2022, the Non-Performing Loans (NPLs) of the Group reached Euro 1.7 billion and the Non-Performing Loans Ratio stood at 4.1%, compared to Euro 2.4 billion and 6.2% respectively at the end of 2020.

The Group Total Provisions Stock reached Euro 1.2 billion at the end of December 2022. The Non-Performing Loans Coverage Ratio stood at 73.4%, compared to 97.1% in 2021, while the cash coverage for NPEs stood at 39% in 2022, compared to 45.7% in 2021.

On 31.12.2022, the Group's forborne outstanding loans stood at Euro 4.7 billion, with a total collateral value of Euro 3.5 billion.

The tables that follow present the Bank's loans and advances to Customers by asset quality and the ageing analysis of loans and advances to Customers by product line on a consolidated basis.

Table 1
Loans by IFRS 9 Stage
(past due and not past due)

Amounts in Euro thousand

31.12.2022 Loans measured at fair value through profit or loss (FVPL)

	Not past due	Past due	Net carrying amount	Value of collateral
Retail lending	**0**	**0**	**0**	**0**
Mortgage	0	0	0	0
Consumer	0	0	0	0
Credit cards	0	0	0	0
Small business	0	0	0	0
Corporate lending	**314,191**	**0**	**314,191**	**306,960**
Large	314,191	0	314,191	306,960
SME's	0	0	0	0
Public sector	**0**	**0**	**0**	**0**
Greece	0	0	0	0
Other Countries	0	0	0	0
Total	**314,191**	**0**	**314,191**	**306,960**

31.12.2022 Loans measured at amortized cost

	Purchased or originated credit impaired loans (POCI)					Total net carrying amount at amortized cost	Value of collateral
	Not past due	Past due	Carrying amount (before provision for impairment losses)	Expected credit losses	Net carrying amount		
Retail lending	**884,888**	**380,411**	**1,265,299**	**210,521**	**1,054,778**	**13,271,947**	**10,774,005**
Mortgage	623,895	157,701	781,596	73,942	707,654	9,007,259	8,749,691
Consumer	169,154	87,169	256,323	53,855	202,468	1,363,957	472,266
Credit cards	664	6,693	7,357	6,310	1,047	880,779	3,742
Small business	91,175	128,848	220,023	76,414	143,609	2,019,952	1,548,306
Corporate lending	**116,232**	**42,390**	**158,622**	**29,342**	**129,280**	**24,726,181**	**18,495,302**
Large	104,224	12,524	116,748	9,731	107,017	18,093,575	13,985,792
SME's	12,008	29,866	41,874	19,611	22,263	6,632,606	4,509,510
Public sector	**0**	**0**	**0**	**0**	**0**	**27,501**	**27,345**
Greece	0	0	0	0	0	26,522	26,421
Other Countries	0	0	0	0	0	979	924
Total	**1,001,120**	**422,801**	**1,423,921**	**239,863**	**1,184,058**	**38,025,629**	**29,296,652**

31.12.2022 Loans measured at amortized cost (Stage 1)

	Not past due	Past due	Carrying amount (before provision for impairment losses)	Expected credit losses	Net carrying amount
Retail lending	**7,598,556**	**80,053**	**7,678,609**	**14,882**	**7,663,727**
Mortgage	5,321,130	51,396	5,372,526	3,366	5,369,160
Consumer	690,932	19,781	710,713	5,305	705,408
Credit cards	768,371	3,224	771,595	3,631	767,964
Small business	818,123	5,652	823,775	2,580	821,195
Corporate lending	**22,828,167**	**213,846**	**23,042,013**	**16,411**	**23,025,602**
Large	17,051,430	128,985	17,180,415	11,760	17,168,655
SME's	5,776,737	84,861	5,861,598	4,651	5,856,947
Public sector	**26,639**	**47**	**26,686**	**70**	**26,616**
Greece	25,799	47	25,846	58	25,788
Other Countries	840	0	840	12	828
Total	**30,453,362**	**293,946**	**30,747,308**	**31,363**	**30,715,945**

31.12.2022 Loans measured at amortized cost (Stage 2)

	Not past due	Past due	Carrying amount (before provision for impairment losses)	Expected credit losses	Net carrying amount
Retail lending	**2,727,506**	**364,894**	**3,092,400**	**142,775**	**2,949,625**
Mortgage	1,725,788	226,996	1,952,784	61,008	1,891,776
Consumer	237,080	58,738	295,818	33,786	262,032
Credit cards	90,470	15,029	105,499	13,713	91,786
Small business	674,168	64,131	738,299	34,268	704,031
Corporate lending	**1,350,542**	**89,841**	**1,440,383**	**18,977**	**1,421,406**
Large	766,791	40,003	806,794	14,525	792,269
SME's	583,751	49,838	633,589	4,452	629,137
Public sector	**466**	**32**	**498**	**29**	**469**
Greece	345	0	345	27	318
Other Countries	121	32	153	2	151
Total	**4,078,514**	**454,767**	**4,533,281**	**161,781**	**4,371,500**

31.12.2022 Loans measured at amortized cost (Stage 3)

	Not past due	Past due	Carrying amount (before provision for impairment losses)	Expected credit losses	Net carrying amount
Retail lending	**905,131**	**1,276,797**	**2,181,928**	**578,111**	**1,603,817**
Mortgage	623,915	625,190	1,249,105	210,436	1,038,669
Consumer	102,236	251,479	353,715	159,666	194,049
Credit cards	2,968	58,638	61,606	41,624	19,982
Small business	176,012	341,490	517,502	166,385	351,117
Corporate lending	**85,808**	**185,302**	**271,110**	**121,217**	**149,893**
Large	34,921	31,178	66,099	40,465	25,634
SME's	50,887	154,124	205,011	80,752	124,259
Public sector	**491**	**611**	**1,102**	**686**	**416**
Greece	491	611	1,102	686	416
Other Countries	0	0	0	0	0
Total	**991,430**	**1,462,710**	**2,454,140**	**700,014**	**1,754,126**

Table 2
Ageing analysis of loans by IFRS 9 Stage and product line of loans

Amounts in Euro thousand

31.12.2022 Loans measured at fair value through profit or loss (FVPL)

	Retail lending				Corporate lending		Public sector		
	Mortgage loans	Consumer	Credit cards	Small business	Large corporate	SME's	Greece	Other countries	Total
Current	0	0	0	0	314,191	0	0	0	314,191
1 - 30 days	0	0	0	0	0	0	0	0	0
31 - 60 days	0	0	0	0	0	0	0	0	0
61 - 90 days	0	0	0	0	0	0	0	0	0
91 - 180 days	0	0	0	0	0	0	0	0	0
181 - 360 days	0	0	0	0	0	0	0	0	0
> 360 days	0	0	0	0	0	0	0	0	0
Total	**0**	**0**	**0**	**0**	**314,191**	**0**	**0**	**0**	**314,191**
Value of collaterals	0	0	0	0	306,960	0	0	0	306,960

31.12.2022 Loans measured at amortized cost **(Retail lending)**

	Mortgage loans					Consumer				
	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired loans (POCI)	Total	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired loans (POCI)	Total
Current	5,317,907	1,671,495	545,448	578,542	8,113,392	686,041	211,466	75,006	150,258	1,122,771
1 - 30 days	51,253	157,092	25,315	14,230	247,890	19,367	37,696	7,844	10,007	74,914
31 - 60 days	0	42,152	28,214	10,299	80,665	0	8,999	5,260	3,628	17,887
61 - 90 days	0	21,037	22,469	5,756	49,262	0	3,870	3,988	2,149	10,007
91 - 180 days	0	0	75,236	17,056	92,292	0	0	16,724	6,046	22,770
181 - 360 days	0	0	96,788	30,321	127,109	0	0	33,764	11,764	45,528
> 360 days	0	0	245,200	51,450	296,650	0	0	51,463	18,616	70,079
Total	**5,369,160**	**1,891,776**	**1,038,670**	**707,654**	**9,007,260**	**705,408**	**262,031**	**194,049**	**202,468**	**1,363,956**
Value of collaterals	5,171,673	1,798,406	1,093,306	686,306	8,749,691	199,616	84,389	67,211	121,050	472,266

31.12.2022 Loans measured at amortized cost **(Retail lending)**

	Credit cards					Small business				
	Stage 1	**Stage 2**	**Stage 3**	**Purchased or originated credit impaired loans (POCI)**	**Total**	**Stage 1**	**Stage 2**	**Stage 3**	**Purchased or originated credit impaired loans (POCI)**	**Total**
Current	764,779	79,266	1,676	575	846,296	815,679	645,375	149,749	82,951	1,693,754
1 - 30 days	3,185	7,890	444	23	11,542	5,517	42,855	8,254	4,031	60,657
31 - 60 days	0	2,770	212	5	2,987	0	8,772	11,743	1,978	22,493
61 - 90 days	0	1,859	173	11	2,043	0	7,029	4,793	1,528	13,350
91 - 180 days	0	0	2,960	16	2,976	0	0	28,611	5,104	33,715
181 - 360 days	0	0	4,664	22	4,686	0	0	54,339	7,774	62,113
> 360 days	0	0	9,853	397	10,250	0	0	93,628	40,245	133,873
Total	**767,964**	**91,785**	**19,982**	**1,049**	**880,780**	**821,196**	**704,031**	**351,117**	**143,611**	**2,019,955**
Value of collaterals	1,900	86	1,717	39	3,742	642,164	500,857	293,776	111,509	1,548,306

31.12.2022 Loans measured at amortized cost **(Corporate lending)**

	Large corporate					SME's				
	Stage 1	**Stage 2**	**Stage 3**	**Purchased or originated credit impaired loans (POCI)**	**Total**	**Stage 1**	**Stage 2**	**Stage 3**	**Purchased or originated credit impaired loans (POCI)**	**Total**
Current	17,039,838	754,048	19,607	100,201	17,913,694	5,772,280	579,765	39,856	8,832	6,400,733
1 - 30 days	128,817	14,024	358	0	143,199	84,667	38,913	7,051	1,710	132,341
31 - 60 days	0	24,197	152	0	24,349	0	9,956	1,132	0	11,088
61 - 90 days	0	0	0	0	0	0	503	2,800	0	3,303
91 - 180 days	0	0	69	0	69	0	0	2,678	1,814	4,492
181 - 360 days	0	0	809	6,816	7,625	0	0	8,413	0	8,413
> 360 days	0	0	4,641	0	4,641	0	0	62,329	9,906	72,235
Total	**17,168,655**	**792,269**	**25,636**	**107,017**	**18,093,577**	**5,856,947**	**629,137**	**124,259**	**22,262**	**6,632,605**
Value of collaterals	13,145,745	697,294	30,532	112,220	13,985,791	3,871,828	456,759	154,988	25,935	4,509,510

31.12.2022 Loans measured at amortized cost **(Public sector)**

	Greece					Other countries				
	Stage 1	**Stage 2**	**Stage 3**	**Purchased or originated credit impaired loans (POCI)**	**Total**	**Stage 1**	**Stage 2**	**Stage 3**	**Purchased or originated credit impaired loans (POCI)**	**Total**
Current	25,741	317	324	0	26,382	828	119	0	0	947
1 - 30 days	47	0	0	0	47	0	32	0	0	32
31 - 60 days	0	0	0	0	0	0	0	0	0	0
61 - 90 days	0	0	12	0	12	0	0	0	0	0
91 - 180 days	0	0	0	0	0	0	0	0	0	0
181 - 360 days	0	0	0	0	0	0	0	0	0	0
> 360 days	0	0	81	0	81	0	0	0	0	0
Total	**25,788**	**317**	**417**	**0**	**26,522**	**828**	**151**	**0**	**0**	**979**
Value of collaterals	25,800	0	621	0	26,421	771	153	0	0	924

Market Risk

Market risk is the risk of a reduction in economic value arising from unfavorable changes in the value or volatility of interest rates, foreign exchange rates, equities and commodities markets. Market risk may arise from either the trading book or the Assets and Liabilities management.

1. Trading Book

There is a dedicated Group Policy in place which sets out how Market Risk is managed within the Group, describing in detail the identification, measurement, monitoring and control of Market Risk inherent in Treasury assets and liabilities transacted by the Group and the country local Treasury Management Units, as well as the steps taken to ensure that adequate capital is held against this type of risk. The ultimate objective of the Policy is to provide the framework and principles for the effective management of Market Risk, in order to:

- maintain Market Risk within the limits set, in line with the Group's risk appetite
- reduce the risk of fraud or regulatory non-compliance by prescribing sound methodologies
- ensure adequate controls to prevent significant losses,
- facilitate efficient decision-making by quantifying, where possible, the probabilities of failing to achieve earnings or other targets.

All competent Group and country local Units apply the Policy by developing and applying corresponding processes.

Market Risk for the trading book is measured by calculating Value at Risk (VaR), using a dedicated system. The methodology applied to calculate VaR is historical simulation. The Bank uses a one-day and a ten-day holding period, depending on the time required to liquidate the portfolio. Hypothetical and actual back-testing for the trading book VaR is performed on a daily basis, in order to validate the VaR model. Furthermore, according to best practices, an independent Unit conducts validation of the internal model at a minimum on an annual basis.

In order to calculate the one-day VaR for the Bank's trading book, historical data of two years and a 99% confidence level are used. Table 3 shows the VaR calculated for the Bank's trading book during 2022. The Group Companies have very low exposure and limits for the trading book and, consequently, market risk exposure is immaterial.

In addition to applying the VaR methodology for the measurement of the trading book's Market Risk, the book's behavior is also

Table 3. Trading book VAR

Amounts in Euro

	2022						2021
	Foreign Exchange Risk	**Interest Rate Risk**	**Price Risk**	**Commodity Risk**	**Covariance**	**Total**	**Total**
31 December	836,901	252,962	0	408	-232,711	857,560	3,956,741
Average daily value (annual)	1,038,712	1,537,270	10,209	295	-856,523	1,729,963	4,367,292
Maximum daily value (annual)	1,571,882	3,244,254	77,401	35	-882,116	4,011,456	5,389,619
Minimum daily value (annual)	381,600	338,602	0	462	-234,050	486,614	3,667,135

tested against hypothetical changes in market parameters (scenarios) and extreme parameter changes noted in the past (stress testing).

In 2008, the Bank of Greece validated the internal model used and further approved its application to calculate the trading book capital requirements. Since 31.12.2011, stressed VaR has been calculated along with VaR, in order to estimate capital requirements for general Market Risk. Following the incorporation of Emporiki Bank's positions in Alpha Bank's portfolios during 2013, the Bank of Greece revalidated the application of the internal model by Alpha Bank, in order to measure the market risk capital requirements. In 2018, the Bank's internal model was subjected to a Targeted Review of Internal Models (TRIM) by the Single Supervisory Mechanism, focusing on procedures, the Market Risk Management Framework and the capital requirement calculation.

As part of the financial risk management policy implemented by the Assets-Liabilities Management Committee (ALCo), maximum exposure stop-loss and VaR limits have been set for products comprising trading and investment positions, taking into account the current Group needs and market conditions.

The Bank uses a dedicated system to monitor and examine in real time the exposure and stop-loss limits of the Athens trading and investment positions regarding the corresponding limit utilization and limit excess. The local Risk Management Units monitor the investment limits set for the corresponding Units abroad, on a daily and intra-day basis. The relevant results are consolidated on a daily basis in order to examine the utilization and excess of the Group investment limits. The corresponding VaR limits are monitored and examined on a daily basis as well.

The Bank uses a dedicated system to provide the risk and return analysis, in line with the Bank's compliance with Regulation (EU) 2017/653 on Key Information Documents for Packaged Retail and Insurance-based Investment Products (PRIIPs KIDs).

During 2022, the Group risk appetite for banking book bond portfolios was reviewed, taking into consideration the bond reclassification performed from the portfolio of debt securities measured at Fair Value through Other Comprehensive Income (FVOCI) to the Amortized Cost portfolio. It should be noted that bond yields increased during the year, with a limited impact on the FVOCI bond portfolio due to the bond reclassification. Furthermore, the Group risk appetite for the trading book was reviewed in order to accommodate business needs.

2. Banking Book Financial Risks

The banking book Financial Risks arise from the structure of the Assets and Liabilities and mostly of the Group's loan and deposit portfolios. The banking book Financial Risks are the Exchange Rate Risk, the Interest Rate Risk and the Liquidity Risk.

a. Exchange Rate Risk

The General Management sets limits on the open foreign exchange position for the total position as well as for each currency. The total position is calculated by adding the current position for the balance sheet items to the forward position held on derivatives (Table 4).

Table 4. Foreign Exchange Position Alpha Bank Group - 31.12.2022

Amounts in Euro million

	USD	GBP	CHF	JPY	RON	RSD	Other FC	EUR	Total
Assets	**3,670.5**	**566.3**	**290.7**	**6.7**	**2,227.4**	**0.1**	**58.9**	**71,198.0**	**78,018.7**
Liabilities	**2,926.4**	**301.9**	**37.1**	**3.3**	**1,233.5**	**19.2**	**167.1**	**67,052.7**	**71,741.2**
Net Balance Sheet Position	744.1	264.4	253.6	3.4	993.9	-19.1	-108.2	4,145.3	6,277.5
Derivatives Forward Foreign Exchange Position	-641.5	-151.4	-107.6	-0.7	-719.3	0.0	166.2	1,149.2	-305.1
Total Foreign Exchange Position	**102.6**	**113.1**	**146.0**	**2.7**	**274.6**	**-19.1**	**58.0**	**5,294.5**	**5,972.3**

The Exchange Rate Risk undertaken by the Group derives mainly from banking book assets and liabilities and the goal is to offset this risk, provided that the corresponding instruments in the said currencies are available.

b. Interest Rate risk

The new Guidelines on interest rate risk in the banking book (IRRBB) was published in October 2022, setting June 30, 2023 as the date from which will apply. In general, the new Guidelines provide continuity to the previous ones, however the introduce some new elements, such as prudent behavioral assumption on non-maturity deposits from non-financial counterparties.

The new Guidelines also incorporate specific chapters on the identification, assessment, and monitoring of credit spread risk from non-trading book activities (CSRBB), which will apply from December 31, 2023. CSRBB is the risk driven by changes in the market price for credit risk, for liquidity and for potentially other characteristics, which are not covered by the existing supervisory framework on IRRBB or on credit risk. CSRBB captures the risk of a change in the credit spread without a change in the credit rating.

In the context of measuring the impact of IRRBB and CSRBB under internal systems, interest income, interest expenses and market value changes should be considered. This ensures a comprehensive assessment of the impact of all interest-rate-sensitive and credit-spread-sensitive items. Furthermore, in this context, a five-year cap on weighted average repricing maturity is now introduced for certain retail and wholesale deposits without a specified maturity.

According to the new Guidelines, IRRBB should be treated as an important risk and IRRBB exposure needs to be identified and managed, since it affects both economic value and net interest income plus market value changes. Moreover, CSRBB exposures should be assessed, monitored and controlled, both under economic value and net interest income measures plus market value changes.

Interest Rate Risk in the Banking Book (IRRBB) refers to the risk to the Bank's capital and earnings arising from adverse movements in interest rates. There are three main sub-types of IRRBB:

- Gap risk arises from the term structure of banking book instruments and describes the risk arising from the timing of the instruments' rate changes.
- Basis risk describes the impact of relative changes in interest rates for financial instruments that have similar tenors but are priced using different interest rate indices (bases).
- Option risk arises from positions in deriv-

ative products (options) or from the Customer's right (option) to change the level and timing of the cash flows. For example, the change in interest rates may cause a change in a Customer's transaction behavior, if that Customer has been granted the option to fully repay his/her loan or withdraw his/her deposit without penalty.

Interest rate risk management for the banking book is performed on a monthly basis, according to the Policies and Procedures for Assets and Liabilities Management that have been developed and adopted by all Group Units.

For the interest rate risk assessment and monitoring for the Group's banking book, the following estimation techniques, in line with the European Banking Authority (EBA) Guidelines, are used on a regular basis:

- Gap Analysis for each currency.
- Stress Scenario Analysis for each currency.

When performing an Interest Rate Gap Analysis, the Group assets and liabilities are allocated into time buckets, according to their repricing date for variable interest rate instruments or according to their maturity date for fixed rate instruments. Assets or Liabilities with no specific re-pricing schedule (savings and sight deposits) are allocated into time buckets according to a statistical model that takes into consideration the behavioral analysis of the respective accounts.

Table 5. Interest Rate Gap Analysis Alpha Bank Group - 31.12.2022

Amounts in Euro million

	< 1 Month	1 to 3 Months	3 to 6 months	6 to 12 months	1 to 5 Years	> 5 Years	Non-Interest bearing	Total
Assets	28,652.7	14,234.4	5,060.3	1,353.4	10,638.3	8,277.8	9,801.9	78,018.7
Liabilities	2,953.5	4,236.9	3,171.9	4,678.7	19,553.2	8,641.8	1,922.2	71,741.2
Equity	0.0	0.0	0.0	0.0	0.0	0.0	6,277.5	6,277.5
Total Liabilities and Equity	29,536.5	4,236.9	3,171.9	4,678.7	19,553.2	864.8	8,199.6	78,018.7
Gap	**-883.8**	**9,997.5**	**1,888.4**	**-3,325.3**	**-8,914.9**	**-364.1**	**1,602.3**	**0,0**
Cumulative Gap	**-883.8**	**9,113.6**	**11,002.0**	**7,676.7**	**-1,238.2**	**-1,602.3**	**0.0**	**0.0**

The Stress Scenario analysis is employed in order to calculate the impact of extreme movements of interest rates on the Net Interest Income (NII), as well as on the Economic Value of Equity (EVE). The Stress Scenarios imply the parallel movement and the non-parallel movement of the yield curve, to meet both regulatory requirements and internal needs of the Bank.

Specifically, IRRBB is measured under the following regulatory scenarios:

- Parallel shock up (+200 basis points)
- Parallel shock down (-200 basis points)
- Steepener shock (short rates down and long rates up)
- Flattener shock (short rates up and long rates down)
- Short rates shock up
- Short rates shock down

Furthermore, the following additional interest rate shocks are implemented for internal purposes:

- Parallel shock up (+25 basis points)

- Parallel shock down (-25 basis points)
- Parallel shock up (+50 basis points)
- Parallel shock down (-50 basis points)
- Parallel shock up (+100 basis points)
- Parallel shock down (-100 basis points)
- Long rates shock up
- Long rates shock down
- Basis Risk shock

Table 6 presents the change in both the NII and EVE, following the implementation of the stress scenarios on the market yield curves, as of 31.12.2022.

Table 6. Net Interest Income & Equity Sensitivity - 31.12.2022

Amounts in Euro million

Interest rate changes scenarios (parallel yield curve shift)	**"Net Interest Income Sensitivity (for one year period)"**	**Equitiy Sensitivity**
Parallel shift of +200bps	121	329
Parallel shift of -200bps	-108	-403
Steepening	-66	-152
Flattening	117	137
Short Rates Up	132	206
Short Rates Down	-210	-400
Long Rates Up	82	68
Long Rates Down	74	-77

During 2022, the war in Ukraine and the energy crisis created an extremely uncertain global outlook, which put the economy on a trajectory of lower growth and higher inflation. To face inflationary pressures, the Federal Reserve raised its key interest rate from 0.25% to 4.5%, while the ECB raised its key lending rate to 2.5% from 0% and the deposit rate to 2% from a negative rate of -0.50%.

The higher interest rate environment is expected to lead to an increase in interest income, resulting in an improvement in the Net Interest Margin. It is estimated that a 200 basis point interest rate increase, could increase net interest income by 15-20%, depending on the rate of adjustment of customer deposit rates.

During 2022, the interest rate risk of the banking book remained at low levels, without any limits being exceeded in terms of Net Interest Income (NII) and Economic Value of Equity (EVE). Furthermore, the use of the individual limits of the Group Companies remained, in terms of EVE, within the approved limits.

The analysis of the Balance Sheet in the upgraded Assets and Liabilities risk monitoring application is based on loan differentiation, distinguishing those measured at Amortized Cost and those measured at Fair Value through Profit & Loss, according to IFRS 9 and the respective risk parameters (perimeter, interest rate yield curves, discount spread). The banking portfolio net interest income and fair value are estimated based on the EBA Guidelines on the management of interest rate risk arising from non-trading book activities (July 2018), with the aim of monitoring the short-term and the medium-to-long-term interest rate risk in terms of Earning at Risk (EaR) and Economic Value of Equity (EVE). IRRBB stress scenarios results are implemented, monitored and presented, on a monthly basis, to the Risk Management Committee and to the Assets-Liabilities Management Committee.

Liquidity Risk

Liquidity Risk refers to the Group's ability to maintain adequate liquidity to fulfill its transactional obligations, either regular or extraordinary. The most significant part of the Group's Assets is financed through customer deposits and wholesale funding.

During 2022, the Bank's dynamic offering of new deposit products led to an increase of Customer deposits at both Bank and Group level. Thus, on 31.12.2022, the Bank's deposits were increased by Euro 2.94 billion, nearly 7.06% compared to 31.12.2021. Correspondingly, the Group's deposits increased by 6.97% (Euro 3.28 billion). The above amounts also include Greek government deposits, which remained stable at null throughout 2022.

The measures announced by the European Central Bank (on 7.4.2020, on 22.4.2020 and on 10.12.2020) with regard to the mitigation of the impacts of the COVID-19 pandemic on the economy), continue to apply. These measures included the acceptance of Greek sovereign debt instruments as collateral in Eurosystem credit operations, even though these instruments do not meet the minimum ECB rating requirements. With these decisions, the European Central Bank recognizes the progress achieved by the Greek economy and seeks to foster a common stance among the Eurozone member states.

Already since 24.6.2020, the Bank participated in the ECB's TLTRO III program, which provided long-term financing at a negative interest rate of -1% until 24.06.2022.

As a result of ECB's revision of its monetary policy by the European Central Bank, the lending rate was successively increased to 0% from 24.6.2022 to 13.9.2022, to 0.75% from 14.9.2022 to 3.11.2022, to 1.5% from 2.11.2022 to 20.12.2022 and to 2% from 21.12.2022 and up to January 2023.

On 31.12.2022, the Bank's financing from the Eurosystem stood at Euro 12.9 billion (2021: Euro 12.9 billion), coming exclusively from the Eurosystem's long-term lending operations (TLTRO-III).

Alpha Bank also proceeded to successfully issue two MREL senior preferred bonds during 2022. On 21.10.2022, it issued a Euro 0.4 billion bond with a 7% coupon rate and a tenor of 3 years, callable in the second year. On 6.12.2012, it successfully placed a Euro 0.45 billion senior preferred bond with a coupon rate of 7.5% , maturing at 4.5 years and callable at 3.5 years.

During 2022, in the context of Pillar II requirements, the Bank updated both the Internal Capital Adequacy Assessment Process (ICAAP) and the Internal Liquidity Adequacy Assessment Process (ILAAP). Furthermore, in the second semester of 2022, the Bank updated the policies and procedures of its Recovery Plan, as well as the scenarios of its Liquidity Stress Tests. During the same period, the Contingency Funding Plans and the Recovery Plans of all subsidiary Banks of the Group were also updated.

To ensure the Banks' preparedness to cope with the crisis of the COVID-19 pandemic, the Single Supervisory Mechanism (SSM) requested an exceptional liquidity monitoring exercise to be performed, initially on a weekly basis and, later on, a monthly basis. So far, the SSM has not raised any issues for discussion in connection with this exercise.

The interbank financing (short-term and medium-to-long-term) and the Early Warning Indicators of the Bank and of the Group Companies are monitored on a daily basis, with reports being produced and checked in order to capture daily variations.

Stress Tests for liquidity purposes are conducted monthly or more frequently, in order to assess potential outflows (contractual or contingent), so that the level of the liquidity that is immediate available for covering the Bank's need can be determined. These Stress Tests are carried out in accordance with the approved Liquidity Risk Policy of the Group.

An important liquidity risk monitoring tool that Alpha Bank employs on a monthly basis is the Liquidity Gap Analysis for each currency to which it is exposed at Bank and Group level. According to the Liquidity Gap Analysis, cash flows arising from all assets and liabilities are estimated and allocated into time buckets based on their maturity date, with the exception of the accounts without contractual maturity (e.g., demand Customer deposits, rollover working capital loans, etc.), which are allocated to time buckets according to a statistical model that takes into consideration the behavioral analysis of the respective accounts.

Table 7 presents the Liquidity Gap Analysis at Group level as of 31.12.2022.

Table 7. Liquidity Gap Analysis Alpha Bank Group - 31.12.2022

Amounts in Euro million

	< 1 Month	1 to 3 Months	3 to 6 months	6 to 12 months	> 1 Year	Total
Assets	19.652,4	2.932,4	2.121,5	3.078,4	50.233,9	78.018,7
Liabilities	12.043,9	4.179,4	11.607,0	5.427,9	38.483,1	71.741,2
Equity	0,0	0,0	0,0	0,0	6.277,5	6.277,5
Total Liabilities and Equity	12.043,9	4.179,4	11.607,0	5.427,9	44.760,5	78.018,7
Gap	**7.608,5**	**-1.246,9**	**-9.485,5**	**-2.349,5**	**5.473,4**	**0,0**
Cumulative Gap	**7.608,5**	**6.361,6**	**-3.123,9**	**-5.473,4**	**0,0**	**0,0**

Counterparty and Country Risk

Counterparty Risk is the risk of a counterparty defaulting before the final settlement of all their existing transactions' cash flows against the Group. Economic loss would occur if the portfolio of transactions with the counterparty had a positive economic value to the Group at the time of the counterparty's default.

Country Risk is the collection of risks associated with investing in a country. Risk per country may either be direct (including exposure to the Central Government, public utility companies, local authorities and the Central Bank), indirect (referring to funding Group Units' operations in the country) or related to the country's banking and private sector.

Monitoring and examination of limit utilization and limit excess by counterparties that are credit institutions are carried out in real time, using a dedicated system for the Bank, for Alpha Bank London Ltd and for Alpha Bank Romania S.A. As far as the other Group Companies are concerned, it is carried out on a daily basis. Country risk is monitored across all countries where the Group operates, irrespective of whether it has an actual presence. Furthermore, according to the relevant policies and procedures, certain interbank counterparty and country factors, e.g., credit rating, bond credit spread, etc., are monitored on a regular basis, since their change may trigger the review of the corresponding limits.

Derivatives transactions with Customers are taken into account when considering the total exposure to them and the establishment of credit limits per Customer. The corresponding limits for derivatives transactions are monitored and examined on a regular basis for limit utilization and any limit excess.

The Bank uses a dedicated system to quantify the credit valuation adjustment for the derivatives portfolio (Bilateral Credit Valuation Adjustment - BCVA). The methodology applied is Monte Carlo simulation, which takes into consideration market observable data, such as Credit Default Swap (CDS) spreads or the output of the Bank's internal models. The credit valuation adjustment for the derivatives portfolio is performed on a monthly basis and affects the fair value of the transactions. According to best practices, the BCVA model is validated by an independent Bank Unit.

The system used for the BCVA calculation is also used to calculate the Potential Future Exposure to Customer derivatives, which depends on the derivative's type, their nominal value and the remaining time to maturity.

The Bank uses a dedicated system to measure the Expected Credit Loss (ECL) for Treasury Products on a daily basis.

During 2022, the counterparty credit manual regarding exposure to the Hellenic Republic and Related Parties, as well as the credit manual for other counterparties, were finetuned.

Operational Risk

Operational Risk is the risk of loss from inadequate or failed internal processes and IT systems, people (intentionally or unintentionally) and external events. Operational Risk also includes Legal Risk.

The Group has adopted the Standardized Approach for the Operational Risk capital calculation and fulfills all quality requirements set therein. In particular, for the effective management of Operational Risk, the Group has adopted and implements an appropriate Operational Risk Framework, which covers the following issues:

- Collection and management of Operational Risk events, including lawsuits filed against the Group.
- Operational Risk identification and assessment, using Operational Risk self-assessment processes and other relevant techniques.
- Development and monitoring of Operational Key Risk Indicators (KRIs).
- Operational Risk reporting.
- Introduction of Operational Risk mitigation techniques, which concern the implementation of action plans that improve the current internal control system, as well as the purchase of Insurance Policies against specific risks.
- Coordination of the management of the following Group Insurance Policies:
    1. Bankers Blanket Bond – Crime Bond
    2. Bankers Blanket Bond – Civil Liability
    3. Directors and Officers Liability Insurance Policy, including the associated with the Executives Liability Insurance Policy (Run-Off Policy)
    4. Cyber Risk Policy.
- Calculation of capital requirements for Operational Risk.

This Framework is continuously reviewed, while specific projects are implemented for its upgrading. It is supported by an appropriate organizational structure with clearly defined Operational Risk management roles and responsibilities, under the core assumption that the prime responsibility for Operational Risk management remains with all the Units of the Bank and the Group Companies.

During 2022, the following initiatives were completed:

- Implementation of the KRIs Framework across the Bank and setting of KRIs for a significant number of Divisions (risk thresholds have been defined).
- Update of the Vendor Risk Management (VRM) questionnaire.
- Issuance of the Control Validation Framework.
- Installation of the new Operational Risk platform for the management of all Operational Risk data.

In 2023, the Group will continue its initiatives to the reinforcement of its Operational Risk Management Framework, the main objectives of which, for 2022-2023, are as follows:

- Definition of Control Validation points in all Divisions, including the introduction of relevant thresholds.
- Revision of all Operational Risk Management Policies.
- Development of a Group Reputational Risk Management Policy.
- Enhancement of evaluation framework for ESG Risks related to Operational Risk.

7

Capital Adequacy

Capital Adequacy Ratios

The policy of the Group is to maintain strong capital ratios and ample buffers over the minimum requirements, in order to ensure the achievement of its business plan and the development and trust of depositors, Shareholders, markets and business partners. Share capital increases are conducted pursuant to resolutions of the General Meeting of Shareholders or of the Board of Directors, in accordance with the Articles of Incorporation and the relevant laws. For the period that the Hellenic Financial Stability Fund (HFSF) participates in the share capital of Alpha Services and Holdings, the latter may not purchase its own shares without the former's approval, according to the Relationship Framework Agreement (RFA) which has been signed between the Company and the HFSF. Alpha Bank S.A., as a systemic bank, and consequently its parent company Alpha Services and Holdings S.A. on a consolidated basis, are supervised by the Single Supervisory Mechanism (SSM) of the European Central Bank (ECB), to which data are submitted on a quarterly basis. The supervision is conducted in accordance with the Regulation (EU) 575/2013 (CRR) as amended, inter alia, by Regulation (EU) 2019/876 of the European Parliament and the Council (CRR2) and Directive 2013/36/EU (CRD IV), as incorporated into Greek Law 4261/2014 and amended by Directive 2019/878/EU (CRD V) and incorporated by Law 4799/2021.

The framework is widely known as Basel III and consists of three fundamental pillars:

- Pillar I, which specifies the calculation of minimum capital requirements. The Bank submits to the SSM, through the Bank of Greece, the reports pertaining to its capital requirements on a solo and a consolidated basis, in accordance with the Implementing Technical Standards developed by the European Banking Authority (EBA).
- Pillar II, which sets the principles, criteria and processes required to assess capital adequacy and the risk management systems of credit institutions.
- Pillar III, which aims at increasing transparency and market discipline and sets the requirements concerning the disclosure of key information regarding the exposure of financial institutions to fundamental risks, as well as the disclosure of the processes applied to manage the said risks.

Apart from the above, this framework defines the regulatory capital of credit institutions and addresses a series of other regulatory issues, such as monitoring and control of large exposures, open foreign exchange position, concentration risk, liquidity ratios, the internal control system, including the risk management system, as well as the regulatory reporting and disclosures framework.

The Capital Adequacy Ratio compares the Group's regulatory capital with the risks assumed by the Group (Risk Weighted Assets). Regulatory capital includes Common Equity Tier 1 (CET1) capital (share capital, reserves, minority interests), additional Tier 1 capital (hybrid securities) and supplementary Tier 2 capital (subordinated debt). Risk Weighted Assets include the credit risk of the investment portfolio (including also counterparty credit risk and CVA risk), the market risk of the trading book and the operational risk.

For the calculation of the capital adequacy ratio, the above regulatory framework is followed. In addition:

- Besides the 8% capital adequacy limit, there are applicable limits of 4.5% for CET 1 ratio and 6% for Tier 1 ratio.
- The maintenance of capital buffers additional to the CET1 capital are required. In particular the Combined Buffer Requirement (CBR) consisting of:

— The Capital Conservation Buffer (CCB), which stands at 2.5%.

— The following capital buffers, set by the Bank of Greece through its Executive Committee Acts:

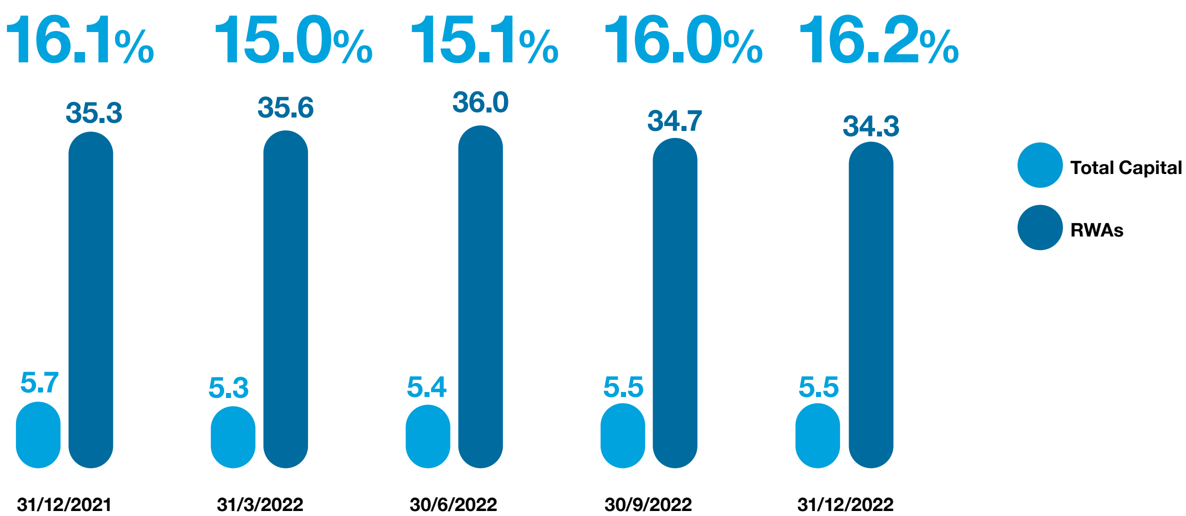
→ Countercyclical Capital Buffer (CCyB), equal to "zero percent" (0%) for 2022.

→ Other Systemically Important Institutions

(O-SII) buffer, which will gradually rise to "one percent" (1%) from 1.1.2019 to 1.1.2023. For 2022, the O-SII buffer stands at 0.75%.

Alpha Services and Holdings SA Capital Adequacy Ratios	31.12.2022	31.12.2021
CET 1 Ratio	13.2%	13.2 %
Tier 1 Ratio	13.2%	13.2 %
Capital Adequacy Ratio (Tier 1 + Tier 2)	16.2%	16.0%

The following graph presents the evolution of the regulatory own funds, risk weighted assets and Capital Adequacy Ratio of the Group.



Taking into consideration the 2021 SREP decision, ECB notified Alpha Services and Holdings S.A. that for 2022 it is required to meet the minimum limit for consolidated Overall Capital Requirements (OCR) of at least 14.31% (the OCR for Q4 2022 includes the CCB of 2.50%, the O-SII buffer of 0.75% and the CCyB of 0.06%), which is mainly derived from the contribution of subsidiaries. The OCR consists of the minimum limit of the total Capital Adequacy Ratio (8%), in accordance with art. 92(1) of the CRR, the additional regulatory requirements of Pillar II (P2R) in accordance with article 16(2) (a) of Regulation EU 1024/2013 (3.0%), and the combined buffers' requirements (e.g., CCB, OSII, CCyB), in accordance with Article 128 (6) of Directive 2013/36/ EU. The minimum rate should be kept on an on-going basis, considering the CRR/CRD Transitional Provisions.

In the context of the scheduled NPE transactions (e.g., SKY, Solar), the Bank has completed the reclassification of the transaction portfolios to the "Held for Sale" category. Following the completion of the transactions and the deconsolidation of these portfolios from the balance sheet, the capital ratios are expected to be enhanced.

In addition, the Synthetic Securitization of a Euro 0.65 billion portfolio of performing loans to SMEs and Large Corporates (Project "Tokyo") has been successfully concluded, as part of the strategic plan "Project Tomorrow", affirming the Bank's strategy of utilizing alternative sources of capital enhancement

On 8.2.2023, Alpha Services and Holdings S.A. completed the issuance of its Euro 400 million Fixed Rate Reset Additional Tier 1 Perpetual Notes (the "AT 1 Notes"). The AT1 Notes are issued with a call option at 5.5 years and a yield of 11.875%. Payment of dividends is discretionary, on a six-monthly basis. The issuance is expected to increase the Group's capital adequacy ratios by 116 bps.

Measures taken to strengthen the banks' regulatory own funds for dealing with the COVID-19 pandemic

As the economic effects of the COVID-19 pandemic started becoming apparent, the European Central Bank (ECB), the European Banking Authority (EBA) and the European Commission (EC) announced a number of measures to ensure that the banks under their supervision will continue to fulfil their role in funding the real economy.

Specifically, starting on 12 March 2020, the ECB and the EBA announced the following relaxation measures regarding the minimum capital requirements for banks in the Eurozone:

- Banks are temporarily allowed to operate below the level of capital defined by the Capital Conservation Buffer (CCB) and the Countercyclical Buffer (CCyB). In addition, on 28 July 2020, the ECB announced by a Press Release that financial institutions are allowed to operate below the aforementioned thresholds at least up to the end of 2022.
- Furthermore, the change that was expected in January 2021 under CRD V regarding the P2R buffer was applied earlier, allowing the Pillar II requirement (P2R) to be covered by Additional Tier 1 (AT1) capital at 18.75% and by Tier 2 (T2) capital at 25% and not only by CET 1 capital, as was the case previously.

The European Commission decided to revise the existing regulatory framework by bringing forward regulations that would normally come into effect with the CRR2/CRDV framework, as well as to mitigate the COVID-19 impact on the economy and to encourage banks to grant new loans. As a result, on June 22, 2020, the European Commission published Regulation (EU) 873/2020 in the Official Journal of the European Union, which included amendments mainly in relation to the capital requirements which had been set by Regulation 575/2013 and Directive 2019/876.

The new Regulation includes, inter alia, articles 468 and 473a, which introduce new provisions aiming to:

- Mitigate the negative impact on the regulatory capital of banks from the increase in the expected credit loss as a result of the COVID-19 pandemic. This article extends for two years the banks' ability to add-back to the regulatory capital the expected credit losses recognized, from 2020 onwards, relating to performing financial instruments. This transition period is effective until the end of 2024.
- Introduce a temporary prudential filter to neutralize debt market volatility deriving from the effects of the COVID-19 pandemic. The filter is effective from January 1, 2020 to December 31, 2022. As a result of the application of the filter, banking Institutions will be able to add-back a percentage of the unrealized gains and losses in sovereign debt securities placements that affected CET1. For 2022, the applied percentage is 40%.

The Group decided to implement articles 468 and 473a of Regulation (EU) 2020/873. Finally, on December 22, 2020, Commission Delegated Regulation (EU) 2020/2176 of 12 November 2020 amending Delegated Regulation (EU) No 241/2014, was published in the Official Journal of the European Union. The Delegated Regulation includes certain provisions for the deduction of assets in the category of software from the Common Equity Tier 1 capital (CET1).

EBA Stress Test

The EU-wide Stress Test is a biannual exercise conducted by EBA for the largest European banks and by ECB for the banks not included in the first group. The EU-wide Stress Test 2023 includes 26 more banks, which have been added to the Stress Test sample compared to the 2021 exercise, while further proportionality has been introduced into the methodology. Alpha Services and Holdings is part of the EBA sample for the 2023 Stress Test exercise. This exercise will assess the EU banks' resilience to an adverse economic shock and inform the 2023 Supervisory Review and Evaluation Process (SREP).

On 4.11.2022, the European Banking Authority (EBA) published the final methodology, templates and template guidance for the 2023 EU-wide Stress Test, along with the milestone dates for the exercise. The methodology and templates cover all relevant risk areas and have taken into consideration the feedback received from industry. The results will be published by the end of July 2023.

The 2023 EU-wide stress test uses a constrained bottom-up approach with some top-down elements. Balance sheets are assumed to be constant. The focus is on the assessment of the impact of adverse shocks on the banks' solvency. The participating banks are required to estimate the evolution of a common set of risks (credit, market, counterparty, and operational risk) under an adverse scenario.

Minimum Requirements for Eligible Own Funds and Eligible Liabilities (MREL)

On April 15, 2021, prior to the demerger, Alpha Bank received a communication from the European Single Resolution Board (SRB) regarding its decision concerning the Bank's obligation to fulfil the minimum requirements for eligible own funds and eligible liabilities (MREL). The requirements are based on the Bank Recovery and Resolution Directive (BRRD II), which was incorporated into Greek law by Law 4799/2021, on 18.5.2021. With the same decision, the SRB also determined the Single Point of Entry (SPE) resolution strategy. According to the decision, as of January 1, 2026, Alpha Bank S.A. shall satisfy, on a consolidated basis, a minimum MREL requirement of 22.75% of the Total Risk Exposure Amount (TREA) and 5.92% of the Leverage Exposure (LRE). The communication also determines the interim MREL requirements to be satisfied as of January 1, 2022, namely 14.02% of TREA and 5.91% of LRE. The MREL ratio, expressed as a percentage of risk-weighted assets, does not include the Combined Buffer Requirement (CBR), which presently stands at 3% and is expected to be raised to 3.25% on January 1, 2022. Regarding the requirement for a minimum amount of own funds and subordinated eligible liabilities ("MREL subordinated liabilities requirement"), the SRB has decided that no such requirement applies to Alpha Bank S.A. The MREL requirements, including the multi-annual transitional compliance period, are aligned with the expectations of Alpha Bank S.A. The long-term funding plan of the Bank foresees the further strengthening of MREL, so that the above requirements can be satisfied, when they enter into effect.

- On 21.10.2022, a Euro 400 million senior preferred bond with a 3-year maturity, callable in the second year, with a coupon rate of 7% and a yield of 7.25%.
- On 7.12.2022, a Euro 450 million fixed-rate reset senior preferred notes with a maturity of 4.5 years, callable at 3.5 years, with a coupon rate of 7.5% and a yield of 7.75%.

Liquidity

The Group calculates the Liquidity Coverage Ratio (LCR) and the Net Stable Funding Ratio (NSFR) on a monthly and quarterly basis respectively, as defined in Regulation (EU) 575/2013. Both ratios exceeded the minimum acceptable supervisory threshold (100%), with Liquidity Coverage Ratio reaching 161% and Net Stable Funding Ratio 120%. This is attributed to the increase in Customer deposits and to the Bank's bond issuances. Customer deposits amounted to Euro 50.2 billion, increased by Euro 3.3 billion compared to 31.12.2021, while in the last two months of the year, two new senior preferred bonds with a total nominal value of Euro 850 million were issued. It is noted that methodological adjustments, which could impact liquidity ratios, are expected to be implemented in the context of the ongoing supervision and will be reflected in the Pillar III disclosures.

8

Cybersecurity and Information Security – Personal Data Protection

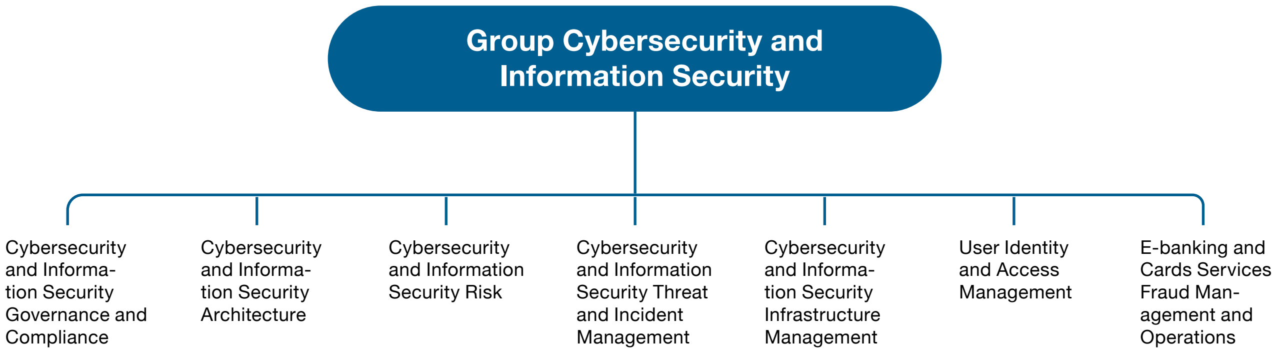
Cybersecurity and Information Security

The Cybersecurity and Information Security Division (CISD) is responsible for the development, implementation, maintenance and monitoring of the Cybersecurity and Information Security Policy, principles, processes and mechanisms, as well as the management of Cybersecurity and Information Security at Group level, in accordance with the Group's operational objectives and the regulatory framework.

In this context, the Division manages the organization, projects and infrastructure that are required for the efficient and effective management of the Group's Cybersecurity and Information Security posture, to achieve:

- compliance with the current legal and regulatory framework
- alignment with the Strategic Goals of the Bank/Group
- maintenance and optimization of the Information Security Management System ISO/IEC 27001:2013
- protection of the Confidentiality, Integrity and Availability of the Bank's/Group's information.

In order to carry out its tasks, the Division has adopted the following organizational model:



1. Major Projects Completed in 2022

In 2022, the CISD completed the second stage of its 2021-2023 Strategic Plan, based on the new Cybersecurity Maturity Assessment mode. The current second stage, making use of the new Assessment model, follows after the successful completion of the first stage and of the corresponding Strategic Plan for 2018-2020.

The current Strategic Plan (2021-2023) is based on a more granular Cyber Maturity Assessment model and aims to further develop critical Cybersecurity operations, enhancing significant activities and developing necessary skills. The 3-year Strategic Plan is approved by the ESG Working Group and implementation progress, including the current maturity score, is reported, on an annual basis, to the Audit Committee and the Board of Directors.

The 2021-2023 cycle, using the new Assessment model, evaluates the Cybersecurity posture in 32 technological/technical and organizational areas (Security Domains), applying more than 2,400 control objectives (criteria). Overall, the 2021-2023 Strategic Plan includes 104 Projects/Initiatives towards reaching the target maturity levels by the end of 2023.

In 2022, the CISD managed 36 Projects as part of the Strategic Plan and handled 50,140 operational requests for the security infrastructure, 126,824 requests regarding user management, and 202 Risk Assessments, Penetration Tests and Vulnerability Assessments.

Moreover, the CISD participated in Strategic

IT projects, as well as in modifications required to cover Regulatory-Supervisory and Business requirements.

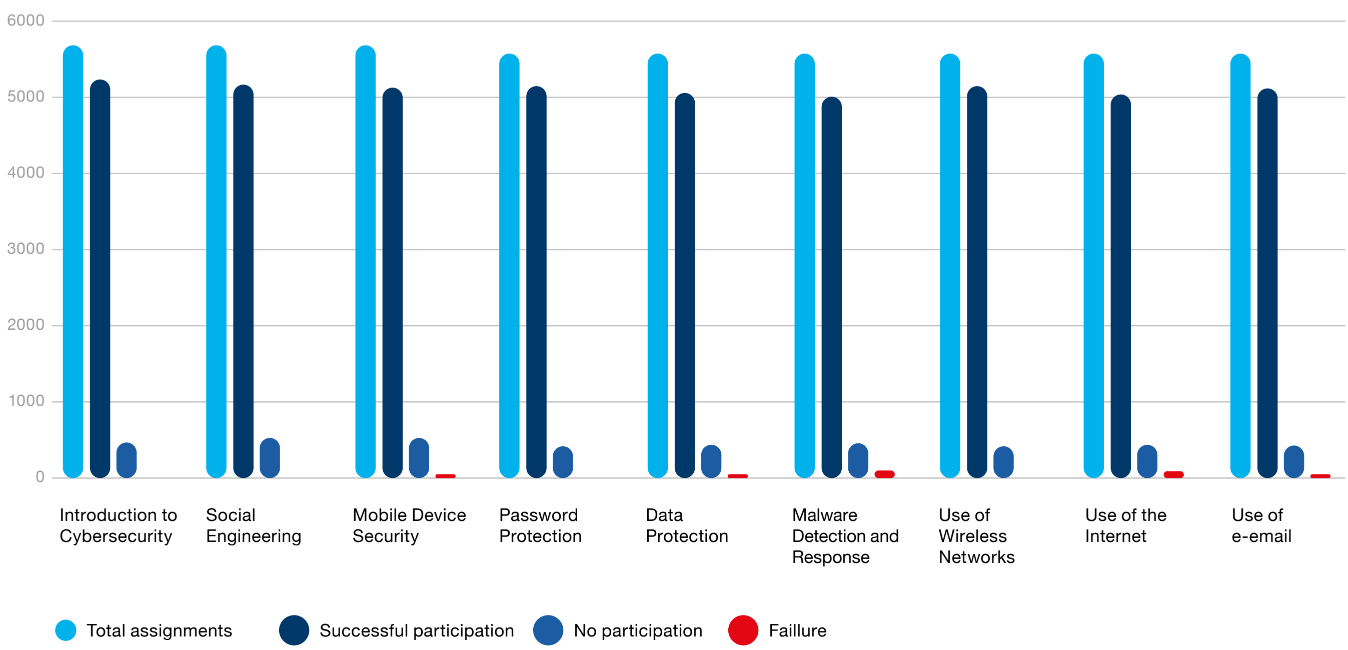
1.1 Governance, Compliance and Strategy

Major actions/initiatives completed in 2022 were the following:

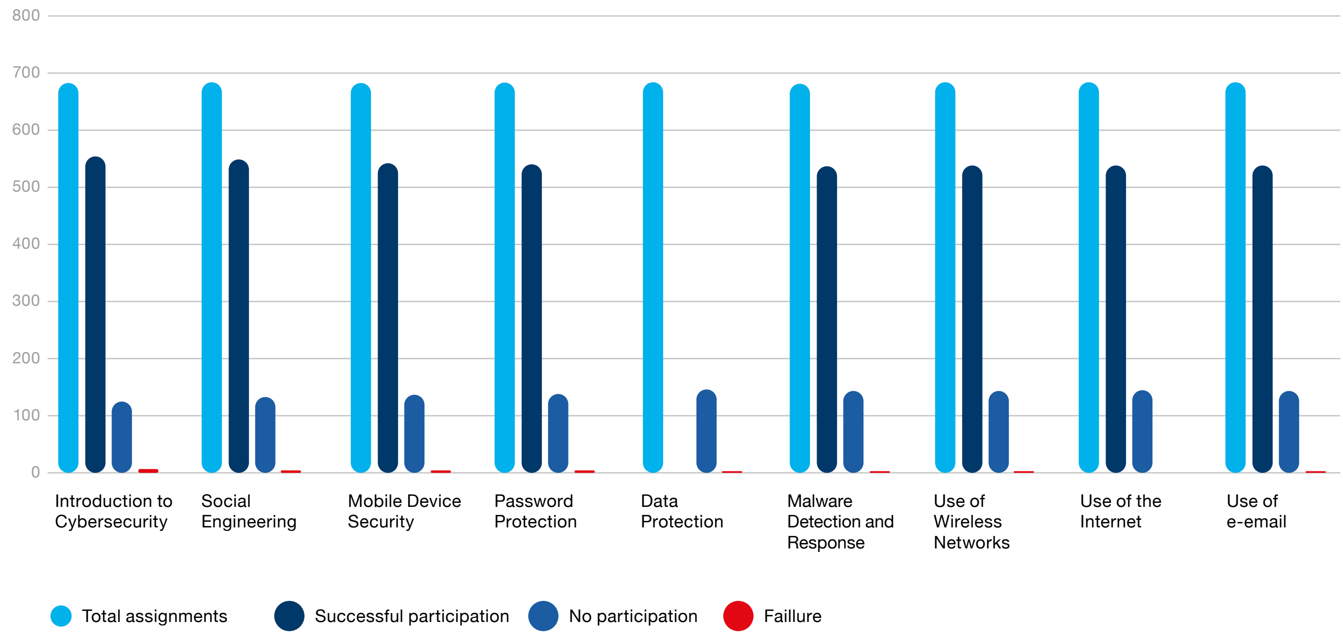
- targeted updates to the Group Cybersecurity and Information Security Framework (GCISF) policies, procedures and technical standards were implemented to adjust to regulatory, operational and technical changes
- re-certification of the CISD and the IT Divisions according to the ISO 27001 security standard (including ISO 27701, ISO 27017 and ISO 27018) and the ISO 22301 business continuity standard
- development and posting of Customer e-fraud awareness content on the Web Banking platform, employing modern delivery methods such as animated video
- coordination with the Ministry for Digital Governance regarding NIS Directive activities and requirements
- evaluation of outsourcing contracts as regards Information Security requirements as well as GDPR technical and organizational measures
- Employee Cybersecurity and e-Fraud awareness training.

Employee awareness and training is a critical and continuous activity for achieving a high level of familiarization with good practices, as well as with the identification and response to Cybersecurity risks. Training and Awareness activities were intensified, as part of the strategic and continuous improvement efforts to reinforce a sound Cybersecurity culture. In 2022, and after the completion of the second awareness-raising cycle, a total of 5,571 Employees and 681 external partners attended 9 subject area courses, completing 49,497 training sessions and knowledge tests.

Awareness Program – Alpha Bank



Awareness Program - Subsidiaries/Associates



Emphasis is also placed on awareness, training and certification activities for all CISD and IT Staff. In 2022, 21 CISD and IT Staff members were trained and certified in various Cyber-related activities, including Network Security, Cloud Security, Secure Coding, Incident Response, Penetration Testing and Ethical Hacking.

Finally, a metrics-based model is evolving to assess the adoption and efficiency of the Cybersecurity and Information Security Framework both within the Bank and the Group Companies

1.2 Cybersecurity Risk Management

The development and evolution of the Cyber Risk Assessment Methodology was performed internally, based on international standards and frameworks (ISO 27001-27005, ISF, PCI-DSS, CoBIT, NIST) and in alignment with the Group Operational Risk Policy. Assessments were further enhanced with information from data classification and security audits, including Penetration Tests and Vulnerability Assessments.

A major project launched in 2022 concerns the adoption and integration of the FAIR (Factor Analysis of Information Risk) methodology, supported by the respective software for the quantification of critical Cybersecurity Risks.

Moreover, Cyber Architecture and Risk Assessment methodologies were updated to support Cloud Services. SWIFT Customer Security Program (SWIFT CSP) and PCI-DSS re-certifications were obtained with the assistance of the Cybersecurity and Information Security Risk Management Section.

The Section directly supports Business Units and Group Companies in conducting Information Classification and Information Security Risk Assessments (ISRAs), as well as in the coordination and monitoring of improvements and the resolution of deviations in critical processes.

Continuous and real-time identification of Cybersecurity vulnerabilities for critical systems is performed via the deployment and configuration of dedicated software.

The Cybersecurity and Information Security

Risk Management Section performed security assessments and improvements to the security of critical systems, infrastructure and procedures for the Group. Activities included a total of 202 Risk Assessments, Penetration Tests, Vulnerability Assessments and Vendor Risk Assessments.

1.3 Cybersecurity Architecture

The Cybersecurity Architecture Section evaluated 22 IT projects for their secure-by-design and secure-by-default characteristics, conformance to the Group Cybersecurity Framework, adherence to the Information Security standards and best practices.

The Section was also involved in the evaluation of RfPs for major projects, including:

- SAP HRMS
- Low Code/No Code Workflow Tool
- Remote Customer Collaboration System
- EDG
- Containerized CBS.

In 2022, the development of the Azure Cloud Foundation document, launched in 2021 regarding the Cybersecurity design for IaaS Workloads, was finalized. This document is now enriched with additions based on relevant projects and activities.

Moreover, the Cybersecurity Architecture Section had significant involvement in the:

- alignment of Cyber Architecture with the Cyber Risk Management Framework
- amendment of the Azure Cloud Foundation to include the technical design and Cybersecurity principles for Azure SQL DB services.

1.4 Threat and Incident Management

For yet another year, in 2002 Alpha Bank's Cybersecurity Incident Response Team (AB CSIRT) was very effective in identifying, analyzing, containing and/or mitigating threats as well as in monitoring the overall threat landscape.

The AB CSIRT is certified as a full member of the Global Forum of Incident Response and Security Teams (FIRST) and the Financial Services Information Sharing and Analysis Centre (FS-ISAC), while it also cooperates with the National CSIRT (Ministry of Defense) and the National Cybersecurity Authority (Ministry for Digital Governance) to ensure continuous information exchange and response to Cybersecurity threats.

Utilizing these sources, as well as commercial Threat Intelligence services, the AB CSIRT developed processes for collecting and analyzing information, which can provide early warning for current and future threats and trends.

During 2022, the AB CSIRT:

- expanded the monitoring capabilities of the services and infrastructure hosted at the Bank, as well as in the Cloud environment, and proceeded to enhance the Cyber Threat Intelligence Framework with Threat Intelligence Landscape reports providing a strategic overview of the current threat landscape for the Bank/Group
- re-designed and aligned the Cyber Incident Identification procedures with the new Crisis Management Plan, which was enriched with Cyber incident considerations, while it also significantly improved the Incident Communication processes
- integrated Cloud-related products and functions in the threat monitoring and the incident analysis and response processes, using modern tools
- performed an extensive assessment of Security Orchestration Automation and Response (SOAR) platforms
- installed a Malware Information Sharing Platform to promote threat information sharing between organizations, ingest and analyze threat data on detected malware.

Operationally, in 2022, the AB CSIRT performed 3,870 Phishing Site Takedowns, investigated 894 raised Incident Cases and recovered 347 e-Banking and Card credentials for Alpha Bank and other banks' e-banking subscribers.

Finally, the AB CSIRT participated in the national Cyber Defense exercise "Panoptis 2022", organized by the Greek Ministry of Defense, in which it was ranked first in the live CTF (Capture-The-Flag) exercise.

1.5 Cybersecurity and Information Security Infrastructure

The Cybersecurity and Information Security Infrastructure Management Section is a key component of the Division, performing critical activities and projects to achieve the necessary technical level of Cybersecurity.

In 2022, the Section performed upgrades and/or improvements of critical Cybersecurity infrastructure and functions, including:

- upgrades and/or enhancements of centralized and critical Cybersecurity technologies (Mail Relay, Internet Access Security mechanisms)
- software upgrades and development of new security controls to meet security needs for endpoints, network, applications, cloud services, mobile devices and e-mail,
- implementation of new Cloud Security mechanisms
- rollout of an Advanced Endpoint Detection and Response solution.

The Section was also actively involved in the design and implementation of new solutions/ services for the Bank and the Group to cover increased security requirements, especially in the areas of Digital Transformation and Teleworking, while it also applied the necessary protection measures for the evaluation of solutions in the Cloud and in Containerized environments.

During 2022, deployment and/or configuration improvements of security controls were implemented for the Bank's new services. In addition, the Section participated in the design to support the future migration of assets and IT infrastructure subsets to the Cloud. In total, the Section handled 11,825 requests regarding infrastructure management, integrated 13 new applications with security mechanisms and performed 38,302 operational changes.

1.6 User Identity and Access Management (IAM)

As part of the continuous improvement process, User Identity and Access Management (IAM) Governance adaptations were implemented in terms of access management, including testing and evaluation of password-less authentication methods using secure technologies (biometrics, digital certificates). Furthermore, using automations and operational intervention, response times and the overall user experience of the access management process have been substantially improved.

The following activities/projects carried out or completed in 2022 include the following:

- development of an application integration roadmap with prioritization of Services' criticality and integration of several additional applications into the IDM system
- consolidation of Cybersecurity and IT Support with automatic request management through the IDM platform
- design of an optimal approach for Service Account management
- implementation overview and User Acceptance Test for the new IDM System for Group Companies
- Proof-of-Concept performed for the evaluation of password-less authentication methods
- definition of key points for improving the IDM system for the Employee termination process
- enhancement of the user access review process, to gain visibility on access review status by Business Owners.

The process for the submission of change requests was automated with the deployment of internally developed tools, to optimize the handling of the increasing volume of requests by the responsible implementation teams, while the IAM Section was also instrumental in the project for the relocation of a large number of Employees, due to the re-organization of the building infrastructure and the implementation of the Free Seating arrangements.

Additionally, the automated awareness messages to users have been enhanced with recommendations about threats and the acceptable use of e-mail, Internet, teleconferencing and teleworking. The Section deployed the new IAM platform for Group Companies, with the project covering operational and regulatory requirements, as well as compliance with GDPR.

The IAM Section handled a total of 124,324 requests through the IDM platform, sent 17,426 awareness e-mails with information on asset use and protection and evaluated 2,500 requests regarding changes and/or actions.

1.7Electronic Fraud (e-Fraud) Management

In 2022, e-Banking and Cards Fraud related activities and Staff were consolidated under a single Section within the CISD.

The new single Section was significantly strengthened with the recruitment of e-Fraud specialists, as well as with the engagement of specialized partners, who carry out specific tasks of the Section on a 24/7m basis.

The organizational change and the Section's activities at procedural and technical level, resulted in significant improvements in the efficiency and effectiveness of e-Fraud prevention and management.

For 2022, the projects carried out included the following:

- design of a unified "Ticketing System" workflow to record and manage e-fraud incidents from initiation (reporting) to completion
- improvements to the Customer Support call reception process, for giving high priority to reports of disputed transactions
- training of the e-Fraud Section Staff in the management of reports of disputed transactions
- improvements to the business systems, to enhance Customer protection
- further improvements to the fraud prevention systems for e-banking and cards
- development/adjustment of consolidated policies and processes of the e-Fraud Section, including efficiency improvements due to organizational, technical and functional changes
- development of a unified Metrics and Reporting environment, which is updated daily.

2. Main areas of focus/ activities and projects for 2023

2.1 Main areas of focus for Cybersecurity

According to the objectives and the planning in place for Cybersecurity, the main areas of focus for 2023 are the following:

- implementation of the projects planned for the year, as outlined in the Cybersecurity Strategic Plan for 2021-2023
- Adjustments to the alignment with the Bank Business Strategy and with the corresponding IT and Digital Transformation projects.
- Adjustment to processes, practices and technologies, to ensure compliance with the regulatory and legal requirements.
- Evaluation, optimization and improvement of controls and processes, including adjustments for new technologies such as Cloud and Containers.

The continuous assessment of the Cybersecurity Maturity level (for the Bank and Group Companies) is critical for the efficient and effective operation of Cybersecurity within the Group.

At the Organizational-Process level, the projects planned for 2023 by the Cybersecurity and Information Security Division include the following:

- Audit and re-certification according to the revised and updated version of ISO 27001:2022 (incl. ISO 27701, ISO 27017, ISO 27018), as well as according to ISO 20000, for Cybersecurity and IT processes and operations.
- Annual audit and re-certification according to the ISO 22301 BCM Standard.
- Support for the annual certification of the Bank according to the PCI-DSS Standard.
- Support for the annual audit and certification for the SWIFT Customer Security Program.
- TIBER Cybersecurity exercises.
- Development of the new Secure Software Development Lifecycle (SDLC) model in cooperation with IT, including activities to incorporate common processes and tools to support SDLC within DevSecOps.

2.2 Main Projects and Activities

Based on the 2021-2023 Strategic Plan, 22 projects have been planned for 2023, in addition to projects/initiatives that have been launched in 2022 and will continue into 2023.

I. Cybersecurity Governance

Enhancement of the Cybersecurity Governance activities to centralize monitoring, overall progress and management, both in the Bank and in the Group Companies, including:

- Collection of information and consolidated progress reporting on the Strategic Plan projects
- Coordination and collection of information in the context of internal and external audits, including Reports to regulatory Authorities.

Targeted updates of the Group Cybersecurity and Information Security Framework Policies, Processes and Guidelines, to adjust to regulatory, operational and technical changes including:

- Core and General Information Security Guidelines
- Cloud Providers and Services Evaluation Methodology
- Critical Supplier Security Resilience Assessment Methodology

Implementation and optimization of the measurement model for assessing the adoption and efficiency of the Group Cybersecurity and Information Security Framework.

Development of a process for handling deviations and exceptions to the Cybersecurity and Information Security Framework using a holistic approach.

II. Cybersecurity Awareness

Update of the annual Cybersecurity Awareness Program for Employees and external partners. The deployment of the Customer awareness material, with a strong focus on Cybercrime, will cover the various types of electronic fraud that target e-banking subscribers.

The Awareness program is continuously evolving for each individual role, with frequent content updates, while it is also supported by an on-line platform that also provides videos, tests, simulated Phishing Campaigns, individual and collective training results and analytics/statistics.

III. Cyber Risk

Further development of the Cybersecurity Risk Assessment methodology for providing an overall Risk Posture and Appetite, as well as quantified risk values using the FAIR (Factor Analysis of Information Risk) methodology. This methodology will provide more accurate predictions for risk mitigation and will also allow efficient technology investments while also rationalizing related costs.

Expansion and optimization of the continuous and real-time identification of Cybersecurity vulnerabilities. In addition to Cybersecurity vulnerability management, a compliance check module has been implemented to detect deviations from Technical Guidelines.

Acquisition of new tools for vulnerability detection in DevSecOps and containerized infrastructure. An enhanced list of KPIs will be compiled as output from the Vulnerability Management and Compliance Detection programs and will be used to measure respective risks.

Moreover, a correlation exercise is also planned between the identified risks in systems/applications and the corresponding security events.

IV. Threat and Incident Management

Replacement of the existing SIEM platform with an advanced solution, development of enhanced asset visibility and expansion of asset monitoring capabilities to include automatic detection and response to incidents/threats to the Bank's infrastructure (XDR).

Deployment of a Security Orchestration Automation and Response (SOAR) platform, which will increase the effectiveness and efficiency of the information alerts received by the security systems and the SIEM solution, by automating the relevant activities and reducing response time.

Conduct of the annual TIBER (Threat Intelligence-Based Ethical Red-teaming) exercise.

Management of Cybersecurity Incidents will be further enhanced by developing new and/or adapting existing procedures and processes, as well as by developing and improving playbooks. Progress in this area (along with experience from exercises) is critical for the further development of skills, especially in the area of Cloud Incident Response and Digital Forensics.

Emphasis will also be placed on Threat Intelligence feeds management and the collection, normalization and enrichment of available data related to potential attackers and their motivations, intentions and capabilities. Furthermore, the launch of a formal insider threat program that will enable the Bank to timely identify and effectively handle insider threats before they materialize.

V. Cybersecurity Architecture

Further development of the Cybersecurity Architecture Framework within the tactical activities of mapping the existing IT and Cybersecurity landscape, identification of areas for improvement and design of further enhancements/improvements.

Extension and generalization of the Cybersecurity Architecture framework to cover other Cloud environments and providers, in cooperation with IT and the Cybersecurity and Information Security Risk Management Section, to align relevant evaluation criteria and methods.

Specification of enhancements to the Cybersecurity Architecture Framework within the scope of Containerization projects, regarding the security characteristics that Containerized workloads require (definition of ready / definition of done principles) so as to achieve security by design and by default.

VI. Cyber Security Infrastructure

Continuous improvement of the existing infrastructure and design/implementation of upgrades and new services. Initiatives for the development of design and implementation activities in Cloud environments and adoption of new, "Agile" methodologies for daily functions/operations.

Implementation of new solutions to enhance network monitoring and perimeter defense, along with improvements to the design of the configuration of security mechanisms, in order to strengthen the automation of the respective activities.

Enhancement of the security mechanisms protecting the Bank's Web Services of the Bank on the Internet, using modern incident/attack handling techniques.

Horizontal security controls for Cloud environments, as well as improvements and enhancements for endpoint security.

VII. Identity and Access Management (IAM)

IAM strategic planning employs a holistic approach to establish a centralized User Identity Lifecycle process. The IAM roadmap includes:

- Further optimization of the IAM platform with new functionalities and integration with new operational applications. Logical access is controlled by a central system coordinating all actions during the User Identity Lifecycle. Expansion of the system's functionality to include network access, access to assets, basic non-user account handling and enhance the User termination process.
- Roll-out of the Identity Management System for the Group Companies.
- Enhancement of the Privileged Account Management (PAM) processes and controls.
- Enhancement of PAM coverage and monitoring capabilities. Definition of needs related to real-time monitoring and to the expansion of the PAM coverage.
- Development of an Enterprise password management function via the PAM platform or via another platform.
- Installation and deployment of the user access review and confirmation/alteration function in the IDM system, to ensure its holistic implementation by all Applications' Business Owners.

VIII. Electronic Fraud (e-Fraud) Management

The e-Fraud Management Section will continue to centralize and optimize processes, operations and activities, to enhance effectiveness and e-fraud prevention and handling capabilities.

For 2023, the main initiatives and projects planned include the following:

- upgrade and interconnection of the e-fraud prevention systems for combined data exchange and operational enhancement
- adjustments and improvements of controls in the e-Banking services, to enhance protection against e-fraud
- optimization of e-fraud prevention and management processes, including changes to improve the overall Customer experience and service
- Customer information and awareness and activities regarding e-Fraud threats, risks and methods to avoid/mitigate these.

Personal Data Protection

Alpha Bank applies the General Data Protection Regulation (Regulation (EU) 2016/679 of the European Parliament and of the Council), more commonly known as GDPR, which concerns the protection of Data Subjects from the processing of their Personal Data. Fully respecting the rights and freedoms of Data Subjects, the Bank collects, records, uses, notifies and, in general, processes personal data of Individuals in the context of its business activity, in full compliance with the applicable laws, to guarantee their protection. Additionally, it has appointed a Group Data Protection Officer, who informs the Management and the Audit Committee of the Board of Directors about the Group's level of compliance with the applicable legislation, and has also established a Committee for the evaluation and management of Data Breach Incidents.

To inform the Data Subjects about the processing of Personal Data carried out, as the case may be, by the competent Units of the Bank or by external third parties processing data on its behalf, the Bank has prepared the document entitled "Notification on the Processing of Personal Data", which is provided at the time of collection of their Personal Data. This document is posted on a central location on the Bank's website and serves as a set point of information for all relevant details that the Data Subjects need to know as regards the procession of personal data, such as the purpose of such processing, the sources and recipients of the data, the storage period, their rights of the Data Subjects and how to exercise them and the contact details for the Bank's competent Services.

In addition to the above general information, Individuals are also provided with specific information about the processing of Personal Data, as well as about products and services that are available via alternative Digital Networks in the context of the Bank's digital transformation.

The Bank takes a series of coordinated steps deriving from its related Policy and Procedures, in order to ensure the protection of Personal Data protection. These include, but are not limited to, the following:

- Update of the "Notice on the Processing of Personal Data" document addressed to the Customers of the Bank, as well as of the Register of Processing Activities kept by the Bank and containing with the new processing flows of Personal Data.
- Effective management of the Data Subjects' requests submitted in connection with their Rights and with Data Breach Incidents.
- Obtaining the consent of Individuals, where necessary, as to the processing of their data and allowing management and withdrawal by appropriate infrastructure.
- Assessment of the impact on Personal Data processing flows of potentially high risk on the freedoms and rights of Individuals, and development of action plans for applying technical and organizational measures to mitigate such risks.
- Application of the data protection legislation for all newly released or amended products, services and processes, following the "Privacy by Design and by Default" rule.
- Evaluation of third parties, suppliers or partnering companies as regards their compliance with all requirements provided under the GDPR and assessment of the risk of assigning the processing of Personal Data to third parties, on behalf of the Bank.

In order to effectively support basic Data Protection processes, the Bank has integrated the Register of Processing Activities, Data Breach Management and Data Protection Impact Assessment applications in the Bank's Governance Risk and Compliance (GRC) Platform.

Additionally, Alpha Bank uses Key Risk Indicators (KRIs) and Key Performance Indicators (KPIs) for assessing, monitoring and measuring the effectiveness of the Personal Data Protection Framework.

As far as Data Protection awareness among Bank's Employees is concerned, this remains a priority for Alpha Bank. Although this awareness is already high, as all Employees have participated in a training Program on Personal Data management and protection that was carried out twice via e-learning, a program of multi-purpose internal workshops was launched in 2022. The workshops aim to (a) increase further data protection awareness, (b) highlight the basic principles of GDPR and (c) review the Register of Processing Activities with the assistance of the Group Data Protection Office.

Over 100 Employees from fifteen (15) Central Units, participated in the workshops. The remaining workshops are scheduled for 2023, with Employees from 35 Central Units expected to participate. Additionally, nearly 300 Branch Managers have attended a training session on Data Protection, organized by the Branch Network (covering issues such as GDPR basic principles, handling Data Subjects Rights requests and Data Breach Incident cases).

In compliance with the General Data Protection Regulation, the Bank also informs its Employees and candidates who apply for employment to the Bank or to any of its Group Companies, by any means (LinkedIn, email, etc.), about the processing of their data, by means of the following Notices, respectively:

- "Notice to Employees about the Processing of their Personal Data", available on the Alpha Bank Intranet (updated version)
- "Notice to Candidates for Employment about the Processing of their Personal Data""

both of which were released in late of 2022.

The abovementioned demonstrate the strong commitment of the Organization to the continuous and effective protection of the Personal Data entrusted to it by Individuals-Customers and by its Staff.

9

Corporate Governance

Corporate Governance

Corporate governance code

The Bank, following a resolution of the Board of Directors, adopted the Hellenic Corporate Governance Code of the Hellenic Corporate Governance Council (the "Code").

The Bank adheres to the Code, which is posted on its website *(https://www.alpha.gr/en/group/corporate-governance/corporate-governance-code).*

Corporate governance documents

During 2022, the Bank revised:

- the Articles of Incorporation,
- the Charter of the Board of Directors,
- the Charters of the Committees of the Board of Directors (i.e., Audit Committee, Risk Management Committee, Remuneration Committee, Corporate Governance, Sustainability and Nominations Committee)
- the Internal Governance Regulation of Alpha Bank S.A. as well as
- policies pertaining to corporate governance and in particular:
  - the Suitability and Nomination Policy for the Members of the Board of Directors and Key Function Holders,
  - the Suitability and Nomination Process for the Members of the Board of Directors,
  - the Policy for the Succession Planning of Senior Executives and Key Function Holders,
  - the Policy for the Evaluation of Senior Executives and Key Function Holders
  - the Remuneration Policy for Alpha Bank and the other Companies of the Banking Group, along with its Annexes,
  - the Expenses Policy for the Non-Executive Members of the Board of Directors,

in order for them to be fully aligned with the current regulatory framework and with the most recent best practices of corporate governance.

Further to the above, the Bank drafted the Policy and Process for the Succession Planning of Non-Executive and Independent Non-Executive Members of the Board of Directors, which was discussed and approved by the Board of Directors of the Bank at the meeting of January 2023. Additionally, the Bank revised the Induction and Training Policy and Procedure for the Members of the Board of Directors which was discussed and approved by the Board of Directors of the Bank at the meeting of February 2023.

Corporate governance at Group level

During 2022, the Bank conducted a review of the Corporate Governance Documents adopted by Subsidiaries. This analysis ensured that the Charters of the Board of Directors' Committees and the Policies of the Subsidiaries which are relevant to the Corporate Governance practices are fully aligned with the legal and the regulatory requirements and best practices as well as with the Group's corporate governance principles, while taking into consideration the local regulatory framework.

Board of Directors and Committees

1. Board of Directors

The current composition of the Board of Directors of the Bank as elected on 22.7.2022 is identical to the Board of Directors of Alpha Services and Holdings S.A.

Subject to the respective provisions of the related legal and regulatory framework and the Bank's Articles of Incorporation, the specific duties and responsibilities as well as the principles and the framework for the proper operation of the Board of Directors are set out in its Charter, which is posted on the Bank's website *(https://www.alpha.gr/en/group/corporate-governance/administrative-structure/board-of-directors).*

During 2022, the following changes took place with regard to the composition of the Board of Directors and its Committees:

The Board of Directors, at its meeting of

December 2021, proceeded with the election of Ms. E.M. Andriopoulou, in replacement of Mr. A.Ch. Theodoridis, who resigned on 17.6.2021, as Non-Executive Member of the Board of Directors, with effect as of 1.1.2022. The tenure of the elected Member has been set from 1.1.2022 until the expiration of the remainder of the tenure of the Member whom she replaces.

The Extraordinary General Meeting, dated 22.7.2022, following a relevant proposal by the Board of Directors and a respective recommendation by the Corporate Governance, Sustainability and Nominations Committee, resolved to elect the following thirteen Members of the Board of Directors with a four-year tenure:

1. **Vasileios T. Rapanos**
2. **Vassilios E. Psaltis**
3. **Spyros N. Filaretos**
4. **Efthimios O. Vidalis**
5. **Elli M. Andriopoulou**
6. **Aspasia F. Palimeri**
7. **Dimitris C. Tsitsiragos**
8. **Jean L. Cheval**
9. **Carolyn G. Dittmeier**
10. **Richard R. Gildea**
11. **Elanor R. Hardwick**
12. **Shahzad A. Shahbaz**
13. **Johannes Herman Frederik G. Umbgrove,** in accordance to Law 3864/2010 (as representative and upon instruction of the HFSF)

The above proposal comprised the re-election of twelve Members of the Board of Directors as well as the election of one new Member (Ms. Aspasia F. Palimeri), all on an individual basis (itemized ballot).

The proposal of the above Board Members has been assessed and reviewed by the Corporate Governance, Sustainability and Nominations Committee, in line with the current applicable regulatory and legislative framework, the Hellenic Corporate Governance Code, which the Bank has adopted and implements, the Suitability and Nomination Policy for the Members of the Board of Directors and Key Function Holders, the Diversity Policy of the Bank, high standards of corporate governance and best practices, so that the Board of Directors can establish that the proposed nominees are suitable both on an individual basis and collectively.

Independent Non-Executive Members

The Extraordinary General Meeting of 22.7.2022, following a relevant proposal by the Board of Directors and a respective recommendation by the Corporate Governance, Sustainability and Nominations Committee, appointed the following Members, who fulfill the independence criteria set by the regulatory and legislative framework, and, particularly, article 9 of Law 4706/2020:

1. **Elli M. Andriopoulou**
2. **Aspasia F. Palimeri**
3. **Dimitris C. Tsitsiragos**
4. **Jean L. Cheval**
5. **Carolyn G. Dittmeier**
6. **Richard R. Gildea**
7. **Elanor R. Hardwick**
8. **Shahzad A. Shahbaz**

It is noted that, apart from the above eight Members that were appointed as Independent Non-Executive Members, Mr. V.T. Rapanos also fulfills the independence criteria set by the regulatory and legislative framework, and, particularly, article 9 of Law 4706/2020.

Following the resolution of the Extraordinary General Meeting of Shareholders, dated 22.7.2022, the new Board of Directors was constituted into a body as per the provisions of article 77(3) of Law 4548/2018 and article 9 of the Bank's Articles of Incorporation and decided on the delegation of its authorities.

Further to the above, following the resolution of the Extraordinary General Meeting of Shareholders, dated 22.7.2022, the Board of Directors took cognizance of the determination of the type of the Audit Committee, its term of office, the number and the qualifications of its Members as per article 44 par. 1 case b) of Law 4449/2017 and in particular of the following:

- the Audit Committee remained a Committee of the Board of Directors, consisting of five of its Members and, in particular, of three Independent Non-Executive Members, according to the provisions of Article 9 par.

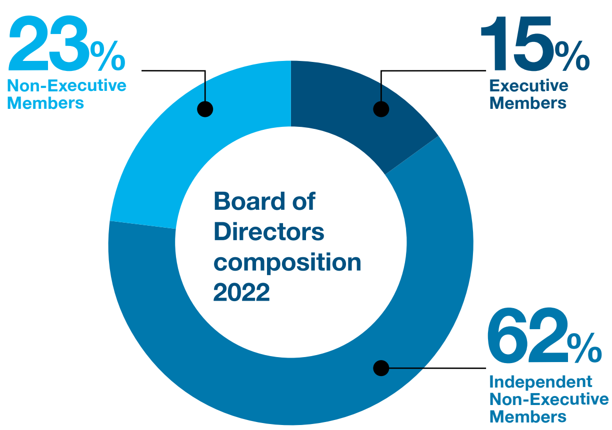
1 and 2 of Law 4706/2020, and two Non-Executive Members,

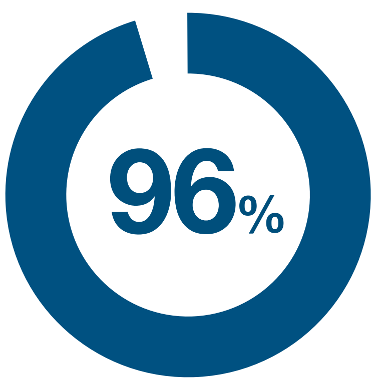
- the term of office of the Committee Members appointed by the Board of Directors in accordance with article 44 par. 1 case c) of Law 4449/2017 shall follow their term of office as Members of the Board of Directors, i.e., their tenure shall be quadrennial and may be extended until the termination of the deadline for the convocation of the next Ordinary General Meeting and until the respective resolution has been adopted,
- the Members of the Committee were appointed by the Board of Directors, in accordance with article 44 par. 1 case c) of Law 4449/2017, as in force, and the Audit Committee Charter and satisfy the criteria/qualifications set out in article 44 of Law 4449/2017 as well as in the Audit Committee Charter.

The Board of Directors, at its meeting dated 22.7.2022, taking into consideration the recommendation of the Corporate Governance, Sustainability and Nominations Committee in respect of the composition of the Audit Committee and confirming that the said persons meet all the criteria of the respective legal and regulatory framework, including those of article 44 (1) of Law 4449/2017, and have a proven excellent track record of knowledge of the banking and financial sector in general and sufficient knowledge in the field in which the Bank operates, and that their participation in the Audit Committee shall ensure the proper exercise of the responsibilities of the said Committee, stipulated by the law and by the regulatory framework, appointed the Members of the Audit Committee. In accordance with the provisions of article 44 (1e) of Law 4449/2017, as in force, the Chair of the Audit Committee was appointed by its Members at the meeting of the Committee. Further to the above, the Board of Directors resolved on the composition of the remainder of the Committees of the Board of Directors and appointed the Chairs and the Members thereof, following the respective recommendation of the Corporate Governance, Sustainability and Nominations Committee.

The Members of the Board of Directors comply with the stipulations of article 83 of Law 4261/2014 on the combination of directorships, as they do not hold more than one of the following combinations of directorships at the same time: (a) One Executive directorship and two Non-Executive directorships; (b) Four Non-Executive directorships, excluding directorships in organizations which do not pursue predominantly commercial objectives (e.g. non-profit, charities). It is noted that directorships held within the same group are regarded as one directorship.

The Corporate Secretariat and Governance Policies Unit supports the functionality of the Board of Directors, its Committees and its Members and, among others, coordinates the communications among the Members of the Board of Directors, the Management and the Group Companies in order to achieve the effective flow of information to and from the Board.





In 2022, the Board of Directors convened 15 times. **The average participation rate of the Members of the Board of Directors in the meetings stood at 96%.**

(Based on the Board of Directors composition on 31.12.2022)

Profile of the Board of Directors and Committee Membership for the year 2022

Committees

Board of Directors		Audit	Risk Management	Remuneration	Corporate Governance, Sustainability and Nominations
Chair (Non-Executive Member)	**Vasileios T. Rapanos**	—	—	—	—
Executive Members	**Vassilios E. Psaltis** CEO	—	—	—	—
	Spyros N. Filaretos General Manager - Growth and Innovation	—	—	—	—
Non-Executive Member	**Efthimios O. Vidalis**	**M**	—	—	**M**
Independent Non-Executive Members	**Elli M. Andriopoulou**	**M** (as of 22.7.2022)	—	—	**M** (as of 22.7.2022)
	Aspasia F. Palimeri (as of 22.7.2022)	—	**M** (as of 22.7.2022)	**M** (as of 22.7.2022)	—
	Dimitris C. Tsitsiragos	—	**M**	**M**	—
	Jean L. Cheval	**M** (as of 22.7.2022)	**C** (as of 22.7.2022) **M** (until 22.7.2022)	**M** (until 22.7.2022)	—
	Carolyn G. Dittmeier	**C**	—	—	**M**
	Richard R. Gildea	—	**M**	**C**	—
	Elanor R. Hardwick	**M** (until 22.7.2022)	**M** (as of 22.7.2022)	—	**C**
	Shahzad A. Shahbaz	—	—	—	**M**
	Jan A. Vanhevel (until 21.7.2022)	**M** (until 21.7.2022)	**C** (until 21.7.2022)	—	—
Non-Executive Member (pursuant to the provisions of Law 3864/2010)	**Johannes Herman Frederik G. Umbgrove**	**M**	**M**	**M**	**M**

C: Chair **M**: Member **-**: The Member does not participate in this Committee

The CVs of the Members of the Board of Directors are available on the Bank's website *(https://www.alpha.gr/en/group/corporate-governance/administrative-structure/board-of-directors/biografika-melon#2).*

2. Committees of the Board of Directors

→ Audit Committee

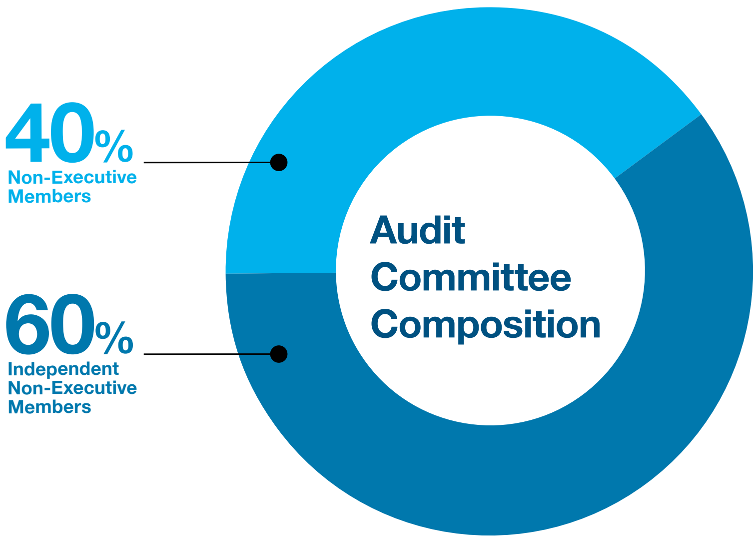
The Committee has been established and operates in accordance with all applicable laws and regulations. The determination of the type of the Audit Committee, its term of office, the number and the qualifications of its Members as per article 44 par. 1 case b) of Law 4449/2017 were resolved upon by the Extraordinary General Meeting of 22.7.2022. The Audit Committee currently constitutes a Committee of the Board of Directors and its Members were appointed by a resolution of the Board of Directors of 22.7.2022.

Chair: Carolyn G. Dittmeier

Number of Members (including the Chair): 5

Number of meetings in 2022:13

Average participation rate of the Members: 98%
(based on the Committee's composition on 31.12.2022)



(Based on the composition of the Audit Committee on 31.12.2022)

The Committee convenes generally on a monthly basis, adding meetings on an as-needed basis. It may invite any Member of the Management or Executive as well as external auditors to attend its meetings. The Head of Internal Audit and the Head of Compliance are regular attendees of the Committee meetings and have unhindered access to the Chair and to the Members.

The specific duties and responsibilities of the Audit Committee are set out in its Charter, which is posted on the Bank's website (https://www.alpha.gr/en/group/corporate-governance/commitees).

During 2022 the main activities of the Committee were, among others, the following:

The Committee:

- Evaluated the following reports for the year 2021 which were submitted to the Bank of Greece:
  - the Annual Report of the Internal Audit Division on the Internal Control System of the Bank for the previous year, as per the Bank of Greece Governor's Act 2577/9.3.2006,
  - the Annual Report of the Compliance Division as per the Bank of Greece Governor's Act 2577/9.3.2006,
  - the Annual Report of the Compliance Officer on Anti-Money Laundering and Combating the Financing of Terrorism,
  - the evaluation of the adequacy and effectiveness of the Anti-Money Laundering and Combating the Financing of Terrorism Policy,
  - the evaluation of the adequacy and effectiveness of the Internal Control System of the Alpha Bank Group by the Internal Audit Division, the Compliance Division and the Management,
  - the Independent Assessment Report regarding the custody of Alpha Bank's customer assets.

- Was informed of the quarterly activity reports of the Internal Audit Division and the Compliance Division of the Bank, based on the plan previously endorsed by the Audit Committee.
- Reviewed the organization, independence and capacity of the Internal Audit Division and the Compliance Division.
- Submitted to the Board of Directors for approval the updated fees of Deloitte Certified Public Accountants S.A. for the audit of the Financial Statements of Alpha Bank S.A. and its Group for the year 2021.
- Reviewed the annual Financial Statements' preparation for Alpha Bank S.A. and the Group for the year 2021, prior to their submission to the Board of Directors for approval.
- Reviewed the Statutory Certified Auditors' Audit Report according to article 10 of Regulation (EU) 537/2014 as well as the Additional Report according to article 11 of Regulation (EU) 537/2014.
- Reviewed the Statutory Certified Auditors' Audit Plan for 2022 with reference to the planned audit approach, the key audit matters and risks, the audit standards and regulations, etc. and evaluated the internal control issues regarding financial reporting processes identified by the Statutory Certified Auditor as well as the adequacy of the responses provided by the Management.
- Reviewed the Internal Audit Division Charter.
- Reviewed its Charter and resolved to submit it to the Board of Directors for approval.
- Was updated on a quarterly basis on the Whistleblowing Committee meetings.
- Endorsed the scope of the audit and the selection of the audit firm for the assessment of the adequacy of the Internal Control System for the years 2020-2022 as per the Bank of Greece Governor's Act 2577/9.3.2006 and submitted it to the Board of Directors for approval.
- Reviewed the Non-Audit Services provided to the Bank by the Statutory Certified Auditor, on the basis of the Manual of the Bank on the Assignment of Non-Audit Services to Auditors.
- Discussed the Succession Planning - Emergency Fills of the Head of Internal Audit and the Head of Compliance.

Regarding the Subsidiaries, the Audit Committee:

- Aiming at further enhancing corporate governance and the collaboration among the Subsidiaries, launched a series of videoconference meetings with the Audit Committees of the Subsidiaries. In this context, meetings with the Members of the Audit Committee of Alpha Bank Cyprus Ltd and Alpha Bank Romania S.A. took place.
- Reviewed their Annual and Semi-Annual Activity Reports regarding the fulfillment of their responsibilities.

During 2022, the Audit Committee met jointly with the Risk Management Committee twice.

→ Risk Management Committee

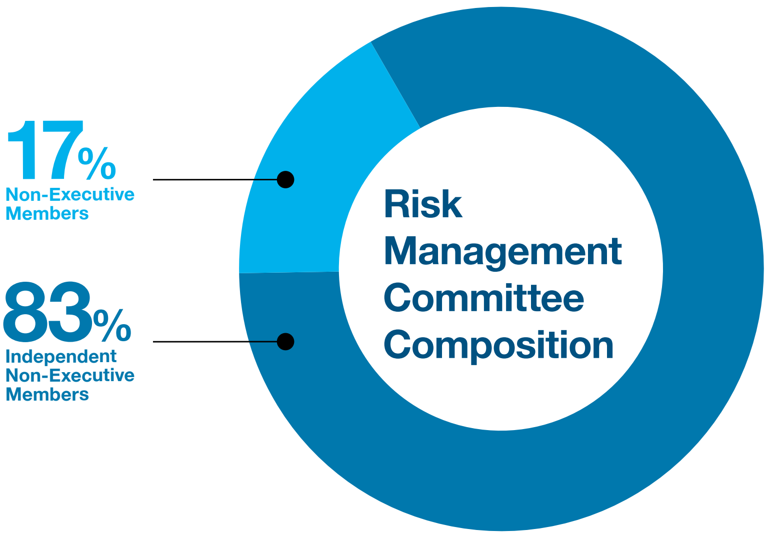
The Committee has been established and operates in accordance with all applicable laws and regulations. The Members of the current Risk Management Committee were appointed by a resolution of the Board of Directors of 22.7.2022.

Chair: Jean L. Cheval

Number of Members (including the Chair): 6

Number of meetings in 2022: 12

Average participation rate of the Members: 100% (based on the Committee's composition on 31.12.2022)



(Based on the composition of the Risk Management Committee on 31.12.2022))

The Committee convenes at least once a month and may invite any Member of the Management or Executive to attend its meetings. The Chief Risk Officer (CRO) is a regular attendee of the Committee meetings and has unhindered access to the Chair and the Members. The CRO, while administratively reporting to the Chief Executive Officer (CEO), shall report functionally to the Board of Directors through the Committee.

The specific duties and responsibilities of the Risk Management Committee are set out in its Charter, which is posted on the Bank's website *(https://www.alpha.gr/en/group/corporate-governance/commitees).*

During 2022 the main activities of the Committee were, among others, the following:

The Committee:

- Reviewed on a monthly basis the progress made with regard to credit risk, liquidity risk, operational risk as well as with regard to capital adequacy, regulatory liquidity and supervisory issues.
- Endorsed the Leveraged Transactions Key Performance Indicators (KPIs) and resolved to submit them to the Board of Directors for approval.
- Endorsed the Investments in Collateralized Loan Obligations (CLOs) and resolved to submit them to the Board of Directors for approval.
- Was regularly updated on issues related to Cepal as well as on the Bank's Non-Performing Exposures (NPEs) Remedial Management Business Unit and its interaction with Cepal and reviewed the implementation of the carve-out of the Wholesale and Retail Non-Performing Loans (NPLs) to Cepal.
- Reviewed the NPLs and NPEs Reduction Plan against the targets submitted to the Single Supervisory Mechanism (SSM).
- Was informed of the performance and the activities performed by Cepal.
- Was informed of the quarterly activities of the Assets-Liabilities Management Committee (ALCo).
- Was informed of the quarterly activities of the Troubled Assets Committee (TAC).
- Was informed of Project Skyline.
- Was informed of the Single Resolution Board's (SRB) Joint Decision 2021 on the Resolution Plan and the Minimum Requirement for own funds and Eligible Liabilities (MREL).

- Was informed of the SRB's Working Priorities for 2023.
- Was informed of the updated Separability Report.
- Was informed of the updated version of the Financial Market Infrastructure (FMI) Contingency Plan.
- Was informed of the updated Resolution Communication Plan.
- Was informed of the Work Program, in accordance with the Resolvability Working Priorities for 2022.
- Was informed of the Group's MREL issuance plan.
- Evaluated the adequacy and effectiveness of the risk management policies and procedures of the Bank in terms of the undertaking, monitoring and management of risks.

Regarding the Subsidiaries, the Risk Management Committee:

- Aiming at further enhancing corporate governance and the collaboration among the Subsidiaries, launched a series of videoconference meetings with the Risk Management Committees of the Subsidiaries abroad. In this context, meetings with the Members of the Risk Management Committee of Alpha Bank Cyprus Ltd took place.
- Reviewed the Annual Activity Reports for 2021 and the Semi-Annual Activity Reports for 2022 prepared by the Risk Management Committees of the Subsidiaries.

→ Remuneration Committee

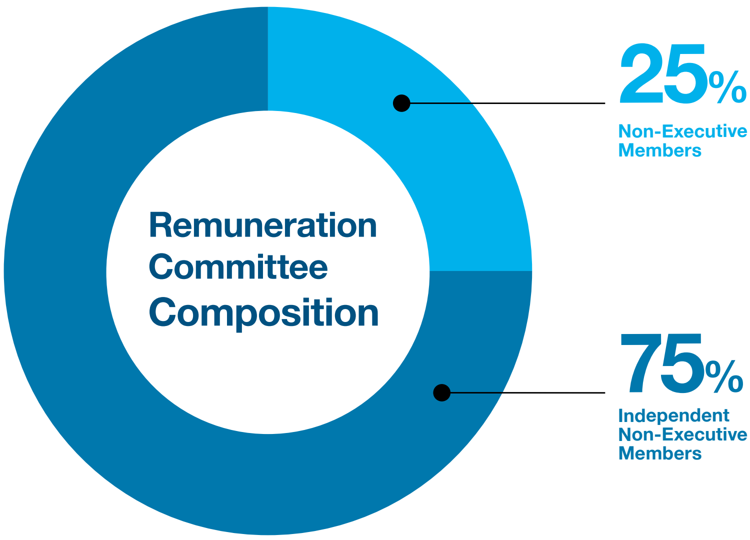
The Committee has been established and operates in accordance with all applicable laws and regulations. The Members of the current Remuneration Committee were appointed by a resolution of the Board of Directors of 22.7.2022.

Chair: Richard R. Gildea

Number of Members (including the Chair): 4

Number of meetings in 2022: 11

Average participation rate of the Members: 100% (based on the Committee's composition on 31.12.2022)



(Based on the composition of the Remuneration Committee on 31.12.2022)

The Committee convenes at least quarterly per year and may invite any Member of the Management or Executive to attend its meetings. The Head of Human Resources is a regular attendee of the Committee meetings.

The specific duties and responsibilities of the Remuneration Committee are set out in its Charter, which is posted on the Bank's website *(https://www.alpha.gr/en/group/corporate-governance/commitees)*.

During 2022 the main activities of the Committee were, among others, the following:

The Committee:

- Reviewed and proposed to the Board of Directors the approval of:
  - its Charter,
  - the Expenses Policy for the Non-Executive Members of the Board of Directors,
  - the annual remuneration amounts of the Chairs and the Members of the Remuneration and the Corporate Governance, Sustainability and Nominations Committees.
- Resolved to propose to the Board of Directors the introduction of a stipend for the Member of the Board of Directors in charge of overseeing ESG issues.
- Endorsed the Performance Incentive Program – 2021 Bonus Pool as well as the respective Bonus Allocation and recommended to the Board of Directors the approval thereof.
- Endorsed the 2022 Performance Incentive Program Redesign and recommended to the Board of Directors the approval thereof.
- Endorsed the 2021 Sales Incentive Program Final Bonus Allocation to Branch Employees, the conditional bonus allocation for the Fourth Quarter and Full Year 2021, for the First Half of 2022 as well as for the Third Quarter of 2022, the 2022 Sales Incentive Program Bonus Pool Proposal, the Second Quarter 2022 Branch Network Targets and the Second Half 2022 Branch Network Targets and recommended to the Board of Directors the approval thereof.
- Endorsed the 2022 Sales Incentive Program Framework and recommended to the Board of Directors the approval thereof.
- Took cognizance of the award of Stock Options to Material Risk Takers excluding the Bonus Ban Perimeter.
- Took cognizance of the list of Material Risk Takers for 2021.
- Reviewed the Remuneration Policy for Alpha Bank and the other Companies of the Banking Group as well as its Annexes and recommended the approval thereof by the Non-Executive Members of the Board of Directors.
- Finalized the remuneration amounts of the Members of the Board of Directors for the financial year 2022.
- Provided input to the Corporate Governance, Sustainability and Nominations Committee regarding the Policy for the Evaluation of Senior Executives and Key Function Holders.
- Reviewed the amendment of the Group Savings Plan for Senior Executives and recommended the approval thereof by the Non-Executive Members of the Board of Directors.
- Reviewed the Job Evaluation Framework developed by the Human Resources Unit.
- Reviewed the Alpha Performance Dialogue 2021 Year-End Results.
- Was updated on the Audit Report on the Remuneration Policy.
- Received an update concerning the Gender Gap Analysis.
- Was updated on the new Bank-level Collective Labor Agreement as well as on the Sectoral Collective Labor Agreement.
- Reviewed and submitted its Annual Activity Report to the Board of Directors for information.

Regarding the Subsidiaries, the Remuneration Committee:

- Reviewed the Annual Activity Reports of the Subsidiaries' Remuneration for the year 2021.
- Reviewed the annual remuneration amounts of the Non-Executive Members of the Boards of Directors of Alpha Bank Cyprus Ltd and Alpha Bank Romania S.A. for the year 2022 as well as of Alpha Bank London Ltd as of January 1, 2023 and recommended the approval thereof to the Board of Directors.
- Aiming at further enhancing corporate governance and the collaboration among the Subsidiaries, launched a series of videoconference meetings with the Remuneration Committees of the Subsidiaries abroad. In this context, a meeting with the Members of the Remuneration Committee of Alpha Bank Romania S.A. took place.
- Was updated on Alpha Bank London Ltd's Retention Strategy.
- Was updated on Alpha Bank Romania S.A.'s Performance Incentive Program for 2021.

→ Corporate Governance, Sustainability and Nominations Committee

The Committee has been established and operates in accordance with all applicable laws and regulations. The Members of the current Corporate Governance, Sustainability and Nominations Committee were appointed by a resolution of the Board of Directors of 22.7.2022.

Chair: Elanor R. Hardwick

Number of Members (including the Chair): 6

Number of meetings in 2022: 12

Average participation rate of the Members: 95% (based on the Committee's composition on 31.12.2022))

(Based on the composition of the Corporate Governance, Sustainability and Nominations Committee on 31.12.2022)

The Committee convenes at least quarterly per year and may invite any Member of the Management or Executive to attend its meetings.

The specific duties and responsibilities of the Corporate Governance, Sustainability and Nominations Committee are set out in its Charter, which is posted on the Bank's website (*https://www.alpha.gr/en/group/corporate-governance/commitees).*

During 2022 the main activities of the Committee were, among others, the following:

The Committee:

- Identified and recommended for approval by the Board of Directors candidates to fill vacancies in the Board of Directors; in particular, it recommended the election of Ms. A.F. Palimeri as an Independent Non-Executive Member of the Board of Directors at the Extraordinary General Meeting of Shareholders.
- Reviewed and proposed to the Board of Directors the approval of:

– the Committees' Charters,

– the Board of Directors' Charter,

– the Suitability and Nomination Policy for the Members of the Board of Directors and Key Function Holders,

– the Suitability and Nomination Process for the Members of the Board of Directors,

– the Policy for the Evaluation of Senior Executives and Key Function Holders,

– the Corporate Governance Statement for the year 2021.

- Reviewed the Internal Governance Regulation of Alpha Bank S.A.
- Endorsed the new composition of the Executive Committee of Alpha Bank S.A., effective as of 20.5.2022, and recommended the approval thereof to the Board of Directors.
- Recommended to the Board of Directors the composition of the Board of Directors' Committees, subject to the election of a new Board of Directors and the appointment of Independent Non-Executive Members by the General Meeting of Shareholders of Alpha Bank S.A.
- Took cognizance of the Succession Planning - Emergency Fills of Senior Executives and Key Function Holders.
- Took cognizance of the Collective Board Evaluation Questionnaire and the Individual Self-Evaluation Questionnaire, in the context of the Board of Directors' evaluation.
- Took cognizance of the Board Evaluation Report for the year 2021, drafted by Nestor Advisors, in the context of the evaluation of the Board of Directors by the said firm.
- Took cognizance of the Individual Evaluation of the Members of the Board of Directors for the year 2021 performed by the Chair of the Board of Directors.
- Reviewed and submitted its Annual Activity Report to the Board of Directors for information.
- Was informed of the attendance of the Members at the Board of Directors' and at the Committees' meetings for the year 2021 and for the First Half of 2022.

Regarding the Subsidiaries, the Corporate Governance, Sustainability and Nominations Committee:

- Reviewed the 2021 Annual and the 2022 Semi-Annual Activity Reports of the Subsidiaries' Nomination Committees and Boards of Directors.
- Was informed of the establishment of a Remuneration Committee in Alpha Bank Cyprus Ltd.
- Was informed of the succession planning of the CEO of Alpha Bank Cyprus Ltd.
- Was informed of the election of a new Member of the Board of Directors and appointment as Managing Director of Alpha Astika Akinita S.A.
- Was informed of the appointment of an Independent Non-Executive Member at Alpha Bank London Ltd.

→ Management committees

1. Executive Committee

In accordance with Law 4548/2018 and the Bank's Articles of Incorporation, the Board of Directors has established an Executive Committee.

The current composition of the Executive Committee of the Bank is identical to the Executive Committee of Alpha Services and Holdings S.A.

The Executive Committee acts as a collective corporate body of the Bank. The Committee's powers and authorities are determined by way of a CEO act, delegating powers and authorities to the Committee.

The composition of the Executive Committee of the Bank as of 20.5.2022 is as follows:

Chair:

V.E. Psaltis

Chief Executive Officer

Members:

S.N. Filaretos

General Manager – Growth and Innovation

S.A. Andronikakis

General Manager – Chief Risk Officer

I.A. Papagaryfallou

General Manager – Chief Financial Officer

I.M. Emiris

General Manager of Wholesale Banking

I.S. Passas

General Manager of Retail Banking

N.R. Chryssanthopoulos

General Manager – Chief of Corporate Center

S.A. Oprescu

General Manager of International Network

A.C. Sakellariou

General Manager – Chief Transformation Officer

S.N. Mytilinaios

General Manager – Chief Operating Officer

F.G. Melissa

General Manager – Chief Human Resources Officer

G.V.Michalopoulos

General Manager – Wealth Management and Treasury

The indicative main responsibilities of the Committee include but are not limited to the following:

The Committee:

- prepares the strategy, the business plan and the annual Budget of the Bank and the Group for submission to and approval by the Board of Directors as well as the annual and interim Financial Statements.
- decides on and manages the capital allocation to the Business Units.
- prepares the Internal Capital Adequacy Assessment Process (ICAAP) Report and the Internal Liquidity Adequacy Assessment Process (ILAAP) Report.
- monitors the performance of each Business Unit and Subsidiary of the Bank versus the Budget and ensures that corrective measures are taken.
- reviews and approves the Policies of the Bank, informing the Board of Directors accordingly.
- approves and manages any collective program proposed by the Human Resources Unit for the Employees and ensures the adequacy of Resolution Planning governance, process and systems.
- is responsible for the implementation of (i) the overall risk strategy, including the Bank's risk appetite and its Risk Management Framework, (ii) an adequate and effective internal governance and internal control framework, (iii) the selection and suitability assessment process for Key Function Holders, (iv) the amounts, types and distribution of both internal capital and regulatory capital and (v) the targets for the liquidity management.

2. General Manager-level Management Committees

2.1 Assets-Liabilities Management Committee (ALCo)

Frequency of meetings: Once a fortnight or extraordinarily, following a proposal by a Member with voting rights.

The Committee:

- decides on matters regarding the management of Asset-Liability and Cash management issues, to ensure the optimal structure of the Balance Sheet with the aim of achieving the short-term and medium to long-term business objectives of the Group.
- assesses financial risks (financial risks are risks arising from changes in the conditions under which liquidity and capital are raised, as well as from changes in the level of interest rates and exchange rates) and decides on the risk hedging strategy and actions, taking into account (current and, according to forecasts, future) market conditions, the Regulatory Framework and the Supervisory Indicators.

2.2 Troubled Assets Committee

Frequency of meetings: At least quarterly and/or ad hoc, following a proposal by a Member with voting rights.

The Committee:

- formulates and approves the delegated authorities that shall be granted to the Servicers, as regards the making of decisions related to the credit risk pertaining to the portfolio assigned,
- evaluates and in principle approves the modification of financial terms included in the relevant Service Level Agreement, following the Cost Control Committee's approval, and their submission to the Risk Management Committee for final approval,
- formulates, evaluates and approves the Wholesale and the Retail Banking Non-Performing Loans Strategy and forwards it to the Credit Risk Committee for approval and for information purposes to the Risk Management Committee, if necessary,
- approves in principle the annual Budget, the Business Plans and the targets set for the NPEs Strategy, Recovery and Monitoring (NSRM) Division as well as for the Servicers in Greece and abroad, in line with the Bank's Business Plan. The above information is forwarded to the Executive Committee and subsequently to the Board of Directors for the final approval, if required,
- approves proposals regarding the sale of exposures portfolios as to their operational feasibility, their relevance to the Business Plan and the Budget of the NSRM Division. This information is forwarded to the Executive Committee for final approval or to the Board of Directors, as appropriate,
- overviews the planning, approval, monitoring and evaluation of pilot products and campaigns that the NSRM Division implements via the Servicers,
- formulates the criteria based on which the long-term sustainability of the proposed products and campaigns shall be examined,
- monitors, controls and evaluates the actions taken to achieve the approved budgetary targets, Business Plans and objectives set for the NSRM Division and for the Servicers in Greece and abroad, in line with the Bank's Business Plan,
- evaluates proposals on the modification of Business Plans and the Budget and selects those proposals that shall be

submitted to the Credit Risk Committee (and to the Risk Management Committee, if necessary),

- approves in principle the Business Rationale (subject to the Executive Committee and the Board of Directors granting their approvals, where required) for the assignment of the management of exposures to companies which specialize in managing receivables and are licensed by the Bank of Greece,
- approves in principle the Business Rationale of the NSRM Division's proposals regarding the assignment of work to external Advisors, subject to the granting of the Cost Control Committee's approval,
- approves ad hoc reports, which are submitted to the European Central Bank and to the Hellenic Financial Stability Fund, within its competences,
- coordinates the proceedings of the Troubled Assets Committees, which operate within the Group Companies abroad.

2.3 RE Committee I

Frequency of meetings: Quarterly or ad hoc, following a relevant request submitted by its Chair or one of its Members.

The Committee:

- determines and monitors the strategy of acquisition, management, development and sale of Real Estate which is either under the Bank's or the Group's ownership or examined to be acquired by the Bank or the Group.

2.4 Operational Risk and Internal Control Committee

Frequency of meetings: At least quarterly or ad hoc, following a relevant request submitted by one of its regular Members with voting rights.

The Committee:

- approves the Operational Risk Management Policy and the Policy on the calculation of operational risk capital. It ensures that an appropriate organizational structure and framework for operational risk management (methodology, procedure and infrastructure) is in place,
- is updated on the operational risk regulatory requirements and assesses the implementation plans proposed by the Market and Operational Risk Division as well as the need for potential modifications that should be applied in the Group Companies,
- is informed of issues raised by the Internal Audit Division concerning high operational risk areas and of the required corrective actions in order to reduce operational risk,
- approves the operational risk provisions on Third Party Lawsuits against the Bank,
- approves the authorization limits of the Committees responsible for the management of operational risk events of the Bank and the Group Companies and examines the operational risk events, the financial impact of which exceeds the limits of the lower Committees,
- is updated on the regulatory requirements which are identified via internal and external audits and assesses the action plans proposed for their mitigation,
- takes cognizance of and decides upon issues related to Operational Risk and the Internal Control Framework.

2.5 Credit Risk Committee

Frequency of meetings: Monthly or ad hoc, following a proposal by one of its Members.

The Committee:

- assesses the adequacy and efficiency of the credit risk management policy and procedures of the Bank and the Group and plans the required corrective actions,
- approves and monitors the Bank's and the Group's Credit Risk Appetite,
- regularly reviews and updates the Group credit risk policies, as per the Bank's Credit Risk Appetite,
- reviews periodically the development of credit risk by sector and geographic area and of concentration risk where the Group operates,
- overviews the reports of the Risk Management Business Units submitted to the Board of Directors and the Risk Management Committee,
- overviews the Troubled Assets Committee's reports,
- oversees the progress against the annual targets submitted through the Business Plan to the Single Supervisory Mechanism (SSM), in the framework of the management of Non-Performing Exposures and Non-Performing Loans,
- approves the Wholesale and Retail Credit Policy Manuals,
- reviews and approves the Group Credit Risk Policies as well as the Group Credit Monitoring Framework,
- approves the Group's Write-offs,
- approves the development and update of the Credit Risk Models as well as the relevant Governance Framework for the Credit Risk Model Management Policy,
- approves the methodology for the calculation of provisions of impairments [Expected Credit Loss (ECL) Methodology],
- approves the quarterly impairment provisions,
- is informed of the most important findings resulting from the conduct of credit reviews by the Credit Control Division,
- is informed of the strategy for the management of arrears, of arrears regulations and of the Group's Arrears Committees, approved by the Troubled Assets Committee,
- reviews the results of the Stress Tests,
- reviews the results and decides on required actions for issues stemming from external evaluation processes, including the Supervisory Review and Evaluation Process (SREP), the SSM Audits, the European Banking Authority (EBA) Stress Tests,
- reviews financial and risk monitoring and reporting issues (e.g., Pillar III disclosures, IFRS 9 reports, impairments);
- is informed and reviews the progress of projects related to supervisory guidelines (e.g., new definition of default, provisioning calendar) as well as important projects for the Bank related to Credit Risk.

2.6 Cost Control Committee

Frequency of meetings: Bi-weekly or on an ad hoc basis, following a proposal by a voting Member.

The Committee:

- approves the policies and procedures in the context of the Bank's overall Cost Control Framework,
- validates the Capital Expenditures and Operating Expenses (CapEx/OpEx) Budget, as well as its allocation in expense categories, as per the proposal submitted by the Budgeting

and Controlling Division, prior to its submission to the Executive Committee for approval,

- validates the annual Project Portfolio proposal, formed by the responsible areas,
- evaluates and approves expense requests within its limits,
- receives updates on a quarterly basis from the Budgeting and Controlling Division, with respect to the evolution of expenses versus the Budget, at Bank and Group level,
- assigns to the Expense Line Owners the identification of cost rationalization areas within their area of responsibility and evaluates/validates proposals concerning the execution of relevant actions, in collaboration with the responsible Units and the Cost Control Function,
- indicates the appropriate way of handling confidential expenses, based on their confidentiality rating,
- validates the proposal submitted by the Budgeting and Controlling Division regarding the methodology and rules of cost allocation for the purpose of measuring the Units' performance (Value Based Management).

2.7 Credit Committee I

Frequency of meetings: At least twice a week at the request of the competent Recommending Officer (without voting right) or at the request of one of its Members.

The Committee:

- decides, within its delegation limits, on the following:

– Credit requests to companies or groups of connected companies, under the responsibility of the Divisions supervised by the General Manager of Wholesale Banking.

– Risk-related Matters of Credit Institutions, Central Governments, Transnational Organizations and Mediators under the responsibility of the Divisions supervised by the General Manager – Wealth Management and Treasury.

– Retail Banking credit requests for new credits and periodic reviews of credit limits.

– Credit requests of Individuals for personal/consumer and housing loans, for which an application is submitted through the Private Banking Division.

– Credit requests of companies or groups of connected companies, with performing exposures under the management of the Private Banking Division.

– Lending to companies or groups of connected companies of the International Network with Performing Exposures.

2.8 Arrears Committee I

Frequency of meetings: At least once a week upon request of the Executive General Manager- NPEs Remedial Management or at the request of one of its Members.

The Committee:

- decides on Customers' requests under the management of the Arrears Units in Greece and in the countries where the Group operates, regarding the following portfolios:

– Wholesale Banking – Greece

– Retail Banking – Greece and

– Wholesale Banking – International Network

2.9 Group Sustainability Committee

Frequency of meetings: At least bi-monthly or following a relevant request submitted by one of its regular Members with voting rights.

The Committee:

- steers the Group's strategy and direction on sustainability and ESG-related topics, to support the sustainability and resilience of the Group's business model as well as to enable long-term value creation,
- agrees on and proposes for endorsement by the Executive Committee and approval by the Board of Directors the Group's ESG Policy and its targets, including financial and non-financial Key Performance Indicators (KPIs), according to the established governance procedures,
- ensures that the aforementioned ESG targets and KPIs are aligned with and are incorporated into the Group's Risk Appetite Framework, the Business Plan and any relevant policies, through the implementation of an appropriate decision-making process and the approval of the responsible Bodies for the said policies,
- monitors the Group's sustainability performance against policy targets and benchmarks,
- monitors current and emerging ESG trends affecting the Group,
- remains informed of the investment community's expectations regarding ESG-related topics and proposes actions to ensure the Group differentiates itself successfully,
- proposes criteria for sustainable credit approvals, debt issuances and investments to be incorporated in the relevant policies,
- oversees the content of ESG-related non-financial disclosures, including the Non-Financial Report and the Sustainability Report,
- monitors the Group's alignment with ESG requirements, including regulatory expectations and the Principles for Responsible Banking (PRB) commitments,
- monitors the implementation of sustainability and corporate responsibility initiatives,
- oversees internal and external communications related to ESG,
- remains informed of matters raised by the Internal Audit Division, concerning ESG risks and the required mitigating actions to address them,
- takes cognizance of relevant findings which are identified in external audits and assesses the action plans proposed to address them,
- is informed about the results of supervisory evaluations and decides on appropriate actions in response to topics stemming from new supervisory requirements, guidelines and recommendations of relevant Bodies, such as: (i) the Supervisory Review and Evaluation Process (SREP), (ii) the Single Supervisory Mechanism (SSM), (iii) the European Banking Authority (EBA) and (iv) Other Legal, Regulatory or Government authorities which may issue ESG-related legislation or regulations. For supervisory issues, the Committee leverages on the existing governance structure of the Bank,
- is advised by the Compliance function or the other Control functions of the Bank on the appropriate action to be taken with regard to new or amended regulatory requirements,
- discusses proposals for relevant operational or capital expenses, driven by the Group's ESG initiatives, subject to the Bank's governance process on budgeting and expense control.

Internal audit

In order to protect the Bank's assets and safeguard its Shareholders' and Customers' interests, an Internal Control System is in place, which includes control mechanisms and procedures that cover all its activities on a continuous basis and contribute to its effective and secure operation.

The mission of Internal Audit is to enhance and protect the organizational value by providing independent, risk-based and objective assurance, advice and insight.

The Internal Audit applies a risk-based approach in planning and conducting the audit engagements, in compliance with the International Professional Practices Framework of Internal Auditing and best practices. The audit methodology and the internal audit tools which are used allow for organizing, executing and evaluating the audit process, as well as for the production of reports at Group level.

Local Internal Audit Units at Group Companies apply the same methodology and standards with the Internal Audit Unit of Alpha Bank.

In 2022, the Internal Audit Units carried out audit engagements in Branches, IT and business processes of the Bank and the Group Companies.

The Board of Directors, through the Audit Committee, and the Management are informed of the audit results and the Internal Auditor's opinion on the adequacy and effectiveness of the Internal Control System.

Regulatory compliance

The Bank identifies, evaluates, and manages risks it may be exposed to due to failure to comply with the applicable regulatory framework (compliance risk). To this end, the legal and regulatory obligations of the Group are recorded, and the compliance level is assessed. In cases of identified deviations, their impact is promptly evaluated, and appropriate measures are implemented, so that Customers and Shareholders' interests are protected, along with the Bank's reputation.

Regarding Related Parties' transactions, in 2022, monitoring was further enhanced, and relevant controls were deployed for all types of transactions stipulated in the Related Parties' Policy, increasing radically the awareness level. The Policy was twice updated in 2022.

"Anti-Bribery and Corruption" Policy applies to all activities and operations of the Group and is addressed to all Employees, including Management, Customers, and Third Parties. The purpose of the Policy is to define the standards and principles regarding the prevention of bribery and corruption, as well as the adoption of best practices pursuant to the provisions of the regulatory framework. The Group has adopted a zero-tolerance approach towards all forms of bribery and corruption. For 2022, adherence to the Policy was full as no provision deviations were observed.

In 2022, Compliance and Asset Liability Management Divisions updated the "Product Development Policy" of the Bank. The revised Policy, which was approved on 24.2.2022 by the Board of Directors and was published on 5.7.2022, sets out the principles and procedures that must be adopted by the competent Group Units in order to design a new or modify, remove or replace an existing product or service, so as for all risks arising for the Bank and the Group Companies, as well as for their Customers to be effectively mitigated. The results of the monitoring are assessed as satisfactory since no discrepancies were identified.

In 2022, Compliance Division conducted training programs aiming to increase awareness regarding the obligations that derive from compliance risk, as well as training programs to improve Ethics and Transparency. More specifically, ten (10) programs were conducted, and 557 officers of the Bank participated.

Following the review of the Whistleblowing Policy and Procedures, the composition, operation and responsibilities of the Whistleblowing Committee (the "Committee") were updated. During the year, the Compliance Division received 2 new whistleblowing reports, through various means (dedicated e-mail, phone number, post, etc.). The Whistleblowing Committee has convened 2 times throughout the year and has reviewed reports submitted, updating the Audit Committee accordingly.

In the context of the Policy for the prevention of Conflict of Interest, Compliance Division fully undertook the responsibility of granting an opinion on Personnel's requests to initiate a business activity in parallel with the one in the Bank. Monitoring of the Policy was enhanced with new controls regarding the Personnel who were given employment during the year, and the potential Conflict of Interest cases.

Within the reporting year, Compliance Division ensured the strengthening of the Market Abuse Prevention framework recommending the creation of the Inside Information Evaluation Committee. Furthermore, it has circulated to competent Divisions specific instructions regarding the process of managing situations related to the Group's listed entities that may be perceived to constitute inside information.

As far as compliance with the MIFID II regulatory framework is concerned, during 2022, the introduction of new periodic controls continued, in parallel with the monitoring of the existing ones, while remote audits of the supervisory authorities were carried out and useful conclusions were drawn. The results of the monitoring are assessed as particularly positive since the level of officers' awareness remains high and the framework of policies and procedures is considered sufficient.

With regards to the incorporation of the Sustainable Finance Disclosure Regulation (2019/2088), for respective provisions of the amended Delegated Regulation 565/2017 and Delegated Regulation 593/2017, the Compliance Division proceeded to the update of the MIFID Pre-contract Investor Information, the Product Governance Policy and the Conflict of Interest Policy.

During 2022, the deployment of key performance and risk indicators (KPIs/KRIs) with regards to Customer Conduct Risk was further enhanced, in order to better address issues arising and apply appropriate remedial actions.

In addition, throughout 2022, the Compliance Division was continuously providing support to the Branch Network and the Business Divisions by issuing relevant opinions and advisory notes, reviewing and opining upon procedure manuals, internal processes, and products/services, this way ensuring, the proper implementation of the current regulatory framework.

To this extent, Compliance Division participated actively in the Bank's outsourcing activities' respective working group regarding the assessment and performance of the gap analysis of the Outsourcing Policy against the EBA Guidelines on Outsourcing activities.

Moreover, in 2022 aiming at the effective monitoring and management of compliance risk, the timely and consistent adaptation of the Bank to new laws and regulations, as well as the creation of an adequate and effective compliance control environment within the Bank and the Group companies, the following actions were also implemented:

- The design and implementation of targeted training programs for Bank

Officers and Employees, in order to raise awareness on the obligations arising from compliance risk and to ensure implementation of regulatory compliance principles.

- The participation of Compliance Division Executives as trainees to accredited educational programs on Compliance, AML/CFT, Bank Secrecy, Whistleblowing and Transparency issues, intended to further expand subject-matter knowledge and skillsets.
- The timely submission of the Bank's reports to supervisory Authorities.
- The active participation and coordination of Periodic Review and Periodic Certification for Qualified Intermediary purposes in the context of Hive-down.
- The participation and coordination of the QI Agreement renewal.
- The update of the Related Parties Policy.
- The update of the Compliance Policy.
- The update of the Whistleblowing Policy.
- The update of the Product Development Policy.
- The active participation in working groups of the Bank in terms of designing new products and services.

With regards to AML/CFT the most important actions and developments that took place during 2022 are summarized below:

- The revamping of the operational effectiveness of the two new Units under Compliance, responsible for Transaction Monitoring and Periodic Reviews.
- The endorsement and implementation of additional controls that would prevent the rise of ML/FT material cases.
- The completion of the annual Risk Assessment evaluation in terms of the AML/CFT and Sanctions and Embargoes risk categories.
- The update of the AML Microsite in the Bank's intranet.
- The update of the KYC procedures following the issuance of a Ministerial Decision regarding digital identity cards issued through gov.gr.
- The Development of internal processes for monitoring adherence to the applicable regulatory framework.
- The submission to the Bank of Greece of the annual and half-year reports on foreign transactions and high-risk products for 2021.
- The conduct of AML/CFT training programs to Executives and Employees of the Bank and Group Companies in Greece, under the thematic of AML/CFT Awareness, KYC Documents, Periodic Reviews and Transactional Monitoring.
- The active participation in the working group of the Ministry of Digital Governance, regarding the e-Gov KYB (Know Your Business) Project.
- The active participation in internal working groups of the Bank. The main ones refer to:

— The continuous evaluation of the effectiveness of the AML systems in terms of the optimization of the scenarios and the enhancement of AML alerts prioritization process.

— The systematic review and reassessment of Customers' transactional activity in order to ensure that transactions performed are in accordance with the Customer's profile and Know Your Customer (KYC) records.

- With respect to the challenging Sanctions regime, as it has emerged following the war in Ukraine, the Compliance Division in 2022:

— monitored closely the developments related to the EU-imposed restrictive measures against Russia and Belarus and the corresponding FAQs,

- issued regularly guidelines to responsible Bank Units, following the issuance of EU packages of sanctions against Russia,
- updated the Bank microsite with useful material (including a dedicated presentation analyzing the updated Sanctions regime / legal acts / FAQs / useful links),
- applied systemic implementations required for the Banks' compliance with the relevant EU-imposed restrictive measures such as the establishment of a new perimeter for Customers under prohibitions, excluding Russian and Belarusian Banks that were disconnected from Swift mechanism,
- scrutinized all transactions related to Russia and Belarus. Said transactions i) require Compliance pre-approval, and ii) are monitored real-time through the related application,
- performed periodic and hoc reviews for the Russia and Belarus-related Customers, e.g. review KYC Data upon onboarding.

• Additionally, the Customers’ Periodic Reviews Section:

- issued the Internal Procedures Manual,
- enhanced the Customer Screening Tool,
- assessed and amended the review process and the applied trigger events.

• The Transaction Monitoring Unit has introduced a new prioritization process in terms of conveying the severity of an alert. The new approach has contributed to a notable decrease of the AML alerts backlog.

• The 2nd meeting with the AML/CFT College took place in December 2022. Eight (8) Competent Authorities (Central Banks & FIUs) from four (4) countries participated, along with the SSM and the EBA. The agenda focused on the key developments on the AML sphere and the Banks’ initiatives in improving its monitoring across the Group.

In the context of the supervision and monitoring of Group Companies, Group Compliance Division continued to implement on a periodic basis the following controls:

• Coordinated and run the AML/CFT Group Transformation Project.

• Discussed and opined in the annual Objectives of the Group Companies, following the completion of their Compliance Risk Assessment process.

• Reviewed, assessed the progress, and endorsed the Group Companies’ Quarterly Progress Reports.

• Reviewed and opined upon the Annual Reports of the Group Companies based in Greece.

• Updated the Audit Committee with a dedicated presentation for the Group Companies activities.

• Provided guidance to the Group entities, in an effort to ensure alignment to the Group’s AML/CFT standards and coordinate the adoption, by the Group Companies AML Policy or any revision thereof.

• Provided support and guidance for the implementation of sanctions imposed against Russia.

• Alpha Bank Group Compliance Transformation Project

In 2022, a new transformation Project was initiated, aiming to design the alignment roadmap for Methodology and Processes at Group Level. In particular, the Project consisted of two pillars, i.e.

— AML Model enhancement

— Top-Down Risk Assessment (all Compliance risks included)

The Project focused mainly in Alpha Bank Cyprus and Alpha Bank Romania, due to the volume and nature of activities (banking sector). Alpha Bank Luxembourg Branch and Alpha Bank London were only involved in the AML enhancement pillar, with a narrower scope.

The implementation of the program's initiatives has commenced in 2023.

With regard to Banking Secrecy the most important actions and developments that took place during 2022 include the following:

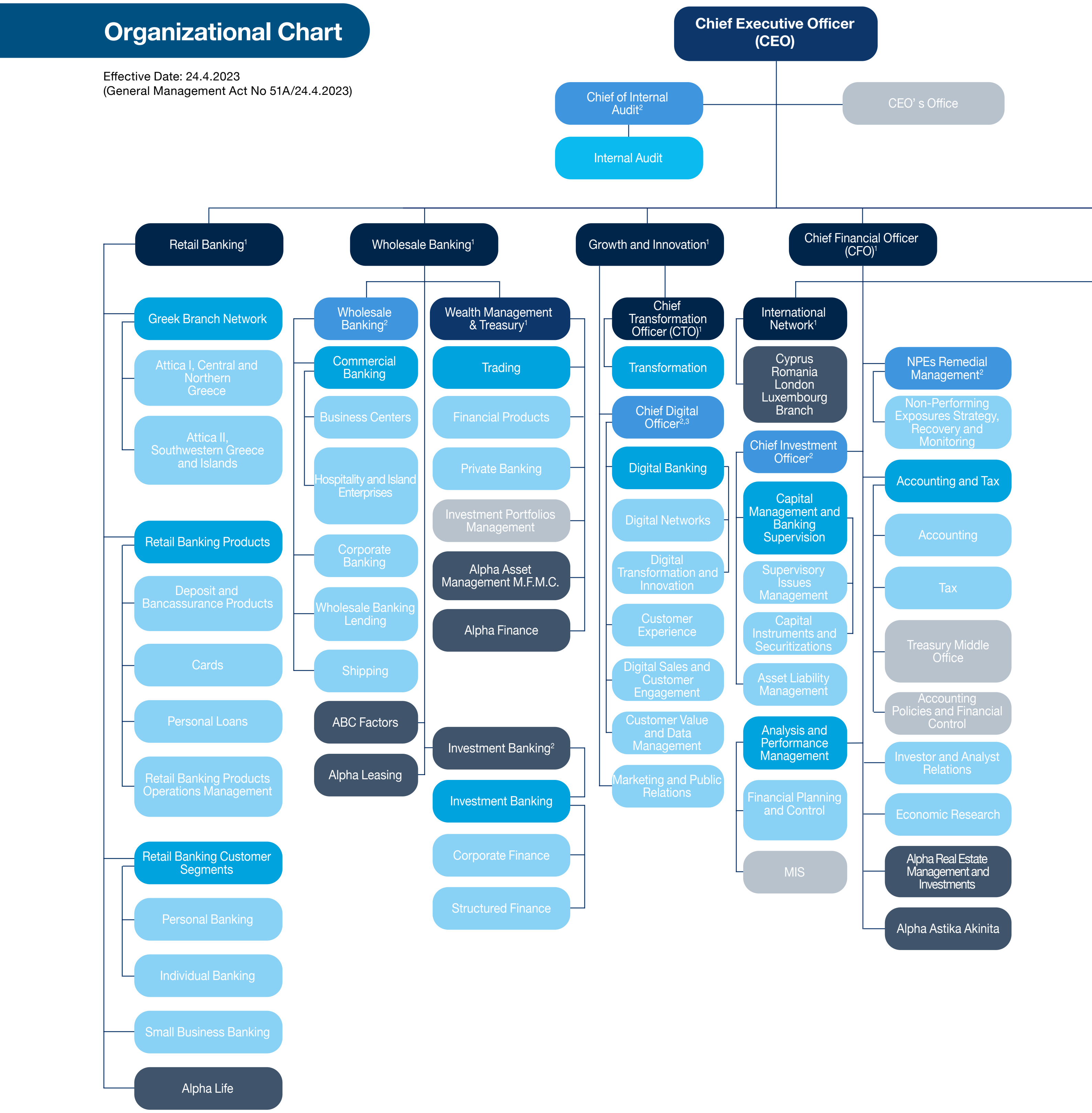
- The performance of the unit as a whole was higher than the previous year, due to an increased number of cases regarding the provision of information to supervisory, tax, judicial and other Authorities, as well as to third parties. The highest influx of requests came from Police Authorities, due to a sharp increase of fraud cases through web transactions.
- The freeze of Customer property assets in compliance with judicial and financial Authorities' orders.
- The design and implementation of regular interactive training programs to Bank Officers.
- The carrying out of remote reviews on the Branch Network in order to safeguard Bank Secrecy adherence and identify potential breaches.
- The provision of guidelines to the Branch Network for handling requests pertaining to the disclosure of bank secrecy.

Compliance Division 2023 strategy focuses on:

- Further increasing Compliance Awareness of the Bank's Personnel.
- Revamping efficiency through automation when handling open cases, especially in the broader AML domains.
- Introducing new training means, that would support a qualitative enrichment of the process and of the impact.
- Introducing a more sophisticated analysis of the incoming regulatory framework.
- Implementing those processes/controls required to accommodate the core findings of the international transformation project, thus promoting harmonization in compliance matters among Group Companies.

Organizational Chart

Effective Date: 24.4.2023
(General Management Act No 51A/24.4.2023)



1 General Manager and member of the Executive Committee
2 Executive General Manager / Chief
3 For matters and tasks related to the Branch Network sales support as well as the design and execution of communication campaigns to Retail Customers, the Executive General Manager - Chief Digital Officer refers to the General Manager - Retail Banking
4 The Area "Climate and ESG Risk Management" and the Functional Area "Market Risk" are supervised by the Chief Risk Control Officer


Chief Operating Officer (COO)[1]
Information Technology (CIO)[2]
IT Governance
IT Core Banking Services
IT Digital Services and Data Analytics
IT Infrastructure and Operations
Business Data
Alpha Supporting Services
Central Procurement Management and Outsourcing
Property and Security
Cybersecurity and Information Security
Customer Service
Operations
Credit Operations
Back Offices – Investments
Payments Operations
Organizational Planning
Organization
Business Projects
Chief Risk Officer (CRO)[1]
Compliance[2]
Compliance[2]
Group Data Protection Officer
Chief Risk Control Officer[2,4]
Credit Risk Policy and Control
Credit Risk Modeling
Credit Risk Cost Assessment
Operational Risk
Chief Credit Officer[2]
Wholesale Credit
Credit Workout
Retail Credit
Credit Risk Data and Analysis
Credit Risk Data Management
Credit Risk Analysis
Risk Models Validation
Chief of Corporate Center (CCC)[1]
Chief Human Resources Officer (CHRO)[1]
Human Resources Strategy and Reward
Human Resources Operations
Chief Legal Officer2
Strategic Projects, Regulation and ESG Legal Support
Banking Services and Operations Legal Support
Civil, Administrative, Criminal Law Disputes and NPEs' Legal Support
Strategy and Investments
Alpha Ventures
Governance and Sustainability
Communications and Corporate Affairs
Corporate Communications
Senior Divisions
Supporting Divisions
Divisions
Group Companies

10

Financial Statements

GROUP FINANCIAL STATEMENTS AS AT 31.12.2022

Consolidated Income Statement

Amounts in Euro thousand

From 1 January to:	31.12.2022	31.12.2021*
Interest and similar income	1,887,616	1,887,539
Interest expense and similar charges	(564,570)	(511,643)
Net interest income	1,323,046	1,375,896
Of which: net interest income based on the effective interest rate	1,365,402	1,431,992
Fee and commission income	478,097	466,808
Commission expense	(82,038)	(71,224)
Net fee and commission income	396,059	395,584
Dividend income	2,882	1,825
Gains less losses on derecognition of financial assets measured at amortized cost	(3,560)	(2,247,871)
Gains less losses on financial transactions	470,796	218,089
Other income	93,015	23,617
Staff costs	(376,093)	(406,746)
Expenses for separation schemes		(97,701)
General administrative expenses	(447,728)	(475,401)
Depreciation and amortization	(156,522)	(157,055)
Other expenses	(101,871)	(132,116)
Profit/(Loss) before impairment losses, provisions to cover credit risk and related expenses	**1,200,024**	**(1,501,879)**
Impairment losses, provisions to cover credit risk and related expenses	(558,888)	(1,433,013)
Share of profit/(loss) of associates and joint ventures	3,048	6,167
Profit/(Loss) before income tax	**644,184**	**(2,928,725)**
Income tax	(263,598)	55,795
Profit/(Loss) after income tax from continuing operations	**380,586**	**(2,872,930)**
Net profit/(loss) after income tax from discontinued operations	17,438	(33,144)
Profit/(Loss) for the year	**398,024**	**(2,906,074)**
Profit/(Loss) attributable to:		
Equity holders of the Company	**397,717**	**(2,906,160)**
- From continuing operations	380,279	(2,873,016)
- From discontinued operations	17,438	(33,144)
Non-controlling interests	**307**	**86**
Earnings/(Losses) per share		
Basic (€ per share)	0.1694	(1.5046)
Basic from continuing operations (€ per share)	0.1620	(1.4875)
Basic from discontinued operations (€ per share)	0.0074	(0.0172)
Diluted (€ per share)	0.1692	(1.5040)
Diluted from continuing operations (€ per share)	0.1618	(1.4868)
Diluted from discontinued operations (€ per share)	0.0074	(0.0172)

*as restated

Consolidated Statement of Comprehensive Income

Amounts in Euro thousand

From 1 January to:	31.12.2022	31.12.2021*
Profit/(Loss) for the year, recognized in the Income Statement	**398,024**	**(2,906,074)**
Other comprehensive income:		
Items that may be reclassified subsequently to the Income Statement		
Net change in reserve of investment securities measured at fair value through other comprehensive income	(160,133)	(237,923)
Net change in cash flow hedge reserve	(14,188)	20,785
Foreign currency translation net of investment hedges of foreign operations	596	(1,627)
Income tax	43,121	56,550
Items that may be reclassified to the Income Statement from continuing operations	**(130,604)**	**(162,215)**
Items that may be reclassified to the Income Statement from discontinued operations	**(15,127)**	**1,753**
Items that will not be reclassified to the Income Statement		
Net change in actuarial gains/(losses) of defined benefit obligations	6,635	3,480
Gains/(Losses) from investments in equity securities measured at fair value through other comprehensive income	(16,132)	13,834
Income tax	1,883	(5,081)
Items that will not be reclassified to the Income Statement from continuing operations	**(7,614)**	**12,233**
Other comprehensive income, after income tax	**(153,345)**	**(148,229)**
Total comprehensive income for the year	**244,679**	**(3,054,303)**
Total comprehensive income for the year attributable to:		
Equity holders of the Company	**244,372**	**(3,054,378)**
- From continuing operations	242,061	(3,021,234)
- From discontinued operations	2,311	(33,144)
Non-controlling interests	307	75

*as restated

Consolidated Balance Sheet

Amounts in Euro thousand

	31.12.22	31.12.21*
ASSETS		
Cash and balances with central banks	12,894,774	11,803,344
Due from banks	1,368,135	2,964,056
Trading securities	4,261	4,826
Derivative financial assets	2,142,196	941,609
Loans and advances to customers	38,747,816	36,860,414
Investment securities		
- Measured at fair value through other comprehensive income	1,806,445	6,634,120
- Measured at amortized cost	11,336,249	3,752,748
- Measured at fair value through profit or loss	327,506	253,346
Investments in associates and joint ventures	98,665	68,267
Investment property	244,903	425,432
Property, plant and equipment	529,225	737,813
Goodwill and other intangible assets	474,683	478,183
Deferred tax assets	5,232,364	5,427,516
Other assets	1,294,955	1,572,797
	76,502,177	**71,924,471**
Assets classified as held for sale	1,516,514	1,431,485
Total Assets	**78,018,691**	**73,355,956**
LIABILITIES		
Due to banks	14,344,851	13,983,656
Derivative financial liabilities	2,305,318	1,288,405
Due to customers	50,245,924	46,969,626
Debt securities in issue and other borrowed funds	2,922,979	2,593,003
Liabilities for current income tax and other taxes	22,926	59,584
Deferred tax liabilities	23,487	23,011
Employee defined benefit obligations	23,881	29,448
Other liabilities	920,097	888,030
Provisions	921,111	834,029
	71,730,574	**66,668,792**
Liabilities related to assets classified as held for sale	10,661	607,657
Total Liabilities	**71,741,235**	**67,276,449**
EQUITY		
Equity attributable to holders of the Company		
Share capital	680,980	703,794
Share premium	5,259,115	5,257,622
Special Reserve from Share Capital Decrease	296,424	6,104,890
Reserves	(273,048)	320,671
Amounts directly recognized in equity and associated with assets classified as held for sale		15,127
Retained earnings	296,911	(6,366,258)
Less: Treasury shares	(1,296)	
	6,259,086	**6,035,846**
Non-controlling interests	**18,370**	**29,432**
Hybrid securities		**14,229**
Total Equity	**6,277,456**	**6,079,507**
Total Liabilities and Equity	**78,018,691**	**73,355,956**

*as restated

Consolidated Statement of Changes in Equity

Amounts in Euro thousand

	Share capital	Treasury shares	Share Premium as restated	Special Reserve from Share Capital Decrease as restated	Reserves	Amounts directly recognized in equity and associated with assets classified as held for sale	Retained Earnings	Total	Non-controlling interests	Hybrid Securities	Total
Balance 1.1.2021	**463,110**	**-**	**4,696,139**	**6,104,890**	**492,791**	**-**	**(3,431,502)**	**8,325,428**	**29,382**	**14,699**	**8,369,509**
Changes for the period 1.1.2021 - 31.12.2021											
Profit/(Loss) for the period, after income tax							(2,906,160)	**(2,906,160)**	86		**(2,906,074)**
Other comprehensive income for the year, after income tax					(160,451)		12,233	**(148,218)**	(11)		**(148,229)**
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**(160,451)**	**-**	**(2,893,927)**	**(3,054,378)**	**75**	**-**	**(3,054,303)**
Share Capital Increase in cash	240,000		560,000					**800,000**			**800,000**
Share Capital Increase through options exercise	684		1,483		(1,666)		183	**684**			**684**
Transfer of reserves related to the valuation of shares measured at fair value through other comprehensive income related to assets held for sale					(15,127)	15,127		**-**			**-**
Acquisitions, Disposals, Share capital increase and other changes of ownership interests in subsidiaries					(10)			**(10)**	(36)		**(46)**
Valuation reserve of employee stock option program					3,083			**3,083**			**3,083**
Appropriation of reserves					2,021		(2,021)	**-**	11		**11**
(Purchases), (redemption)/ sales of hybrid securities, after income tax							142	**142**		(470)	**(328)**
Expenses for share capital increase							(38,597)	**(38,597)**			**(38,597)**
Other					30		(536)	**(506)**			**(506)**
Balance 31.12.2021	**703,794**		**5,257,622**	**6,104,890**	**320,671**	**15,127**	**(6,366,258)**	**6,035,846**	**29,432**	**14,229**	**6,079,507**

Consolidated Statement of Changes in Equity

Amounts in Euro thousand

	Share capital	**Treasury shares**	**Share Premium**	**Special Reserve from Share Capital Decrease**	**Reserves**	**Amounts directly recognized in equity and associated with assets classified as held for sale**	**Retained Earnings**	**Total**	**Non-controlling interests**	**Hybrid Securities**	**Total**
Balance 1.1.2022	**703,794**	**-**	**5,257,622**	**6,104,890**	**320,671**	**15,127**	**(6,366,258)**	**6,035,846**	**29,432**	**14,229**	**6,079,507**
Changes for the period 1.1.2022 - 31.12.2022											
Profit/(Loss) for the period, after income tax							397,717	**397,717**	307		**398,024**
Other comprehensive income for the year, after income tax					(130,604)	(15,127)	(7,614)	**(153,345)**			**(153,345)**
Total comprehensive income for year	**-**	**-**	**-**	**-**	**(130,604)**	**(15,127)**	**390,103**	**244,372**	**307**	**-**	**244,679**
Share Capital Increase through options exercise	660		1,493		(1,597)		105	**661**			**661**
Offsetting of Net Profit with Reserves				(5,808,466)	(420,425)		6,228,891	**-**			**-**
Share capital decrease through distribution in kind	(23,474)							**(23,474)**			**(23,474)**
Transfer					(51,444)		51,444	**-**			**-**
(Acquisitions) / Disposals / Share capital increase and other changes of ownership interests in subsidiaries								**-**	(8,338)		**(8,338)**
Sales and purchases of treasury shares		(1,296)						**(1,296)**			**(1,296)**
Valuation reserve of employee stock option program					2,014			**2,014**			**2,014**
Dividend distribution								**-**	(3,031)		**(3,031)**
Appropriation of reserves					8,101		(8,101)	**-**			**-**
(Purchases), (redemption)/ sales of hybrid securities, after income tax								**-**		(14,229)	**(14,229)**
Expenses for share capital increase							(179)	**(179)**			**(179)**
Other					236		906	**1,142**			**1,142**
Balance 31.12.2022	**680,980**	**(1,296)**	**5,259,115**	**296,424**	**(273,048)**	**-**	**296,911**	**6,259,086**	**18,370**	**-**	**6,277,456**

Consolidated Statement of Cash Flows

Amounts in Euro thousand

From 1 January to:	31.12.2022	31.12.2021*
Profit/(Loss) before income tax from continuing operations	**644,184**	**(2,928,725)**
Adjustments of profit/(loss) before income tax for:		
Depreciation, impairment, write-offs and net result from disposal of property, plant and equipment	130,266	145,522
Amortization, impairment, write-offs of intangible assets	90,019	119,103
Impairment losses on financial assets, related expenses and other provisions	684,330	1,696,772
Gains less losses on derecognition of financial assets measured at amortized cost	3,560	2,247,871
Fair value (gains)/losses on financial assets measured at fair value through profit or loss	(194,045)	(61,760)
(Gains)/Losses from investing activities	(243,704)	(251,234)
(Gains)/Losses from financing activities	(52,773)	50,129
Share of (profit)/loss of associates and joint ventures	(3,048)	(6,167)
	1,058,789	1,011,511
	1.058.789	1.011.511
Net (increase)/decrease in assets relating to continuing operating activities:		
Due from banks	951,082	223,548
Trading securities and derivative financial instruments	14,077	14,641
Loans and advances to customers	(2,343,461)	(1,993,618)
Other assets	(239,122)	(13,811)
Net increase/(decrease) in liabilities relating to continuing operating activities:		
Due to banks	361,195	884,548
Due to customers	3,276,298	3,650,275
Other liabilities	(20,271)	(58,322)
Net cash flows from continuing operating activities before income tax	**3,058,587**	**3,718,772**
Income tax paid	(57,695)	(58,242)
Net cash flows from continuing operating activities	**3,000,892**	**3,660,530**
Net cash flows from discontinued operating activities	**(791)**	**31,177**
Cash flows from continuing investing activities		
Proceeds from disposals of subsidiaries	214,820	116,888
Dividends received	2,882	1,825
Investments in associates and joint ventures	2,137	
Acquisitions of investment property, property, plant and equipment and intangible assets	(140,212)	(160,660)
Disposals of investment property, property, plant and equipment and intangible assets	28,632	20,948
Interest received from investment securities	190,322	209,743
Purchases of Greek Government Treasury Bills	(1,326,691)	(1,237,405)
Proceeds from disposal and redemption of Greek Government Treasury Bills	1,189,316	1,305,359
Purchases of investment securities (excluding Greek Government Treasury Bills)	(4,495,117)	(3,996,826)
Disposals/maturities of investment securities (excluding Greek Government Treasury Bills)	1,447,740	2,984,759
Net cash flows from continuing investing activities	2,886,171	(755,369)
Net cash flows from discontinued investing activities	**(90,731)**	**(13,175)**
Cash flows from continuing financing activities		
Share Capital Increase	660	800,684
Share Capital Increase expenses	(179)	(40,327)
Proceeds from issue of debt securities and other borrowed funds	841,557	1,385,681
Repayments of debt securities in issue and other borrowed funds	(371,118)	(20,877)
Interest paid on debt securities in issue and other borrowed funds	(87,690)	(41,972)
(Purchases), (Redemption)/ Sales of hybrid securities	(14,299)	
Payment of lease liabilities	(33,115)	(35,637)
Dividend payments	(3,031)	
Net cash flows from continuing financing activities	**332,785**	**2,047,552**
Net cash flows from discontinued financing activities	**(10,081)**	**(7,061)**
Effect of foreign exchange changes on cash and cash equivalents	(915)	(3,837)
Net increase/(decrease) in cash flows	**446,591**	**4,948,876**
Changes in cash equivalent from discontinued operations	(101,603)	10,941
Cash and cash equivalents at the beginning of the period	**12,869,100**	**7,920,224**
Cash and cash equivalents at the end of the period	**13,315,691**	**12,869,100**

*as restated

BANK FINANCIAL STATEMENTS AS AT 31.12.2022

Income Statement

Amounts in Euro thousand

From 1 January to:	31.12.2022	31.12.2021*
Interest and similar income	54,930	183,575
Interest expense and similar charges	(50,125)	(51,933)
Net interest income based on the effective interest rate	**4,805**	**131,642**
Fee and commission income	26,341	31,422
Commission expense	(20,124)	(10,881)
Net fee and commission income	**6,217**	**20,541**
Dividend income	1,290	
Gains less losses on derecognition of financial assets measured at amortized cost	(10)	(2,238,990)
Gains less losses on financial transactions	6,905	5,262
Other income	502	495
Staff costs	(887)	(833)
General administrative expenses	(5,646)	(6,951)
Depreciation and amortization	(43)	(33)
Other expenses		(1)
Profit/(Loss) before impairment losses, provisions to cover credit risk and related expenses	**13,133**	**(2,088,868)**
Impairment losses, provisions to cover credit risk and related expenses	6,591	(256,345)
Profit/(Loss) before income tax	19,724	(2,345,213)
Income tax	(4,778)	44,717
Profit/(Loss) after income tax from continuing operations	14,946	(2,300,496)
Net profit/(loss) after income tax from discontinued operations		(338,386)
Profit/(Loss) for the year	14,946	(2,638,882)
Earnings/(Losses) per share		
Basic (€ per share)	0.01	(1.37)
Basic from continuing operations (€ per share)	0.01	(1.19)
Basic from discontinued operations (€ per share		(0.18)
Diluted (€ per share)	0.01	(1.37)
Diluted from continuing operations (€ per share)	0.01	(1.19)
Diluted from discontinued operations (€ per share)		(0.18)

*as restated

Statement of Comprehensive Income

Amounts in Euro thousand

From 1 January to:	31.12.2022	31.12.2021
Profit/(Loss) for the year, recognized in the Income Statement	14,946	(2,638,882)
Other comprehensive income		
Items that may be reclassified subsequently to the Income Statement		
Net change in reserve of investment securities measured at fair value through other comprehensive income		(87,964)
Net change in cash flow hedge reserve		6,036
Income tax		23,759
Items that may be reclassified to the Income Statement	**-**	**(58,169)**
Items that will not be reclassified to the Income Statement		
Net change in actuarial gains/(losses) of defined benefit obligations	19	(17)
Gains/(Losses) from investments in equity securities measured at fair value through other comprehensive income	(59)	117
Income tax		(34)
Items that will not be reclassified to the Income Statement	**(40)**	**66**
Other comprehensive income, after income tax	**(40)**	**(58,103)**
Total comprehensive income for the year	**14,906**	**(2,696,985)**
From continuing operations	**14,906**	**(2,300,514)**
From discontinued operations	**-**	**(396,471)**

Balance Sheet

Amounts in Euro thousand

	31.12.22	31.12.21*
ASSETS		
Due from banks	7,648	25,705
Due from customers	339	18,446
Investment securities		
- Measured at fair value through other comprehensive income	74	133
- Measured at fair value through profit or loss		22,537
- Measured at amortized cost	1,007,242	993,060
Investments in associates	6,251,797	6,160,102
Property, plant and equipment	5	7
Goodwill and other intangible assets	329	370
Other assets	30,667	75,928
	7,298,101	**7,296,288**
Assets classified as held for sale		52,959
Total Assets	**7,298,101**	**7,349,247**
LIABILITIES		
Debt securities in issue and other borrowed funds	1,028,924	1,044,403
Liabilities for current income tax and other taxes	15	31,839
Employee defined benefit obligations	16	30
Deferred tax liabilities	614	24
Other liabilities	13,945	12,292
Total Liabilities	**1,043,514**	**1,088,588**
EQUITY		
Share capital	680,980	703,794
Share premium	5,259,114	5,257,622
Special Reserve from Share Capital Decrease	296,424	6,104,890
Reserves	792,013	423,244
Retained earnings	(773,944)	(6,228,891)
Total Equity	**6,254,587**	**6,260,659**
Total Liabilities and Equity	**7,298,101**	**7,349,247**

*as restated

Statement of Changes in Equity

Amounts in Euro thousand

	Share capital	Share Premium as restated	Special Reserve from Share Capital Decrease as restated	Reserves	Retained earnings	Total
Balance 1.1.2021	**463,110**	**4,696,139**	**6,104,890**	**326,893**	**(3,551,737)**	**8,039,295**
Changes for the year 1.1.2021 - 31.12.2021						
Profit/(Loss) for the year, after income tax					(2,638,882)	(2,638,882)
Other comprehensive income for the year, after income tax				(58,169)	66	(58,103)
Total comprehensive income for the year	**-**	**-**	**-**	**(58,169)**	**(2,638,816)**	**(2,696,985)**
Valuation reserve of employee stock option program				3,083		3,083
Transfer of reserves related to the demerger of banking operations				**153,103**	**1,814**	**154,917**
Expenses for share capital increase					(40,335)	(40,335)
Share Capital Increase through options exercise	684	1,483		(1,666)	183	684
Share Capital Increase through cash	240,000	560,000				800,000
Balance 31.12.2021	**703,794**	**5,257,622**	**6,104,890**	**423,244**	**(6,228,891)**	**6,260,659**

	Share capital	Share Premium as restated	Special Reserve from Share Capital Decrease as restated	Reserves	Retained earnings	Total
Balance 1.1.2022	**703,794**	**5,257,622**	**6,104,890**	**423,244**	**(6,228,891)**	**6,260,659**
Changes for the year 1.1.2022 - 31.12.2022						
Profit/(Loss) for the year, after income tax					14,946	14,946
Other comprehensive income for the year, after income tax					(40)	(40)
Total comprehensive income for the year after income tax	**-**	**-**	**-**	**-**	**14,906**	**14,906**
Discrete monitoring of intragroup dividends in reserves				788,777	(788,777)	-
Valuation reserve of employee stock option program				2,014		2,014
Expenses for share capital increase					(178)	(178)
Offsetting of Retained Earnings with Reserves			(5,808,466)	(420,425)	6,228,891	-
Share Capital Increase through options exercise	660	1,492		(1,597)	105	660
Share Capital decrease through distribution in kind	(23,474)					(23,474)
Balance 31.12.2022	**680,980**	**5,259,114**	**296,424**	**792,013**	**(773,944)**	**6,254,587**

*as restated

Statement of Cash Flows

Amounts in Euro thousand

From 1 January to	31.12.22	31.12.21
Cash flows from continuing operating activities		
Profit/(Loss) before income tax from continuing operations	19,724	(2,345,213)
Adjustments of profit/(loss) before income tax for:		
Depreciation, impairment, write-offs and net result from disposal of property, plant and equipment	2	1
Amortization, impairment, write-offs of intangible assets	42	32
Impairment losses on financial assets, related expenses and other provisions	(7,235)	246,048
Gains less losses on derecognition of financial assets measured at amortized cost	10	2,238,990
Fair value (gains)/losses on financial assets measured at fair value through profit or loss	(7,103)	(2,893)
Impairment of investments	290	760
(Gains) /Losses from sale of investments	(91)	
(Gains)/Losses from investing activities	(54,710)	(38,205)
(Gains)/Losses from financing activities	50,021	46,014
Other adjustments	(2,672)	
	(1.722)	**145.534**
Net (increase)/decrease in assets relating to continuing operating activities:		
Due from customers	(610)	163,333
Other assets	58,434	(61,131)
Net increase/(decrease) in liabilities relating to continuing operating activities:		
Other liabilities	(533)	(10,050)
Net cash flows from continuing operating activities before income tax	**55,570**	**237,686**
Income tax paid	(35,818)	(54,209)
Net cash flows from continuing operating activities	**19,751**	**183,477**
Net cash flows from discontinued operating activities	**-**	**3,183,008**
Cash flows from continuing investing activities		
Investments in associates and joint ventures	(90,979)	(1,160,725)
Dividends received	1,290	
Interest received from investment securities	47,132	7,421
Purchases of investment securities		(1,000,000)
Disposals/maturities of investment securities	69,803	5,811
Net cash flows from continuing investing activities	**27,246**	**(2,147,493)**
Net cash flows from discontinued investing activities	**-**	**(164,344)**
Cash flows from continuing financing activities		
Share Capital Increase	660	800,684
Share Capital Increase expenses	(178)	(40,327)
Proceeds from issue of debt securities and other borrowed funds		495,660
Interest paid on debt securities in issue and other borrowed funds	(48,839)	(28,188)
Repayments of debt securities in issue and other borrowed funds	(16,697)	
Net cash flows from continuing financing activities	**(65,055)**	**1,227,829**
Net cash flows from discontinued financing activities	**-**	**(60,749)**
Effect of foreign exchange changes on cash and cash equivalents		215
Cash equivalent from discontinued operations		(9,263,381)
Net increase/(decrease) in cash flows	**(18,057)**	**(7,041,438)**
Cash and cash equivalents at the beginning of the year	**25,705**	**7,067,143**
Cash and cash equivalents at the end of the year	**7,648**	**25,705**

ALPHA
SERVICES AND HOLDINGS

40 STADIOU STREET, GR-105 64 ATHENS