



2021 ACTIVITY REPORT OF THE AUDIT COMMITTEE

PREAMBLE

By resolution of the Extraordinary General Meeting of Shareholders held on 2.4.2021 and following the receipt of the required regulatory approvals, the demerger of the former Alpha Bank S.A., then authorized to operate as a credit institution (with Registration Code Number 223701000 in the General Commercial Registry (G.E.MI.) and Tax Identification Number 094014249), which has already been renamed “Alpha Services and Holdings S.A.”, was announced on April 16, 2021, pursuant to the Decision of the Ministry of Development and Investments under Protocol Number 45089/16.4.2021, by way of hive-down of the banking business sector with the incorporation of a new company, which has been licensed to operate as a credit institution under the corporate name “Alpha Bank S.A.” (the “Bank”), in accordance with the provisions of article 16 of Law 2515/1997, articles 54 par. 3, 57 par. 3, 59-74 and 140 par. 3 of Law 4601/2019 as well as in accordance with article 145 of Law 4261/2014, as in force (the “Demerger”).

As a result of the Demerger, the Bank has substituted Alpha Services and Holdings S.A. by operation of Greek law as universal successor, in all of its assets and liabilities, rights and obligations and in general in its legal relationships within the banking business sector. Moreover, the Bank continues its operation through the existing Organizational Structure, Branch Network and premises.

Alpha Services and Holdings S.A., which on April 19, 2021 ceased to operate as a credit institution, maintains the assets and activities not related to the banking business sector, while its shares remain listed on the Main Market of the Athens Stock Exchange (the “ATHEX”).

A. COMPOSITION AND FREQUENCY OF MEETINGS

In 2021, the Audit Committee of the Board of Directors of Alpha Services and Holdings S.A. was comprised of five Non-Executive Members of the Board of Directors, of which three Independent in accordance with the requirements of Laws 4706/2020 and 3864/2010 as in force.

Its composition was the following:

Ms. Carolyn G. Dittmeier, Independent Non-Executive Member and Chair of the Committee, Mr. Jan A. Vanhevel, Independent Non-Executive Member, Mr. Efthimios O. Vidalis, Non-Executive Member, Ms. Elanor R. Hardwick, Independent Non-Executive Member and Mr. Johannes Herman Frederik G. Umbgrove, Non-Executive Member and representative of the Hellenic Financial Stability Fund.

In 2021, the Audit Committee convened fifteen (15) times in order to examine the areas of internal control systems, internal audit, compliance, financial reporting and external audit, as foreseen by the Group’s corporate governance policies.

B. ACTIVITIES CARRIED OUT

Internal Control Systems, Internal Audit and Regulatory Compliance

The Audit Committee evaluated the following reports for the year 2020 which were submitted to the Bank of Greece:

- a) the Annual Report of the Internal Audit Division on the evaluation of the Internal Control System of the Group for the previous year, as per the Bank of Greece Governor's Act 2577/9.3.2006,
- b) the Annual Report of the Compliance Division as per the Bank of Greece Governor's Act 2577/9.3.2006,
- c) the Annual Report of the Compliance Officer on Anti-Money Laundering and Combating the Financing of Terrorism.

In addition, the Committee approved and submitted to the Bank of Greece its assessment reports on the adequacy and effectiveness of the Anti-Money Laundering and Combating the Financing of Terrorism Policy as well as on the Internal Control System of the Group.

The Audit Committee assessed the Internal Control System of the Company and the Group for 2021 based on the relevant information provided by the Internal Audit Division, the Compliance Division and the Management, as well as the findings and recommendations from both the Statutory Certified Auditors of the Group and the Regulatory Authorities.

The Audit Committee reviewed the quarterly activity reports of the Internal Audit Division and the Compliance Division, based on the plans previously endorsed by the Audit Committee. The Committee reviewed the 2022 annual Audit Plan of the Internal Audit Division, considering the evolution of the "audit universe", risk assessment methodology, the incorporation therein of newly emerged risks and resource adequacy taking into account the Internal Audit Division's Transformation Plan. During the year, the Committee also reviewed the Annual and Semi-annual Follow-Up Framework of the Internal Audit Division, a procedure which ensures proper management oversight over audit remediation plans.

Within its competence, the Audit Committee supervised the Internal Audit Division and monitored the operation of the Compliance Division. This process included the assessment of their effectiveness and independence as well as of their organizational structure and resources. In a meeting without the presence of the Company's Management, the Audit Committee assured the independence of the Head of Internal Audit. During 2021 the Audit Committee reviewed the appointment of the new Head of Internal Audit of Alpha Services and Holdings S.A. following the hive-down. The Committee reviewed and endorsed the Internal Audit Charter of Alpha Services and Holdings S.A. and resolved to submit it to the Board of Directors for approval.

In addition, the Audit Committee reviewed the Compliance Framework, the Annual Plan and the Objectives for 2022 along with the Organizational Structure of the Compliance Division for the year 2021 and evolution in progress with the centralization of certain AML monitoring units. Moreover, the Committee endorsed the Annual Compliance Risk Assessment for 2021, as well as the Compliance Risk Appetite framework for the same period, both produced under new, well-defined procedures implemented by the Compliance Division.

The Audit Committee, in the context of the periodic review of the Group's Policies, endorsed for approval by the Board of Directors the updated policies of the "Anti-Money Laundering and Combating the Financing of Terrorism (AML/CFT) Policy", the "Market Abuse Prevention Policy" and the "Whistleblowing Policy". It also reviewed and endorsed for approval by the Board of Directors the issuance of the "Tax Risk Management Policy". During 2021 the Committee reviewed the Charter of the Audit Committee of Alpha Services and Holdings S.A. and resolved to submit it to the Board of Directors for approval.

In addition to its review of internal audit results and compliance activity, the Audit Committee met with the Company's Management, was informed about the progress of significant

projects affecting the Group's internal control systems and had several meetings with Executives from various Divisions of the Company and the Bank. The Audit Committee also took cognizance, on a quarterly basis, of the Minutes of the Whistleblowing Committee as well as of the outcome of the investigations with regard to the reported cases, in accordance with the Whistleblowing Policy and Procedures.

The Audit Committee was updated on the Supervisory Dialogue meeting in view of the draft Supervisory Review and Evaluation Process (SREP) Decision of 2021. It also acquired a full understanding of the Risk Management Division through the participation of some of its Members in the Risk Management Committee, selected joint meetings and the review of the operational risk reports for relevant impacts on the internal control system.

Finally, the Audit Committee ascertained that the procedure for the Related Parties Transactions monitoring was fully implemented by the Company and its Subsidiaries during 2021.

Financial Reporting Processes and External Audit

The Audit Committee submitted to the Board of Directors and to the General Meeting of Shareholders for approval the fees of Deloitte Certified Public Accountants S.A. and of SOL S.A. for the statutory audit of the Financial Statements of Alpha Services and Holdings S.A. and its Subsidiaries for the year 2021 and the issuance of a tax certificate (where applicable).

Moreover, in the fourth quarter of 2021 the Committee reviewed the reappointment of the Statutory Auditor (Deloitte) for the next years. On this basis, the Committee conducted an assessment of the effectiveness of the Statutory Certified Auditor, through a detailed questionnaire. The objective of the questionnaire was the assessment of the competence, qualifications, independence, objectivity, communication, responsiveness and the professional skepticism of the Statutory Certified Auditor. The results of the questionnaire process endorsed the rationale for proposing the reappointment of Deloitte as external Group auditors for the statutory audit of the financial statements of Alpha Services and Holdings S.A., Alpha Bank S.A. and their respective Subsidiaries for the next five years as well as for the tax audit for a specific perimeter of Greek and foreign Subsidiaries.

The Committee performed oversight over the financial reporting processes and procedures for preparing the Financial Statements of the Bank and the Group, reviewing the impact of any evolution in accounting standards. It also reviewed the annual Financial Statements preparation for Alpha Bank S.A. and the Group for the year 2020 as well as the First Quarter Financial Statements of the Group of Alpha Bank S.A. (Banking Group) for the year 2021, the semi-annual Financial Statements for Alpha Services and Holdings S.A. and the Group for the year 2021, the Third Quarter Financial Statements of the Group for the year 2021 and the Press Releases regarding the 2021 Group's results, prior to their submission to the Board of Directors for approval. The Audit Committee focused, among other things, on the significant accounting issues and areas requiring professional judgement including the impact of any extraordinary transactions and provisioning. A major change of 2021 regarded the hive-down transaction and the transformation plan as part of the Group's business strategy. All frameworks of the Company and the Bank have been updated in order to accommodate the changes made by the transformation, which brought significant changes in business operations and accounting processes in order to accommodate the HoldCo – OpCo separation.

During 2021 the Committee had several meetings with the Statutory Auditor of the Group (Deloitte) and monitored its activity and performance. It reviewed the Statutory Certified Auditors' Audit Plan for 2021 with reference to the planned audit approach, key audit matters and risks, audit standards and regulation, etc. and evaluated the internal control issues regarding financial reporting processes identified by the Statutory Certified Auditor and the adequacy of the responses provided by the Management. The Committee also reviewed the Non-Audit Services provided to Alpha Services and Holdings S.A., the Bank and the Group by the Statutory Certified Auditor, on the basis of the Manual of the Company "Assignment of

Non-Audit Services to Auditors”, which the Audit Committee updated during the year. It also performed the overall reviewing and monitoring of issues related to its objectivity and independence. In a meeting without the presence of the Company’s Management, the Audit Committee assured the independence of the Statutory Auditor.

Non-Financial Reporting Processes

The Committee monitored the procedure followed for the drafting of the Non-Financial Information Report and the Sustainability Report for the year 2020 in accordance with Laws 4548/2018 and 4403/2016, subsequently endorsing them for approval by the Board of Directors. During 2021 the Audit Committee was also informed on the Limited Assurance Reports, both for the Non-Financial Report and the Sustainability Report for the year 2020, by Deloitte Certified Public Accountants S.A. prepared in accordance with the International Standard on Assurance Engagements (ISAE) 3000.

In this context, the Audit Committee was informed of the Framework of Sustainable Development including among others the Corporate Responsibility Policy, the Group Environmental Policy and the Group Environmental and Social Risk Management Policy on Legal Entities Lending. The Committee was also informed of the Group’s ESG workplan for 2022 which has been developed in order to manage ESG- related risks, capture any opportunities arising and ensure the sustainability of the Group’s business. Compliance with regulatory obligations regarding the proper management of Climate Risk, internal ESG governance enhancement, incorporation of more ambitious environmental targets, reduction of the Group’s direct environmental footprint and incorporation of sustainability criteria in the Group’s policies, are among the key objectives set for 2022.

It took cognizance of the recent document published by the Task Force on Climate-related Financial Disclosures (TCFD), the draft European Central Bank Guidelines on climate-related and environmental risks as well as the Group Environmental Policy and procedures according to the requirement of ISO 14001 and the Corporate Responsibility Policy and the Code of Ethics.

Monitoring activities of Group Audit Committees

With regard to the Subsidiaries, the Committee met on a regular basis with the Audit Committees of the most significant Subsidiaries i.e. Alpha Bank Cyprus Ltd, Alpha Bank Romania S.A., Alpha Bank London Ltd, Alpha Astika Akinita S.A. and AlphaLife Insurance Company S.A., and reviewed the Annual Activity Reports for 2020 and the Semi-Annual Activity Reports for 2021 requested and received from all Audit Committees of Group Subsidiaries pertaining to the fulfillment of their responsibilities.

C. CONCLUSIONS

The Audit Committee performed all activities foreseen in the Company’s Audit Committee Charter, in full support of the Board of Directors’ responsibilities. The cooperation of the Committee with all the Executives of the Company was considered fully satisfactory. After each meeting, the Chair of the Audit Committee informed the Board of Directors of its activity and the issues that had been addressed.